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6th April 2009

Senate Standing Committee on the
Environment, Communications and the Arts
Parliament House
CANBERRA ACT 2600

Dear Committee:

The Coal & Allied Newcastle Knights appreciates the opportunity to respond to submissions made to this inquiry that refers to the reporting of sports news and the emergence of digital media.

This report aims to provide information to the Committee about the impact digital media has had on the nature of sports reporting by presenting our knowledge and personal experiences in regards to this issue. Furthermore, this report highlights how sports journalism has evolved and how the changes occurring in this area are vital in the formation of key policy decisions.

We hope that our viewpoints will therefore be considered when revising the policy outlining sports news reporting and digital media and that they might become useful as a point of reference.

Lilen Pautasso

On Behalf of the Coal & Allied Newcastle Knights



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Submission

On the

Reporting of Sports News and the Emergence of Digital Media

To the

Australian Senate Committee on Environment, Communications and the Arts

Lilen Pautasso
On Behalf of the Coal & Allied Newcastle Knights

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TABLE OF CONTENTS

1. Introduction	1
2. Commercial and Public Interests in Sports Reporting.	2
2.1. The Effects of Commercial Interests on the Newcastle Knights	4
3. Sports News in the Digital Age	5
4. Conclusion	8
5. References	10

1. Executive Summary

There is no doubt that the sports industry in Australia is one of the largest and most successful worldwide. Because Australia continues to be one of the most enthusiastic sporting nations in the world, the public's ability to access news and information about the sport they love is of huge importance. Through newspapers, television reports and Internet websites, the media has formed a vital link between the sports and their enthusiastic supporters.

However, as the media environment expands through the introduction of digital media, the nature of reporting and the ability of what the public can now access has changed dramatically. While this expansion has proven to be hugely beneficial to many clubs it has raised concern on whether such a rapid rate of change is good for Australia's booming sports and media industries. As the following report discusses, commercial interests and the emergence of digital media have all imposed a unique impact on the current media environment. However, despite the belief that these issues could impose an exclusively negative effect on the media and sports industries, this report has proven otherwise. Through the use of recent examples and experiences involving Coal & Allied Newcastle Knights, this report provides a portrayal of the real-life effect these issues impose on sports clubs, concluding that these changes are instead more positive than negative.

While commercial interests are important to the marketing sector of the Newcastle Knights, they are not simply financial investors. Instead, the presence of these commercial partners have allowed the NRL club to run junior programs – one of the most important aspects in the grassroots development of the sport itself. Because the Knights produce a lot of their media content internally and separate from commercial influence, the impact commercial interests have had on the nature of sports reporting has been very minimal. Furthermore, this report also demonstrates how new media such as the Internet, while having both positive and negative impacts on the club, have helped to expand its reputation. By posting news and sports content online, the Knights have significantly boosted their public profile – something that traditional media forms could possibly not have achieved at the same level. Therefore, because the Knights are a local club, new media becomes crucial to their continued development on a national scale.

1. Introduction

In Australia, sport has become a pivotal part of many people's lives and is often correlated with our cultural identity. As an enthusiastic sporting nation, the significance of sport is also resonant in the Australian media where news, live coverage and up-to-date information forms a crucial part in the structure of the industry. However, because in recent years the commercialisation of sports and their interplay with media institutions has become more apparent, it ultimately raises questions about the impact this might have on sports news reporting. While the media often proclaims an ideology of integrity, it is important to analyse the ways in which commercialisation and the emergence of new technology has changed the nature of sports journalism and whether these changes have had a positive influence on Australia's media environment.

The Newcastle Knights have produced this submission as an opportunity to communicate their opinions and experiences related to this area of public policy, particularly because the above issues have had a significant impact on the club. As a National Rugby League club, the nature of sports news and the emergence of digital media contribute extensively to the reputation of the Newcastle Knights amongst the Australian public. Because of this the Knights believe it is important to address the issues surrounding the current nature of the media, particularly digital media whose impact has increased dramatically in the past decade. Through the use of research and information provided by Newcastle Knights Media Manager, Stephen Mount, this report will highlight the major issues surrounding the current media environment, bringing to light both the positive and negative aspects affecting both the Newcastle Knights and the Australian sports industry.

Furthermore, by examining the balance between commercial and public interests as well as the impact digital media has on sports reporting, this report will attempt to conclude on whether existing public policy is consistent with the current media environment.

2. Commercial and Public Interests in Sports Reporting

With the growing presence of multinational corporate sponsors, advertisers and media companies, the worldwide sports industry has grown into a hugely successful billion-dollar industry. As the impact of globalisation becomes more apparent, sport has transformed into a global commodity where information and news is shared worldwide and across geographical boundaries. However, while globalisation has had obvious benefits on the sports industry, the fast rate of change has raised concerns about whether the increasingly commercial nature of sports will have a reciprocating effect of the quality of sports journalism.

As is often discussed when analysing sports news reporting, the balance between commercial and public interests forms a significant part of the regulations and policies governing the Australian media. With commercial interests becoming increasingly intertwined with sport in Australia “many reporters feel the pressure of a powerful industry encourages them to serve commercial imperatives rather than the public interest” (White, 2000: 1). Because commercial interests such as corporate sponsorship can influence what is communicated to the public by the media, regulatory policies work to ensure public interest is not overruled by commercial interests. Despite the belief that the media is designed to serve the public before its commercial counterparts; the boundaries between the two can often become blurred. Because many media and sporting groups rely heavily on commercial interests to make a profit, they can therefore become imperative to the development of their respective organisation.

Under the Broadcasting Services Act 1992, public interest refers to the Australian public’s ability to access adequate news content and programming without interference by commercial interests (AUSTLII online). As is outlined in its objectives and regulatory policy, the BSA requires that all media services work towards obtaining an appropriate balance between commercial and public interests (Hitchens, 2004: 1). By imposing rules about impartiality, licensing and broadcasting rights as well as promoting fairness and accuracy in news reports, the BSA ensures a balance can be achieved by broadcasting organisations (AUSTLII online). Because commercial interests are often intertwined with sporting events, public policy

therefore emphasises that the reporting of these events must facilitate the interests of the consumer regardless of commercial pressures. However, because media organisations depend on both advertising and content as a primary profiteering tool, journalism could therefore be seen to favour the interests of commercial investors and consequently jeopardise the notion of ‘public interest’.

In an article written by former sports journalist Aiden White titled “Sport and the Challenge of Free Expression”, the commercialisation of the sports industry is highlighted as one of the main issues affecting the nature of sports reporting. He explains that “the corporate machine increasingly dominates the national sporting scene and at the same time it brings to bear disturbing influence on media performance” (White, 2000: 1). The fear in this instance is that the perceived dominance of commercial interests will therefore severely impact the nature of sports news reporting in Australia.

However, while there is no doubt commercialism has become deeply embedded in the sports industry, commercial interests do not always pose a negative impact on sports or media industries. While the “multi-million dollar deals that underpin major sporting codes” are prolific in the Australian sports industry, and specifically in the National Rugby League (NRL) competition, commercial interests can also prove to be very beneficial (O’Regan 2007: 1). For some clubs, corporate sponsorship (as one example) is often imperative to the development and promotion of their respective sport, particularly when it attracts minimal national interest. Because a lot of money raised from commercial partners goes towards the grassroots development and promotion of the sport, there is a distinct need for commercial interests within the industry.

By acknowledging both commercial and public interests, the news media can easily become the most effective ‘advertising agency’ for any professional sport. In this case, “the revenues of the game can be sustained while protecting the right of the media to gather and disseminate...news suited to the demands of the public” (Rutherford, 2007: 1). Therefore, by finding the appropriate balance between commercial and public interests, sports can become more commercially valuable without sacrificing democratic values and standards for dollars (Rutherford, 2007: 1).

2.1 The Effect of Commercial Interests on the Newcastle Knights

The Newcastle Knights have various ties with commercial interests such as corporate sponsors Coal & Allied, Energy Australia and NBN Television. These sponsors, amongst others, have become imperative to the clubs development, helping them to create national publicity, promote local competitions and fund projects within their clubs interests. Because these corporate sponsors are therefore essential to the running of the club, the Knights media department works to achieve an appropriate balance between commercial and public interest when producing sports news and content.

Because the Knights are fully aware of the issues surrounding commercial and public interests in the media, a structure where the media department works independently from the marketing sector means commercial interests are almost always absent from their sports news reporting. As Knights Media Manager, Stephen Mount stated, “in the case of the Newcastle Knights there’s not much to do with commercial interests overshadowing the public interest – the matters are totally separate”. By imposing a system where the media department works separately from the marketing sector, the sports news and information provided to members of the public are not directly influenced by commercial interests such as their major sponsors. What this means is that, apart from developing news and media releases that favour the interests of the club and their followers, the Knights differ from most other media organisations whose commercial interests are often heavily intertwined in their news content.

While the influence of commercial interests in sports news reporting is a popular topic of debate it is important to recognise the benefits these interests in the grassroots development of the sport. As is outlined on the Knights official website “the Newcastle Knights Junior Development Program, in conjunction with the Newcastle Rugby League, ARL Development and major sponsor Newcastle Permanent, enhance and propagate the game of Rugby League at the grass roots level. The programs include education of administrators, players and coaches to reach competent standards...with the levels they service and participate with” (Newcastle Knights online website).

Hence, while the impact of commercial interests seems to be placing undue stress on sports news reporters and their respective media organisations, it is evident that a

balance between both interests can be achieved through appropriate internal structures and a productive relationship between commercial investors and media organisations. Therefore, despite the evident commercial pressures facing the media, it must be recognised that while they can appear to ignore the interests of the public, commercial interests are often more beneficial than the latter. The benefits corporate sponsors and other commercial interests bring to the Newcastle Knights, its members and community extend beyond financial services and has instead helped boost the sport on both a local and national level.

3. Sports News in the Digital Age

There is a view that while the Broadcasting Services Act 1992 promotes an ideology of ‘freedom’ where the public has a right to access a wide range of information, the limitations outlined within the policy can also have a counter effect on the broadcasting industry. With the emergence of digital technology comes concern from various interest groups on the effect this new media could be imposing on sports journalism. Like the debate surrounding the influence commercial interests have on sports reporters, the impact of digital media is under constant scrutiny because of its similar ability to influence the media landscape. Spokesperson for the Association of Sports Writers, Keir Radnedge, stated in a 2007 interview with ABC Radio National that “the media can no longer be pigeonholed into its separate categories of television, radio, print media” (Radnedge cited in O’Regan, 2007: 1). As the media landscape expands, new technology has had a correlating impact on sports journalism – particularly in regards to the public’s increased ability to access content as well as the nature of the content made available by these new forms.

Over the past decade, the world has seen an influx of digital technology that allows any member of society to both access and produce information that therefore becomes available to a global audience. With the proliferation of new media technology such as the Internet and mobile phone internet, sports news and content can now be disseminated to an audience of millions – a reach traditional media forms like radio and newspapers could not possibly match. As Mount explains “the media is now finding themselves in a position where they have to keep up....because it’s all about getting it first and getting it right”.

Because new technology provides a greater amount of information and content, a shift away from traditional media and towards digital technology has become a growing trend in Australia. However, while digital media appears to produce a democratic environment where information is readily at hand, this can be significantly detrimental on traditional media forms. The impact of digital technology has been so great that traditional forms of media have had to embrace it in order to survive in the increasingly competitive media market. Newspapers, radio and television broadcasters are all transitioning online and working towards providing a better news service than their counterparts. This has also occurred within the Newcastle Knights media department where content such as news, media releases and club information is made freely available online in order to reach a greater audience and communicate important information at a faster rate.

Yet, while traditional media is adapting to digital technology, the impact new media has on its older counterparts is still hugely significant. As Hitchens (2004) explains, “when the public considers there are important matters affecting [their] interests, it will seek out the news and current affairs which reflect this importance” (1). What this means is that, if the public are not satisfied with the content provided by a particular media organisation it will seek other methods of information gathering which, in most cases, is via the Internet. As audiences disperse online, so too do the profits made from advertising and corporate sponsors therefore creating an adverse reaction on the media environment. While in the past television imposed a huge threat on traditional forms of media, “the terrain of the fight [has become] the digital world [because] media organisations can now put out information across different platforms” (O’Regan, 2007: 1). Therefore, in an attempt to impose limitations on digital media, strict regulations regarding the use of copyrighted content are being included in existing regulatory policies, in particular the use of audiovisual content, under the demands of various interest groups (ACMA online). In sports news reporting conflicts occur when media companies seeking unlimited access to content are faced with content use regulations imposed by rights holders (O’Regan, 2007: 1). Therefore, because media organisations are frequently limited in what they can use, the public collects the information they want from a variety of different sources.

However, while the Internet provides huge amounts of information with a simple click of a mouse button, the quality of this information is not often analysed. Because digital media allows people to distribute information as well as access it, the Internet has produced what some call “amateur reporters”. Through popular websites such as YouTube, Facebook and Blog Spot, anyone in the world can post their opinions about a particular issue and make it available to millions of people. What this therefore produces is a greater amount of *misinformation* whereby content provided online is no longer completely reliable.

Similarly, the influx of bloggers and content producers has meant that some of the ethics involved in journalism appear to have been abandoned. Using sports journalism as a primary example, the existence of websites such as YouTube has meant that video footage traditional media would normally censor, becomes freely available to online users. As Mount explains, “because there’s a competition to stop people relying on digital media to get their information, with that news becomes more graphical and more ruthless reporting”. One perfect example of this is the recent graphical injury to Knights player Cameron Ciraldo during the NRL clubs season opening match on the 23rd March. Despite the decision by television broadcasters to show only a small amount of video footage of the injury, websites such as YouTube published the event in its entirety. Therefore, as Mount puts it, “the growth of digital technology [has meant] a little respect going out of sports journalism and that images that can be so graphical go up on YouTube and is therefore available to people all around the world”.

However, while digital media appears to have more of a negative rather than positive impact on media organisations, this is most certainly not the case. With the emergence of digital media comes the possibility of communicating ideas to both a larger audience and at a faster rate – two advantages that have proven to be hugely beneficial for many media organisations and sporting groups. Because many sporting clubs, such as the Newcastle Knights, have a high media profile on a local and national level, news and information about the club is always in demand. As a sport with great national interest, news forms the direct link between the club and its supporters as well as contributing to the promotion of the club and its interests.

While in the past traditional media has significantly boosted the popularity of the sport, clubs are increasingly turning towards digital media as a way to communicate more efficiently. One of the major benefits provided by digital media, in particular the Internet, has been the immediacy of communication. Therefore, because information posted on the Internet is uploaded almost instantaneously, the rate of communication ensures news can be delivered to a mass audience faster than could be delivered by traditional media. This is particularly important when news whose nature is highly important, is sought out by various media organisations. The efficiency of the Internet does not only mean that news can be distributed to various media organisations at the one time, it also means the club itself can deliver this news, minimising the risk of misinformation and understanding.

4. Conclusion

By considering all the matters raised within this report, it can be concluded that because the media industry is increasingly driven by technological change and the presence of commercial interests, it therefore becomes important to consider how these influences affect a variety of media organisations. However, because the imposition of regulatory policies has a correlating effect on a variety of interests groups and not just media organisations, the views and opinions of each must be considered. Because the media environment in Australia is becoming increasingly dictated by commercial interests and digital technology, the regulatory policies governing this area needs to be revised in order to remain consistent with the rate of change.

As this report has discussed, despite the strong presence of commercial interests in the sports industry and particularly the NRL, sports news appears to be largely unaffected. By using the Newcastle Knights as its primary example, this report found that because the Knights media sector works independently from the marketing sector, news and media releases are often exempt from commercial input and instead promote the notion of public interest. Therefore, while some media organisations are evidently influenced by commercial pressures, the structure imposed by the Knights to separate the media sector from the marketing sector means a balance between commercial and public interests is being achieved.

Furthermore, this report has also found that digital technology, in particular the Internet, has had both positive and negative effects on sports news reporting. Because of the immediacy and efficiency of digital media, many organisations (including the Newcastle Knights) have employed these new forms as a way to disseminate sports news more effectively. However, while the impact of digital technology has essentially been positive; the growth of digital media has meant the *nature* of reporting has changed and therefore had a seemingly negative impact on the industry. With the growing popularity of blogs and websites such as YouTube, journalism has developed a unique ‘freedom’ where news reporting can be produced by both qualified and unqualified individuals. It is because of this newly-found freedom that the quality of reporting has come under constant scrutiny and consequently fuelled a response from media organisations calling for greater regulation of this content. While the Newcastle Knights have been mostly unaffected by the proliferation of digital media, the club has presented concern on the issues of amateur reporting believing it leads to greater misinformation and encourages ‘ruthless reporting’. Having recently experienced situations where exclusive or sensitive news has leaked via the Internet, the Knights believe it is important for the Committee to consider the nature of this freedom and its effect on media organisations upon its revision of regulatory policy.

Finally, by taking into consideration the views and experiences of the Newcastle Knights it is expected that the Senate will gain a greater understanding of this particular issue affecting sports and media industries alike. Because of Australia’s highly competitive media market, the need to revise the policies governing the media becomes very important and is hoped will continue to support what is essentially a booming industry.

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