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**Sports Streaming Gives Fans More Choices Than Ever:
Keep the Competition Alive**

by

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I. Introduction and Summary

On February 25 the FCC Media Bureau released a public notice seeking comment on "current and emerging trends in the distribution of live sports programming."¹ As my colleague Andrew Long stated in an earlier blog, "the current state of live sports carriage demonstrates that video programming distribution is highly competitive; that consumers derive substantial benefits, including expanded viewing options, as a result; and that any impact on legacy business models is an inevitable and necessary consequence of the welcome transition to a broader marketplace defined by abundant choice."²

This paper explains why that statement is correct. To put it succinctly, there is no clear and convincing evidence of a present market failure in the rapidly evolving video marketplace that requires regulatory intervention. Both prices and choices are rising, indicating that most viewers are paying more for programming that they could not easily get elsewhere.

It may be that some providers such as over-the-top Internet streamers enjoy an advantage conferred by regulatory asymmetries in negotiating for sport broadcasting rights. If so, given the

¹ Federal Communications Commission, "Media Bureau Seeks Comment on Sports Broadcast Marketplace," February 25, 2026, <https://www.fcc.gov/document/media-bureau-seeks-comment-sports-broadcast-marketplace>.

² Andrew Long, "Consumer Choice in Sports Proves that Video Competition Abounds," Free State Foundation, March 11, 2026, <https://freestatefoundation.blogspot.com/2026/03/consumer-choice-in-sports-proves-that.html>.

competitive marketplace, regulators should try to address this imbalance by reducing the regulatory burdens on all providers rather than increasing it on pay-per-view and over-the-top Internet streamers such as Google, Amazon, Netflix, and Apple. One possibility is to consider removing the sports leagues' antitrust exemption when negotiating with content providers, including broadcasters. In any event, the FCC should not adopt policies that increase regulation, such as mandating the switch to NextGen TV or providing broadcasters with their own antitrust exemption.

II. The Traditional Role of Broadcasters

Originally all televised sports content was provided free over-the-air by traditional broadcasters. Cable, fiber, and satellite did not exist for the first few decades of the television era and then took a while to get to scale. Over-the-top Internet streaming, the source of unlimited content today, is even newer. The business model was fairly simple: free use of public spectrum allowed broadcasters to provide programming that generated advertising revenues, which in turn covered expenses.

Broadcasters viewed sports programming as a symbiotic relationship. Free broadcasting of games helped sports leagues build a loyal fan base within a geographical area. Large viewer audiences in turn helped broadcasters increase profits by charging more for television ads. Sports viewers also tended to tune in for programming such as local news both before and after the games. This increased those audiences, raising their ad rates. Stations used higher advertising revenue to subsidize public obligations such as local news, weather forecasting, and emergency broadcasting.

Broadcaster comments frequently imply that airing games on other platforms challenges the "social contract" by which broadcasters get free use of valuable spectrum to transmit their signal over the air but have to do so in a way that furthers the public interest. If reduced ad revenue prevents local stations from fulfilling their public interest obligations, free over-the-air television could cease to exist. That is why the Fox Corporation stated in its comments to the FCC: "[i]f there is a public interest in broadcasters providing local news, weather, lifestyle, and emergency programming on which communities rely, live sports programming is existential to achieving that public policy objective. It is as important as the spectrum used to deliver our programming."³

III. The Growth of Streaming

Statistics show that pay-per-view and streaming programs are enjoying significant growth, but not necessarily that they have an unfair advantage. The total annual amount spent on live sports media rights primarily distributed in the U.S. for 2024 is estimated at \$28 billion.⁴ Large tech companies that operate streaming platforms, including Google, Netflix, and Apple, are taking a

³ Fox Corporation, "Comments to the Federal Communications Commission in the Matter of Sports Broadcasting Practices and Marketplace Developments," MB Docket No. 26-45, March 27, 2026, (underlining in original), <https://www.fcc.gov/ecfs/search/search-filings/filing/103271094204594>.

⁴ Ibid.

growing share of this revenue. In November 2025, streaming's share of total television viewing was 45.7% and rising. Both broadcast and cable were about 22% and falling.⁵

Demand is also rising. More than 90 million U.S. viewers were expected to stream at least one sports event per month in 2025, up from 57 million in 2021.⁶ Presently 38% of U.S. households with Internet subscribe to a sports-specific streaming service, up from 4% in 2019.⁷ Finally, 52% of NFL and college football viewers engage with interactive features while watching, something traditional broadcasting can't provide yet.⁸

By no means does this necessarily mean the death of broadcasting. First, while broadcasters sometimes complain about their public interest obligations, these come with the free use of public spectrum, which broadcasters can use to provide free content. Streamers often charge viewers for access to their programs, putting them at a disadvantage to free providers of content. While watching ads may inconvenience some viewers, many prefer it to paying a fee, especially if the streaming service also has ads. Second, although broadcast's share of the sports audience may be falling, it is a declining share of a growing market and one in which the four dominant broadcasting companies increasingly participate.

Broadcasting still retains many of the nation's iconic sports events. In their FCC filings the National Association of Broadcasters, Fox Corporation, and Sinclair, Inc., each claimed that live sports on over-the-air television continues to attract larger audiences than similar programming on streaming platforms.⁹ For example, last Thanksgiving, CBS, Fox, and NBC averaged 44.7 million viewers across three NFL games. Amazon's Black Friday NFL game attracted only 16.3 million and their Christmas Day game averaged 21.1 million viewers.¹⁰

The broadcasters also cited statistics showing dissatisfaction among viewers. According to one poll, 87 percent of sports fans were at least somewhat frustrated by the complexity of finding sports content.¹¹ Nearly half of sports fans said they missed games because they were not subscribed to the correct service. Finally, 44 percent said they already subscribe to too many platforms.¹² This gives broadcasters an opportunity to offer better prices and programming if they can find the right business model. Many, however, discount this possibility, arguing that tech firms have too much money.

⁵ Marisa Jones, "Streaming Makes Gains in Sports Viewership as Broadcast, Cable Struggle," Emarketer, November 18, 2025, https://www.emarketer.com/content/streaming-makes-gains-sports-viewership-broadcast--cable-struggle?utm_source=chatgpt.com.

⁶ PwC, "Streaming the Game: How the Rise of Digital Platforms is Changing Sports Consumption," https://www.pwc.com/us/en/industries/tmt/library/sports-streaming-platforms.html?utm_source=chatgpt.com.

⁷ George Winslow, "Study: 38% of U.S. Internet Homes Subscribe to a Sports-Specific Streaming Service," Tvtech, November 11, 2025, https://www.tvtechnology.com/news/study-38-percent-of-u-s-internet-homes-subscribe-to-a-sports-specific-streaming-service?utm_source=chatgpt.com.

⁸ Ibid.

⁹ Dak Dillon, "Sports Rights Migration to Streaming Draws Broadcast Industry Push for FCC Regulatory Action," NCS, April 1, 2026, <https://www.newscaststudio.com/2026/04/01/sports-rights-migration-to-streaming-draws-broadcast-industry-push-for-fcc-regulatory-action/>.

¹⁰ Ibid.

¹¹ Ibid.

¹² Ibid.

IV. Policy Options

Policy responses should generally respond to a clear market failure by lowering the overall regulatory burden. However, in this instance, it is not clear that a market failure exists. All parties, including broadcasters, can negotiate with the sports leagues. In fact, the four national organizations that represent the local affiliates of each of the four national broadcasters accuse the national organizations of creating their own streaming organizations, sometimes going around the local stations.¹³ Over time, the highest bidders must deliver the most value to viewers, otherwise they will not be able to recoup their royalties. Broadcasters have a built-in advantage in these negotiations since they and their local affiliates benefit from the use of free spectrum. Nor is anything sacred about free sports programming.

One possible reform involves antitrust law. The Sports Broadcasting Act (SBA) gives the National Football League, the National Basketball Association, the National Hockey Association, and Major League Baseball, (but not college conferences or professional soccer) an antitrust exemption when negotiating a joint sports deal for the “sponsored telecasting” of the league’s games. This allows the leagues to combine the bargaining power of their teams and distribute revenues more evenly. It also allows the leagues to get a higher price for the right to televise their games. The exemption probably only applies to negotiations with broadcasters, but this has not been definitively challenged in court. Removing the exemption would help broadcasters and would be preferable to giving them their own antitrust exemption.

On April 9 several news organizations reported that the Department of Justice has opened an investigation into whether the NFL is forcing fans to pay too much in subscription fees.¹⁴ There are two obvious issues for the Department to consider. The first is whether the SBA exemption is or should be limited to negotiations with broadcasters. The second is whether the league is currently engaged in anticompetitive behavior. FCC Chairman Brendan Carr has suggested that putting too many games behind a streaming platform could cause the whole antitrust exemption to collapse.¹⁵

A second option is to increase the maximum market share broadcasters are allowed to have. Prior to cable and satellite, most television viewers were limited to three or four main channels of entertainment, all from stations that got free use of valuable public spectrum. In this setting it made sense to limit the market share of individual broadcasters. In today’s era of almost unlimited entertainment, including cable and satellite companies that provide their own programming, over-the-top Internet streamers, and independent content providers, it seems odd to worry about a lack of choices. Yet broadcasters are limited to 39 percent of the national market. Allowing broadcasters to increase their share of local and national markets may help them to compete nationally with global companies like Comcast and Netflix. This change would lower the broadcasters' overall regulatory burden. This may require an act of Congress, however,

¹³ “Reply Comments of the ABC Television Affiliates Association, CBS Television Network Affiliates Association, FBC Television Affiliates Association, and NBC Television Affiliates,” MB Docket No. 26-45, April 13, 2026, <https://www.fcc.gov/ecfs/search/search-filings/filing/10413867422435>.

¹⁴ Jessica Toonkel and Dana Mattioli, “Justice Department Opens Investigation Into NFL,” *Wall Street Journal*, April 9, 2026, <https://www.wsj.com/sports/football/nfl-investigation-justice-department-8835a936>.

¹⁵ Mark Florio, “FCC Chair Warns NFL That Increase in Streaming Could ‘Collapse’ Antitrust Exemption,” *Yahoosports*, March 27, 2026, <https://sports.yahoo.com/articles/fcc-chair-warns-nfl-increase-165815207.html>.

and, in any event, the change should occur only in the context of comprehensive deregulation of the video marketplace.

Absent market imperfections, competition usually produces more innovation and value than regulation. This has certainly been the case so far. Even the largest tech streaming companies must compete with each other and with a deluge of outside content for their viewers. We can expect more competition in the future. Broadcasters are currently trying to update their software by adopting NextGen TV. This technology allows interactive viewing, encryption of spectrum content, and other features. Broadcasters have been petitioning the FCC to mandate it, preferably by setting a deadline for ending the current standard. Continued improvements in NextGen TV will likely benefit viewers, but, as I have argued elsewhere, the Commission should not mandate the adoption of a still unproven standard, especially when other providers are trying to compete with it.¹⁶

Any policy decisions should recognize the benefits of the current system. Perhaps the biggest benefit of current trends is the significant increase in viewer choices. Sports fans can now access many more games than before. They can often watch past games, making their schedule more flexible. Fans can also access content over a number of devices including smart televisions, tablets, laptops, and projectors. Finally, broadband channels offer interactive features such as updated statistics and second angle views. Consumers may express frustration at the price and complexity of programming packages but the steady growth in subscribers indicates that they prefer it over the alternative. Besides, the concept of “free” television ignores the value of viewers’ time watching ads. Packages are likely to become more user friendly as content providers try to expand their audience. We might also see growth in local college and high school games.

Finally, with the possible exception of mandating NextGen TV – which would be ill-advised – the FCC has very little jurisdiction in these matters. Antitrust issues are handled by the Department of Justice and the Federal Trade Commission. The Supreme Court may require that any change allowing broadcasters to control a larger share of local and national markets has to come from Congress, not the FCC. Any reinterpretation of the public interest obligation would affect broadcasters but not others and it is hard to think of any reinterpretation that would substantially change current trends.

In its comments to the FCC the Center for Regulatory Freedom pointed out that, even if the FCC did have jurisdiction, broader institutional issues are at stake. Expanding the Commission’s role into the regulation of content distribution markets would set a precedent with far-reaching implications. The FCC should not blur the line between regulating the communications infrastructure and overseeing content markets. Efforts to impose regulatory constraints to restore historic market shares are likely to produce significant unintended consequences.¹⁷

¹⁶ Joe Kennedy, “The FCC Should Not Mandate the NextGen TV Transition,” April 8, 2026, Free State Foundation, <https://freestatefoundation.blogspot.com/2026/04/the-fcc-should-not-mandate-next-gen-tv.html>.

¹⁷ Center for Regulatory Freedom, “Comments to the Federal Communications Commission in the Matter of Sports Broadcasting Practices and Marketplace Developments,” MB Docket No. 26-45, April 12, 2026, <https://www.fcc.gov/ecfs/search/search-filings/filing/1041224144671>.

V. Conclusion: Watch and Monitor for Now

We should expect continued evolution in television programming of sports and other content in a way that will benefit consumers.

Given the rapid change in technology and business models over the last thirty years, U.S. communication markets need comprehensive regulatory reform that removes barriers to competition, encourages investment, and prepares communication networks for artificial intelligence. Cable and satellite also must still deal with regulations that were meant for a much earlier time. Rather than piecemeal reform of streaming sports programming, it would be best to rationalize the broader communications market so that companies can compete in an open market to provide the most value to consumers in whatever form they want.

Again, it is not clear whether there is a market imperfection that the FCC or Congress need to correct. Broadcasters' public interest obligations are offset by their free use of valuable spectrum. Although the tech companies have a lot of money, they face intense competition from each other and other content providers. Limiting their expansion would hurt viewers.

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