

SportsLetter Interviews

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Abraham Madkour

SportsBusiness Daily, the online news-magazine, is the Bible of the sports industry. Required reading for titans and interns alike, the 11-year-old trade publication culls material from hundreds of newspapers, magazines, wire services and websites from around the world as well as press releases from sports-related companies, then sends summaries of--and links to--these stories to its estimated 25,000 daily readers.

Published by Street & Smith, the Daily also mines original material from its roster of reporters at sister publication SportsBusiness Journal, a weekly print magazine.

Five days a week, the Charlotte, N.C.-based Daily posts three issues to its subscribers: the "Morning Buzz" with brief headlines; the full-length Daily with an expanded roster of links; and the "Closing Bell" for late-afternoon reports. The Daily divides its stories into several pertinent categories, including "Sponsorships, Advertising & Marketing;" "Sports Media;" "Leagues & Governing Bodies;" "Franchises" and "Finance." A one-year subscription to the Daily, which enables users to access archival material, costs \$1,300. A one-year subscription to the print magazine costs \$229.

A former legislative assistant to U.S. Senator Patrick Leahy of Vermont, Abraham Madkour was hired as a staff writer for the Daily just before it launched in 1994. He was named editor-in-chief in 1996 and oversaw the Daily's transition from a newsletter to an online news service in 1998. In 2003, he became executive editor of both the Daily and SportsBusiness Journal.



SportsLetter spoke with Madkour by telephone from his office in Charlotte.

— David Davis

SportsLetter: How did SportsBusiness Daily begin?

Abraham Madkour: The SportsBusiness Daily was founded by a gentleman named Jeffrey Pollack, who came from the political consulting world and partnered with a group called the American Political Network. The American Political Network publishes a very successful, influential, daily newsletter called the American Political Hotline, which is owned by the National Journal. They saw a connection between politics, sports, and the way that the Hotline was summarizing news on a daily basis and decided to establish a sports-business publication. Our first publication was in September of 1994.

SL: How has it changed from its original format to what it is today?

AM: It's had a few different life forms. Initially, it was available via fax-- we sent out a 12- to 15-page fax that people received every day by noon. When we first started doing it, we got phone calls saying either, "You'll never be able to do this every day;" or "I can't live without this;" or "Stop jamming up my fax machine." We also would upload it to a bulletin board system, and newsrooms and publications could go to the bulletin board and download it.

At one time, we started emailing the full-text of the Daily to clients. The problem with that was, we had very little control over the distribution of our product. It was very easy to pass around and forward multiple copies illegally.

In 1998 or 1999, around the time Street & Smith got involved and acquired the Daily, we knew we needed to change our business model. What we did was to put it entirely online. It is now password-protected. Every user has to have a user name and an account to access the publication. We also added many different elements besides the flagship Daily, which goes out every day around 1 o'clock. We added morning and afternoon briefings, and we have an area where we post research data.

SL: How much material in SBD crosses over to the weekly print magazine?

AM: We walk a fine line because we can't make the print magazine that comes out on Monday a direct synopsis of articles that were in the Daily the previous week. So, we prime the magazine with breaking news and exclusive news, whereas the Daily is the industry's daily pulse of what's out there. Certainly, there is some cross-over. If a writer at SBJ can contribute something to SBD or vice versa, we utilize that. If a writer for SBJ has a story that is not going to hold for the magazine, that we're going to lose to some other publication, then we're going to come out with it first with the Daily.

SL: Do you see the Daily as a stand-alone or should it be read to accompany SBJ?

AM: What we've tried to do is make the products extremely compatible and complementary, so that even if you get daily feeds out of SBD, you also need the weekly magazine.

They're different reads. We try to make the brands consistent so they look, feel, and sound alike. At the same time, their mission on news is a little bit different. The magazine provides exclusive news and larger takeout and trend pieces. People can spend time with the magazine, like on an airplane or at the office. The Daily is a down-and-dirty, high-end trade publication for people who have a direct financial interest in the business of sports and need to get that information every day. On average, people spend about 12-20 minutes with SBD a day, and they spend anywhere from 30 to 40 minutes with SBJ a week.

SL: How many staffers on the Daily are combing through the papers and wire services every day?

AM: We have a staff of eight to do that.

SL: What are your personal must-read sports- and media-related websites?

AM: No one in this business goes very far without having ESPN.com book-marked. To me, ESPN.com has so much news and information. We're on them for their daily blogs, we're on them for their headline links, we're on them for their great columnists. But there's a lot out there--the list of favorites is endless. I mean, you got to read SportsPages.com.

I'm still a believer in the big papers. My favorites are the New York Times, the Boston Globe, and the L.A. Times. For non-traditional sites, I always check out MediaBistro.com, which I think does a nice job of summarizing and compiling a lot of different media news. I read Howard Kurtz whenever he writes, and visit sites like IWantMedia.com and Jossip.com.

SL: How has the coverage of sports business changed over the past decade?

AM: When we started in 1994, sports business was very much an infant beat. Once it got traction and momentum in '96, '97, '98, we saw a lot of newspapers go out and hire specific sports-business writers. They had stadium issues, they had team relocation issues, so they started creating a sports-business beat. Then, with cutbacks and with different changes, I saw those beats disappear and I don't see them as much anymore.

However, the amount of people who are writing about business issues related to sports has only increased. There may not be specific staffers writing about sports-business solely, but there are regular columnists and writers taking more of a business angle to their sports stories. So, it's far more prevalent. We also see a lot more of the intersection between sports and the entertainment industry, through Hollywood entertainment in films, television, and music.

SL: In the past decade or so, how has the business of sports changed?

AM: It's become a lot more sophisticated and a lot more advanced. It's much more competitive. You're seeing a lot more people who are focused now, in terms of their careers, on the business aspects of sports, where before they were involved in sports and did some business on the side. The whole business has taken off, with the proliferation of agencies and consultants and even so-called "branding experts" dealing with athletes or with sports properties or with the networks. I see no signs of it slowing

down. There's so much money involved in the sports business, a lot of people are trying to mine the opportunity.

SL: Let's hit on some current sports-business stories: What must the NHL do to woo back hockey fans after the lockout?

AM: The players and the owners have to work together, first of all. There can't be one side blaming the other, and there can't be one side saying they need to do all the work. It can't be the league saying, it's all on the players' shoulders, and it can't be the players saying the league needs to make rule changes. It has to be a true partnership where they're being pro-active together. I don't think the occasional meet-and-greet player appearance at the local YMCA is going to work here.

At the same time, they have a unique opportunity to re-brand and make up a whole new game, and I think that's what they're trying to do. In the last two weeks, we've seen some pro-active changes to the game. They're trying to make it a more fan-friendly in terms of the product on the ice by changing the rules. They've already upgraded the new logo and shield. That looks very nice.

At the local level, you need a lot of different fan-friendly measures, whether it's ticket discounting, concession discounting, improvements in the season-ticket packages, or certain types of value-added components, like concerts after the game. There has to be a better, more consistent television presentation. Right now, they're going to go to NBC, but they don't have a cable deal. They have to be on a cable network to give them a lot of exposure and promotional support. It's a challenge. It's not going to be an easy task.

SL: Did you foresee the astonishing growth of NASCAR and can it continue to grow at such an amazing pace?

AM: I can't say that I saw it coming. When we started in '94, we'd get a lot of phone calls saying, you guys should pay more attention to motor sports and to NASCAR specifically. I've got to give those people credit because they were right.

Can it continue to grow? I think so. I don't think it's peaked. There are markets that they aren't strong in, and there are some markets that they're not present in. They're trying to get to the Upper Northwest. I think they would still like to have a better foothold in the Northeast.

SL: Is competitive poker going to be a viable television franchise in years to come or is it just a fly-by-night trend?

AM: It's more than the flavor-of-the-month, but I don't think that this is going to be a continuing strong property. I see it having its, maybe, 35 minutes of fame. It's showing itself to be pretty viable, but I do think it's going to peak and I do think it's eventually going to fade. There's a glut of programming now. That could hurt it after a while if it becomes so ubiquitous that it loses its uniqueness. I also think that other sports could come along where people are more engaged after a while.

I have to tip my hat. That's another one I did not see coming. ESPN deserves a lot of credit. They took a chance. They threw something to the wall and it stuck.

SL: How about extreme sports? How will they transition into the future?

AM: That is a genre, or a segment, in the industry that still has a lot of growth potential, only because a lot of the data we're seeing shows that these are the sports that youth are playing and participating in. Obviously, they have appeal with young people, and therefore they have appeal with corporate sponsors. We're also seeing that there's a lot of high-energy, very passionate people related to the action sports category.

Now, where it goes from here in the next five years is important, and I think that everyone's waiting to see what the next big step is. There's the potential to see some full-fledged action leagues forming, kind of like with the Dew Action Sports Tour. You have some big companies behind it, in terms of Disney with ESPN pioneering the X Games. Now, you have NBC involved. The challenge, though, is making these into appointment-viewing programming entities, where people start to tune in to watch these events.

SL: Do you foresee any entity that could supplant the domination of ESPN?

AM: There's always been talk of successful rivals to ESPN. Certainly, there's some big companies out there. Comcast is a very big company. People are talking about them as a potential national sports network if they get the rights to the NHL and the NFL. What ESPN has done is not something you create overnight. It's been 25 years of a lot of work. And, they're a huge breadwinner for the Disney company. They have a lot of entities: they want to be wherever the sports fan is.

SL: How about ESPN's original programming--a success or a failure?

AM: I think, overall, the jury's out. What they're trying to do is make the network more diverse and not just based on rights programming with leagues. They're trying to be more of a self-sufficient, stand-alone entertainment network, and they're taking some chances. Some of them have worked. I thought "Junction Boys" and "Playmakers" were very good. I can't say I watched a lot of "Tilt." But as you saw with "Playmakers," they walk a fine line where they're in business with a lot of these sports properties. If they go out and try to do some critical, hard, edgy programming related to these properties, it gets them in trouble.

SL: Do you see any conflict of interest at ESPN, between their role as broadcaster and their role as journalists reporting on sports news and personalities?

AM: I think they've done a good job separating that. They have a lot of people there in the editorial department--executives like [director of news] Vince Doria and [executive editor] John Walsh--who are well-trained, experienced newsmen. News comes first with them. I don't think anyone can say that ESPN has been compromised at all. They've shown some hard-core, investigative-type journalism, and they will as long as they have those news-oriented people there.

SL: What trend in sports business do you see coming as we get into the second half of this decade and beyond?

AM: I think from a media perspective, you're going to see more and more sports programming available on any type of media technology device that's out there. The first movers, the smart media companies, are going to

be able to get as much customized sports information to as many fans as possible. If you're a Patriot fan and you have your hand-held device, you'll be getting daily updates from [head coach] Bill Belichick and the team. There will be sponsor-able vignettes. You'll be able to see the jersey that [quarterback] Tom Brady wore in practice, and you'll be able to order that with your hand-held. I think that you're going to be able to get what you want when you want it. So, I would say that ease of use and ubiquity of information is going to be a big trend.

In terms of sports leagues, I think you're going to see more of a focus on the quality and the integrity of the games. That is the foundation for everything. Potentially, you're going to see a blurring of the lines between where sponsorship starts and where the competition on the field begins.

With facilities, I think you may see smaller venues that are more intimate but take over a larger footprint of space. What I mean by that is, there may be cases where there are only 35,000 people in the building, but outside the building there's room for another 30,000 people who can watch the game [on television screens] and also walk along a boardwalk-like strip, with food and entertainment, concessions, merchandise. It's almost like an amusement center, an experience park, with the games inside and the experience continuing outside.

With the Olympics, I think you're going to see a movement toward more action, or edgy, sports being involved in the Games, like BMX and vertical boarding. You saw it with the snowboarding athletes. I think that the IOC really wants to get a little more progressive in its presentation of the Games. I also think that, with new sports coming in, you're going to see some sports being phased out. I do agree with the theory that bigger Games is not always better Games.

SL: What about television: will we see the Super Bowl or the Olympic Games on pay-per-view?

AM: I don't think so--not for the big events. Certainly, they're going to slice and dice the pie in as many ways as they can. MLB on Demand and NBA on Demand are good examples. They are subscription-based packages, where if you want to see a lot of baseball or basketball

games, you can get it for a price. I do think you're going to see multiple technologies being used, where you can upgrade and get more virtual stats and scores and real-time information. You'll be able to pay extra to get access to cameras in the locker room, in the coaches' rooms. It all depends on how pro-active the viewers want to be. It's tricky because the early research seems to show that most people don't want to be that pro-active in their television viewing; they'd rather be reactive and just watch.