

Explosion in Sports Media Rights Means \$3 Monthly Fee Increase on DirecTV

Written by Maury Brown
Thursday, 14 February 2013 22:50



The first real signs that regional sports network media rights fees are trickling down to customers comes via DirecTV

Maybe the sports [television rights bubble hasn't burst quite yet](#) , but the explosion in how much regional sports networks (RSNs) are expecting from the carriers is finally hitting your wallet.

Whether it is the Rangers (\$3 billion), Angels (\$3 billion), Astros with the Houston Rockets (\$1.6 billion), Padres (\$1.2 billion), or Dodgers ([\\$7-\\$8 billion](#)), and [YES' recent \\$3 billion valuation](#) , in baseball alone, the massive rights deals being brokered with RSNs have created battles between the networks and carriers. When it hits the carriers, it eventually winds up in your cable or satellite bill.

The first significant case of this is happening with satcaster DirecTV. [In August, DTV began adding a \\$3 a month surcharge](#) for RSNs in markets that had more than one regional sports network. This mostly just impacted larger markets, but now, it will affect all.

Beginning this spring, DTV will expand the fee to all existing customers, meaning a \$36 annual increase for consumers. And, DirecTV will not be the only one. As [reported by Multichannel News](#) :

Other distributors have followed DirecTV's lead with the RSN charge – [Verizon's FiOS TV began implementing a \\$2.42 monthly charge for RSNs](#) in California, Texas and Florida in February, with plans to expand to its remaining sates in March. In Maryland and Virginia, the surcharge will take effect in April.

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So, while at the outset it was said that maybe the rights fee bubble may not yet have burst, it's creating a problem as new deals across the sports landscape begin to have cumulative effect. Just last week, FOX Sports San Diego, which is the RSN that the Padres inked their \$1.2 billion deal with, [finally landed on DISH](#) . DirecTV was one of the last large carriers to pick up TWC SportsNet, the RSN that was created with the Los Angeles Lakers as their key programming. The rights deal for the Lakers is a reported \$4 billion. The Rockets, now nearly halfway through the season are not on DTV via CSN Houston, and the Astros—the largest stakeholder in the new Houston RSN—are about to begin the 2013 season not on DirecTV's program menu.

Deals will continue to be brokered as media rights deals expire, but the battle to get them on the major carriers, or getting the massive deals that have been recently inked, will continue to be an issue.

Of course, none of this is good for fans. While the financial flexibility is something every sports fan loves to see their favorite club have, if it means a large spike in their cable or satellite TV bill, it comes with a price. The pin is positioned near the bubble. When will it make contact is the question.



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