



## **ESPN: The Worldwide Leader in Sports**

### **Listening Questions 1:**

1. When did the ESPN network start broadcasting?
2. What is SportsCenter?
3. How much did ABC pay for ESPN and its satellite broadcasting facilities?
4. Why is October a busy month for ESPN?

### **Listening Questions 2:**

1. How has ESPN diversified its business?
2. As of early 2015, how many households subscribed to ESPN?
3. According to an analyst at Wunderlich Securities, how much was ESPN worth in 2014?
4. What change in consumer habits is having a negative impact on ESPN?

## Transcript 1:

ESPN is a cable and satellite TV network that focuses on sports. The company was founded in 1978 and the network launched in 1979. It is based in the small town of Bristol, Connecticut, USA. ESPN became a 24-hour, 7-day-a-week channel on September 1, 1980.

The first show that ESPN aired was SportsCenter, a show that featured sports news and highlights of that day. SportsCenter has been ESPN's flagship show since the network launched. Several anchors that appeared on SportsCenter went on to other jobs in entertainment such as TV talk show host, radio talk show host, or even actor.

In 1984, the broadcast TV network ABC acquired ESPN and its satellite broadcasting facilities for \$232 million. With the financial resources of ABC behind it, ESPN was able to sign a deal with the NFL to broadcast games on Sunday nights. Eventually ESPN signed contracts with Major League Baseball, the NBA, and NHL as well. From 2002-2004, the network broadcast some games of all 4 major sports leagues in North America.

October is a very busy month for ESPN because it is the only month when the 4 major North American sports leagues (MLB, NFL, NBA, and NHL) all have games.



## Transcript 2:

ESPN has diversified its business over the years by creating its own radio network, magazine, websites, and an additional 8 TV channels.

In 1996, the Walt Disney Company acquired ABC so ESPN has been under the Disney corporate umbrella since then. Disney owns 80% of ESPN with Hearst Corporation owning the other 20%. As of early 2015, ESPN was available in approximately 94 million households in the US. That number represents about 81% of American households with at least one TV. According to a research analyst at Wunderlich Securities in 2014, ESPN was valued at \$50.8 billion.

However, not everything is looking up for ESPN. As Internet-based entertainment options have become more popular, millions of consumers have cancelled their cable or satellite TV subscriptions. Nielsen, a global information and measurement company, estimated that ESPN lost 3.2 million subscribers over 12 months between 2014 and 2015. Disney CEO Bob Iger acknowledged that ESPN had suffered some subscriber losses, but said that Nielsen's estimate was overstated.