

# Whatever your game, EverSport wants to stream it to you

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USC football fans in London, Japanese soccer followers in Los Angeles and kickboxing enthusiasts around the globe: Despair no more!

Whatever sport you follow, wherever on Earth the contest takes place, EverSport Media Inc. is out to stream it to your digital device - especially if it's not available on TV.

EverSport won't be carrying monster [sports](#) like the National Football League or Major League Baseball, which already operate their own domestic and international services. But just recently, it streamed Cal versus Washington in college football, FC Barcelona versus Las Palmas in Spanish soccer and the FINA Swimming World Cup from Hong Kong.

Digital video isn't all that's gone mobile in a big way. In a globalized economy, people are increasingly on the move, following jobs in different cities or in foreign locales. But there's one constant: Most [sports fans](#) hold an emotional attachment to the beloved hometown teams of their youth. Meanwhile, some become attracted to new and sometimes unusual sports and want to follow the action around the world. Last month, EverSport served more than 1 million fans.

EverSport is working on the fringes of the \$35 billion worldwide industry for sports media rights. It's unclear just how big the niche might be, but the company and its investors are betting there's good money to be made.

Broadcasters and sports leagues think so too. The big money remains with major networks that broadcast games nationally and regional sports networks that focus on a few local teams. But sports fans dispersed far outside traditional TV coverage zones remain an untapped market. By handling marketing and technology at attractive rates, EverSport is becoming a welcome conduit for leagues and networks to reach that increasingly coveted audience.

Already, EverSport, just over 2 years old, has partnered with Fox Sports, the Spanish soccer league La Liga, college sports' Big Ten and Pac-12 and others chasing a live global online viewership.

Sometimes innovation means breakthroughs in technology. Sometimes it's as deceptively simple as recognizing a business market that others don't see, and finding a way in that intrigues industry insiders. That's the case with EverSport founders Wayne Sieve and Carl Kirchhoff.

Each had deep experience in sports media, including at Yahoo and Ustream, where they negotiated media rights deals to stream matches online.

But for those companies - their platforms designed for general audiences, not hardcore sports fans - sports is a sideshow.

"It's sports, it's news, it's animals, it's legal and non-legal content," Kirchhoff said. They knew that trying to achieve their vision through existing options, he said, was "not going to fly."

The pair were inspired by Twitch, whose broadcasts of video game competitions had viewership and revenue soaring. Why not, they thought, specialize in sports, in the way Twitch specialized in video games?

Three years ago on a rainy night in New York City, walking down Fifth Avenue after an office tower meeting with sports executives, they hatched their plan. They would draw millions of dollars in funding from former media executives, the Amplify.LA startup development program in Los Angeles and unnamed "institutional investors," and set up in the Los Angeles and in Northern California's Bay Area with a dozen employees.

The revenue model differs greatly from normal TV media rights, in which channels pay enormous upfront fees and bank on strong ad sales and subscriber fees.

In EverSport's contracts, the company and the rights holders split subscription and advertising revenue, with nothing upfront because the covered territories have yet to prove their worth. The streams go out on EverSport's website, also accessible through smartphone and tablet browsers.

Analysts say the startup's timing is perfect. Sports represent a fifth of viewing time on television, but it "sure as heck isn't anywhere near" that online, said Joel Espelien, senior analyst at research firm Diffusion Group.

He was skeptical that lower-rung sports could sustain an EverSport-like business. But he saw cleverness at work in the company's model.

"Sports has really trailed the overall evolution of online video," Espelien said. "Obviously, that's going to change, and that trend is absolutely irresistible."

EverSport is also blazing a trail in dynamic pricing, which varies greatly. For some sports, fans can buy access to a single important matchup. Or they can buy monthly or annual subscriptions from a wide array of

packages covering specific teams, leagues or entire sports.

Pricing could eventually be variable to the point where German expatriates in Los Angeles pay more for German soccer streams than other Angelenos. EverSport would be able to identify neighborhoods with large concentrations of German-born residents through demographic data, and offer users in those areas higher prices based on location-tracking technology on computers.

EverSport isn't yet selling ads, but it stands to make a lot by allowing targeting of specific audiences, such as helping German brands reach Germans abroad.

"Our platform allows packing content in a way that never existed before," Kirchhoff said.

When they launched, the pair looked to U.S. college sports as an easy test case. No one had aggressively attempted to aggregate games into one service or customize 4,000 events into multiple packages, as EverSport is doing this year.

A year ago, the Pac-12 Network began simulcasting behind a paywall on YouTube to serve an increasingly large international alumni pool and to boost overseas recruiting.

Similarly, the Big Ten Network has offered a subscription video service abroad for five years. But it's at a "stable growth point," said Michael Calderon, the network's vice president of digital.

EverSport stood to accelerate international growth by bundling Big Ten content with the Pac-12, the Big Sky and other conferences in a \$170 annual college game pass, attracting more casual Big Ten fans.

"It was a good concept that nobody had approached us with," Calderon said.

EverSport also fills gaps for the TV industry. The English Premier League has 380 games, but TV slots exist for 150, Kirchhoff said. Even teams with millions of social media fans don't get airtime domestically. Internationally, the likes of ESPN and Fox Sports hold rights across scores of countries but never actually air anything.

EverSport streamlines the process, which is why Fox Sports has made the startup an exclusive international distributor of its college sports broadcasts.

Jimmy Schaeffler, senior analyst at media consulting firm Camel Group, said he didn't see a downside to rights holders partnering with someone "two steps ahead of them."

"Is the demand there? Yes," he said. "Will the demand grow? Absolutely. An awful lot of really good content is tied up under the ownership of conservative, not-quick-to-change media types. That's the friction."

Some entities are even paying EverSport a monthly technology and distribution fee. Kirchhoff described revenue sharing more broadly as the future for rights deals, even for premium sports.

"Digital ... it's not one-to-many distribution. It's many-to-many," Kirchhoff said. "There's a lot of footwork that needs to be done on top of a flawless streaming service."

He declined to share EverSport's current splits but described them as "favorable for both partners."

EverSport allows streams to be embedded on team pages, news websites, fan clubs and more. Those publishers can sell ads alongside those videos, probably at above-average prices. EverSport is near deals with companies such as handset makers and cellphone service providers to distribute videos too.

Of course, it's also tapping alumni lists, fan newsletter sign-ups and proprietary data sets to find users.

"Fishing where the fish are" is more cost- and time-efficient than the traditional desire to build "a destination," Kirchhoff said. If a user never visits the EverSport.tv website, that's fine.

EverSport is counting on fans being willing to spend even their "last dime" to "engage with their sport, team or school" wherever they are most comfortable online, he said.

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