

NBA All-Star Technology Summit

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PANEL #1

Steve Ballmer

Chairman, LA Clippers

Marie Donoghue

Vice President, Global Sports Video, Amazon

Amy Howe

CEO, FanDuel

Ted Leonsis

Founder, Chairman, Principal Partner & CEO,
Monumental Sports & Entertainment

Neal Mohan

Chief Product Officer, YouTube

James Pitaro

Chairman, ESPN & Sports Content

Luis Silberwasser

Chairman & CEO, Warner Bros. Discovery Sports

STREAM ON: HOW THE RISE IN STREAMING SERVICES IS LEADING TO INCREASED COMPETITION FOR CONSUMER ATTENTION

MODERATOR: WOLF BLITZER (Anchor, CNN's The Situation Room with Wolf Blitzer)

AHMAD RASHAD: Bill, would you talk about our first discussion?

BILL MURRAY: Well, let's just turn it over to our first moderator, who's one of the -- who's an American icon. Last year when I met him for the first time, I thought: That guy is all right. He's really okay. He's not what I could have ever guessed. He's an amazing basketball fan, and he's someone who I was going to work on an impression of --

AHMAD RASHAD: No, no, give me a little impression. What's the impression?

BILL MURRAY: Right. See, that's how much work I did it.



Let's hear it for our friend, Wolf Blitzer. All the way from Washington, D.C.

WOLF BLITZER: Hey, guys. Thank you. Thank you very, very much. And thanks to all of you for showing up today. This is really going to be an educational moment for us. I think we're all going to learn something. We're going to be a little bit smarter after we hear from these excellent panelists who are joining us today on a subject that is critically important for so many of you, so many of us. We'll be watching it very, very closely. And I want you to pay attention and learn from these men and women.

Many of us, of course, have spent countless hours in recent years streaming content. And with so many platforms to choose from, audiences here in the United States and indeed around the world are more empowered than ever before.

In this new environment, streamers are looking for ways to stand out from the pack, which has led many of them to turn to what we call live sports, a subject all of you are familiar with. It's a really singularly powerful draw.

This panel will cover the future of streaming and discuss how these services can achieve long-term growth and sustainability. So let's meet today's panelists.

Start this way. To my far right, Steve Ballmer, the chairman of the L.A. Clippers. Steve, welcome to Utah.

(Applause.)

WOLF BLITZER: Next, Marie Donoghue, vice president of global sports video at Amazon.

(Applause.)

WOLF BLITZER: Followed by Luis Silberwasser, chairman and chief executive officer of Warner Bros. Discovery Sports.

(Applause.)

WOLF BLITZER: Warner Bros. Discovery, full disclosure,



it's the parent company of CNN as well. So I'm going to be really nice to him.

To my immediate left, Neal Mohan, chief product officer at YouTube, at least for now, for this minute. But let's get ready to applaud. The company has just announced, and this is breaking news, that he is moving into a new role as head of YouTube. Thanks so much for celebrating your promotion with us, Neal.

(Applause.)

NEAL MOHAN: I timed it so you could announce it.

WOLF BLITZER: Of course. Following breaking news, happening now. I'm Wolf Blitzer, and you're in The Situation Room.

(Laughter.)

WOLF BLITZER: You like that?

NEAL MOHAN: That's perfect.

WOLF BLITZER: Followed by Jimmy Pitaro, chairman of ESPN and sports content at the Walt Disney Company.

(Applause.)

WOLF BLITZER: Next, Amy Howe, chief executive officer of FanDuel. Amy, great to have you.

(Applause.)

WOLF BLITZER: We're betting on you, Amy. She probably hears that all the time.

Finally, to my far left, my friend, Ted Leonsis, founder, chairman, and chief executive officer of Monumental Sports & Entertainment, which, in case you don't know, is the owner of my favorite NBA basketball team, my Washington Wizards. Let's give him a big round of applause.

(Applause.)

WOLF BLITZER: Let's give the entire panel right now a big round of applause.

(Applause.)

WOLF BLITZER: And, Ted, I'll start with you because you're my friend. How would you describe the current streaming landscape, and what would you say are the biggest changes over the past few years?

TED LEONSIS: You know, Wolf, how long have you been on CNN?

WOLF BLITZER: Thirty-three years.

TED LEONSIS: How long have we been doing the Tech Summit?

WOLF BLITZER: Not 33, but a long time.

TED LEONSIS: And the durability of sports and the NBA is really remarkable. And the very first Tech Summit we talked about Xs and Os and digitizing and how we would go from an analog to a digital.

And I think what's happened now, especially with the issues we're dealing with with the RSNs and their desire to get more digital, get our digital rights, shows that we are a digital-first industry and business. And terrestrial traditional cable is a part of our offering, but we now as a league, we now as teams, we're in the digital content business. That's essentially what we are.

And for those of us who are really looking at building this to a big audience, you'll start to see multiple teams, venues, networks, subscription services will become our own ecology locally working within the league environment.

And so it's a very, very exciting time. It's also I think the most challenged time that the media has had since we've started doing this.

WOLF BLITZER: And we've been doing it for a while, and you're absolutely right. This is a very, very dramatic moment in the history of how people get to watch live sports, and we're going to learn a lot more about that in the coming minutes and basically hour, whatever.

Jimmy, let's talk a little bit about the increased competition in live sports that's out there. How has that changed your overall strategy?

JIMMY PITARO: Right. There's a ton of competition. We've always had competition, but fast-forward to today, and we've never had more. It does make things more challenging for us, obviously.

At the same time, and I'll use Amazon as an example, Marie and I have talked about this several times, we see what Amazon has done, for example, with Thursday Night Football as a good thing. They were able to bring in a younger audience.

And so, from my perspective, we're all in this business of



growing the game, of growing the games. And they've been able to do that by introducing the sport, I think, to more people, younger people.

And so people ask me all the time, is that a net positive or a net negative for ESPN and Walt Disney Company? And I think it's clearly a positive. More people watching the game, more people are going to watch ESPN.

So in the challenging department, it's, yes, when we sit down at the table to negotiate deals. And there are more people at that table now than there ever have been. So obviously that's a challenge.

But when folks enter the equation and bring new fans to the sport, that rising tide, we believe, is a really good thing for the Walt Disney Company.

WOLF BLITZER: Steve, Steve Ballmer, let's talk a little bit about you spend a lot of time thinking about the future, future of the fans' digital experience. Why do you think live sports is potentially a very unique way for streaming platforms to develop?

STEVE BALLMER: Yeah, I'd say I could probably go back 15 years and was salivating when I was at Microsoft of what it would mean to add interactivity into, essentially, today's content or at the time's content types.

And if you think about what you can do, I can't believe this audience didn't go more crazy, frankly, when Adam was showing his augmented stuff. That stuff is amazing. And recognizing what we can do, for interactivity, for augmentation, for social, around the experience.

We love basketball at the NBA. We care about basketball. We want people to get into basketball arenas, to buy basketball merchandise. Nobody is going to be any better than the folks who are building the experience Adam showed you at really getting there.

And that's the future. That's the future. And you'll get games, you'll get everything out of that experience, whether it comes directly from the league, whether it comes through distribution partners or some combination -- by the way, I'm not qualified to give an opinion on that, talk to the league office for detail -- but for completeness, there's a lot of ways to get there.

And the key thing is how do we transform the experience? If we can transform the experience live, if we can supplement with other content -- I mean, right now we have, what, in the NBA, something like -- I did this last night -- 1,200 games, 3,000 hours of live content, we'll have a bunch of additional content. If teams care about it,

you'll get documentaries. There will be thousands of hours of content.

And then the key question is what's simplest for getting it to the consumer, what technology is best, and what distribution partners help the most with that. And I just think it's so ripe with opportunity.

This Luk.AI thing, I'd never seen that before. Hey, do you know the amount of stuff that could be done inside an NBA experience? I thought it was genius. I hadn't seen that before at all.

And I would just say: Hang on. The experience will change, and everything else about distribution will be fine. It will map to that. How we get from here to there? Eh. We launched a product this year called ClipperVision. It's the first local streaming-only product. And we're working with the NBA on some of the interactivity that they've done, and I'm just so excited about what's possible.

WOLF BLITZER: The ClipperVision, is there a problem in terms of the rights to broadcast what you want, given the competition?

STEVE BALLMER: We did our last contract with our regional sports network on a short-term basis, and so our deal was up this year. And we negotiated a deal that worked for both sides.

I mean, obviously, they're national distribution with the partner here today, but we were able, as part of this negotiation, to stay on local cable, to get a license fee, and at the same time go direct to consumer with our offering.

WOLF BLITZER: Interesting. Marie, let's talk a little bit about the fans. What have you learned about fans from bringing live sports to Prime Video?

MARIE DONOGHUE: Thanks, Wolf. Well, we've been in this for a few years now, so we've learned a lot about fans. And first and foremost, what we've learned is fans are ready to move over and watch their sports on OTT in really big numbers.

We had a great example this past week. In Germany we had PSG versus Bayern Munich, and the next night in the UK we had a top-of-the-table clash between Arsenal and Man City, and those numbers were just phenomenal. We had millions of viewers watch those matches.

We learned a lot this year with Thursday Night Football. As Adam alluded to, the OTT sports fans are younger, they watch longer. In the U.S., at least, they have higher income.



And that doesn't just happen. It's intentional. As Steve talked about, we invested heavily in a product that, number one, worked. It's easy to find. It's not easy -- it's not easy to produce that product, but we have to have it work and be easy to find. And we had state-of-the-art production. We literally had more cameras than every NFL game except the Super Bowl. And fans really responded.

And also we really went after the younger, hard-to-reach audience. We put together a talent team that included some really young, fresh voices, including some folks right off the field. They knocked it out of the park. We're really excited to see how they grow together and also grow along with their audience over the coming years.

We think that living room devices will just grow, OTT, a consumption by sports fans, particularly, exponentially, since the vast majority of our consumption was on living room devices. And as people develop that muscle memory to watch OTT through their television, the sky is the limit.

This audience knows it's hard to get a million people to watch the same thing at the same time. We got about 10 million or so every week. So we're just really thrilled with the reception, but we are incredibly excited about the future. This thing is on fire.

WOLF BLITZER: It's really an enormous opportunity right now.

All right, Neal, let's talk a little bit about your decision to bring Sunday Ticket to YouTube. Tell us about that.

NEAL MOHAN: Yeah, so, I mean, as anything at YouTube and Google, it all starts with our users. And so I think most people here know we've got a couple billion users that come to our platform on a regular basis.

But when you break down those users, Wolf, in terms of sports fans, we have hundreds of millions of daily users coming to the platform every single day to consume sports content. So it's probably the largest sports consumption platform in the world, especially given the global nature of YouTube.

And so if you look at that overall context of how many sports lovers, especially younger sports lovers, are on YouTube every day consuming content from so many people here up on stage, all of you out there, then it sort of like fit very, very naturally.

Here's a content package that was with one distributor for I think three decades, and when it came up, it was like a very, very clear opportunity to really just super serve those

hundreds of millions of daily sports lovers that come to YouTube every single day.

So that was sort of the primary reason. But the thing that I'm super, super excited about with it is now what we'll be able to do with it. You saw Adam show a lot of the innovation that's going to come to the NBA. We want to bring that to all sports on YouTube.

Many of you are familiar with our YouTube TV product, all the sports-related things that we can do there around key plays, in-game highlights, making sure that if you're recording it, you get the full game, being able to move seamlessly from your mobile phone to your living room device to your laptop to your desktop when you're watching that content.

All of that magic that happens on YouTube for all the other content that's consumed, we want to bring to the sports arena. Again, especially for younger fans.

And I think I would argue that's the reason why the NFL is super excited about it as well because now we can do things like immerse YouTube creators and (indiscernible) creators, the people that young people follow more than any other sort of content that's out there, into that live experience with the NFL by having them on the field, recording YouTube Shorts, using those shorts to drive traffic back to the live stream of the game, integrating merch into it.

Live merch performs dramatically better. We did a test with Palace [phonetic] down in Brazil during soccer games where being able to purchase merch happens orders of magnitude more than when it's a video on demand.

And so the opportunities there for our users are truly profound, and I think that over the course of this deal you're going to see more and more of that type of innovation brought to the sports watching experience.

And by the way, we're doing it with Sunday Ticket, but one of our longest partners, as it relates to innovation on YouTube, is the NBA. I think their channel is close to 20 million subscribers. It's probably going to reach 20 million in the next few days. It's growing 20 percent year on year.

So the vision of Sunday Ticket I think applies to all sports on YouTube.

JIMMY PITARO: And, Wolf, going back to your question before on competition, again the league brought on another partner here, other party, which I think is good for the game.



And it's also the fact that you guys are going to be offering the product in one of two ways, one of which is through YouTube TV, the digital MVPD. I'm a big believer in Hulu Live and YouTube TV.

As a sports fan, I think that's a fantastic way to consume content. And the fact that you guys acquiring Sunday Ticket and offering it through -- as an upsell as a part of the YouTube TV subscription is a great thing for the industry.

WOLF BLITZER: And you're making money on it?

NEAL MOHAN: We hope to make a little bit of money on it as well, yes.

WOLF BLITZER: Amy, this is an important question that a lot of us are interested in. The rise of streaming, and especially in sports, has coincided with a rollout of sports betting here in the United States, which is really developing. How does sports streaming impact the betting industry?

AMY HOWE: Yeah, listen, I think we view it as a very positive thing. You have to remember, we're only four years post the repeal of PASPA. And right now only 40 percent of the U.S. can bet legally.

So in four years there's a lot we have proved. We know that sports betting enhances the live sporting experience. If you look at the data, consumers are much more likely to watch the full broadcast, whether it's on ESPN or Amazon.

And you look at the NBA actives that are on our platform right now, 80 percent of them are betting on player props and same game parlays.

So we know that they're using that to express the narrative that they want to see. What we haven't yet really opened the door to is imagine consumers that are logged in on a connected device, I know you're 21, I know you're Jimmy Pitaro or Marie Donoghue, I can personalize that experience or I can give you a personalized bet slip.

So it just opens the door to things that we just can't do today. And, listen, the big tech company is investing, and latency is a big issue. Think about a player prop like the next player to score, you can't do that right now because there may be three players scoring by the time you actually are able to get that feed.

So we view it as a very positive thing. Lots of potential partnerships at play and a lot of innovation that will ultimately benefit consumers.

WOLF BLITZER: It's really going to develop. I assume

you're right.

Luis, let's talk about streaming right now because there are more streaming services now than ever before, I think. Do you think there will be eventually some sort of cable-like bundle of several major streaming platforms? How will it be different from the pre-streaming status quo?

LUIS SILBERWASSER: Thanks, Wolf. Let me just start with the comment that Ted made in the beginning. It's probably the most exciting time in the industry, but also the most challenging time in the industry.

And to the point about streaming, I think it's hard to think that five years from now we'll have the same amount of options that we have now. From a consumer perspective, I think it's difficult. So if you want to watch something, well, maybe you have to have two or three services. Or if you want a local game, you have to buy sort of a local RSN or you have to buy an OTT package. I think some of those things will consolidate in the future.

In terms of the bundle, whether it's a bundle like cable or not, I don't know yet. But I think what I really believe, especially at Warner Bros. Discovery, is that I think the idea of what the bundle means, right, that sports is not on its own or entertainment, it's not on its own. I think we're better and more powerful and a better proposition to the consumer if it's integrated in some sort of bundle package.

So just to give you an example. When we look at our streaming strategy for us and what's the role of sports in that streaming strategy, we don't see it as a stand-alone product. We see it as something that is part of what our entertainment package is.

We have great entertainment with HBO, for example. We have the Warner Bros. movies. We have great television. And we think that sports as part of that bundle becomes a much more powerful proposition for the consumer than if we just say, well, go buy something that is uniquely for sports.

The fact that live sports is so powerful and when you can combine it with powerful entertainment and call that a bundle, I think it's a better proposition for the consumer than a stand-alone.

WOLF BLITZER: So basically what I hear you saying is what we all saw over the years in terms of bundling basic cable networks that the cable operator could then sell for a bundle cost, you see that happening for streaming.

LUIS SILBERWASSER: Yeah, I think depends on the pricing and what the packaging is. But I think my view is



what we have now, which is sort of stand-alone propositions, where if you're a sports fan you have to buy many things, I think it's going to be consolidated in the future.

And it doesn't really apply only for sports. It's also an issue for the entertainment world, where it's just too fragmented out there and we make it very hard for the consumer to have a very complete proposition.

WOLF BLITZER: Interesting. Steve, let's get back to what's going on right now and follow up on something you said. What should sports leagues right now learn from other industries that embraced the streaming space earlier? What strategies should they potentially replicate?

STEVE BALLMER: Ironically, one of the most important things I think is for sports leagues to understand they need R&D budgets, and not insignificant R&D budgets.

I mean, it certainly was not -- I can explain it simply. There was no row on the league P&L for R&D. We are media tech companies. We need to invest in the future of our product.

And I'm really proud of our league making that investment. Baseball did some things. I give them credit. I don't think they've pushed as fast as they should have, given that they invested early in R&D. They spent their time or infrastructure. I think they could put more effort into their user experience. But give them a lot of credit in really investing in that and not blinking on the level of opportunity.

I mean, sports has been a money-in, money-out pretty quickly thing historically, and the notion of doing R&D I think is alien. As it has been to many non-tech companies, and yet I think it is essentially important.

The one I love, on top of everything else, is what will happen with gaming. To really think through working in partnership with companies like Amy, how does gaming work and put it in the fundamental user interface to the experience, you need an R&D team. You need people who recognize what's really going on.

And so if I was to recommend something, and, again, some sports have done it well, don't underestimate the return and power that you can get out of a real investment in R&D.

(Applause.)

TED LEONSIS: What Steve just said, we're principals now, and we have to make those investments. All we've talked about is innovation. Several of the partners that

we've relied on can no longer innovate. They can't make the forward investments. And we have to take that destiny into our hand and also understand how global, once we digitize everything, the content and the IP becomes.

We've taken our venue, we own our building, we built the first sportsbook within the building. We own our network, and we were the first to be able to do a standard broadcast and a gaming broadcast.

We're trying to reach that young audience on a local and a global basis. And you have to make the investments. You have to say we're moving up the value stream.

And when you look at the business that we're in, where we're being valued, as teams and the league, on a revenue basis, because we're a growth stock, if you will, and a lot of our partners are being valued on an EBITDA basis, and they have a lot of debt.

And once you get a lot of debt, it's very, very hard to separate out is the business bad or is the -- so much debt in the way that you now can't make the investments in software, in distribution, in doing the things that are necessary to reach a bigger, wider audience.

So it's fascinating just to listen now, especially as we start to read about what's happening in the RSN area, where there will be a dramatic change in the way consumers will get information and get our games.

Jimmy and I were talking about this, that when Disney bought Fox, there was a regulator in D.C. -- we'd like to identify who that individual was -- who said it's bad for a consumer for Disney to own both ESPN and the local RSNs. You had to make a choice.

And so it was sold. The RSNs from Fox were sold to Diamond Sport and Sinclair. And they put \$8 billion of debt on it, and something bad is going to happen. Not because the product isn't popular and being watched, but because there's so much debt in the way

And so we bought our RSN back from Comcast. And I think you're going to see a lot of leagues, a lot of teams saying: We have to treasure and value our IP, our content, and have our own distribution find ways terrestrially, digitally streaming, put together a tapestry of partnerships and be able to be ongoing as a growth business.

And as Steve said, we have to make big, big investments. That is a big change for a lot of teams. And so that's kind of the soapbox that I've been on. Steve is on it similarly. We spend a lot of money in our infrastructure -- venue, distribution, network -- because we think, at the heart of



our brand, innovation is really what differentiates us from other parts of the entertainment world.

WOLF BLITZER: Jimmy, are advertisers prioritizing streaming platforms with their ad dollars, and how does that impact your strategy?

JIMMY PITARO: I'd say we're -- we have on-air component of our business, and then we have the digital component. I think oftentimes the media looks at ESPN as a network, and that's just not accurate.

We've been in the digital space for decades now. We are a multi-platform sports ecosystem. And that cuts across linear. By the way, linear ratings, despite this challenging world that we're all operating in, for ESPN, for calendar '22, our linear ratings were up 8 percent year over year. In prime time we were up 14 percent. So just let that sink in.

WOLF BLITZER: Tell everybody what you mean by linear.

JIMMY PITARO: Sorry. Traditional television, accessing through DIRECTV, Comcast, a traditional television channel like ESPN1, ESPN2, ESPNNews. Those ratings were up 14 percent year over year in prime time, despite all of the cord cutting, fewer homes watching television.

At the same time, we've been massively investing in digital. And digital means a bunch of things. It means our dot-com. It means our app. It means direct to consumer through ESPN+. It means our social efforts. It means everything we're doing on YouTube.

So we look at ESPN holistically, serve the sports fan across all platforms. To your question, Wolf, in terms of ad sales, it's healthy on the linear, the traditional television side. Ad sales, the power of live sports, advertisers understand that if they want to reach an audience at scale, live sports is the best way to do it, hard stop.

Now, are we seeing some of that demand move over to digital? Of course, just like everyone else, we're seeing that. I don't want anyone to misinterpret. The traditional side of our business, the linear television side of our business is still very healthy.

WOLF BLITZER: It's very lucrative.

JIMMY PITARO: Absolutely. Very profitable, very lucrative.

WOLF BLITZER: Especially when the advertisers like the demographic, 24, let's say, to 54-year-old.

JIMMY PITARO: Correct. Correct.

WOLF BLITZER: That's what they like.

Neal, let's talk about YouTube. A company you're heading now. Congratulations once again. YouTube has been at the forefront of testing new advertising formats. How do you balance what advertisers want with what the viewers want?

NEAL MOHAN: Yeah, it's a great question. It's actually a YouTube question, but fundamentally it's a core Google question. And if you think about YouTube, we are primarily an ad-supported platform. We obviously have big SVOD businesses, YouTube Music and Premium, YouTube TV, which we talked about. Primetime Channels will be a subscription business.

But we're primarily an advertising-supported business. And that balancing act is something that we engage in every single day, and I'll give you some examples of that.

But one thing that I wanted to say related to this conversation, which will tie into my ad answer, is that I think one of the biggest mistakes that sports, sports leagues, teams, et cetera, can make as they think about this question of streaming and distribution and the like is to think of themselves in isolation.

The competition is broad in terms of audience engagement. And if you think about it from the perspective especially of young users, the competition is fierce.

I think about in the context of my 14-year-old son. He is a sports nut. But for his sports watch time, whether it's the NBA or the NFL, you're competing with him gaming with his friends. He's going to have three screens open. He's going to be playing the game, he's going to watch his favorite YouTube streamer play that game, and he's going to be on a Discord server engaging with his friends who are also playing that game.

And that is the competition. So that's why all the innovation that we've been talking about, the interactivity, the stuff that Adam showed, that's why that is so critical and so important.

And so I think the thing that I'd urge everybody to really, really focus on is that broad construct. We have 500 hours of content uploaded to YouTube every single minute of every single day. That's the nature of the content world that we live in.

And so from an advertiser perspective, in that broad swath of content, that infinite choice, especially for young users, because advertisers want to reach young users, the



competition is fierce. And so what they look for is true engagement.

And so what matters to an advertiser is not just eyeballs or what have you, it's engaged eyeballs, people that are leaning forward, because that's what shows up in the ROI. That is how they actually move product, move services, is that engaged viewer.

And so when we think about that balance between viewer and advertiser, the viewer -- really, it starts with the viewer. Like the ad formats that we think about, the way that the viewer is engaged, everything starts there.

So on YouTube, for example, we have multiple formats. We've got the traditional sort of classic YouTube 10-minute video. We have YouTube Shorts that are 30 seconds long. We have live broadcasts, four-hour NFL game, two-hour soccer game, MLB games, what have you, YouTube TV NBA games, et cetera.

So all of those formats require advertising products that cater to that engaged user and that format, and a lot of our innovation on the ad side for advertisers is to really make it interspersed into that use case that the user is in.

And so we have -- the way that we measure the success of that is not just pure advertiser ROI, did you sell more product, did you get more brand awareness, but the impact of those ads on the users. Did it impact their watch time on our platform? Did it lower their engagement? Did it impact their satisfaction with the product?

And our pitch to the advertisers is that you want those user numbers to go up because that's what makes the advertising so effective on YouTube and Google broadly.

WOLF BLITZER: Very good. I want to wrap up this panel with a look ahead of what we can expect down the road. Steve, let me start with you, and then we'll go around the room and get everybody's thoughts.

When considering the future of sports media, subject close to all of our hearts, what do you think will change in the next decade, and what will actually stay the same?

STEVE BALLMER: Yeah, I think what will stay is the same is broad consumer interest in sports content. Exactly how that distributes between live and non-live could change. For sure that could change. The way things get distributed could change.

But the amount of time people spend with sports content, particularly NBA content, which is particularly global, will increase very, very rapidly.

How the leagues monetize that content, the way we work with partners, those things could change. How revenue moves. Revenue has been an upward linear trend. There will be -- I don't know what will happen. Maybe it will stay upward and linear. But how it moves, given this transition to streaming, hard to predict.

But if you go out 10 years from now, people are going to be watching a whole lot more NBA content, not just in the United States, but in many places across the world, and will be making a whole lot more money. That will be a bigger change. I'll even be able to cover our luxury tax.

WOLF BLITZER: Let me ask the owner of the Washington Wizards. What do you think? How is it going to change? What are we going to see over the next decade?

TED LEONSIS: I think the NBA needs to be about basketball worldwide. We have some partnerships, obviously, that we have to work through. But there's a billion people who profess their love of the game, and we have to be more of a digital global brand.

I'm still very bullish on esports. I think that the work that we've done initially with NBA 2K is really going to be a good barometer of how we can grow that digitally.

I also think that we shouldn't undersell the power of our arenas and bringing people together. It's been shocking to me, our city still has not opened, yet we're having the best couple years in our history. We'll have about 3 million turnstile clicks at Capital One Arena in D.C. between the Capitals and the Wizards and concerts and the like.

People want to be together. And so we have to continue to invest in the communal things, looking at how people get to the arena, what they do when they get there, plus our digital distribution.

But I think spending more time making sure that people are comforted and food is better, the experience is better is going to be very, very important for us.

WOLF BLITZER: I'm getting the wrap. So let's give this panel a big round of applause.

(Applause.)

AHMAD RASHAD: That wasn't a --

WOLF BLITZER: A little bit smarter now than we were a little while ago, before all of us started talking. Is that right?

AHMAD RASHAD: Absolutely.



WOLF BLITZER: Okay, good. We got a second source.

AHMAD RASHAD: And that wasn't a good applause. Can you give them a good applause, a real one? My gosh.

(Applause.)

BILL MURRAY: Now, come on, give a smarter applause. You're smarter than you were a second ago. Come on.

(Applause.)

BILL MURRAY: I guess not everybody, Wolf, not everyone, no.

AHMAD RASHAD: We did enjoy that conversation about personalization. What's personalization mean to you?

BILL MURRAY: I think it means to me what it means to most of us, it means your initials on your cuffs and on the soles of your shoes, your good shoes.

Okay. We're going to take a little break now just so you can digest all of this. But do just take a second and think of "What can I get done in the next five minutes," and then get it done and get right back here. All right? Thanks so much.

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