

Radio National Transcripts:

Radio National's *Background Briefing***South Sydney vs the National Rugby League****Produced by Chris Bullock****Sunday 30/07/00****Summary:**

Sport, they say is the great metaphor for society. The drama, dreams and conflict are played out before us in 'The Game'.

Tribalism is at the heart - and so a bunch of loyal League fans, sporting red and green, have hired no less than Tom Hughes QC to tackle the Murdoch 'Goliath'. Even country towns have put money into this fight for the life of the city League club, South Sydney.

The club, the most successful in the history of the game in Australia, was excluded from the National Rugby League competition at the end of 1999. The NRL argued that they didn't make the grade.

The South Sydney Rabbitohs are fighting back. Their case is about community versus business values, and about what matters in life for a lot of people, loyalty. The outcome is of vital importance to the immediate future of the game.

Producer Chris Bullock talks to fans and to the NRL about changes to the game, and the impact of Murdoch's millions and Pay TV on rugby league.

Full Transcript:**THEME****COURT ATMOSPHERE**

Sheriff: All persons having business before this honourable court, give your attendance, you shall be heard. God Save the Queen.

Chris Bullock: Twenty-one floors above Sydney's historic Macquarie Street, an extraordinary argument is unfolding between the past and the future. On one side, a 92-year-old tradition represented by a symbol of a rabbit; on the other, a two-year-old venture under the logo of the world's biggest media corporation.

The Federal Court register says this is the case of 'South Sydney District Rugby League Football Club' against 'News Limited and others'. In many ways, it is much more than; it's about community values as against business values, and it's about what matters in life for a lot of people, loyalty.

This is a case that inspires cliches: David versus Goliath. It is of vital importance to the immediate future of the game of rugby league, and it will be seen as a significant competition law precedent for sporting leagues around the world.

I'm Chris Bullock, and this is Background Briefing.

Jerry Lissing: Hi everybody, I just have a message from our legal team. By all means go to court, wear red and green, even put up a flag, but our team have requested that as much as you want to scream out and carry on, we ask that you don't, that you just sort of bite your tongue. By all means sit there in silence, but the judge and the court don't view that sort of thing very well, and our legal team gets the jitters every time there's a little bit of an

outburst.

Chris Bullock: Each day for the past six weeks, a small crowd of football fans has taken the lift to Court 21C of the Federal Court. Red and green banners and scarves adorn the normally empty public gallery of the court. These are loyal fans of the South Sydney Rabbitohs, the most successful rugby league club in the history of the game in Australia. But Souths are no longer playing the game.

The club was excluded from the National Rugby League competition at the end of last year because the NRL said South Sydney did not make the grade, in terms of its financial support, crowd support and competitiveness on the field. Souths' exclusion, said the NRL, was unfortunate, but necessary for the game's survival. South Sydney is challenging that decision through the Trade Practices Act, claiming it is an unfair restraint of trade on the club, which denies Souths supporters the services of their team.

Souths legal team is led by one of the country's most successful barristers, Tom Hughes, QC, a wily veteran of many significant legal victories. He told the court that Souths' proud tradition has been shattered by the decision of the NRL. Here is a reading from the court transcript.

Reader: *Your Honour would be entitled to take into account the fact that a club which was in the premiership competition for 92 years was excluded from the competition this year, and for all we know, may be excluded in the future, if we lose.'*

Chris Bullock: Tom Hughes is no stranger to rugby league courtroom dramas. Five years ago he was representing News Limited and eventually won an epic battle to give News Limited the right to run its own league, Super League, in competition with the traditional Australian Rugby League. What's known as 'the war', finally ended with a compromise league, the NRL, a joint venture of News Limited and the ARL.

This new case, Hughes told the court, is 'a sequel', to the stormy events of the Super League 'war', and this time Tom Hughes, QC, is on the other side, arguing for tradition. Central to the case is the argument that Souths supporters are, under the law, 'a particular class of people', who have been unfairly denied the supply of entertainment services.

Reader: *It's well recognised that there is such a class and we'll call evidence to show there is such a class, those avid supporters of the game who follow the fortunes of a particular team out of sentiments, (and I don't say this disparagingly for one moment) sentiments of tribal loyalty to a particular club. And I say here, the evidence I expect will demonstrate to Your Honour that tribal loyalties abound in rugby league. Tribal loyalists, the followers through thick and thin of a particular club, are a distinct and recognisable class.*

The Souths trial loyalists, the evidence I suggest will indicate, have a very distinct ethos. They are attached to a club that has produced some of the legends, some of the people who are legendary in the code, for example, Clive Churchill. Souths has won, I think 20 premierships in its time, and it has this class of loyalists.

Chris Bullock: By attending the court in numbers each day, Souths supporters are an embodiment of this evidence. They go to see their heroes, like club Chairman George Piggins, and their villains, the architects of the NRL, take the stand to be cross-examined. There's an occasional outbreak of clapping or angry mutterings from the gallery, but overall they are a respectful, if anxious crowd.

Back at the Souths club, the supporters gather to hear how it's all going.

Jerry Lissing: My name's Jerry Lissing, I'm a member of the Board of South Sydney Football Club. I'd just like to thank everybody for their patience; it's a rough time and you'll probably see over the next few weeks of the case, and waiting for the decision, it's like a rollercoaster: we'll have some highs and we'll have some lows. And you've probably noticed that already, we've had days we thought, 'Yes, we're going to win, this is great' and other days, 'Oh gee, this doesn't look so good.'

The strongest case for us, it always has been, is the fact that we were dealt with unfairly under the Trade Practices Act, and we still, and our legal team feel extremely strongly, that that is pretty much an open-and-shut case. But whatever happens I think the way that rugby league's going now, believe me, we know that the NRL, that News Limited, and everybody involved in rugby league, know that they need South Sydney.

Chris Bullock: If you speak to any Souths fan they'll tell you without South Sydney they're not interested in the game of rugby league. And they'll tell you there are plenty of other fans, of other clubs, who feel deeply

disillusioned with the game.

Billy Trevillian: I've always said that I'm not a rugby league supporter, I'm a South Sydney supporter. And that means that I believe I represent a majority of Souths supporters, 80% or 90% that will really walk away from this game. Now I've spoken to people that don't even like sport; I had one fellow the other day, he was a Knights supporters that doesn't watch the game any more, and these people are watching very closely the outcomings of this court case. This game, without South Sydney, it's going to take a big nosedive.

Myra Hagarty: My daughter Linda, she said 'Mum, there's a change in you, I can see a change. You've got nothing to talk about now, I just know it's hurting you.' It is hurting me, too. I miss it, I miss it very much.

Chris Bullock: There's no way you're interested as a fan of rugby league to go and watch a game anywhere else?

Myra Hagarty: No way, no. I just stay home now. I just worry about it, like not being in it, because it was so much a part of us all the time. You've got to be a Souths person to understand fully how it's hurt us all. A lot of my friends, they're all old and they're dying, and they're dying with a broken heart because of what they've done to Souths; they've followed them for much more longer than me, like years longer than me, and mine's over 50 years.

Chris Bullock: The sentiment around Souths nags at the NRL. It wants to take the game into an era where clubs focus much more on their futures as business enterprises, not on their past glories on the field. And as long as the Souths problem hangs around, it's a vehicle for discontented fans.

The current head of the NRL inherited the Souths problems. The decision to exclude Souths had already been made when David Moffett was appointed, and he's not keen to talk about it while the case is in court. David Moffett says rugby league has to change, but he concedes it will take longer than he thought to heal the wounds of some fans.

David Moffett: There are some people who will never come back to rugby league, you know.

Chris Bullock: And the NRL's accepted that?

David Moffett: No, I will never accept that. I will always work to try and get them back, but there are some people with wounds so deep that they may never heal. There are others that will take more time, and there are other people that have actually said, 'Well this is a new way of things and we're going to move forward.' And the important thing to remember is that sport cannot immunise itself from change. We've been through possibly the most visible and heartfelt change of any sport, given the war of the last five years. And that's accelerated that pace of change. And there are some other sports which are just facing that at the moment, like AFL for example. We've been through that pain, and I feel confident about the future of the game, notwithstanding that there are some people who feel disenfranchised. It will not stop us from trying to get them back, but that's going to take longer than perhaps I thought.

Chris Bullock: NRL Chief Executive, David Moffett.

Commentator (1971 Grand Final): Piggins wins it for South Sydney. The ball's picked up and passed back to Coote, but Coote is knocked to the ground with it. Now Coote to play it just in South Sydney's half; back it goes in the play the ball and is passed to McCarthy but Cox is there to tackle him on the half-way line. Ten minutes left, and there's one point in it in the Grand Final, and Coote goes to the ground held by two St George defenders ...

Chris Bullock: When South Sydney last won a first grade premiership, it was 1971, and Billy McMahon was the Prime Minister. It was the end of the last of Souths purple patches and from then on they lost touch with the top clubs, Manly, Parramatta and Canterbury in the 1970s, and '80s, Canberra and Brisbane in the '90s.

Some bad investments and bad management didn't help Souths. It meant they couldn't afford to buy top players, nor to keep the top players they developed. More losses on the field showed in the stands, with smaller crowds. And the inner city suburbs of Sydney were changing. Old people were moving out, new people moving in.

But as they slipped behind in the big money game, Souths were adamant that they would rely on the strength of their juniors and the dedication of their fans. Souths were a once champion club, forged out of their industrial and immigrant roots, and they became the perennial battlers. Lack of success on the field was made up for with a

unique club and community spirit, according to former Souths Captain, Sean Garlick.

Sean Garlick: I've played for two clubs; I was a Souths Junior and I started there in the late '80s and then there was a change in management and I had to leave. At the end of 1993 I went and trialled at the Roosters, ended up becoming Captain there and was there for four years, and then came back to Souths for '98 and '99. And you speak to players that have played at Souths and gone on and played other clubs, they always hold something special at South Sydney, and you can't quite put your finger on it. Unless you've been there it's the spirit, it's the way you're received, it's the feeling you get when you walk down the street, and it's unique.

Chris Bullock: Outside their immediate area, Souths have kept a loyal fan base because of their tradition, especially in the bush, says Sean Garlick.

Sean Garlick: The support and the affection that was shown to the club when we did travel you know, was something that went far beyond just following the team for its results on the field, it was a history, it was a tradition, it was about people that grew up going to the football or listening to the football from out in the bush, on the radio, that their fathers and their mothers were passionately involved in. And they could remember the great players that graced the game that came from Souths, and it was something that they virtually had no control over, it was just bestowed upon them that you'd be a South Sydney supporter and I think that's what made every victory even sweeter. The losses you come to accept. Whenever there was a South Sydney team that was in town or were doing a promotion, or whatever, everybody got out, they pulled out their red and green and showed their support.

Chris Bullock: The continued strength of South Sydney's support in the bush has been shown in the past few months, with tens of thousands of dollars raised to help fund Souths' court cases, in places like Lismore, Merimbula, Orange, Dubbo and Scone.

Barry Young: We're down here now to present George, if you could ask him to come forward for a cheque from Scone, the Bash in the Bush for \$15,000.

APPLAUSE

George Piggins: Thank you Barry, I thought it was \$10,000 and we got \$15,000 so it's even better. But on behalf of the South Sydney Football Club, and the fans, we'd like to thank the people from Scone. It's a real big effort, and it's a lot of money and we appreciate it. And let's hope that in the year 2001 that the Rabbitohs will be back and we'll come up and play another couple of games up here in Scone and show the appreciation to you. Thanks very much Barry.

APPLAUSE

Barry Young: Just going to that, there are wheels in motion to have that Bash as an annual event when we get back, so you'll probably have to get a couple of busloads next time.

George Piggins: Thank you. We'll be back.

MC: Ladies and Gentlemen, Barry Young from Scone, and the South Sydney Rabbitohs chairman.

Chris Bullock: Souths supporters have raised about half a million dollars in the past eight months, including \$100,000 from the Greek and Lebanese communities, for example. But it may be too late.

The peace deal at the end of the Super League 'war' included a plan to drastically trim the competition size from 20 teams to 14 teams by the year 2000. The NRL wanted a greater geographical spread of teams in the big east coast television market, to maximise the sponsorship dollars. This meant rationalising the number of Sydney teams and expanding new markets. The NRL has new teams in Melbourne, Auckland and North Queensland.

Through Super League and the NRL News Limited has spent hundreds of millions of dollars to shape the rugby league market. The media giant's Pay TV rights help bankroll the league, it has equity investments in a number of teams and it's provided millions in grants and loans to the Super League clubs. This is an important part of Souths' argument in court, that the propping up of other clubs by News Limited was an unfair advantage when Souths were penalised for being poor.

What's more, the 'war', fuelled by the competing media interests of Kerry Packer and Rupert Murdoch, had

pushed the wages bills of the clubs through the roof. There was immense pressure on established Sydney clubs to merge, to pool their sponsorship and crowd-pulling potential. St George merged with Illawarra, Wests merged with Balmain, and Norths merged with Manly. Souths refused to merge with anyone, because that would mean a history lost. Souths were painted as recalcitrants.

But the writing was clearly on the wall for the old Sydney clubs, according to Balmain Chief Executive, Danny Munk.

Danny Munk: Clubs such as Souths and Balmain and Norths are great clubs, but suddenly they were facing wage bills of \$5-million or \$6-million a year, but their revenue wasn't \$5-million or \$6-million, and they were still raising revenue in the eras of where they only needed a million dollars to run a whole club. So that the whole thing moved away from them, and suddenly finances became a big issue. They couldn't keep their players, they couldn't develop players, they couldn't purchase players, they started becoming less competitive, less people started going to the games, all these clubs were being affected by it. Some had good years, some had bad. North Sydney probably had a lot of good years until they had a very bad year last year. Balmain had its eras, Souths had its eras. The thing is, things change, and unless you're able to keep your business moving forward, now when it came time to make a choice, any one of those clubs I mentioned could have been in South Sydney's boat. And the thing that made the choices for all of them were they had found it very difficult to be competitive, because they were finding it difficult to raise revenue, and the reason they were finding it difficult to raise revenue is that they hadn't built the infrastructures to move forward, and they had hoped to keep their traditions and move forward simply on the tradition. And unfortunately, in the last ten to twenty years in the Sydney market, business has moved forward very dramatically.

Chris Bullock: After the various mergers, there was still one club too many for the new 14-team competition. So the NRL applied a selection process. Preference was given to merged clubs and regional clubs, that is, those outside Sydney, before the stand-alone Sydney clubs. The stand-alone Sydney clubs, Parramatta, Penrith, Cronulla, Canterbury, Sydney City and Souths, were then measured on crowd support, competition results, sponsorship support and finances.

There was a sense of inevitability about the result and in the weeks leading up to the decision, Souths rallied its supporters in an effort to show that the average home crowd of just 8,000-10,000 was only part of the true level of support for the club.

In the week before the decision, Souths supporters put on one of the biggest sporting demonstrations in the country's history. Between 20,000 and 30,000 people went to a 'Reclaim the Game' rally in the centre of Sydney. The MC was Andrew Denton.

Andrew Denton: I'd like to kick this off formally now by welcoming not only fans of Souths, but fans of all the other clubs represented here today. St George, Manly, North Sydney, Parramatta, Cronulla, Canterbury, Brisbane, Newcastle, the late, great Illawarra and all the other clubs that are here today – representatives of country towns in New South Wales have come here in their thousands including one man that I met this morning has flown down from Brisbane, from Bowral, from Bathurst, from Wollongong, and at least ten busloads from Newcastle.

I know there's a lot of people who would like to have been here today but can't ... rugby league players who would like to support Souths publicly, but are afraid to do so because of the way they'll be reported in the press.

BOOS

It's a sad indication of where this game is today.

BOOS

Chris Bullock: The suspicions of many fans, that News Limited and the NRL had targeted Souths for the chop were heightened when the News Limited flagship paper in Sydney, The Telegraph, ignored the rally.

D-Day was October 15th.

George Piggins: Ladies and gentlemen, look will you please keep calm here. I know this is going to be very emotional but look, the NRL has took us out of the competition for the year 2000.

BOOS/SHOUTS

Radio SFX: If you're talking about it, we're talking about it with Alan Jones on 2UE, talk radio 954.

Alan Jones: It's 13 after 7 on Monday 18th October and as we all now know Souths got the bullet on Friday. And out of the original teams in rugby league, only Easts remain, although you could include Newcastle, Newcastle were one of the foundation clubs but they only lasted a year. And the game of the future, apart from seemingly belonging to News Limited also belongs to clubs like Auckland and North Queensland who have been there for only four years, Melbourne for only two years, Newcastle and Brisbane 11 years, Canberra 17 years. The history of the game has virtually been wiped out. And what is worse it seems without any sense of shame or apology. In Souths you have Australia's oldest rugby league club; it's won 20 premierships, more than any other. The next best is 13. It's produced 61 internationals, more than any other. It's produced five test captains, more than any other. It owns the great names of the game, amongst them the Rayners, Wells, Moir, the Branigans, Stevens, Churchill, McCarthy, Cootes, Sait, O'Neill, Sattler, Simms. And of course the now legendary George Piggins. But even in the modern era this club for which there's no longer a place, this is the club that's produced Terry Hill, Ian Roberts, Jim Sedaris, Jimmy Dymock, Mark Carroll, Les Davidson, Phil Blake, Craig Coleman, Mario Fenech, Craig Field and the kids Lee Hookey and Craig Wing. Not a bad record for an outfit judged unsuited and unwanted for the game of the future.

As the Australian coach Chris Anderson said when he returned from New Zealand at the weekend, 'I suppose business is business', and there it is. It's not sport, it's business.

Chris Bullock: Broadcaster Alan Jones is a former Souths coach, and he's part of a broad coalition of prominent Souths supporters, including several Labor politicians, former New South Wales Liberal Premier Nick Greiner, Andrew Denton, Ray Martin and others.

The Souths cause has a strong ideological dimension. It's about the tension between business values and community traditions and it is about the loss of something that brings a lot of very different people together. For the loyal fans described by Tom Hughes in court, it's a very personal loss.

For example, Mark Courtney, a 39-year-old IT Manager with Qantas. He says he has a full life, a family, a nice house, a good job and lots of other interests and friends, but his football team is a thread that has run through his life. Mark Courtney.

Mark Courtney: I've come to understand that it's a lot more than watching football. It's a lot more than whether the team wins or loses; it's something about a thread that runs through my life. And for a lot of people through their family's life before them. It was with me when I was nine and ten, and we used to cry if they lost. It was with me when I was 14 when I used to go out to the games with my mates, and it was a different thing then, you know it was almost as important whether you actually ran on and stole the corner posts as to whether the team won or not. And it was almost as important how many players you got to pat on the back when you ran onto the mud heap at the end.

And then as I was in my mid-teens, it became something that I really focused on, because I didn't have such a great time in those years. I had a good time at home, but I was a bit of a dag at school and I didn't have a girlfriend, and I wasn't doing that well at school, and I found everything kind of depressing, and I focused on football as something that became a thing for me to focus on.

Later on, it was with me when I was at university, and I went with the guy that I call my footy mate, he's a guy that I've gone to the games with for 22 years. And then it played a different part in my life as I grew older and had a job and had a supposedly more responsible life. Then a marriage and mortgage and all of those things that people do. And also I've got three girls, aged 8, 6 and 4, and it's really a nice thing to take them out on a Sunday afternoon to the footy, which has been part of my life for a long time, and it's something that I love sharing with them; I love it that they have red and green ribbons in their hair, and I love it that they wear a Souths cap. And also I'm projecting into the future, and I'm loving the thought that when they grow up and maybe have kids, I might be able to take my grandchild to the footy and watch Souths you know, and tell them about the legends of past Souths things. And it's something that goes back nearly 100 years and we don't have that many of those in Australia.

Chris Bullock: The day after Souths were cut from the competition, Mark Courtney began writing a book, now published, about his life as a Souths fan. It's called 'Moving the Goalposts.'

Souths claim their plight has attracted a new generation of fans, including thousands of fans from other clubs, especially the clubs that have merged into new entities.

Two of the regulars at the Federal Court are friends Michelle Joyce and Kathy Horsfall. They're 17 years old, and until this year they followed the Manly club and went to the football every weekend. But when Manly merged with fierce local rivals, Norths, to form the Northern Eagles, Michelle and Kathy turned their backs. Now, they say, they'll support Souths, because of the stand the club has taken.

Michelle Joyce: Well Manly was good and stuff, and then we went to a Manly rally two weeks before the Souths' big Reclaim the Game rally, and it was at Brookvale Oval and we basically told them, there was about 50 people there, we told them No Merger, or else we're not going to support you, and they basically went Yeah, fine, we don't need you. Then we went to Reclaim the Game, and it was just so passionate and stuff, and it was just so emotional and everything, and people crying you know it was just so good, and then we kind of thought Oh, well maybe there are better things than Manly, and if they're going to treat us like this, you know we've got nothing to lose and Souths never really did anything wrong. They've always been like true and morally right, so yes, it was a good decision.

Chris Bullock: But you were great football fans really, weren't you? You weren't too bothered about who you went to watch, you went to watch Norths even though you hated Norths, you were Manly fans, and you went with a group of friends and you went to other clubs, you went I think to see Canterbury and other teams play, so you were football fans. I mean isn't there still really good rugby league being played that's worth watching?

Kathy Horsfall: There might be but it's like our old teams aren't there, you don't see the rivalry when you see Norths and Manly play for example, you don't see the rivalry any more, because they're playing as one team.

MichelleJoyce: And like they mentioned in court today the NRL company, and it's turning into a franchise and it's just getting ridiculous because Murdoch owns half of NRL, all of Brisbane, half of Canberra and half of North Queensland, and I think a lot of Melbourne, and there's not much point, because he's pumping money into them with an unfair advantage, and because we don't have a team at the moment, there's not much point in watching Murdoch just run round with his money doing what he wants.

Chris Bullock: So what do you do on Sundays now?

MichelleJoyce: We do nothing, stay at home. But we never go to football or anything any more because it's just ridiculous.

Chris Bullock: Given how big it was for you over a period of years, you used to go every weekend, aren't you itching to go and watch a game of rugby league?

Kathy Horsfall: It was a huge sacrifice, like at first you'd want to go out and you'd go, What can we do, we can go to the footy. But then you realise, Hang on, we don't want to support that.

Michelle Joyce: And I just think of the rally and Souths and how emotional everyone was, and how much it means to everyone and they're a foundation club and everything, and then you think, If I go to the football I'm supporting the destruction of that and it's not worth it.

Chris Bullock: Michelle Joyce and Kathy Horsfall.

One of the big problems for Souths has been the drop-off in the crowds going to their games in recent years. A big question now is whether or not the club can start to count other disillusioned fans as its own.

At the University of Technology in Sydney, two academics have been conducting research into fans and club loyalties.

Dr Shayne Quick and Linda Van Leeuwen believe they've uncovered a large group of fans who don't so much identify with a club, but with the fans of that club. Dr Shayne Quick.

Shayne Quick: When we look at fans, we knew for an extended period of time there were differences in fans. There were rational fans, there were irrational fans which is often the Souths or the Collingwood, or the Sydney Kings those ones.

Chris Bullock: The mad fans.

Shayne Quick: Yes, they're totally emotional about it. So there's rational and irrational. There's armchair fans, media fans, you know, champ followers a whole bunch of fans, but whilst there are fans of the club and the sport, there are also people who identify with being fans of the club. So they didn't necessarily buy into the notion of the Souths, or rugby league, but they are very much tied into the notion of being a member of the fans of Souths. And it's one thing that hasn't come up. This is new research. Now the next question you'd probably ask, What's it all mean? And we really don't know at the moment, because we've only identified this trait amongst fans in the last six months. But what it appears is that some people like the notion in terms of social identity theory, which this comes out of, being identified as a member of a particular group, and so they identify.

Chris Bullock: It's a solidarity thing, is it?

Shayne Quick: Yes listen I think that's probably one way of looking at it, you know, the whole notion that we belong to the group of people that's disaffected, that's downtrodden, or conversely, we belong to that group of people like the 'silvertails', who identified with certain sorts of clubs both in rugby league and AFL. So that the whole notion of social identity, identify with the fans of that club first, and then by definition I have to identify with the club as the sporting organisation.

Chris Bullock: What would you make of a couple of fans that I've spoken to who are 16, 17 year old girls from the leafy suburbs of northern Sydney who were Manly fans, silvertails, who couldn't bear the thought of their club merging with North Sydney, and have joined the Souths cause because they fell in love with the passion of it, they said.

Shayne Quick: I think you've hit the nail on the head, they fell in love with the passion of the cause, they didn't particularly fall in love with the club itself, and I would think that if in fact Souths come back on board that won't necessarily mean that they'll buy a membership, that they'll buy the Souths jersey, and they'll watch the Souths game on television. I mean I think they're identifying with a cause related to what has happened between Manly and Norths as opposed to relating to a particular football club.

I mean it's one thing to believe passionately about a cause, that doesn't help the strategic business plan of an organisation when they're trying to project three to five years ahead in terms of viability within an organisation.

Chris Bullock: Well Kathy and Michelle have bought Souths jumpers, they were wearing them at the court. But whether they'll even have the chance to go to a Souths game in the future is something nobody knows yet.

So what about the merged clubs? Have they lost fans who may yet end up at Souths games? The Chief Executive of the Balmain club, now merged with Wests, is Danny Munk.

Danny Munk: We have lost some fans, there are some people who said that if we had merged they wouldn't follow us. But what you're talking about a small percentage, difficult to quantify if you're looking at average crowds of, say 15,000 people, you're probably looking at 300 to 400 who put their hands up and said, 'Right we aren't coming any more.' One of the arguments recently was Well if you had your Wests fans and your Balmain fans, you should be getting 20,000, 25,000 people per game. But what's actually happening, the people who used to go and watch Wests at Campbelltown are still going to Campbelltown and watching that, but not many of them come to Leichhardt, and in turn a lot of people that went to Leichhardt aren't necessarily going to Campbelltown. So we still actually have our fan base following us, but they follow the team in the geographic area they're most comfortable with.

Chris Bullock: What that means though is that you have rugby league fans that were perhaps going once a fortnight to a game now going once a month.

Danny Munk: That's correct. But what they are also doing, and this is one of the things that the NRL and others have to get their head around, is that if they aren't going to the game, a lot of them are now watching it on Pay TV. The amount of people who two, three years ago said No, we won't have anything to do with Pay TV, we don't need it, we're going to the game, now have Pay TV, because they can watch any game they like, ours and others, every week.

Chris Bullock: To what extent do you expect that Pay TV viewing will take precedence over going to the ground viewing increasingly?

Danny Munk: North Sydney last year and Manly were getting quite concerned in regard to the impact that Pay TV was having on their home games, because people were watching it at the comfort of their own home. And that is something the Pay TV networks have said, that their subscription rates have gone up significantly because of football.

NRL TV AD - TOM JONES

Chris Bullock: Spectators through the turnstiles are becoming less and less important to the sport's bottom line. It's more important that they are watching on the TV, listening on the radio and buying team merchandise. It is the spectators at home who bring in the big sponsorship dollars and add weight to the NRL's ability to secure bigger broadcast deals from the TV networks. Just as long as enough people still go to the grounds to create an atmosphere for television. Increasingly the league wants clubs to build what they call 'boutique stadia', where small crowds can generate a big atmosphere.

So far this year, about 2.4-million tickets have been sold for the rugby league. That's down almost 10% on last year. But because there are fewer teams this year, the crowd averages are actually up, as the NRL points out. David Moffett.

David Moffett: I'll just remind you, I mean last weekend we had two games where they had to turn people away, because they just couldn't get them into the grounds. Newcastle and Illawarra, down in Wollongong. That gives me a great heart for the future. But I will stress yet again, the actual crowds that go to the game is only one measure of the game's popularity, there are many others and we shortly will be finalising our work on what I call the sports popularity index, which will give a much clearer indication of how popular the sport is.

Chris Bullock: Could you just run through what's on that index?

David Moffett: Well I mean, we're looking at things for example like ratings on free-to-air, Pay TV, magazines that are bought and sold, readership in newspapers, listeners to radio, merchandise that is sold, sports betting, for example betting on sport outside of racing, rugby league is the biggest sport. And there are various other ones that we're also working on, to give a much truer indication of the game's popularity rather than just focusing on the raw crowd numbers, which is obviously an important element, but it's only one element.

Chris Bullock: According to News Limited, Foxtel, it's Pay TV network, is now in 640,000 homes, more than half of all the Australian homes connected to Pay TV. Foxtel has tripled the number of subscribers in the last three years, and the strongest growing markets include all the big rugby league areas, Sydney, Brisbane, Newcastle, Canberra, the Gold Coast, as well as Melbourne.

Just as Pay TV has been dependent on rugby league for much of its growth, rugby league is increasingly dependent on Pay TV networks. The sale of TV rights and merchandise fills the NRL kitty, the NRL then gives \$2-million a year to each club. But it can cost up to \$8-million to run a rugby league club, and the clubs have to fund the balance.

According to some of the evidence given to the Federal Court, several clubs are struggling and have been bailed out by News Limited. Souths' precarious financial position was a major factor in it's exclusion from the league.

Souths have now been asked to show that they are capable of raising enough money to compete next year, and in the years ahead, if they are readmitted to the league. The new Deputy Chairman of the South Sydney Board is former Souths Junior and Test cricketer, Mike Whitney.

Mike Whitney: This whole area of what we're worth and can we get sponsors, and can we get players, comes around because of a plan that we put together to submit for the criteria. It was called our Millennium Management Plan, and within that plan the marketing company who put it together and put it to the Board said that they would be able to raise \$20-million in sponsorship over a five year period, it was a five year plan, which is \$4-million per year. So what they were saying is 'Outside of the grants or the money or the sponsorship money that's given to you from the NRL, we will, as an independent company and club, be able to raise \$4-million.' So the opposition, the legal team from the NRL and News Limited has attacked us on that particular note saying that 'We believe that that's not true, and we believe that you can't do that.' And the judge has said that he would like to see us maybe entice enough sponsors to get half of that money at least over the five year period. So that's \$2-million a year for five years. So we're out at the moment, trying to raise that sort of money and trying to get people to sign affidavits to stand up in court and say 'Yes, I will give the club \$250,000, half a million, a million dollars a year for five years, and here's my affidavit to say so.'

Chris Bullock: And how are you going?

Mike Whitney: Well we're going OK, I mean I'm not in a position to say who we've spoken to, but I can say that there is a lot of people out there that are interested, and I can say this: We've had a phenomenal response.

Chris Bullock: Mike Whitney.

Fellow Souths Board Member, Jerry Lissing, told a gathering at the club two weeks ago that the board is negotiating with one particular company which is keen to put up a substantial sponsorship if Souths are readmitted.

Jerry Lissing: You'll be happy to know that just yesterday I was approached by a major company wanting to sponsor us, so we're starting to have discussions with them. I'm talking about a major sponsor, major naming rights sponsors. So there's a lot of interest and we're very confident, we ask you all to keep your patience.

Chris Bullock: A naming rights sponsor might bring in between half a million and a million dollars, but that's still several million short of what's needed to run a top rugby league club.

And then there's the matter of players. Getting a team together in case they are playing next year is a difficult ask for a club that had to let its players go this year because it was no longer in the competition.

There's no doubt the new Board at Souths is up against it, trying to make up for the lack of fundraising by the club in the past. Mike Whitney again.

Mike Whitney: Up until this point in time, and this is with all due respect to the previous Board, they were there for ten years and they kept the club alive and what they considered competitive. But I followed the club all that time and I don't really remember there being an enormous marketing drive or money spent on really pushing the brand or pushing the team. That's changed now. I believe now as I speak to you, our supporter base is three times bigger than what it was. I reckon, let me make a prediction: if South Sydney are back in the NRL competition next year, you want to buy a ticket real early to get to the game.

Chris Bullock: The first game, obviously, but what about the second, through to the 15th?

Mike Whitney: Well let me also say this, if we lose the first six games in a row, that's going to be a nightmare, but the players that we have on the paddock will be the best players that will be available, and we'll market the team as the people's team, as the working man's team, as the team that's come back to give all those people that were robbed of someone to support, even the Balmain people and the West people. There's people there that won't support a merged club. They'll come and support us, because we signed the register on the first day, 1908.

Chris Bullock: Just on the player issue: how are you going, getting a paper team, if you like, a potential team together to play next year, because you don't know whether you're going to be able to, and you don't know whether there's going to be any need to.

Mike Whitney: Well look again, all we can do to address that area is to go out and talk to the players' managers.

Chris Bullock: Is it the case that there are quite a few players who have got clauses in their current contracts with teams they're playing with now in the NRL, that say if Souths get back in, we reserve the right to go and play for Souths.

Mike Whitney: Yes there is a couple running around, and I mean again in saying that they're not forced to come back to play with us. We may look to England, we may look to New Zealand, we may look to a number of places to try and bolster our ranks with a couple of older, experienced players to try and guide what I would believe would be a young group of players that show a lot of potential and can be moulded to the way that we want our team to be. And we want our team to be the most professional, the fittest, the most cleanskin, no scandal, get out there and play football, do all the community service, do things for charity and do our club and our area proud.

FANS SING SOUTH SYDNEY SONG - GLORY, GLORY TO SOUTH SYDNEY

Chris Bullock: There are several ways the current court case could go. For example, the ruling could be that Souths must be allowed back in, to what would be a 15 team competition. It could be that the NRL had the right to

make the decision in the way that it did, to exclude Souths. Or it could be that the selection process needs to be redone, with all clubs having to reapply for a new 14 team competition.

Certainly a Souths victory in court will affect the other clubs. Danny Munk

Danny Munk: I certainly think a lot of the merged clubs will then look at the NRL and say, 'Well you gave us a set of rules to work by, we are now being told those rules aren't right.' So there'll be a lot of questions come up. But having been in the ARL camp when we won that significant victory against Super League and had one year of 'Well, we've won, we know where we're going, everything's fine in the world', and then twelve months later having every one of those decisions reversed on us, I really wouldn't be that excited at this stage if Souths did win, I'd wait until the appeal to decide which way things are going.

Chris Bullock: If Souths were ultimately successful in challenging their exclusion from the NRL, it has some interesting implications for media corporations involved in the running of sporting leagues. American sports lawyer and academic, J.B. Perrine, has taken a strong interest in the rationalisation of rugby league in Australia. He says the Souths case is important because it will have media groups wondering about whether they should buy into the running of traditional leagues, or just create their own leagues. J.B. Perrine.

J.B. Perrine: It's a very important case with respect to media corporations' involvement in leagues that are in existence presently. You can't turn back time and get to a situation where media is not involved with sports just because the evidence is so strong that sport is one of the few programming options or content that really attracts consumers to the media company's product, whether it be the Internet, whether it be cable television, whether it be network television. So I think that the importance here lies with, Will media companies continue to spend the millions and billions of dollars to buy the programming rights to traditional leagues or will they continue with their equity investment? If they do continue with equity investment will they try to do so on a partnership arrangement with a traditional league or will they just say, No, we'll go our own way where we can have total control of the product.

Chris Bullock: By having total control of the product they avoid the trade practices actions?

J.B. Perrine: Exactly. By having total control of the product they avoid a number of legal issues that arise involving professional sports: conflicts between the media corporation and individual clubs, conflicts between the media corporation and players, I mean just a lot of trade practice acts, labour law issues, a lot of things are not significant if you have one firm that controls the entire product.

Chris Bullock: American sports lawyer and academic, J.B. Perrine.

The judge in the South Sydney case has said he understands the importance of a speedy decision, given that the case is about whether Souths can play next year. In many ways Souths has a mountain to climb: it must argue its case successfully, after losing a court injunction last year; it must find a potential team; and it must find potential sponsors. But still, each day the Federal Court gallery is full of Souths loyal fans; the Souths website is one of the most popular rugby league club sites, registering 400,000 hits a week; and Souths merchandise is the second biggest seller at the Rugby League Megastore in Sydney, for example.

The next few weeks will be an anxious wait for the Souths tribal loyalists. At least Souths oldest fan, Albert Cliff, can take solace in his private museum of Souths memorabilia.

Albert Cliff: All these photos, all these right along here, they're all Grand Finals. 1908, 1909, 1918, 24, 25, 26, 27, 28, 29, 31. From 1923 to 1931 reserve grade won eight Grand Finals, the first grade won seven Grand Finals and two city cups. They were unbeatable. That's when they got the name the pride of the league.

Chris Bullock: At the age of 96, Albert Cliff is older than the South Sydney club itself, and any other club for that matter. His personal contribution to the club spans about 80 years.

Albert Cliff: I was playing junior football with St Peters, Surry Hills; in 1922 I got picked for the league and joined South Sydney's third grade. That was on the 15th June, 1922, and I've been tied up with the club ever since. I've been in every position in the club committee, for the last 40 years I've been timekeeper. What's happening from now on, Lord knows.

Chris Bullock: What are you thinking is going to be the outcome?

Albert Clift: I've got no idea in the world. None. Although I'm lucky, at 96 I won't be seeing too much more of it.

Chris Bullock: If Souths loses in the Federal Court, the club will have to decide if it thinks there are legal grounds for an appeal, and if they can afford an appeal. If not, Mark Courtney says the Souths colours should be retired, with ceremony.

Mark Courtney: Retire the red and green Rabbitoh of South Sydney as a statement of honour, and say South Sydney competed in the rugby league competition from 1908 to 1999 and won 20 premierships and produced the most number of internationals and produced the most number of Test captains, and so on. But the game as it has become and if it's shown that it's legal that that's the way that it can happen in Australia, then I want in my club, to have no part in it whatsoever, and I want them to make a formal statement that they choose not to play a part in that, and I'll be happy with that, and I'll die forever a South Sydney fan without a team to support on the field, but with my own love of the integrity of the club well and truly holding up.

THEME

Chris Bullock: Co-ordinating Producer, Linda McGinnis. Technical Production by Anne Marie Debetencor; Research was by Paul Hughson; Readings by George Whaley; Background Briefing's Executive Producer is Kirsten Garrett; and I'm Chris Bullock.

THEME

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