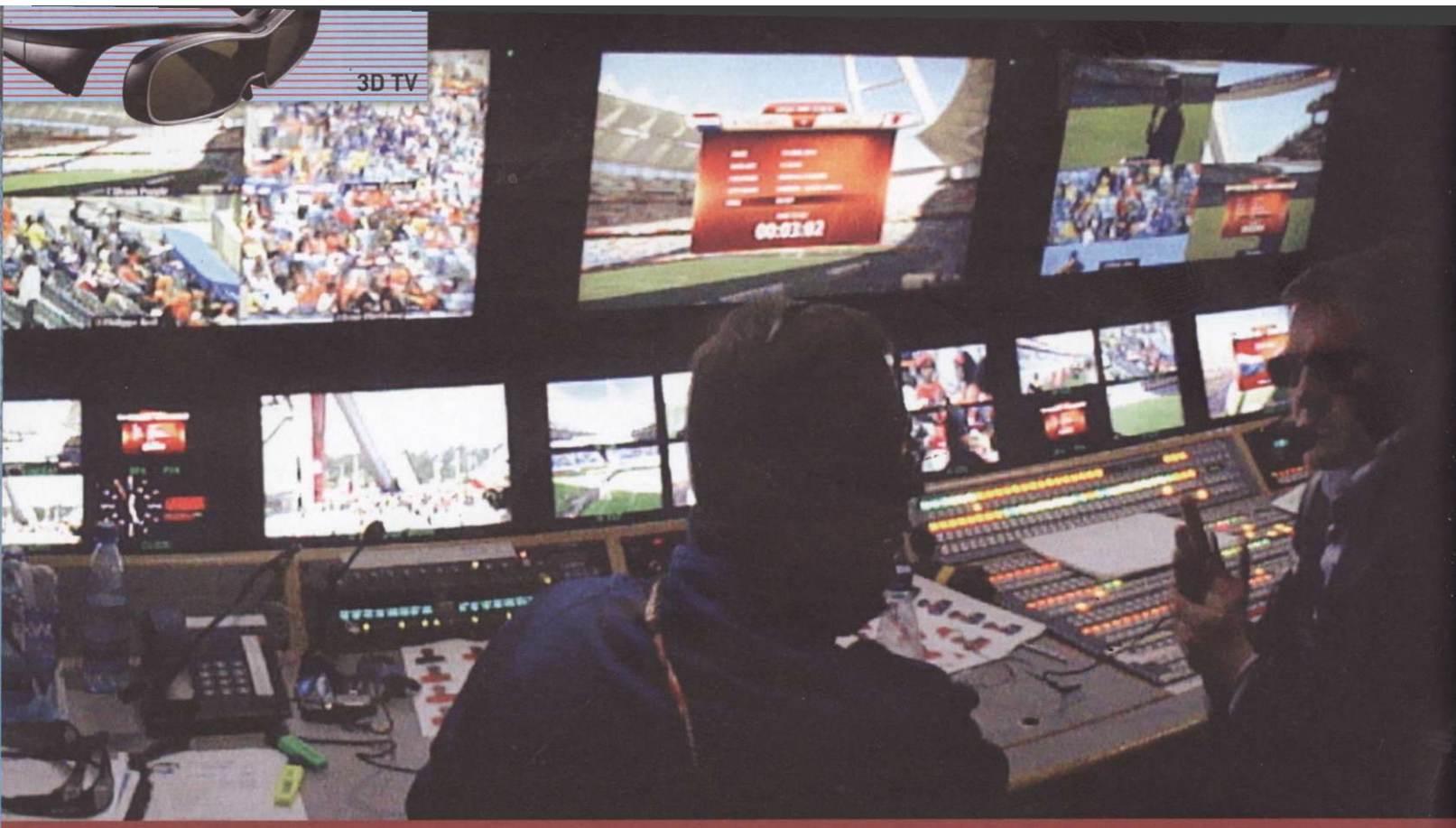


GATEWAY TO ANOTHER DIMENSION

FIFA World Cup 2010 may prove to have been a watershed in sports broadcasting, with 25 games being screened live in 3D in cities across the world. With the widespread availability of 3D TV now a matter of 'when' and not 'if', **Andy Fry** examines the technology and the business model which drives it.

ANYONE WHO HAS TAKEN their kids to see the movies Avatar or StreetDance in 3D will understand why this technology is causing such excitement in the media industry. Unlike HD and mobile TV, it's immediately obvious to any member of the family that 3D can be an experience-enhancer worth paying a premium for.

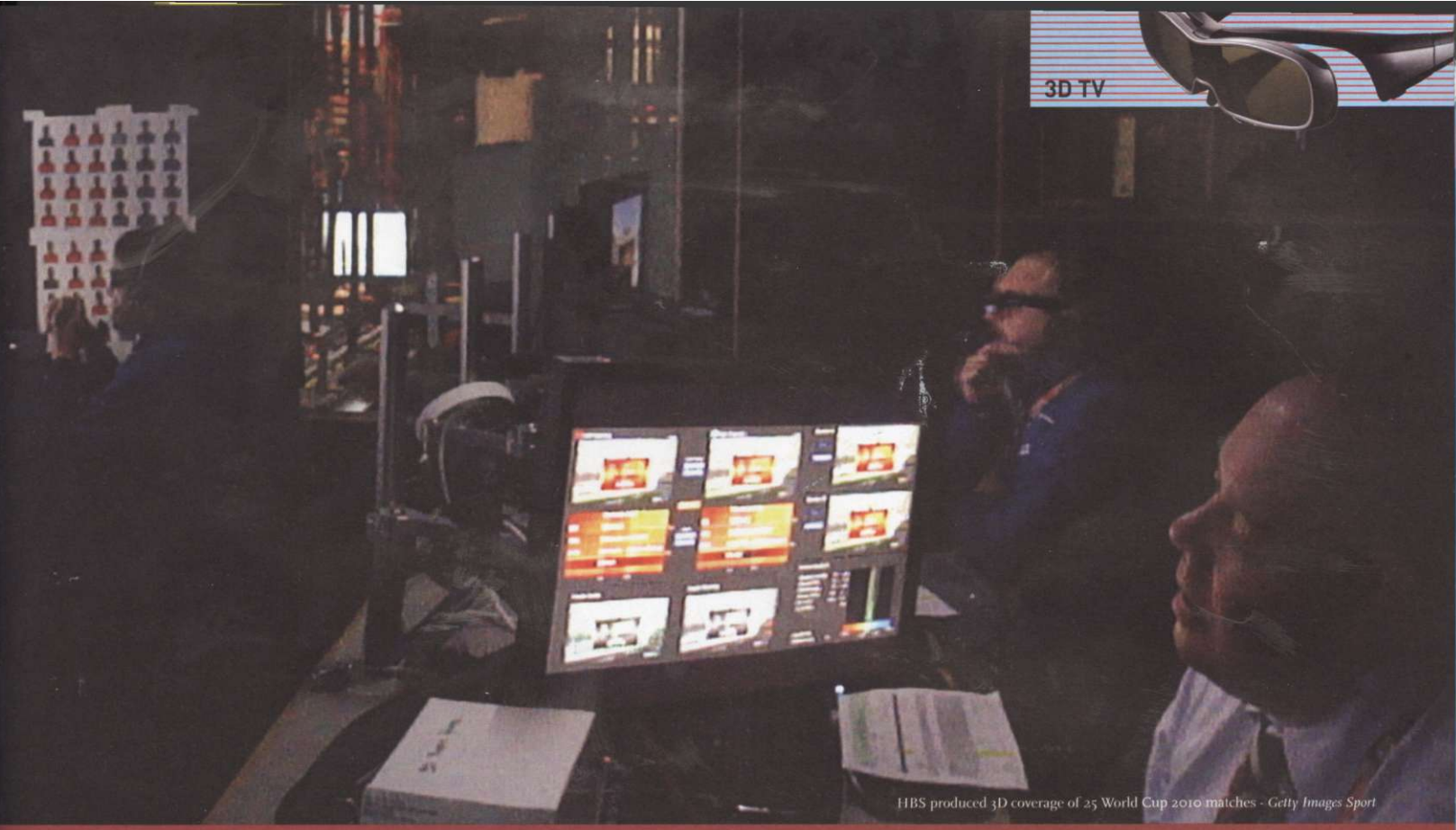
Sony is so excited that its chairman, Howard Stringer, has predicted that 3D movies, pictures and games will be the company's next $10 billion business. It's hard to remember when the top executive of such a well-established company placed so much emphasis on a technology still in the early stages of its development.

The question now is whether corporate and consumer enthusiasm for 3D can be replicated in sport. With Sony, Panasonic, BSkyB, ESPN, Eurosport and Orange all talking up 3D-enabled devices and services, 2010-11 should give us some idea as to whether sports fans are prepared to put their hands in their pockets yet again.

Early indications are that 3D can enhance sport in the same way it does with hit movies. UK pay-broadcaster Sky, for example, has delivered a glowing assessment after showing live Premier League football to soccer fans in pubs and clubs. You get a similar vibe from those who went to see live coverage of the 2010 FIFA World Cup in cinemas.

Fan feedback trickling in from Europe, Asia-Pacific and Africa suggests that the sense of proximity which 3D provides is adding to the emotional engagement and excitement.

This positive feedback is particularly exciting given that football is not regarded as ideal for 3D - because of the distance between camera, action and backdrop. Phil Brown, head of production at CAN Communicate - one of the pioneers in



HBS produced 3D coverage of 25 World Cup 2010 matches - *Getty Images Sport*

this field - says 3D is also emerging as a big opportunity for court-based sports to enhance their editorial offering: "We were involved in the live 3D production of the French Open from Roland Garros this year.

"That was shown in 50 cinemas and generated excellent feedback. I think a number of sports from basketball to boxing will find that 3D can really enhance their offering to fans."

Willingness to pay

What's not clear, however, is whether 3D sport can emulate the movies in terms of revenue generation. While there's little doubt that 3D brings a new editorial dimension to sport, this doesn't tell us anything about costs or consumer willingness to pay.

Looking first at costs, for example, a 3D sports production is typically going to add around 70 per cent to the budget, says Gabriel Fehervari, CEO of Belgium-based 3D pioneer Alfacam: "3D and 2D production require parallel set-ups, which means you are looking at more cameras and an extra outside broadcast truck. Directly or indirectly the consumer has to bear that extra cost."

A good case in point is the FIFA World Cup 3D cinema screenings - where the prices charged in some territories had more in common with live events than movies. In Hong Kong, tickets were priced at €31 - and even this translated into a loss for the territory's rights holder Panorama Entertainment. Although Panorama was pleased with the response, it said prices would have had to be 10 times higher to make a return.

Even in markets with widespread distribution - such as the UK - the admission price was still in the region of €15-20. That's a significant mark-up on 3D movies without any guarantee that the show will be any good.

Of course, we are talking about a business in its early-adopter phase - which means the costs are inevitably going to be high. "I think there will be a market," says Brown, "once you get to a point where 3D sports events are available on general release. With the rollout of digital technology in mainstream cinemas, I see no reason in theory why a flagship event like the London 2012 Opening Ceremony in 3D couldn't be a profitable venture when you consider the number of families who won't be able to attend the event itself."

The same is true for live sport shown on big screens in stadia or in public places. Earlier this year, CAN worked with UK public-service broadcaster the BBC on a 3D production of the England-Scotland Six Nations rugby union match - which was then projected to an audience of 200 plus on a 40-foot screen. Exercises like this persuade Brown that there could be a move towards live 3D screenings in stadia - for fans who can't travel to away matches.

Having said all this, it's clear from the current activity in the market that the big industry players see TV as the most obvious way of making money out of 3D sport. Howard Stringer's bullishness about 3D is echoed by many TV industry peers. At News International-owned Sky, they are calling 3D "the next evolution in premium home entertainment" while Foxtel in Australia has called 3D "the future of broadcasting". Other companies which have entered the fray are MSG Network (NHL ice hockey) and Comcast - which delivered two hours of Sony-sponsored 3D coverage from the Augusta Masters Golf.

Based on his own company's work in this arena - which has covered a wide range of sporting disciplines - Brown sees no reason why this shouldn't be a compelling consumer proposition: "We'll have to wait for results from ESPN, Sky and Orange as they roll out services. But there's no question 3D can be a TV viewing experience. You have a whole generation of young people playing 3D video games - so they won't have any problem putting glasses on to view sport."

Reaching the demographic

But kids, of course, don't pay the subscriptions - so how will the broadcasters named above persuade the budget-holder in each pay-television home to sign up? "Sky was clever by trialling the Premier League in pubs and clubs because that reached a lot of men," says Brown. "I also think the approach at the French Open was smart since it created opportunities to see 3D."

In that case, it was Panasonic which led the promotional charge - by transmitting the event live in 3D to around 6,000 retail outlets in 58 countries in partnership with pan-regional broadcaster Eurosport. Based on the average number of people who visit these shops, Panasonic estimated that around one million viewers would see the 3D broadcasts. This in turn was designed to herald the launch of the 50-inch Full HD 3D Viera TVs and Blu-ray players across Europe.

In the US, an early attempt to squeeze subscriptions out of sports fans has been launched by AT&T U-verse, which used the FIFA World Cup to launch an ESPN 3D channel as part of its $10 a month 3D technology package. For that price, viewers got

access to the 25 World Cup matches shown in 3D and a further 100 live events over the next year. These include the 2010 State Farm Home Run Derby, X Games 16, Winter X Games 15 and a range of college basketball and American football games, among other things.

All well and good - but is that really an interesting enough offering to justify another $10 a month? Consider the situation in the UK, where many Sky subscribers have already stomached an additional charge for HD channels and are set to be hit again by an increase in prices for Sky Sports ahead of the 20010-11 Premier League season. Will they really swallow another price increase when the cost of a 3D-ready TV set is anything from £1,500-£4,000? Bear in mind that many will have only just bought an HD set.

Alfacam's Fehervari is not convinced that the 3D sports channel model will prove viable in the short-term. His company has been delivering 3D sports and entertainment content for some time - and he takes the view that 3D home entertainment "will be more of an appointment-to-view experience, the kind of thing that lends itself to the on-demand event model. 3D works best in a darkened room with surround sound where you lose your sense of personal environment. That seems to me to be a once or twice a month experience rather than a full channel - particularly as there won't be a lot of content to fill channels in the near future."

Roland Garros 2010 in 3D - *Getty Images Sport*

Pay-TV proposition

Viewed from this perspective, it's possible that pay-television platforms looking at how best to monetise 3D might start by soft-launching it within their HD channel portfolios. This wouldn't address the issue of people who have recently bought HD-ready sets. But there are still quite a few consumers who have yet to shift from Standard Definition to HD, says Nicolas Bourdon, head of sales and marketing at production solutions firm EVS: "For the consumer, I think 3D is a much more obvious enhancement than HD.

"So I suspect some people will be tempted to go straight from SD to 3D. And this isn't a major problem for the likes of Sky, because 3D is, in simple terms, an evolution on the preparation already done for HD."

This is certainly the line coming out of Sky - which sees 3D as a relatively low-risk way of adding value to its overall consumer proposition. Speaking on a conference panel at industry event MIPTV in April, BSkyB's director of product design and TV product development Brian Lenz explained: "The reason we've been aggressive (on rolling out 3D) is because we've been pulled in that direction. 3D is an intuitive reaction and response for viewers that pulls it along."

Interestingly, though, Sky doesn't seem to be relying completely on sport to drive 3D. Having already commissioned a state-of-the-art nature documentary fronted by Sir David Attenborough, more logical would be a multi-genre 3D channel where sport sits alongside art, factual and music content in the enhanced schedule.

Like Alfacam and CAN, EVS is at the cutting edge of 3D sports production, working with HBS on its 2010 FIFA World Cup coverage as well as a number of other clients including Foxtel. Bourdon agrees with Fehervari that there is a cost implication in running 3D and 2D productions side-by-side - but in his own company's field of expertise there are positive developments on the price front: "In autumn, we will launch a server upgrade which will allow our clients to deliver 2D and 3D via a single channel. That will cut costs and reduce the logistical complexity of 3D. The market has been a lot more focused on 3D in the last 12 months which means there is more innovation."

As Bourdon's comment suggests, companies already producing in 3D are redoubling their efforts to find cost-reducing innovations. Taking up Fehervari's point, for example, ESPN is currently having to use two outside broadcast trucks to produce 2D and 3D coverage of sports events. However February saw it use a Harlem Globetrotters basketball game to explore the logistics of using a single truck for both. On the basis of that experiment, ESPN's VP of technology Chuck Pagano said the sports network is now convinced 2D and 3D productions can be produced with a single vehicle.

Assuming the big guns are right - and 3D TV is on its way to becoming a mainstream home entertainment technology in the next few years - what are the implications for federations and rights holders? For Fehervari, one obvious point is that they will need to be more flexible in the context of venues: "Because of 3D's unique requirements, you often find that its cameras need to be positioned where VIPs would usually sit - for example at ring-side of a boxing match. So venues will need to find a way to accommodate the needs of two different partners."

Finding a satisfactory solution to this is vital if viewers are to get a quality end-result, says Bourdon: "What has become clear in the last year is that 2D and 3D need to be shot in different ways. The shot selection is different, the speed of camera movement is different, the editing is different. 3D directors are having to learn a whole new way of covering sport to get the best from the technology."

Golf in 3D

This issue has brought about some interesting scenarios. In the US, for example, ESPN was keen to explore the use of 3D around golf greens. But given that golf course owners are unlikely to be comfortable having camera kit wheeled right up to the edge of their pristine playing surfaces, ESPN's innovation lab built its own experimental golf hole. Not only did this provide much-needed experience, it meant ESPN could show venues the benefits of being allowed to put their camera equipment in non-traditional locations.

While 3D represents a new language for producers, CAN's Phil Brown says rights holders also need to start segmenting live 2D and 3D rights in contracts - assuming they haven't already assigned them all to third parties. "The timeline for 3D is unclear, but there's no question it is on its way. When it arrives,

rights holders have to maximise its value - even if it's something as simple as granting 3D cinema rights."

This, of course, could also lead to some interesting scenarios - since the pace at which different bodies are moving towards 3D varies. While the likes of Sony, Disney and News Corp all see 3D as a way of extracting cash from consumers, public broadcasters like the BBC are more cautious - wanting to make sure 3D is a good use of licence fees not just a gimmick.

For this reason, the BBC has said it will capture the opening and closing ceremonies of the London Olympics in 3D but might not transmit it. Its caution is echoed by other European Broadcasting Union members and reflects a different set of priorities from the pay-broadcasters. This, says Brown, becomes an additional consideration for rights holders when they are deciding how to allocate their increasingly fragmented rights: "What do you do when you have a situation where the broadcaster wants to take it steady but rapid roll-out is required by the sponsor?

"In the case of the 2012 Olympics, for example, Panasonic's drive into 3D means it would probably like an expansive approach to the subject. But how will the BBC respond to that?"

The BBC's note of caution is echoed by some producers - who want to make sure that 3D doesn't just become a financial black hole. "Our priority is still to deliver the best possible 2D sports event coverage," says Alfacam's Fehervari, "Developing 3D is exciting but it is inevitably a drain on people and financial resources - so we have to get the right balance." Bear in mind also that many producers are already taking on the burden of creating content for digital platforms.

Cutting edge of cool

There's no question that innovation in the 3D space continues apace. One area worth watching is the receiving technology, says Brown: "The next five years will mainly be about plasma screens and 3D lenses. But you also have to be looking at innovations in gaming, mobile, the development of 3D headsets and holographic technology.

A couple of things I'll watch closely are TV sets which come with 3D capabilities built-in and (conversely) efforts to make 3D glasses fashionable. Imagine a pair of Ray-Bans that double as both sunglasses and a 3D viewing tool."

The other big development area is access, says Fehervari: "Sailing, swimming and mountaineering are all sports that might benefit from new generations of 3D camera technology. We've also been testing its capability in motor-racing, where you can see obvious potential for an interesting consumer experience."

Perhaps the key in all of the above is some genuine collaboration between different parts of the media value chain. In the same way that brands are investing in content for the new media space, for example, could they subsidise developments in 3D? Sony and Panasonic are clearly prepared to do so.

But anyone who has seen the exciting 3D short-film which CAN produced for the relaunch of boxer Amir Kahn's relationship with Reebok will have some sense of how the synergy between editorial and brand might work.

To the many variables already listed it's worth adding one more - the risk of low-grade 3D content being rushed to market and passed off as premium product. There are already signs that this is happening in the movie business, so the sports industry will need to make sure it doesn't disillusion consumers by going down this route. Then again, this kind of problem is one that accompanies any technology breakthrough.

Anúncio

Fonte: Sportbusiness International, London, n. 159, p. 46-49, ago. 2010.