

# TVSPORTS MARKETS

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## PREMIER LEAGUE

### Big rights-fee increases continue but key Middle East talks drag on

By Dan Horlock and Kevin McCullagh

The Premier League's recent international deals confirm the dramatic upward trend the league has enjoyed so far for the new three-year rights cycle, from 2013-14 to 2015-16.

Stand-out results include a near-600-per-cent increase in value in Latin America, a 275-per-cent increase in the US and a 60-per-cent increase in Canada. These deals, all signed in the last two weeks, come on the back of an increase of over 550 per cent in Brazil last month (*TV Sports Markets* 16:19).

The deals bring the overall value across the Americas to \$142.8 million (€110.7 million) per season, from \$36.1 million per season in the current deals, an increase of nearly 300 per cent. With deals in many of the world's major markets now complete, the league seems set for a massive increase in the value of its international rights from the current \$780 million per season.

Its deal in the US with media group NBCUniversal is worth about \$250 million or \$83.3 million per season – more than three times the value of the current deal with News Corporation's Fox network, worth \$22.3 million per season (see table, page 4).

NBC acquired the rights in the second round of bidding after blowing away the competition in the form of an alliance between Disney-owned sports broadcaster ESPN and the incumbent rights-holder Fox. ESPN and Fox had decided to bid together for the Premier League rights across the Americas.

In the US, the alliance was primarily formed to counter the threat of pay-television broadcaster beIN Sport, owned by Qatari pay-television broadcaster Al Jazeera. However, it is understood that a bid from beIN Sport never materialised. The broadcaster has acquired US rights for

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## CRICKET

### Windies slow decline confirmed

By Dan Horlock

The new seven-year global rights deal between the West Indies Cricket Board and pan-Asian pay-television broadcaster Taj Television, worth just over \$100 million (€78 million), appears to be in line with the values in the board's current rights deals. However, closer analysis of the deal suggests the board has suffered a heavy loss in real terms.

The board currently earns about the same amount for its rights outside its domestic market through two four-year

deals, both of which expire at the end of 2012. These are:

- a deal with Taj for global media rights, excluding the Caribbean and the UK, worth \$69 million;

- a deal for the UK rights with pay-television operator BSkyB worth £20 million (€25.8 million/\$32 million).

In the new deal, Taj is paying \$101 million, but an estimated \$35 million to \$40 million of this is

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## FASTRACK

## NEWS IN BRIEF

### MP & Silva gets 100% increase for FA rights

The value of the English Football Association rights in the Indian subcontinent has doubled under the new deal between the MP & Silva agency and pan-Asian sports broadcaster ESPN Star Sports.

ESS acquired the rights for coverage of the FA Cup and England matches in a six-season deal, from 2012-13 to 2017-18, worth about \$2 million (€1.6 million) per season. MP & Silva is selling the rights after it acquired the FA's rights in Asia for six seasons in March in a deal worth \$20 million per season (*TV Sports Markets* 16:5).

In the previous four-year deal for the Indian subcontinent, from 2008-09 to 2011-12, media company Sony paid \$875,000 per season for the rights. Sony acquired the rights from the IMG Media agency. IMG had bought the rights to both the Indian subcontinent and Japan from the FA in a deal worth close to \$1.25 million per season.

The new ESS deal is thought to have been one of the final acts of ESS's former managing director, Manu Sawhney, who was replaced by Peter Hutton in June. It is understood that the FA had underlined to MP & Silva the good partnership it had enjoyed with ESS in the previous four-year deal, from 2008-09 to 2011-12. In the previous deal, ESS paid \$20 million per season for Asian territories excluding Thailand, Japan and the Indian subcontinent.

The new ESS rights deal covers television, internet and mobile platforms. It covers the territories of India, Sri Lanka, Bangladesh, Pakistan, the Maldives, Bhutan and Nepal. In addition to the FA Cup and senior England team matches, the broadcaster will also show all U-21 England matches and the pre-season FA Community Shield game between the FA Cup and Premier League winners.

### IEC closing in on Nordic deal

The IEC in Sports agency is deep in sales talks for Women's Tennis Association Tour rights in the Nordics in the 2013 to 2016 cycle.

Broadcasters say that the agency approached the market seeking over \$2 million (€1.6 million) per year for the pan-Nordic rights. One local industry source said this week that bidding so far valued the rights at about \$1 million. IEC declined to comment.

Media group Bonnier is understood to be the only bidder interested in acquiring the rights on a pan-Nordic basis – for Denmark, Norway, Sweden and Finland. It is facing competition in Denmark, thought to be from either pan-Nordic operator Modern Times Group bidding for local rights only, or local pay-television sports broadcaster TV2 Sport. Bonnier and MTG operate commercial and pay-television channels across the Nordic region.

Denmark is where the rights hold greatest value, thanks to local star Caroline Wozniacki.

Industry experts say IEC is making good progress signing deals for the 2013-16 cycle. The agency is negotiating the sale of the television rights in all territories outside North America under a partnership with digital media specialists Perform Group, which is the WTA's cross-platform media rights partner for the territories.

Two deals have been announced so far. Pay-television broadcaster Sport1 has been confirmed as the buyer in the Netherlands. French basic-tier sports broadcaster Ma Chaîne Sport has acquired rights in France, Belgium, Luxembourg, Israel, Portugal and selected territories in sub-Saharan Africa, in a deal understood to be worth €3 million per season. ■

### Primetime set for big returns

The UK pay-per-view channel Primetime TV expects to achieve a minimum of 200,000 ppv buys and generate revenues in excess of

£3 million (€3.8 million/\$4.8 million) for the comeback fight of Britain's most popular boxer, Ricky Hatton, on November 24.

Hatton, who promotes himself via Hatton Promotions, has agreed a revenue-share deal with the channel that is weighted heavily in his favour. There is no minimum guarantee. In addition to the main event – Hatton v Vyacheslav Senchenko – Hatton Promotions has also put together a strong undercard, including Scott Quigg v Rendell Munroe and Sergey Rabchenko v Cedric Vitu.

The card is set to record the biggest buy rate since the channel's inception in 2009, David McConachie, the co-owner of the channel, told *TV Sports Markets*. Its previous record of about 70,000 buys and revenues of over £1 million was for the WBA light-welterweight title between Amir Khan and Paul McCloskey on April 16 2011.

Primetime has increased its distribution by about 30 per cent for the fight, according to McConachie. It has signed deals with IPTV broadcaster TalkTalk and with pay-television operator BSkyB for the pub and club rights.

It is understood that there was little competition for the rights to the card. Broadcasters tend to deal with one main promoter. BSkyB has a contract with Matchroom Sport while commercial broadcaster Channel 5 has a contract with Hennessy Sports.

The only other option was boxing channel BoxNation but Hatton's poor relationship with promoter Frank Warren, who has a seat on the board of Boxing Channel Media, the holding company behind BoxNation, ruled out a deal. Warren previously worked as Hatton's promoter.

Hatton is set to step into the ring for the first time since his second-round defeat to Filipino Manny Pacquiao in May 2009 in Las Vegas, the US. Hatton announced his retirement from the sport on July 7 2011. ■

## PREMIER LEAGUE

# Uplift across the Americas despite lack of beIN Sport

*Continued from page 1 ►*

other top European football leagues, such as Serie A, La Liga and Ligue 1, until the end of the 2014-15 season, and had been expected to bid aggressively for the Premier League.

Neal Pilson, the former president of US sports broadcaster CBS Sports, told *TV Sports Markets* this week that NBC had bought the rights as part of its long-term strategy to increase the distribution of its pay-television channel NBC Sports Network from 80 million homes to 100 million (see box). He pointed out that not only had the Premier League achieved over a 270-per-cent increase in the rights fee, it had done so while maintaining a free-to-air window for its matches that would help continue to increase the league's popularity.

An increase in value had been anticipated on the back of increased competition between operators for sports content and the growing interest in the US in the English league. This had been aided by Fox's decision last season to begin broadcasting Premier League matches for the first time on free-to-air television.

The deal confirms the US as the Premier League's single most lucrative territory outside of the domestic market, replacing Singapore, which was agreed at a flat rate in difficult market conditions (*TV Sports Markets* 16:18).

## Latin America

In Latin America, excluding Brazil, pan-regional pay-television broadcaster DirecTV PanAmericana and pay-television broadcaster Sky México, in which DirecTV owns a 41-per-cent stake, acquired the rights in a deal worth \$100 million over the three seasons, or \$33.3 million per season.

The rights fee was up from \$4.8 million per season, close to a 600-per-cent increase. The rise was due to intense competition for the rights between DirecTV-Sky, the ESPN-Fox alliance, the IMG Media agency

## NBC 'should profit' from league deal

The size of the Premier League's new three-year rights deal in the US pales into insignificance when it is compared to the financial gains media group NBCUniversal could achieve by increasing the distribution of its pay-television channel NBC Sports Network.

The channel is currently available in 80 million cable and satellite homes, an increase of 10 million homes over the last six years. It has ambitions to reach 100 million homes. It can only do this by improving the strength of its offering to convince the platforms where it is not currently distributed to take the channel. The broadcaster believes that the Premier League will help it to do this.

In addition to increasing its distribution footprint, a stronger rights portfolio will enable NBC to increase the fees per subscriber in its existing carriage deals.

Last month, NBC also acquired the rights to motor racing series Formula One for four years until 2016, also replacing the Fox network.

Neal Pilson, the former president of US sports broadcaster CBS Sports, said: "NBC are building an asset, the NBC Sports Network. Formula One and the Premier League are major international properties that the US public is becoming more familiar with. There is an increased appreciation of international football, which began with the World Cup broadcasts and has grown with the Premier League."

The main content driving the channel is ice hockey's National Hockey League. NBC acquired the rights in a 10-year deal, until the end of the 2020-21 season, worth a reported \$2 billion (€1.6 billion). Pilson said that with the Premier League and Formula One to supplement the ice hockey the channel would be more financially viable.

Mark Lazarus, chairman of NBC Sports Group, justified the broadcaster's investment in the rights for the league by saying that its popularity is about to explode in the country. "The Premier League is the preeminent soccer league in the world, and is on the cusp of exponential popularity growth here in the US," he told the press.

By the standards of the main US sports, NBC's \$250 million investment over three years in the Premier League is relatively small. Football is growing in the US but it is still regarded as a niche sport. By contrast, last month Fox and pay-television cable broadcaster Turner Broadcasting System renewed their rights for Major League Baseball in an eight-year deal worth a combined \$6.8 billion.

Pilson said, however, that the Premier League offered better value for money. "Baseball rights are more expensive and therefore the return is less. The Premier League may produce lower ratings than baseball but it will return higher profits for NBC," he said. ■

and Mexican billionaire Carlos Slim, who owns telecommunications company América Móvil.

DirecTV-Sky was keen to add top football content to a pan-regional portfolio which also includes Spain's La Liga and the Argentinian Primera División. Well-placed sources said it was more determined to secure the rights after it lost out to the ESPN-Fox alliance last year for the region's rights to the Uefa Champions League and Europa League (*TV Sports Markets* 15:12).

DirecTV-Sky holds the football rights in the region to Spain's La Liga until 2014-15 in a joint deal with ESPN. It also shares the

rights to the Argentinian Primera División with Fox, excluding Argentina.

In the current Premier League deal, the incumbent rights-holder, pan-regional pay-television broadcaster Fox, has the rights to the Latin American market, including Brazil, paying \$7.3 million per season. It sold on the rights in Brazil to ESPN in a deal worth about \$2.5 million per season, as it had no form of distribution in Brazil at the time.

## Canada

In Canada, the rights fee rose by over 60 per cent, from \$4.3 million per season



to \$7 million per season, as pay-television rivals Rogers Sportsnet and TSN formed an alliance aimed at countering expected competition from beIN Sport. The majority of beIN Sport's rights deals in the region are for North America, including Canada (*TV Sports Markets* 16:17). However, it is understood that beIN Sport did not bid. Rogers is understood to be putting up the bulk of the fee.

### Caribbean

In the Caribbean, International Media Content, the parent company of incumbent rights-holder pay-television broadcaster Sportsmax, renewed its rights at a slight increase, from \$2.2 million per season to about \$2.6 million per season. Football generally, and the Premier League in particular, is extremely popular in the Caribbean but there is no competition for the rights in the media market.

### China

The league's only six-year deal so far in the new cycle was signed in China and Macau with the incumbent rights-holder Super Sports Media Group. Extracting value from the Chinese market has been a conundrum that rights-holders have found difficult to crack. It is understood that the new deal is back-loaded, with the first three years agreed at a small increase on the current value of \$12.3 million per season and a larger increase in the second three-year cycle.

### Middle East negotiations

The Premier League is understood to have rejected as too low all first-round bids for its rights in the Middle East and North Africa. The first-round bidders included incumbent rights-holder the Abu Dhabi Media Company and the region's strongest sports broadcaster, Al Jazeera, both pay-television operators.

One well-placed source said ADMC's bid was worth about two-thirds what it pays in the current cycle – about \$78 million per season compared to \$117 million per season.

ADMC is keen to reduce its spend on the rights after what was arguably an overpayment in the current cycle. Its winning bid of \$350 million over the

## How European football leagues fare in the Americas

**North America:** The new Premier League deals in the region are worth just over \$90 million per season. It means that the English league now earns far more than the other major European club football properties, including the Uefa Champions League-Europa League. In the new cycle, from 2012-13 to 2014-15, Spain's La Liga is worth about \$32 million per season, the Champions League and Europa League together are worth just over \$30 million per season and Italy's Serie A is worth about \$25 million per season.

**Latin America:** The new Premier League rights fee of \$33.3 million per season in Latin America, along with the \$16.6 million

per season the league will earn from its separate deal in Brazil, puts the other two main European football league rights deals (Spain and Italy) in the shade. In its new deal until 2014-15, La Liga will earn \$22.7 million per season, less than half the Premier League's total of about \$50 million per season, despite being more popular than the English league in Latin America. Serie A earns about \$25 million per season. The Champions League and Europa League, however, are worth more than the Premier League in the region, achieving a combined fee of about \$55.5 million per season. The Champions League is by far the most popular European competition in the region.

### Premier League international rights fees

2013-14 to 2015-16			2010-11 to 2012-13		
Territory	Buyer/s	Fee per year (\$)	Buyer	Fee per year (\$)	Percentage Increase
Sub-Saharan Africa <sup>1</sup>	SuperSport	125	SuperSport	95	32
US	NBC	83.3	Fox	22.3	274
Singapore	SingTel	80	SingTel	80	0
Scandinavia	Modern Times Group (Sweden, Denmark <sup>2</sup> ) and TV2 (Norway)	76.5	Medge Consulting <sup>3</sup>	51.6	n/a
Latin America	DirecTV PanAmericana and Sky México	33.3	Fox	4.8	594
Brazil	Fox-ESPN	16.6	ESPN	2.5	564
China/Macau	Super Sports Media Group	n/a	Super Sports Media Group	12.3	n/a
Canada	Rogers Sportsnet and TSN	7	Rogers Sportsnet	4.3	63
Caribbean	International Media Content	2.6	International Media Content	2.2	18

Footnotes: <sup>1</sup>Pay-television rights. Free-to-air rights in sub-Saharan Africa are being sold separately. <sup>2</sup>One package of rights remains unsold in Denmark, covering non-exclusive rights to 100 matches. <sup>3</sup>Part of a combined deal for the Nordics - Sweden, Norway, Denmark, Finland - worth €40 million (\$51.6 million) per year. Deals done in Euros converted to US Dollars using the exchange rate at the time of publication, €1 = \$1.29  
Source: TV Sports Markets

three seasons was \$100 million greater than the next highest bid, by pan-regional pay-television platform Arab Radio and Television. Al Jazeera bought out ART's sports content business in November 2009.

Whether ADMC can drive the Premier League rights cost down depends on how hard Al Jazeera competes with it. ADMC and Al Jazeera are considered the only serious contenders for the rights due to their financial muscle. Each is backed by a natural-resource rich Arab Emirate – Qatar in the case of Al Jazeera and Abu Dhabi in the case of ADMC.

The Premier League is regarded as a

bigger prize by ADMC than by Al Jazeera because Abu Dhabi's ruling family owns league champions Manchester City and it is strategically important for it to be able to broadcast the team's matches throughout the region.

ADMC and Al Jazeera have competed for content in the past, but the rivalry appeared to have tailed off when the rights for the Uefa Champions League for the current cycle were sold in December 2010. ADMC did not bid, leaving the way clear for Al Jazeera to acquire them by paying only a 25-per-cent increase, compared to the estimated 250-per-cent increase in the previous cycle. ■

## CRICKET

## Windies decline confirmed by new global rights deal

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understood to be for production costs over the seven years. The outlay on rights is therefore only about \$60 million to \$65 million. This is less than it currently pays, even though in the new deal it will be getting far more rights. The additional rights include rights in the UK, all commercial rights, and pay-television rights in the Caribbean.

The greater contract duration, from four years to seven years, does not alter the value significantly as the number of matches involving teams from the two biggest markets for the rights – India and England – over the seven-year period is similar to the current four-year period.

The new deal covers all West Indies' home test series, One Day Internationals and Twenty20 matches until 2019. Taj will broadcast 253 days of live international cricket. It will show the matches on its pay-television channels Ten Sports and Ten Cricket in the Indian subcontinent and sell on the rest of the rights.

Taj has similar deals with other cricket boards. Last year, it acquired the global rights to the Zimbabwe cricket board in an eight-year deal, until 2019, worth about \$20 million. It also paid \$175 million for the South African cricket board's rights over eight years, until 2019-20, for Asia and the Middle East.

### Decline

Industry experts put the drop in the value of the rights down to several factors. The backdrop is a gradual decline in the quality of West Indies Test cricket over a number of years. In April, the UK's *Daily Telegraph* newspaper said: "Here is the supreme sadness of modern cricket: the West Indian team has fallen so far from the glories of less than 20 years ago, it remains far behind the other Test-playing nations, bracketed with New Zealand in the ICC [International Cricket Council] Test rankings, above Bangladesh alone."

The West Indies Cricket Board also left it late in coming to the market, some experts say. Broadcasters that might have been expected to bid for the rights didn't do so, either because they had already spent heavily on other cricket rights or had focused on other priorities.

Pan-Asian pay-television broadcaster ESPN Star Sports was already heavily committed to spending on other cricket rights. It is paying: \$1.1 billion over eight years for the global rights for International Cricket Council events; \$975 million in a 10-year deal for the global rights to the Champions League T20 tournament; \$713 million for the Board of Control for Cricket in India's global rights in a six-year deal, until 2017-18; up to \$240 million for the England and Wales Cricket Board's rights in Asia and the Middle East for five years, until 2016-17, with a two-year option; and \$150 million for the Australian cricket board's rights for five years, until the end of the 2016-17 season.

The only other possible bidder was regional pay-television operator Sony. However, Sony was not interested as it had acquired the global rights to the Twenty20 tournament the Indian Premier League, which cuts across the second half of the West Indies' season.

An executive at one sports-rights agency which had considered bidding for the rights claimed that the board was too aggressive in its demands, looking for both a significant increase for its global media rights – about \$125 million – and stronger financial guarantees. Given the challenges it was facing in the market, he said, the board had "overplayed its hand."

The board began the negotiations by carving out the UK market, as in the current deal. Sources said that it decided to wrap the UK rights back into the main package when BSkyB refused to meet the £20 million rights fee it pays in the current contract. Sources close to the process said that the major agencies one by one withdrew. With no real broadcaster competition, the board was left with only Taj at the table. The negotiations were handled by the outgoing former chief executive Ernest Hilaire. The new WICB chief executive, Michael Muirhead, was unavailable for comment as *TV Sports Markets* went to press this week. ■

## DIGITAL MEDIA

## Rights agencies race to catch up with first movers

**By Kevin McCullagh and Frank Dunne**

IMG Media's deal this week with video-sharing platform Ustream was one of a small wave of recent sports-rights agency moves to exploit unsold media rights on digital platforms.

The agencies have seen the success of early-movers in the digital sports media sector like Perform Group and the Sportsman Media Group and are now racing to catch up. Ancillary, or 'long-tail', rights have traditionally been of marginal value compared to television rights, and generally remain so. But by aggregating enough sports content and operating on multiple platforms, significant revenues can be generated. Experts say, however, that those now ramping up their activities in the sector may have to wait two to three years before seeing a return.

IMG's deal with Ustream will involve the agency making sports content available via the video-streaming platform in territories where the rights have not been sold to a broadcaster. Ustream has so far shown a handful of football matches, from the Dutch domestic club cup and 2014 World Cup qualifiers.

In September, the Sportfive agency launched a multi-platform digital project built around its large portfolio of qualifier matches to the 2014 Fifa World Cup. The strategy may be rolled out across other rights in the agency's portfolio.

In July, the MP & Silva agency agreed a partnership with online video technology services provider Rightster under which the companies will package content distributed by the agency for sale to online betting companies, among other digital initiatives (*TV Sports Markets* 16:14).

Another factor behind the trend is that the costs of exploiting the rights is coming down due to an increase in the number of technical services providers looking to work with the agencies. Streaming live sport online involves getting a television signal from a satellite, converting the

signal for streaming on the internet, and then hosting the stream on a platform where users can access it. It is an expensive process. Ustream is understood to be covering these costs completely as part of its deal with IMG.

A third factor is the tightening margins in the traditional business of media-rights arbitrage. This is pushing the agencies to look at other ways of monetising rights, such as selling betting rights and offering rights-holders more services, such as building and managing an online and social media presence.

## Challenges

The agencies face several challenges building profitable businesses on the back of their digital rights. Making money from advertising-funded video, for example, requires very large audiences, which take time and a lot of content to build. This is underlined by the figures from Perform's third-quarter results. Its £2.8 million (£3.5 million/\$4.5 million) revenue from video advertising and sponsorship came from an average of 111 million users each month watching videos, and 1.06 billion streamed videos over the three months.

IMG is understood to be expecting to wait at least two years before it starts making money from ventures like the partnership with Ustream. The deal is based on a revenue share, which the original rights-holders are also cut into, from advertising around the video streams. The advertising revenue is expected to be very low, at least to begin with, due to the limited amount of the content.

The agency is said to consider the deal part of an early exploration of the financial viability of the sector. Ustream's willingness to cover the streaming cost, as well as allow IMG to use the streams on platforms other than Ustream's, were thought to be a major attraction for the agency.

## Sportfive strategy

Maxime Lebessou, head of digital media at Sportfive International, told *TV Sports Markets* this week that for agencies, having a strategy to exploit rights on digital platforms around the main television deals was "not a trend, but a necessity."

Through its deals with national football federations, the agency holds the rights to

155 World Cup qualifier games being played between September 7 2012 and November 19 2013.

In September, Sportfive rolled out its 'Qualifiers 2014' channel across multiple digital platforms. Last month, it unveiled online betting company Bwin as the title sponsor. The Bwin-branded 'Qualifiers 2014' content is offered on the internet, initially via a dedicated YouTube channel, and as an app on Android and Apple smartphones and tablets, and on connected TV through an agreement with Smart TV solutions provider NetRange. There is also a branded Facebook page which carries video content, a Google+ page, and a Twitter feed. This week, two months after its launch, the YouTube channel had over 13,000 'subscribers' and had generated over 35 million video views.

Sportfive's income from the deal comes from two main sources. First, the main sponsorship deal with Bwin, which includes branding of all media content and perimeter advertising at the stadiums. It does not include betting rights. Second, the agency earns a share of advertising from the ads embedded in the content on each platform. Rights experts consulted by *TV Sports Markets* estimated that it could earn Sportfive more than €10 million (€12.9 million) over the two years.

Lebessou said: "The spirit of what we want to do is sell an integrated package of commercial rights. Bwin was already active in the [perimeter advertising] panels market and now they have added the digital presence". He added that the approach was not that radical. "Buying integrated packages across multi-platforms is nothing new for advertisers and sponsors; it is already how they work and has been for some time. It enables them to have visibility both on-site [at stadiums] and via some very creative digital applications."

Nigel Currie, director of the sport and entertainment agency, brandRappport, agreed. "This is absolutely the way things are going. Television does not get the numbers that it used to. Digital has replaced that. Digital is more targeted, allowing brands to get directly to their real customers. For online betting companies in particular this is exactly

what you need, direct interaction. They can tie them in as customers and maximise communication. It's a way to get to the mass audiences in a more effective way than could be done even three or four years ago."

Lebessou said that the potential additional revenues from a successful exploitation of long-tail rights, in a conservative scenario, could add between three and five per cent to the value of the television rights. For some sports, those which struggled to get television coverage, it might be the main income stream.

He said that the Qualifiers 2014 project was a pilot which would be assessed at the end of 2013. If successful, it could be rolled out across other Sportfive properties, such as its football club marketing deals, but that it could not be applied "in a cut-and-paste way."

## First movers

The challenge facing agencies seeking to make money from digital rights, especially betting rights, will be taking market share from Perform and Sportsman (*TV Sports Markets* 15:20).

Perform generated revenue of £39.5 million in the third quarter of this year, up 44 per cent on the same quarter last year. This comprised: £25.6 million from content distribution, most of which is understood to come from deals with betting websites for live streamed sport; £2.8 million from advertising and sponsorship sold around its online video content; and £4.4 million from display advertising it sells across its own and third-party websites.

The Sportsman Media Group does not publish its financial performance, but its digital media business is envied by rival agencies. Sportsman and Perform are the two main players in the global betting rights market. Sportsman also has a live internet streaming platform, Laola1.tv, which has strong content, including exclusive rights for Spanish Liga football in Germany and Austria.

Sportsman also provides technical services, such as infrastructure allowing clients to stream video content on their own websites. Clients include the German football federation and German football league. ■



## FOOTBALL

## MP & Silva finds route to Fifa via the Pacific Islands

By Dan Horlock

The MP & Silva agency's recent acquisition of the 2014 Fifa World Cup rights for the Pacific Islands is a deal with a small value but one which might lead to a much larger prize.

The rights are worth only a few hundred thousand US dollars. Of the 6,000 to 10,000 inhabited Pacific Islands, the most lucrative markets are Fiji and Papua New Guinea, which are tiny markets. The deal, however, gives the agency the chance to demonstrate to world football's governing body that it is a reliable partner. In the future that could lead to World Cup deals in far more lucrative territories.

MP & Silva last week acquired the rights to events operated by Fifa, including the 2014 World Cup in Brazil, from Australian public-service broadcaster SBS. SBS had acquired the rights across Oceania – Australia, New Zealand and the Pacific Islands – from Fifa covering the period 2007 to 2014, in a deal worth about \$20 million (€16 million).

The World Cup finals is the centrepiece of the new deal but an additional benefit for the agency is that the 2013 Beach Soccer World Cup will take place in Tahiti, in the Pacific Islands.

The agency will use the Fifa rights as leverage for its Oceania Football Confederation rights which include World Cup qualifiers for the 2014, 2018 and 2022 competitions, all home matches of both national and club teams of the confederation, the OFC Nations Cup and all OFC Olympic qualifying matches. In February, MP & Silva agreed an 11-year deal with the OFC to distribute its worldwide media rights. As part of the deal, the agency advises the confederation on its marketing and television strategy.

The agency is also hoping to acquire the rights to the 2014 World Cup in New Zealand from SBS. The broadcaster has no broadcast operation in the country

and is looking to sell on the rights. It is talking to the 2010 World Cup broadcaster, pay-television operator Sky New Zealand, but Sky is said to be refusing to meet SBS's asking price of about \$1 million. For the 2010 event, Sky paid between \$300,000 and \$350,000. If the talks fail, MP & Silva could step in. New Zealand public-service broadcaster TVNZ is also thought to be interested in acquiring some rights to the tournament.

New Zealand has become a more valuable market since Australia left the OFC and entered the stronger Asian Football Confederation in 2006. It is now easier for New Zealand to qualify for the World Cup. ■

## TV SPAIN

## Marca TV feeds off 'leftovers' to build audience share

By Dan Horlock

The deepening economic recession in Spain is proving a major challenge to the country's broadcasters. But for one small digital-terrestrial sports channel, Marca TV, the hard times are offering an unexpected opportunity for growth.

The channel, which was founded in 2010, has an average audience share of about one per cent but is growing on the back of stronger rights – such as top football and basketball – which the channel is ending up with almost by default.

Mediapro, Spain's leading sports-rights agency, owns a small stake in the channel. Where the agency believes that it is not getting offered market rate by other broadcasters for the content it sells in Spain, it puts the content on Marca.

Mediapro managing director Gerard Romy told *TV Sports Markets* this week that it was "most important not to destroy the market" by underselling the rights. "The weakness of the market allows us the opportunity to develop a channel we are involved in," he said.

He drew a comparison with the rights-sale process for the World Cup qualifier between Belarus and Spain on October 12 which was not broadcast live on Spanish

television. "Sportfive [the rights-holder] decided not to sell the rights as it was unhappy with the offers it received and it got stuck with them," he said.

One local expert said that the channel had built a business on the back of Mediapro's 'leftovers,' but added: "The difference now is that the leftovers have got better."

The agency recently agreed a three-season deal from this season with Marca for the weekly free-to-air La Liga football match (*TV Sports Markets* 16:18). It followed this with a deal for Euroleague rights to Spanish basketball team Unicaja Malaga.

Other domestic football content acquired from Mediapro includes the rights to the second-pick cup match per round and all second-tier league matches, excluding the first-pick game.

The deals have had some pretty dramatic results already. The channel achieved an audience of 2.266 million, and an 11.3-per-cent share, for the Alavés v Barcelona cup match on October 31, the highest figure since the channel began broadcasting. For its La Liga matches this season, the channel is regularly drawing audience shares of between three and six per cent.

Romy said that the channel was targeting an annual audience share of around two per cent in the near future. He said that there was room for "a free-to-air sports channel that doesn't handle premium content."

The channel also holds the rights to the 2012 Futsal World Cup, the Spanish women's football league, cycling's Vuelta a Burgos, WWE wrestling and boxing matches acquired on an ad hoc basis. Further acquisitions could include more basketball and handball, which is also popular in Spain, Romy said. Formula One qualifying stages and the less important matches from the 2014 Fiba Basketball World Cup were also of interest, he said.

Marca is owned by Unidad Editorial. It is thought that Mediapro will strengthen its position in Marca after the sale of its commercial broadcast channel La Sexta to the Grupo Planeta publishing group is completed. The sale was given government approval in September and is in the final stages. ■

## FORMULA ONE

# Fees steady in Finland, down again in Holland

By Kevin McCullagh

Formula One is set to maintain its strong rights fee income in Finland, but take a second successive rights-fee cut in the Netherlands in upcoming rights deals.

Finnish commercial and pay-television broadcaster MTV3 is close to renewing its rights for the series for three years, the 2013 to 2015 seasons. MTV3 will pay close to its fee for the 2010 to 2012 period, which is understood to be in the range of €11 million (\$14.2 million) to €14 million per season.

Dutch pay-television broadcaster Sport1 is understood to have agreed a deal worth about €1 million per season for three years, from 2013 to 2015. This is down from the €1.5 million to €2 million per season paid in the 2010-12 cycle by commercial broadcaster RTL. The deal is the latest example of Formula One Management, the commercial rights-holder for the series, switching from free-to-air coverage to a pay-television deal with a limited free-to-air window. FOM has agreed similar deals in the UK and Italy.

In Finland, the fee was flat for two reasons. First, it was already at a very high level – when the deal was signed in 2009, it was one of the two highest fees ever paid for a sports-rights property in the country, along with the current fee for the SM Liiga, the domestic ice hockey league. Second, Nelonen, the only real potential rival to MTV3, had been weakened by having paid €17 million per season in June for the SM-Liiga for 2013-14 to 2017-18, a big increase on the €10 million to €12 million per season the league had been earning (*TV Sports Markets* 16:11). The league is Finland's most powerful pay-television subscription-driving content.

MTV3 is understood to have moved quickly after the SM-Liiga deal to renew the Formula One rights. With its main rival securing the SM-Liiga, MTV3 could not afford to lose Formula One, even though the risk of it being outbid by

Nelonen was low. The motorsport rights have been critical for subscriber growth for its pay-television channel bundle, which is distributed on most Finnish pay-television platforms. MTV3 exploits the rights in the current cycle by putting live races, qualifying and practice coverage on its male-focused pay-television channel MTV3 Max, and highlights of all three on its flagship free-to-air channel MTV3.

MTV3's pay-television channels, along with sister pay-television channels C More – both are owned by the pan-Nordic media group Bonnier – have a combined 560,000 subscribers in Finland out of 2.3 million households. The MTV3 channels account for over 70 per cent – over 400,000 – of the overall figure.

The cost of the Formula One rights puts them beyond the reach of Finland's two other major sports broadcasters, public-service broadcaster YLE and pay-television broadcaster UrhoTV.

## Netherlands

Sport1 is thought to have faced little, if any, serious competition for the exclusive Dutch rights. RTL is thought to have been struggling to refinance the deal from Sunday-afternoon advertising and is thought to have either bid low or not at all this time. Rival commercial broadcaster SBS would be faced with the same problem if it acquired the rights.

Public-service broadcaster NOS, which is funded in part by the state and in part by advertising, also views the sport as too expensive. Sport 1's rival pay-television broadcaster Eredivisie Live, in which the News Corporation-owned Fox International Channels acquired a 50-per-cent stake in August, is focusing content acquisitions on football.

Sport1, at the request of FOM, will sublicense to a free-to-air broadcaster live rights for two or three races per season plus highlights or delayed coverage of the other races. SBS is understood to be the favourite to land the free-to-air rights after making a stronger bid than RTL.

Sport1 will show live coverage of all races, practices and qualifying sessions, and is also looking at carrying some of the additional broadcast feeds provided by Formula One, which provide in-car camera views and additional race graphics and information.

RTL's loss of appetite for the rights and the weak interest from SBS, the market's other main commercial broadcaster, are the result of the same factors that have been squeezing down free-to-air rights fees in the Netherlands for the last five years. These are: falling advertising revenues, the popularity of cheaper entertainment programming, and the market correction since the rights-fee inflation while the John De Mol-owned commercial broadcaster Talpa was active in the market between 2004 and 2008. The Formula One rights peaked in price in the 2007 to 2009 cycle when RTL paid just over €4.5 million per season.

One local industry expert said this week that it was difficult for commercial broadcasters to earn any money on the Formula One rights because advertising rates in the afternoon slots where most races take place are so low. RTL and SBS are trying to fill afternoon slots with low-cost or sponsored programming, and focusing their content investments on primetime programming.

Sport1 has targeted the rights for over a year, after surveys it carried out suggested that they would attract new subscribers. The surveys suggested that, outside the most popular sport, football, Dutch viewers were interested in three sports: ice skating, cycling and Formula One. The latter was considered the best target by Sport1 as it was the most affordable, and the entire sport could be owned with one acquisition.

Sport1 could take a dominant position in motorsports broadcasting in the Netherlands if it also renews its rights for the leading motorcycling championship, MotoGP, for 2013 onwards. It has the rights in a two-year deal for 2011 and 2012 at present and is in talks with rights-holder Dorna Sports about extending the deal.

Sport1 needs new content ahead of an expected increase in competition from Eredivisie Live. Fox is expected to provide added financial muscle for Eredivisie Live in the sports-rights market. Its first major target is expected to be English Premier League football, for which Sport1 pays €3.3 million per season in the current cycle, 2010-11 to 2012-13. The Premier League rights for 2013-14 to 2015-16 are due on the market this month. ■



# SPORTS CLIPS: News highlights from October 25 to November 7

## TV RIGHTS 1

### Football: Concacaf, the FA, World Cup, Premier League, Serie A and more

- **Football:** Spanish-language US broadcaster Univision Deportes acquired rights for tournaments operated by Concacaf, the governing body of football in North and Central America and the Caribbean. The 10-year deal started immediately and runs until the end of 2022. Univision secured Spanish- and Portuguese-language rights to the Gold Cup, U-17 and U-20 competitions and the Futsal Championship national team tournaments, as well as the Concacaf Champions League club tournament. Coverage will be shown on the main Univision channel, the TeleFutura free-to-air channel, the Galavision pay-television channel, 24-hour sports pay-television channel Univision Deportes Network and online and mobile platforms.
- **Football:** Pan-Asian sports broadcaster ESPN Star Sports acquired rights for the FA Cup, the top knockout tournament in England, and England national team matches in a six-year deal, from 2012-13 to 2017-18. The rights include all senior and U-21 England matches and the pre-season FA Community Shield game and cover television, internet and mobile platforms. The deal covers India, Sri Lanka, Bangladesh, Pakistan, Maldives, Bhutan and Nepal and was struck with the MP & Silva agency, which distributes rights in Asia on behalf of the Football Association, English football's governing body (page 2).
- **Football:** The MP & Silva agency was appointed by Australian public-service broadcaster SBS to distribute the media rights in the Oceania region to events operated by football's world governing body, Fifa, including the 2014 World Cup in Brazil. The deal, which will run for three years, from 2012 to 2014, covers all territories in the Oceania region, excluding New Zealand. SBS is the media rights licensee for all events operated by Fifa in the Oceania region for the four-year cycle from 2011 to 2014 (page 7).
- **Football:** UK pay-television operator BT Vision confirmed it had acquired rights for the Italian Serie A, French Ligue 1, US Major League Soccer and the Brazilian Campeonato Série A and Campeonato Paulista (the São Paulo state championship) in a multi-year deal with the MP & Silva agency (*TV Sports Markets* 16:18). The Serie A rights include 380 live matches per season, highlights each match day, weekly preview programme Total Italian Football and review programme Serie A Show. The Ligue 1 rights include 380 live matches per season, highlights each match day and a weekly preview show. The Brazilian rights include 100 live matches per season from Série A and the Paulista, weekly highlights from both competitions and magazine programme FootBrazil. The Major League Soccer championship rights include 99 matches per season.
- **Football:** Marca TV, the Spanish digital-terrestrial channel managed by the Mediapro agency, acquired rights for all matches involving the Spain national team at the 2012 Fifa Futsal World Cup, which got underway on November 1 in Thailand (page 7).
- **Football:** Eurosport France, the French arm of pan-regional broadcaster Eurosport, has agreed a deal with the Fédération Française de Football, the French football federation, for rights to the U-20 national team's home friendly matches for the remainder of the 2012-13 season. Eurosport France will show six matches, beginning with France v Ukraine on November 13.
- **Football:** The English Premier League agreed three-year rights deals, from 2013-14 to 2015-16, covering all 380 matches per season, in the US, Latin America, Canada, the Caribbean, China and Macau (page 1).
- **Football:** Ecuadorian state broadcaster TC Televisión, commercial channel GamaTV and public-service broadcaster Ecuador TV acquired rights for Serie A and Serie B, Ecuador's top football divisions, for five years from 2013 to 2017. The combined rights fee for 2013 is \$16.6m (€12.9m), with the fee increasing annually by five per cent over the rate of inflation. The deals are being challenged by some league clubs and by commercial broadcaster Ecuavisa.

## SINCE LAST TIME

- Consolidated Media Holdings' board approved a A\$2bn (€1.6bn/\$2.1bn) takeover of the Australian media investment company by media conglomerate News Corporation. The deal, which is set to be completed on November 19, will allow News Corp to double its shareholding in Australia's dominant pay-television operator Foxtel to 50 per cent and increase its stake in pay-television broadcaster Fox Sports Australia from 50 per cent to 100 per cent. Separately, a study by the Repucom market consultancy showed that Australian sports-rights fees were increasing by an average of 25 per cent per year – the largest rise in any major market. Repucom said that the average growth in the US and Europe was between seven and eight per cent per year.
- Representatives from the 20 clubs in Italy's top football league, Serie A, failed in an attempt to thrash out a new sharing model for media-rights revenues for the coming three seasons, 2012-13 to 2014-15. The league's biggest clubs are protesting about having to contribute more from their media rights income than the smaller clubs towards payments to lower league divisions and the league's media-rights adviser, the Infront Sports & Media agency, according to the *Gazzetta dello Sport*. These payments, worth about €170m (\$219m) per season, are divided in proportion to a club's rights income, rather than being split equally among the clubs. They cover things like the 10-per-cent 'mutuality payment' to support lower-division and grassroots football and the fees due to Infront. The paper reported that six big clubs – Juventus, Inter Milan, AC Milan, Roma, Napoli and Lazio – are considering legal avenues to change the system if an agreement cannot be found.

# SPORTS CLIPS: News highlights from October 25 to November 7

## TV RIGHTS 2

### Athletics, badminton, baseball, NBA and Euroleague basketball and boxing

- **Athletics:** The Infront Sports & Media agency was appointed to distribute the worldwide media rights for the Berlin Marathon by the event's operator, SCC Events. Under the 'long-term' agreement, which will start in 2013, Infront's subsidiary Host Broadcast Services will also be responsible for producing coverage.
- **Athletics:** National governing body Athletics Australia renewed its deals with commercial television network Nine and pay-television operator Fox Sports for rights to the Australian Athletic Tour for the 2013 season. The Nine network will broadcast a one-hour highlights show, produced by production company Jam TV, from each event on the tour within 24 hours of the event taking place. Nine will also show highlights from the Australian Athletics Championships and World Championships Selection Trials.
- **Athletics:** The TV Media Sport agency was appointed to distribute the media and marketing rights in sub-Saharan Africa for the 2013 World Championships in a deal with the IEC in Sports agency. TV Media Sport will sell the rights in 48 territories. The rights include live coverage of the championships in English and French, daily highlights programmes and three-minute news updates of the event, which will take place in Moscow, Russia.
- **Action Sports:** DailyMotion agreed a deal that will allow the video-sharing website to show World of Red Bull events. DailyMotion agreed the deal with Red Bull Media House, the media production arm of the drinks manufacturer. The length of the agreement was not revealed.
- **Badminton:** The IEC in Sports agency was appointed by the Chinese Badminton Association, the sport's governing body in the country, to coordinate host broadcast services and distribute the national and international media rights for the association's Super League competition. The length of the 'long-term' agreement was not disclosed.
- **Baseball:** MLB Network, the pay-television broadcaster operated by North America's Major League Baseball, acquired exclusive US rights for the 2013 and 2017 editions of the World Baseball Classic national team tournament in a deal with World Baseball Classic Inc, which operates the event.
- **Basketball:** Pan-European sports broadcaster Eurosport renewed its deal with Euroleague Basketball for rights to the Eurocup, European club basketball's second-tier competition, for a further three years, from 2012-13 to 2014-15. Eurosport will continue to show live coverage of several matches per week from the competition on the Eurosport 2 channel. The coverage will also be available in 17 Asian territories on the Eurosport Asia-Pacific channel. A weekly magazine show will also be broadcast on Tuesdays.
- **Basketball:** French pay-television broadcaster beIN Sport acquired exclusive rights in France for the NBA in a four-year deal, from 2012-13 to 2015-16. BeIN Sport is reported to be paying \$4.5m (£3.5m) per year for live rights to all games. BeIN Sport will show 200 matches per season, including a minimum of six live matches per week, and six further matches shown either live or as highlights.
- **Basketball:** Indian sports and entertainment pay-television channel Six, owned by Sony, agreed a three-year deal, from 2012-13 to 2014-15, for the exclusive rights to show the NBA in India. The deal covers 72 regular-season games and up to 18 play-off games per season, as well as the Eastern and Western Conference finals, the NBA finals, NBA All-Star events and lifestyle and instructional programming. Games will be shown live on Thursdays, Fridays and Sundays, and repeats will be broadcast in prime-time slots.
- **Boxing:** UK pay-per-view channel Primetime acquired rights for Ricky Hatton's comeback fight against Vyacheslav Senchenko on November 24. Primetime will charge viewers in the UK and Ireland £14.99 (£18.74/\$24.17) to watch the fight live. The channel will also produce the world feed (page 2).
- **Boxing:** German commercial broadcaster RTL acquired rights for five future bouts involving either Wladimir or Vitali Klitschko. The Ukrainian brothers, who are both heavyweight world champions under different boxing governing bodies, will reportedly earn a total of €15m (\$19.4m).

- Analysts at Portuguese bank BPI expect Portugal's antitrust authority to force Benfica to allow all national pay-television operators to carry coverage of its matches, should the football club press ahead with plans to show them on its own channel. Benfica said that it would keep its media rights for exploitation on its own basic-tier channel, Benfica TV, from the start of next season. The channel is currently only available on the Portugal Telecom and Sonaecom pay-television platforms.

## TV INTERNATIONAL

- Italian pay-television broadcaster Sky Italia's quarterly operating profit fell from \$119m (€92m) year-on-year to \$12m in the three months to September 30 2012. The results include \$70m of production costs and rights fees for the London 2012 Olympic Games. Subscriber numbers fell by 40,000 to 4.86 million over the quarter, and are down from five million a year ago.
- Media and defence conglomerate Lagardère is preparing a fresh attempt to list its 20-per-cent stake in French pay-television broadcaster Canal Plus on the stock market.
- Finnish broadcaster MTV Media, part of pan-Nordic media group Bonnier, launched a new channel bundle containing its MTV3-branded pay-television channels and its C More-branded pay-television channels in a single, standalone package costing about €25 (\$32) per month. MTV3 and C More channels were previously bundled separately. These bundles will now be phased out. The channels contain strong sports content including Uefa Champions League and English Premier League

# SPORTS CLIPS: News highlights from October 25 to November 7

## TV RIGHTS 3

### Cricket, curling, cycling, golf, handball, horse racing, Superbikes and more

- **Cricket:** Pan-Asian pay-television broadcaster Taj Television agreed a worldwide rights deal with the West Indies Cricket Board, the sport's governing body for the group of Caribbean islands, covering seven years, from 2013 to 2019 (page 1).
- **Curling:** Canadian pay-television broadcaster Sportsnet acquired exclusive rights for the men's and women's provincial curling championships in British Columbia, Alberta, Manitoba and Ontario. The deals for the Alberta, Manitoba and Ontario championships will start in January 2013 and run for 10 years, until the end of 2022. The British Columbia championship deal will start in January 2014 and run for nine years, until the end of 2022. The agreements include online and mobile rights.
- **Cycling:** The IMG Media agency agreed a deal with Flanders Classics, the operator of a series of six one-day cycle races in Belgium and the Paris-Brussels cycle race, to distribute media rights for the races for three years, from 2013 to 2015. IMG will distribute rights for live and delayed coverage across all media platforms.
- **Golf:** Pan-Asian sports broadcaster ESPN Star Sports extended a rights deal for coverage of the annual US Masters tournament for one year, until 2013. The deal, which excludes South Korea, includes live rights, highlights and news updates in English and Mandarin, as well as online and mobile rights.
- **Handball:** Danish public-service broadcaster DR acquired rights for the 2012-13 men's European Handball Federation Cup club competition in a deal with EHF Marketing, the federation's marketing arm. DR will broadcast coverage of games featuring Danish teams KIF Kolding and Team Tvis Holstebro from the third round of the competition.
- **Handball:** French pay-television broadcaster beIN Sport acquired the rights for the French national team's men's Euro 2014 qualification match away to Turkey on November 4 in a deal with the Infront Sports & Media agency.
- **Horse Racing:** The Pitch International agency struck international rights distribution deals with Racecourse Media Group, which controls the media rights of 30 British racecourses, and English racecourse Ascot. The lengths of the long-term agreements were not disclosed. The deals will begin on January 1, 2013. The rights exclude betting platforms and the Middle East.
- **Motorcycling:** Pan-European sports broadcaster Eurosport renewed a rights deal for the World Superbike Championship series for three years, from 2013 to 2015. Under Eurosport's deal with the Infront Sports & Media agency, the broadcaster will provide exclusive live coverage via television, online and mobile platforms in 59 European territories, including exclusive coverage in the UK, Ireland, Germany and France.
- **Skiing:** French basic-tier sports broadcaster Ma Chaîne Sport acquired non-exclusive rights in the country for freestyle skiing and snowboard World Cup events operated by the Fédération Internationale de Ski. MCS struck the deal, which will run until at least the end of the 2012-13 campaign, directly with the governing body. The rights will be exploited on the MCS Extrême channel.
- **Table Tennis:** Turkish digital and satellite-television broadcaster Sports TV acquired rights for events organised by the International Table Tennis Federation, the sport's world governing body. The TMS International and Total Sports Asia agencies collaborated to broker the deal on behalf of the federation. The duration of the deal was not disclosed.
- **US College Sport:** Southern California cable pay-television broadcaster Time Warner Cable SportsNet acquired rights for US college sports body the West Coast Conference. The length of the agreement was not disclosed, but the deal will start immediately. The broadcaster will show a minimum of 15 men's basketball games live from the conference during the 2012-13 season, as well as other sporting events.

football, Formula One motor racing and World Championship ice hockey. The bundle will be available on most Finnish pay-television platforms.

- US pay-television broadcaster beIN Sport secured carriage agreements with pay-television operators Time Warner Cable and Bright House Networks. The deals are for beIN Sport's English-language channel and the Spanish-language channel beIN Sport en Español. Both channels will also be made available to authenticated subscribers via Time Warner Cable's TWCTV.com website.
- Southern California regional cable-television broadcaster Time Warner Cable SportsNet and its Spanish-language sister channel Time Warner Cable Deportes secured distribution deals with pay-television platforms Charter Communications and Verizon FiOS. The channel owns the rights to the home games of Los Angeles sports teams, including basketball's LA Lakers and LA Sparks, and football's LA Galaxy. The channels launched on October 1.
- Fox International Channels Latin America launched a third Fox Sports channel – Fox Sports 3 – in the region on November 5.
- Australian public-service broadcaster SBS will ask advertisers for a rate increase due to a strong programming line-up in 2013 and new digital multi-channel strategies to cover the 2014 Fifa World Cup. SBS's sponsorship packages for the tournament will be offered to the market in March 2013, with the deals due to start in July. SBS chief operating officer Richard Finlayson said that global sponsors of Fifa, football's world governing body, would be approached first about the packages.
- Pan-Asian pay-television sports broadcaster ESPN Star Sports threatened to block carriage of three of its channels on Dish TV in India after accusing the satellite-television platform of unauthorised



## SPORTS CLIPS: News highlights from October 25 to November 7

use of ESS's broadcast signals. The broadcaster said that the pay-television channel signals for its main channel, Star Sports and Star Cricket would be withdrawn from Dish TV unless the matter is settled by November 26.

- South African pay-television operator TopTV agreed to carry Setanta Action, a new action and combat sports channel operated by pay-television broadcaster Setanta.

### TV RIGHTS NEGOTIATIONS

- The next cycle of domestic rights to the US college sports conference the Big East will be opened up to the market after sports broadcaster ESPN failed to reach a deal with the operators of the conference during an exclusive window of talks, the ESPN College website said.
- Football Federation Australia, football's governing body in Australia, is expected to announce a four-year domestic rights deal, from 2013-14 to 2016-17, with pay-television broadcaster Fox Sports Australia and public-service broadcaster SBS. The deal is reportedly worth about A\$160m (€131.9m/\$165.2m) over four years. Fox Sports would provide live coverage of five weekly games from the A-League, Australia's top football league, plus the national team's Fifa World Cup 2018 qualifiers. SBS would broadcast one A-League game per week and would show World Cup qualifiers on a one-hour delay.
- Thai commercial broadcaster BBTB reportedly has a budget of Bt1bn (€25m/\$32m) for the acquisition of international sports rights for its commercial Channel 7. Part of the budget has already been allocated to BBTB's six-year deal, from 2012-13 to 2017-18, for the FA Cup, England's domestic cup competition, and a three-year deal for the DFB-Pokal, the German domestic football cup, from 2012-13 to 2014-15.
- Twenty20 matches over the next six years. More ODI matches could be added to the schedule during Star TV's six-year rights deal for India matches, from 2012-13 to 2017-18. Meanwhile, Indian cable-television broadcaster Sun TV bought the Hyderabad team franchise of the Indian Premier League Twenty20 cricket competition for a fee of R850m (€12m/\$15.5m) over the next five years after the BCCI, the operator of the league, terminated the Deccan Chargers team franchise.
- The StageUp agency was appointed to act as the media and marketing adviser for Lega Basket Serie A, the top league of basketball in Italy. The league's clubs voted at a meeting in Bologna to expand the role of StageUp, which has worked with the league since 2003.
- German public-service broadcasters ARD and ZDF will charge between €14,000 (\$18,600) and €28,500 per 20-second spot for advertising during a quarter-final match featuring the German national team at the 2013 Handball World Championship in Spain in January 2013. The cost of a 20-second spot during coverage of group stage matches will be between €12,800 and €27,900, depending on factors including the time of broadcast and at what point during the programme that the ad is broadcast.
- The Canada Pension Plan Investment Board pension fund acquired a 39-per-cent stake in Dorna Sports, the commercial rights-holder of the MotoGP motorcycle racing series. The other shareholders are private equity group Bridgepoint Capital and Dorna's management.
- Financial services company Deloitte reported on the revenues of several German, Austrian and Swiss professional sports leagues. The German Basketball Bundesliga generated record revenues of €76.9m (\$99m) in 2011-12, up 26.4 per cent on the previous season. The German ice hockey league generated €86.2m, up 8.8 per cent, and the country's Handball Bundesliga generated €86.1m, up two per cent. The third-tier German football league generated €104.4m, down 11.3 per cent. The Austrian football Bundesliga turned over €155.1m, and the Swiss football Super League generated €171.3m.

### ALSO SINCE LAST TIME

- The Board of Control for Cricket in India told News Corporation-owned Asian pay-television broadcaster Star TV that it would stage at least 101 India national team Test, One-Day International or

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