

# TVSPORTS MARKETS

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## OLYMPIC GAMES

### América Móvil targets premium sports rights in long-term strategy

By Dan Horlock

Carlos Slim's América Móvil said this week that its acquisition of the rights to the Olympic Games was part of a long-term strategy to become a major player in the sports-rights market across Latin America.

Arturo Elías Ayub, communications vice president of Grupo Carso, which is owned by billionaire Slim, told *TV Sports Markets*: "We want to use sports rights to enter new markets in the region. We recognise and understand the importance of owning sports content."

The Mexican telecommunications company paid \$110 million (€85 million) for the rights in Central and Latin America, excluding Brazil, for the 2014 winter Games in Sochi, Russia, and the 2016 summer Games in Rio de Janeiro, Brazil.

The deal brings the total value of the rights to the two Games in the region to about \$320 million. The Brazilian rights were acquired last year by broadcasters Globo, Bandeirantes and Record in a deal worth \$210 million. The vast majority of

the value is in the summer Games.

The fee paid by América Móvil represents a like-for-like increase of 156 per cent on the deals for the same territories for the 2010-12 Games, which were worth \$43 million. The negotiations were conducted by the International Olympic Committee finance commission chairman Richard Carrión.

Elías said: "We think the Olympics present a good business opportunity for us through reselling, winning more pay-television clients, giving a better service to our current subscribers and generating advertising revenues."

América Móvil plans to sell on the free-to-air rights across Latin America, excluding Mexico, where it intends to launch its own channel. It has no free-to-air channels in the region. América Móvil is required by the IOC to guarantee a minimum of 240 hours of free-to-air coverage in each territory. For the

*Continued on page 2 ►*

## WORLD CUP

### Fifa's mixed fortunes in Africa

By Kevin McCullagh

World Cup rights in Nigeria fell in value in a deal agreed last week by Fifa and the Optima Sports Management International agency.

Osmi is paying around \$6.5 million (€5 million) in a deal covering the 2014 World Cup and the 2013 Confederations Cup, which both take place in Brazil. Nigeria is one of the eight teams playing in the Confederations Cup.

The agency is understood to have paid

more for the last World Cup, in 2010, because it was hosted in South Africa and interest from Nigerian broadcasters and advertisers was stronger.

At least one other agency bid for the rights. The bid was lower than Osmi's.

Fifa, football's world governing body, will make up some of the Nigerian drop with an improved deal in the rest of sub-Saharan Africa. Pan-regional

*Continued on page 3 ►*

## CONTENTS

- 1,2 Olympics deal part of Slim plan to expand media empire in Latin America through top sport

---

- 1,3 World Cup rights fee falls in Nigeria but increases in sub-Saharan Africa as Fifa keeps faith with AUB and Octagon

---

- 4 The Swedish league explains why it sold its rights without a tender.  
  
TV4 Group looks to sell C More

---

- 5 Broadcasters worried by Pitch and MP & Silva joint venture but rivals say it's business as usual

---

- 6 NOS Euro 2016 deal does not augur well for CAA Eleven

---

- 7 Aggressive Fox poses threat to Sport1 future in the Netherlands

---

- 8 ASO, IMG and Infront all have big cycling ambitions. That could be bad news for UK's SweetSpot

---

- 9 Sports Clips

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Watching Brief including  
analysis of Six Nations  
television audiences  
in the home markets

## OLYMPIC GAMES

## Slim to use top sport to drive expansion of media empire

Continued from page 1 ►

summer Games it has to allot 200 hours of free-to-air coverage in each market, and 40 hours for the winter Games.

For 2010-12, the free-to-air rights in the same markets were worth about \$4.3 million. This excludes Argentina, Mexico and Venezuela, where the IOC signed joint pay-television and free-to-air deals. A separate figure for the free-to-air rights is not available. The majority of the value in much of the region is in pay-television rights.

### Mexican ambitions

América Móvil's long-term goal is to create a pay-television platform in Mexico but it has been unable to enter the market due to the country's cross-ownership legislation. The company has a monopoly in the telephony markets.

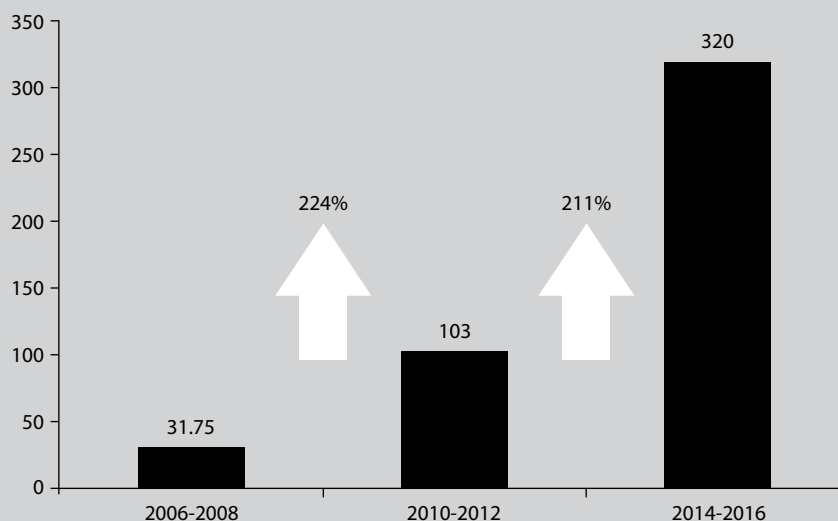
However, a new anti-monopoly telecom reform bill, which was approved by Mexico's lower House of Congress this month, could allow América Móvil to enter the pay-television market provided the company reduces its dominant position in telephony.

### Latin American deal

América Móvil acquired the rights to the 2014 and 2016 Olympic Games in the following territories: Argentina, Bolivia, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela.

América Móvil subsidiary Telmex controls about 80 per cent of the home telephone market and its Telcel operation holds about 70 per cent of the mobile market. It would have to reduce its share in each market to about 50 per cent.

### Rights fees for Central and Latin America for Olympic Games (\$m)



Source: TV Sports Markets

The company is also expected to bid for a licence for one of the two new free-to-air channels to be launched in the country.

"We want to have a much stronger participation in the Mexican television market," Elías said. "There are still three years to go until the summer Olympics and we don't know yet what is going to happen about the free-to-air or pay-television markets."

### Outside Mexico

The biggest pay-television markets for América Móvil for these rights outside Mexico are Colombia, Chile and Peru. It also has a strong presence across Central America (see panel, right).

In Colombia, Claro TV is the biggest pay-television operator, with about 1.8 million subscribers. In Chile and Peru, Claro TV is the second-largest operator. At the end of 2011, it had over 400,000 subscribers in Chile, and over 200,000 subscribers in Peru.

### More rights deals

The Olympics deal was not América Móvil's first foray into the sports-rights market. In September, it acquired a 30-per-cent stake in Grupo Pachuca, which owns Mexican first division clubs León and Pachuca. The deal gave América Móvil control over the clubs' broadcasting rights, both domestic and international (*TV Sports Markets* 16:16).

### Slim's pay-television services

Slim has cable and satellite operations in Chile, Peru, Guatemala, El Salvador, Honduras, Nicaragua and the Dominican Republic via Claro TV.

Claro TV has a satellite pay-television service only in Paraguay, Panama and Puerto Rico. Claro TV is available as a cable television service only in Colombia and Ecuador.

In Brazil, Slim has stakes in both satellite and cable pay-television services via his telco Embratel. Embratel has a 92-per-cent stake in cable pay-television operator Net Serviços, Brazil's largest cable operator. It has a stake in satellite pay-television broadcaster Claro TV.

Slim also owns Claro Video, an on-demand, online subscription service available in Colombia and Mexico.

The group acquired second division club Estudiantes Tecos in December.

Late last year, the company bid strongly for pan-regional Premier League rights covering the period 2013-14 to 2015-16. It lost out to pan-regional pay-television broadcaster DirecTV, which paid \$33.3 million per season, a near-600-per-cent increase on the previous deal.

Elías said that the company wanted to

acquire more pan-regional rights. It is expected to bid aggressively for major European football rights as they come onto the market.

The telco is also reported to be interested in acquiring the rights to the home games of top Mexican club Monterrey. Elías said that having local football content was extremely important for the Mexican media market. Media rights are sold on a club-by-club basis in the country.

### Market growth

Olympics rights fees in Central and Latin America, including Brazil, have increased by more than 10 times over the last three rights cycles (see graph, page 2).

The increase in the region is due to a combination of factors, including:

- a boom in many of the region's economies, leading to increased personal wealth and higher consumer spending
- the rapid development of media markets

- Brazil's hosting of the 2016 Games, a first for the region.

For 2010-12, the IOC sold the rights in 10 separate deals, covering single territories and groups of territories. In 2006-08, the IOC sold the rights on a pan-regional basis, including Brazil, to broadcast union Organización de Telecomunicaciones Iberoamericanas. OTI paid \$29.75 million for the rights. Internet company Terra acquired new media rights in Brazil for \$2 million. ■

## WORLD CUP

# Fifa sticks with AUB and Octagon in airtime driven deals

*Continued from page 1 ►*

broadcaster consortium the Africa Union of Broadcasters is understood to be paying about \$6 million for the rights in all sub-Saharan territories outside Nigeria and South Africa. This is 20 to 30 per cent more than it paid for the 2010 World Cup.

In its negotiations with the consortium, Fifa was able to point to bigger rights fees paid by African free-to-air broadcasters for the Africa Cup of Nations (Afcon). Afcon is the continental championship for national teams. The World Cup is more prestigious and has more games – 64 compared to Afcon's 32.

Fifa has tried to keep rights fees low because many of the region's free-to-air broadcasters are so poor. A commitment to developing football in the region is part of the organisation's 'legacy' for the 2010 World Cup, which was the first hosted in Africa. Fifa has also funded workshops for broadcasters on football television production.

Instead of demanding high upfront guarantees from broadcasters, Fifa takes a combination of a fee plus airtime, which it then sells on. This was a feature of the 2010 deal, and is being repeated for 2014. Fifa has taken less airtime in this deal – 50 per cent of the advertising space in the match feed compared to around 65 per cent in 2010. The Octagon agency, which sold the advertising on behalf of Fifa in

2010, has been rehired for 2014. It is looking for six advertisers for the regional feed, in packages worth about \$1 million each. Advertising revenue is expected to decline because it was boosted last time by the African location.

Fifa's sales approach contrasts sharply with that for Afcon. The aggressive rights fees sought by the LC2 Médias-Afnex agency for Afcon have been controversial. Broadcasters have complained they can't afford them. Governments have stepped in to help pay the fees in some territories. Nigerian free-to-air broadcasters and LC2 failed to agree a deal at all for the 2013 tournament.

LC2 sells Afcon rights under a sublicensing deal with the Sportfive agency, the global rights partner of the Confederation of African Football, the governing body of football in Africa.

### Refinancing in Nigeria

Osmi has begun marketing advertising packages to refinance its Nigerian Fifa rights. Typically, the agency acquires airtime from multiple free-to-air broadcasters in the country in which to place its sports content and advertising.

Local industry experts said Osmi was seeking between \$4 million and \$5.25 million per advertiser. It is expected to do two or three deals.

Interest in the advertising packages has been boosted by Nigeria's involvement in the Confederations Cup. The team qualified as the winner of this year's Afcon.

### Standalone markets

Fifa sells Nigeria rights in a standalone deal because of the strength of the local television market. South Africa, sub-

Saharan Africa's biggest sports rights market, is sold on a standalone basis for the same reason.

Public-service broadcaster SABC has a deal for rights in South Africa for all Fifa events from 2007 to 2014, including Confederations Cups and women's and youth tournaments.

Growth in the Ghana, Mozambique and Angola television markets means they are the likeliest contenders to be broken out for separate deals the next time World Cup rights come on the market, for the 2018 tournament, one local expert said.

### Osmi bags Premier League

Osmi is understood to have this week also acquired the English Premier League's free-to-air rights in sub-Saharan Africa, including Nigeria and South Africa. The deal covers 2013-14 to 2015-16.

There was at least one other bidder, the Chinese-owned pan-regional basic-tier television operator StarTimes. There were no bids from IMG Media or Octagon, two agencies that are active in sports rights in the region.

Osmi holds the sub-Saharan rights, excluding South Africa, in the current cycle, 2010-11 to 2012-13. It paid about \$4 million per year for Nigeria and about the same again for the other sub-Saharan territories excluding South Africa, in two separate deals. Osmi is thought to have struggled to break even on the deals.

Rights in the package cover one live match per week, on Saturdays at 3pm, plus highlights. The live slot clashes with some broadcasters' coverage of domestic football leagues. ■

## FOOTBALL

## Swedish league defends its closed rights negotiations

By Robin Jellis

The Swedish football league this week defended its decision to dump incumbent rights-holder, the Kentaro agency, and sell its rights to the TV4 Group without a tender.

The league's rights are a must-have property for Swedish pay-television and the decision to sell them without an open sales process is a controversial one. Kentaro was not invited to bid for the rights but tabled a bid anyway – which it claims was higher than the winning bid.

Mats Enquist, the league's chief executive, told *TV Sports Markets* that the league spoke to other broadcasters but settled on TV4 Group because “the [broadcaster] interest in pursuing our business model was very low. It became obvious that the TV4 Group were the only ones capable of, and interested in, building a long-term partnership.”

TV4 Group is the league's current domestic live broadcaster, having acquired the rights from Kentaro.

“We declared our ambition to build up the league and to make it the best league in the Nordics by 2017,” Enquist added. “We felt there were two key elements that we needed to build up the image of the league: one media rights partner, and one gaming partner.”

The league said that it had “secured sufficient legal guarantees” about the tender process. Informed sources say that the broadcaster is not expecting any antitrust problems because most top rights are sold in the region without a formal tender. The Swedish Competition Authority this week told *TV Sports Markets* that it was not looking into the deal at present.

Enquist said that the league had secured a “substantially higher” fee on a like-for-like basis for the rights to its top two tiers, the Allsvenskan and the Superettan, than in the last deal.

## Bonnier looks to offload C More

Bonnier – the parent company of Sweden's TV4 Group, which owns the pan-Nordic C More Entertainment pay-television platform, is planning to sell the platform, *TV Sports Markets* has learned.

Norwegian telco Telenor, Finnish media group Sanoma and Norwegian basic-tier and pay-television broadcaster TV2 are believed to be among those interested in buying C More. Telenor acquired a 35-per-cent stake in the pay-television operator from Bonnier for SEK787 million (€94 million/\$123 million), plus some sports rights, in 2010.

It is understood that the group's recent football and ice hockey acquisitions were not driven by the impending sale. But the rights will make it a more attractive proposition.

Securing the Allsvenskan rights means that C More now has the top two domestic Swedish sports properties – the top football and ice hockey leagues – tied up in long-term deals. Last month, it acquired the rights to the Elitserien ice hockey league through to 2018 for SEK325 million per season.

The football league said that it was not concerned about a possible sale. “We don't know if the rumours of a sale are true or not, but we have a firm agreement in place which we are content with,” the league's chief

executive Mats Enquist said.

Renewing the two deals was vital after last year missing out on the Uefa Champions League and the English Premier League to rival multi-territory commercial and pay-television broadcaster Modern Times Group.

The Allsvenskan and the Superettan complement C More's football portfolio which also includes the Uefa Europa League, Spain's La Liga, Italy's Serie A, France's Ligue 1, Holland's Eredivisie and North America's Major League Soccer.

Bonnier has struggled to expand the pan-Nordic C More business since acquiring it in 2008 from German media company ProSiebenSat.1. It has failed to make inroads into MTG's dominance of the basic-tier and pay-television markets in Denmark, despite investing in new channels and content. C More, which was called Canal Plus until last year, suffered a big blow in 2010 with the loss of English Premier League football rights in all territories except Finland. It had held the pan-Nordic rights for over a decade. This hurt it badly in Norway, where English football has a big fanbase.

C More has historically been strong in Sweden, and it continues to be a big player in the market. It is also relatively strong in Finland, but this is a small pay-television market. ■

### New deal

The new four-year deal for the two divisions, from 2016 to 2019, is worth between SEK200 million (€23.9 million/\$31.1 million) and SEK225 million per year. Philippe Huber, Kentaro's joint chief executive, told Swedish media that the agency had offered at least SEK10 million per year more.

In the current five-year deal, from 2011 to 2015, the league, in combination with the national federation and the women's league, sold its rights to Kentaro for between SEK270 million and just over SEK300 million per year. The deal also includes national team

home matches, men's cup games and women's league matches.

The vast majority of the value lies in the rights for the men's league and national team games. The value of the men's league rights is roughly equivalent to the value of the men's national team matches.

Kentaro sold on all the rights to the TV4 Group for about SEK310 million per year.

### No Profile

Kentaro is not the only agency to lose out in the new deal. In the negotiations for the current deal, the league was advised by the Profile Partners agency.

This time the league held talks directly with TV4 Group.

“We have no complaints with agents we have worked with in the past, but in this instance it was more a case of building a partnership than selling media rights,” Enquist said. “When you have the goal of just selling rights, that is a special process which experts are better for, but this time we wanted a long-term partnership.”

## Content

As in the current deal, TV4’s pay-television platform C More Entertainment will show all 240 Allsvenskan matches live, with all matches simulcast on C Sports, the channel’s online subscription service. C Sports will show 150 matches from the Superettan live, with the other 90 live on commercial channel TV4.

C More also acquired non-exclusive league highlights rights. C More and the

league will jointly sell more non-exclusive highlights rights to a free-to-air broadcaster. State broadcaster SVT, the league’s long-term free-to-air broadcaster, is considered a likely buyer.

Each league club will be able to show games from its website with no production costs. Enquist declined to say whether matches would be live. The league will also work with C More and TV4 to develop a smartphone app. ■

## AGENCIES

# MP & Silva and Pitch look to diversify in Asia

By Dan Horlock

The Pitch International and MP & Silva agencies said this week that their new Asian joint venture company would open up new business opportunities by having greater scale and complementary skills and relationships.

Talking exclusively to *TV Sports Markets*, Jonathan Rogers, Pitch International’s managing director, and Andrea Radrizzani, MP & Silva’s chief executive, said that the joint venture had a number of strategic targets which went beyond leveraging their respective sports-rights portfolios. These include:

- event management
- sponsorship
- television production
- consultancy
- development of local sports.

“The joint venture wants to go beyond the TV rights portfolio and be more creative in building new business,” Radrizzani said. “The purpose is to find projects in which the agencies can work together.”

The new company is a 50:50 joint venture that will be initially based in MP & Silva’s Singapore office. The Italian-run agency – at the outset, at least – looks to be bringing more value to the business than Pitch. It has a stronger set of relationships with broadcasters across the region through having built up a set of top football rights properties over the last 10

years. Radrizzani explained why there were benefits for both parties.

“MP & Silva has deeper knowledge of the marketplace as well as consolidated, successful experience in TV rights distribution while Pitch has more experience in events organisation,” he said. “This combination of our local knowledge and Pitch’s know-how in sponsorship and events will bring a new way of business for the JV.”

Pitch handles event organisation and sponsorship as part of its rights deal with the Brazilian football association. The agency is organising 19 games over 21 months, including Brazil’s home match against England at the new Maracanã stadium on June 2. It also handles sponsorship and perimeter advertising as part of its rights deal with New Zealand Cricket.

Pitch this week strengthened its presence in the region by recruiting Guy Le Grew from pan-regional sports broadcaster ESPN Star Sports as its head of Asia-Pacific business.

Rogers said that it was a logical step for Pitch and MP & Silva to come together. “We are stronger together than apart. We’ve got complementary attitudes in the way we approach business and clients. We can spend five years working away alone or we can spend the next five years working together. We’ll get far further working together than working separately.”

The agencies are recruiting staff to create a dedicated workforce for the venture. Initially, rights acquisitions will be handled on an ad hoc basis, with the lead taken by whichever agency has the best relationships. For certain properties MP & Silva and Pitch will continue to acquire rights independently of the joint venture.

### MP & Silva and Pitch joint venture rights

Sports	Rights
Football	Brasil Global Tour, English League Cup and Championship
Rugby Union	Six Nations
Horse Racing	Ascot, Racing UK

Source: *TV Sports Markets*

The venture is launching with a limited portfolio of sports rights (see panel). This will be expanded rapidly in the next 12 months. Rogers said that the joint venture was working on acquiring three to four properties at the moment. He added, however, that in order to understand the rationale for the venture it was necessary to look beyond the rights portfolio.

“We’re both relatively young agencies, we’re both growing quickly, we share a lot in common in terms of our attitudes to how we want to build businesses and diversify,” he said. “We already have a very productive working relationship across many different parts of our businesses so it is a natural move for us to work together in a territory where we all believe there is still huge opportunity for growth.”

### Industry reaction

Reaction from rival agencies and Asian broadcasters was mixed. One agency boss said that it made little difference. It was merely formalising what had been happening on the ground for years. “They have just come out into the open,” he said. He added that Pitch would be the main beneficiary of the arrangement. “If you look at what the two companies have in terms of must-have rights in Asia, it nearly all belongs to MP & Silva.”

An executive at an Asian rights agency said that the combined strength of the

two agencies made the joint venture a fearsome adversary in the market. In particular, it would make it very difficult for other agencies to break into the football rights business. “We need to try harder when we go after rights they want, as we know they have deep pockets,” he said. “We will lose in a straight shoot-out.”

A senior executive at one Asian broadcaster said that the joint venture was bad news for buyers in the region, as

so many top rights would be concentrated in the same hands. “Broadcasters benefit from competition where they can acquire rights from separate sellers and play them off against each other,” he said.

He added that the joint venture also represented a threat to existing premium sports channel businesses in the region by being able to bundle so much top content. MP & Silva has already launched a sports channel bouquet in Indonesia

(*TV Sports Markets* 17:6). “They have more than enough content to launch a channel in a market such as Hong Kong right now,” he said.

Radrizzani confirmed that more channels could be on the way. He said that some platforms in Asia lacked the in-house knowledge regarding production and that the venture was well-placed to enter these markets with a “ready-built solution.” ■

## FOOTBALL

# Tough Dutch market not good news for Uefa

By Kevin McCullagh

Uefa and CAA Eleven are experiencing a tough market in the Netherlands for their European national football team rights.

Public-service broadcaster NOS agreed a fee of about €18 million (\$23 million) for Euro 2016 rights in a deal last week with Uefa, European football’s governing body, brokered by CAA Eleven, the body’s sales agent.

NOS paid the same for Euro 2012. The fee per match has dropped to €353,000, from €581,000, as Euro 2016 will have 51 matches, compared to 31 at Euro 2012. Uefa is expanding the tournament from 16 to 24 teams in 2016.

CAA Eleven will now market the Dutch rights for European qualifying matches for Euro 2016 and the 2018 Fifa World Cup. The agency is selling global rights for the qualifiers and Euro 2016 under a deal with Uefa agreed last year. The Dutch deal is the agency’s first for Euro 2016.

Several factors made the competition a tough sell in the Netherlands. A key one is that Dutch listed-events legislation effectively caps the value of the rights by requiring all matches to be shown live on free-to-air television.

Free-to-air broadcasters in the Netherlands have also been cutting rights fees for several years. NOS has suffered budget cuts and a shrinking advertising market has hit the two main commercial broadcasters RTL and SBS.

The Euro 2012 fee was down 16 per cent on Euro 2008, for which NOS paid €21.5 million.

NOS had little or no competition in the rights auction for Euro 2016. The rights are too expensive for SBS and RTL to seriously challenge for them.

The huge interest in the national football team and NOS’s tradition of broadcasting major football tournaments helped prop up the price. NOS had an audience of 8.5 million, a 91-per-cent share, for the team’s appearance in the final of the last World Cup, in 2010.

Further, like many other public-service broadcasters, NOS will almost certainly have a philosophy of not taking advantage of market conditions by forcing the price down too far.

### Qualifiers challenge

The qualifiers rights are likely to be offered in two packages, one covering Holland matches and another covering the remaining matches. All national football team matches must be shown free-to-air under listed-events legislation.

Rights for Holland qualifying matches have fallen in value in the last four years. SBS paid about €450,000 per match for Holland’s away qualifiers for the 2014 World Cup in deals with agencies. In 2009, the commercial broadcaster agreed a deal with the Dutch football federation for all home and some away qualifiers in 2010-11 to 2013-14, worth €850,000 per match.

SBS’s financial situation and the Dutch advertising market have deteriorated since the federation deal was agreed. One expert said the broadcaster was only able to refinance half the cost of each match in the current advertising market.

The deal covers all home qualifiers and

a first option on some away qualifiers. The federation acquired the away matches in deals with other federations or agencies.

It is unclear whether NOS is interested in the qualifiers. RTL is not expected to be a strong contender. Its business is going well without international football – it is in a stronger position than SBS – and there appears little advantage for it in buying such expensive content.

A joint bid by SBS and pay-television broadcaster Eredivisie Live is thought to be possible, and could help boost the rights value. SBS would show Holland matches and Eredivisie Live all other matches.

News Corporation-owned Fox International Channels bought a 51-per-cent stake in Eredivisie Live last August, and is investing heavily in new content. Fox paid a big fee to secure English Premier League rights in a deal last week (see separate story).

SBS and Eredivisie Live have a history of sharing rights. Most recently, Eredivisie Live acquired rights for the Under-21 Euro 2013, and sublicensed the Holland matches to SBS. The rights were sold by CAA Eleven under its deal with Uefa.

### Weak start

Uefa will be anxious for stronger markets for the Euro and qualifier rights in other territories. Revenues from Euro 2016 have been earmarked to help cover the cost of the organisation’s project to centralise the sale of Euro and World Cup qualifiers in Europe.

Many in the rights industry believe that Uefa guaranteed Europe’s football federations far more revenue from the qualifier rights than will be recouped in sales. The federations have been guaranteed over €1 billion across the Euro

2016 and World Cup 2018 qualification cycles. Uefa will be prepared for some loss in what is the first ever round of centralised sales for the property. But too big a loss would raise a question over the future of the project.

CAA Eleven has so far agreed one other major deal under its Uefa agreement. The European Broadcasting Union, the consortium of European public-service broadcasters, has acquired rights for Euro 2016 and World Cup 2018 qualifier matches in 30 European territories (see Sports Clips). The deal is understood to be worth about €70 million. ■

## TV NETHERLANDS

# Fox football rights deal casts doubts over Sport1 future

By Kevin McCullagh

Fox International Channels underlined its determination to take a bigger share of the Dutch pay-television market by outbidding rival Sport1 for English Premier League rights last week.

Fox, a global television channel operator owned by News Corporation, is understood to have agreed a total fee of between €40 million (\$52 million) and €50 million for a package of rights covering the Premier League, Italian Serie A, North American Major League Soccer and Brazilian Campeonato Série A in multi-year deals. Sport1 is the current rights-holder of all four properties. The rights were sold by the MP & Silva agency.

The deal represents a large increase on the current values of the properties (see table). Competitive bidding between Fox and Sport1 drove up the price.

It is now clear that Sport1 will have to

spend heavily on sports content to protect its position in the Dutch market from Fox's advance. Losing the Premier League rights in particular will hit Sport1 hard. It is the second-biggest pay-television sports property in the market after the Eredivisie.

Fox took a step into the market last July by acquiring a 51-per-cent stake in Eredivisie Live, Sport1's rival in the pay-television market. It was initially unclear what size of business Fox planned to create and how much it would invest.

Fox is now thought to be targeting more sports content and planning to add channels. A joint bid for Euro 2016 and World Cup 2018 qualifiers with SBS, the commercial broadcaster, is under consideration. As is launching, or taking over, a free-to-air channel. Commercial broadcaster SBS is a possible target.

### Sport1's future

Industry observers expect Fox to erode Sport1's share of the pay-television market. Sport1 and sister channel Film1 jointly have around 490,000 subscribers and Eredivisie Live around 570,000. Subscriber numbers for both have stagnated in recent years. There are 7.5 million television homes in the country.

Sport1's willingness to defend its position will only become apparent in upcoming auctions for top sports rights. The sale of Uefa Champions League rights, currently held by Sport1, is expected in the next 12 months.

Sport1 has the financial muscle to challenge Fox. Sport1's owner is international pay-television operator Liberty Global, which had revenues of \$10.3 billion in 2012. The channel is part of Liberty Global's content division Chellomedia. But Chellomedia is a relatively small part of Liberty Global's business. Liberty tends to

focus on running pay-television platforms rather than channels, and does not invest in content on anywhere near the scale News Corporation does.

Fox's emergence in the Netherlands is good news for rights-holders. The Premier League's rights fee jumped by around 200 per cent thanks to competition between Sport1, Fox and MP & Silva during the latest auction. The agency is understood to be paying the league just over €10 million per season, over three times the €3.3 million per season paid by Sport1 currently.

First-round bids are understood to have been in the €6.7 million to €7.3 million per season range. In the second round they were between €9.3 million and just over €10 million per season.

There are some upsides for Sport1 after the Premier League deal, one Dutch market expert said this week. Its costs will be reduced. And the bundling of Sport1 with Eredivisie Live by Dutch cable-television platforms will limit Sport1's subscriber losses.

### Free-to-air ambitions

Fox is targeting free-to-air television in several European markets including the Netherlands. It has acquired a licence to operate a digital-terrestrial channel in Finland, which will be a general entertainment channel with some sports content.

In the Netherlands, Fox needs more channels to accommodate its growing sports-rights portfolio. A free-to-air channel would also be useful for cross-promoting its pay-television channels and would allow it to buy sports rights that are protected by the Netherlands' extensive listed-events legislation. To show listed events, free-to-air channels must have 75 per cent penetration. ■

Netherlands football rights deals fee comparison				
Property	Current deals - Sport 1		New deals - Fox	
Premier League	2010-11 to 2012-13		2013-14 to 2015-16	
Serie A	2012-13		2013-14 to 2014-15	
MLS	2013		2014 onwards	
Campeonato Série A	2013		2014 onwards	
Combined fee per season: <b>€4.5m</b>			Combined fee per season: <b>€13.3m to €16.7m</b>	

Source: TV Sports Markets

## CYCLING

## SweetSpot facing big challenge in battle of Britain

By Frank Dunne

SweetSpot, the organiser and commercial rights-holder for the Tour of Britain, is facing strong competition in its battle to hold onto its contract from 2014.

Rival bidders include Tour de France organiser Amaury Sport Organisation, and major sports-rights agencies such as Infront Sports & Media and IMG's Events & Federations division, together with the agency's mass participation division IMG Face.

RCS Sport, the organiser and commercial rights-holder for the Giro d'Italia, looked very closely at the property but decided not to make an offer just before last week's deadline.

Each of the rival bidders is aggressively targeting cycling events and rights. ASO, which also controls Spain's La Vuelta a España and several 'classics' in France and Belgium, is expanding its cycling portfolio. In recent years it has developed its activities in the US, Qatar, Beijing, and Oman. In August, it will launch a new stage race, the Arctic Tour of Norway.

IMG and Infront already have strong portfolios of cycling rights and believe the sport is primed for commercial growth.

SweetSpot won the contract in 2004 against bids from IMG and event specialist Events Group (*TV Sports Markets* 8:10). In December, British Cycling, the sport's UK governing body, decided to put the contract out to tender from 2014. SweetSpot said that it was "surprised and disappointed" by the decision.

Cycling is a growth sport but whoever wins the contract will have the same challenges that SweetSpot has faced. The event is not on the World Tour of the International Cycling Union (UCI), which limits its attractiveness to broadcasters and sponsors. Further, the final day of the race clashes with the first day of La Vuelta, meaning that many top riders do not take part. Being included in the World Tour would remove the clash.

### Wiggo drives deals

The 2012 event was one of the most successful of SweetSpot's tenure because Olympic gold medallist and Tour de France winner Bradley Wiggins, and other top UK rider Mark Cavendish, both riding for Team Sky, decided to take part in the event rather than compete in Spain.

On the back of their involvement, UK commercial broadcaster ITV acquired live domestic rights for its ITV4 channel. The broadcaster enjoyed an average audience of 382,000 for its live coverage. The deal is thought to have been worth between £200,000 (€236,000/\$307,000) and £300,000. Most of this was to cover the costs of production, which is handled by UK production house Century TV.

International rights-holders the MP & Silva agency secured coverage for the race with 14 broadcasters covering 124 territories. These included: pan-regional sports broadcaster Eurosport in Europe and Asia; NBC's Universal Sports channel in the US; pay-television operator SuperSport in sub-Saharan Africa; and public-service broadcaster SBS in Australia.

MP & Silva holds the international rights in a three-year deal, from 2011 to 2013. The deal is thought to be a revenue share with no minimum guarantee.

The increased coverage will be useful if the Tour applies for a place on the UCI World Tour. The UCI considers five criteria:

- the tradition and historic importance of the race
- the quality of the race organisation
- the significance of the race for the development of the sport
- how the race fits with other events on the calendar
- the level of media coverage.

The soonest that the Tour of Britain could make it onto the calendar is 2015. The UCI is currently reviewing the calendar, which is set to undergo a major overhaul in that year. No broadcast deals have yet been announced for the 2013 event, which takes place from September 15-22.

### ASO in the midnight sun

ASO believes that its new race, the Arctic Tour of Norway, will become one of the

most sought-after events on the calendar for broadcasters. It is marketing the event as "the world's most beautiful bike race." The race will take place over four days, August 8-11, against a backdrop of mountain and coastal scenery.

The company is developing the event in close collaboration with local cycling organiser, Arctic Tour of Norway AS, and commercial and pay-television broadcaster TV2. It looks set to tap into a cycling boom in the country. The sport has taken off in the last four years on the back of the exploits of riders Thor Hushovd, the 2010 world road racing champion, and Team Sky riders Ole Gabriel Rasch and Edvald Boasson Hagen.

"Grassroots participation has increased enormously. The amateur races are all full, or overbooked. The number of hours of cycling on television is now greater than ever," one local expert said.

The TV2 Sport pay-television channel carries most top cycling events, with the exception of the Tour de France, which is shown by public-service broadcaster NRK, and the Giro d'Italia which is shown by pan-European sports broadcaster Eurosport.

TV2 will host broadcast the event and will show three hours per day of live coverage on its main free-to-air channel. It is not thought to have paid a rights fee for the coverage in Norway but is making a major contribution to what are thought to be substantial production costs.

The organisers are said to be considering a stage late at night to have racing in Norway's 'midnight sun.' The country enjoys daylight until midnight in the summer months. There would be little clashing live sport on television at such a late hour, which would be beneficial to broadcasters and sponsors.

ASO is selling the international rights to the event. It is thought to have agreed a deal with public-service broadcaster TV2 in Denmark and is in talks with Eurosport, among others.

The race is sponsored by Norwegian energy company Statoil, which is paying €1 million (\$1.3 million) per year for three years, 2013 to 2015. The race will receive additional funding from local sponsors, regional councils where stages take place, and entry fees. ■



**SPORTS CLIPS:** News from TVSM Daily from March 21 to April 17**TV RIGHTS 1****Football: Euro and World Cup qualifiers, La Liga, Bundesliga and more**

- **Football:** Dutch public-service broadcaster NOS acquired exclusive rights for Uefa Euro 2016 (page 6).
- **Football:** The European Broadcasting Union, the consortium of public-service broadcasters, acquired rights for Uefa Euro 2016 and Fifa 2018 World Cup qualifying matches in 30 European territories. The deal covers: Albania, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Iceland, Israel, Latvia, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Montenegro, Portugal, Republic of Ireland, Romania, Serbia, Slovakia, Slovenia and Switzerland. The deal was brokered by the CAA Eleven agency.
- **Football:** TV-Broadcasting Company Ukraine acquired rights for Euro 2016 and 2018 World Cup qualifying matches in a deal with Uefa, brokered by the CAA Eleven agency.
- **Football:** UK commercial broadcaster ITV acquired rights for the Montenegro v England Fifa World Cup 2014 qualifying match on March 26 in a deal with the Sportfive agency. ITV had earlier negotiated a rights deal for the game with Kentaro, but the agreement was terminated when the Montenegrin Football Association ended its relationship with the agency.
- **Football:** Video-sharing website Dailymotion agreed a deal with the French football federation for live rights in the UK for Fifa World Cup 2014 qualifiers France v Georgia on March 22 and France v Spain on March 26. The games were free to watch and had English commentary.
- **Football:** Dutch commercial broadcaster SBS and pay-television broadcaster Eredivisie Live acquired rights for the 2013 Uefa Euro U-21 tournament in a deal with the CAA Eleven agency. Eredivisie Live will show all 15 games from the tournament. SBS will show all Holland matches.
- **Football:** Sports broadcaster Eurosport France acquired exclusive rights for the France v Canada women's national team friendly on April 4, in a sublicensing deal with commercial broadcaster D8.
- **Football:** Swedish broadcaster TV4 Group acquired rights for the Swedish Allsvenskan and Superettan (page 4).
- **Football:** The Polish Ekstraklasa extended a domestic rights deal with NC Plus, the pay-television platform formed through the merger of pay-television operators Cyfra Plus and N, for one season, to cover 2014-15.
- **Football:** Italian pay-television broadcaster Sky Italia acquired rights for the German Bundesliga in a two-year deal for 2013-14 and 2014-15, with the Deutsche Fussball Liga.
- **Football:** Rights for the final 10 rounds of the 2012-13 Spanish Liga season were acquired by a pool of regional free-to-air broadcasters in Italy. The rights were initially acquired by Italian advertising agency Publishare for just over €1m (\$1.3m) from the Pitch International agency, and then sold on to the pool.
- **Football:** The English Premier League awarded exclusive rights in Finland to commercial and pay-television broadcaster MTV Media. The deal covers all 380 games per season, across all platforms, for three seasons, from 2013-14 to 2015-16.
- **Football:** US regional sports network Comcast SportsNet Mid-Atlantic agreed a three-year deal, from 2013 to 2015, with Major League Soccer club DC United. The broadcaster will show up to 16 live games per season.
- **Football:** Fox Soccer, the US pay-television channel, acquired rights for a new summer tournament featuring eight top clubs from around the world. Fox Soccer will show 11 of the 12 matches of the 2013 International Champions Cup, which runs from July 27 to August 7. Fox agreed the one-tournament deal with the event organiser RSE Ventures.

**SINCE LAST TIME**

- IMG will be sold in the next four to 24 months, according to George Pyne, the agency's president of sports and entertainment. Pyne said that Forstmann Little, the private equity firm that acquired IMG in 2004, is now selecting a financial services company that will decide how the company is put on the market. Pyne added that IMG executives would not be involved in the transaction.
- Italy's competition watchdog, the Autorità Garante della Concorrenza e del Mercato, called on the government to amend existing law to make the redistribution of media-rights income among Serie A top-tier football clubs more equitable. The authority said that a new system should focus more on "sporting merit," such as the position of a team in the table, rather than the "history and reputation of a club." The new system should be devised by a third party that is not connected to the league or its clubs, the watchdog said.
- Media conglomerate Lagardère, owner of sports marketing group Lagardère Unlimited, agreed to sell its 25-per-cent stake in the parent company of event operator the Amaury Sport Organisation. Éditions Philippe Amaury, which owns the rest of ASO, will buy the stake for €91.4m (\$118.8m). Éditions Philippe Amaury's directors and shareholders have to approve the deal.
- BT complained to UK media regulator Ofcom about pay-television broadcaster BSkyB's refusal to show advertisements for the telecommunication company's new sports pay-television service. Sky said it would not carry a rival's advertising on its sports channels, but said BT could advertise on any of the other channels on which Sky sells advertising.
  - Meanwhile, BT said it would offer pub subscriptions to its sports channels that were "substantially cheaper" than Sky's. BT

**SPORTS CLIPS:** News from TVSM Daily from March 21 to April 17**TV RIGHTS 2****American football, archery, basketball, boxing and Canadian football**

- **American Football:** The NBC Sports division of US media company NBCUniversal acquired rights for the annual Bayou Classic college game. The rights for the Thanksgiving weekend game will run for three years, from 2013 to 2015. The broadcaster agreed the deal with the Southern University System and Grambling State University, who jointly organise the game.
- **Archery:** World Archery appointed the Broadreach Media agency to distribute rights in India and the Indian subcontinent for the governing body's 2013 World Cup and World Championship events. The rights include highlights and live coverage.
- **Basketball:** US pay-television broadcaster ESPN extended a rights deal for the Women's NBA. The extension covers six seasons, from 2017 to 2022. Up to 30 games per season will be shown live on ESPN, ESPN2, the ABC network and WatchESPN, which allows viewers to access coverage via online and mobile platforms as well as Xbox Live games consoles.
- **Basketball:** Spanish public-service broadcaster TVE acquired rights for games featuring Spanish team Real Madrid in the Euroleague club competition. The deal runs until the end of the 2012-13 season with an option to extend for a further two seasons. The deal with Euroleague Basketball, which operates the tournament, includes rights to some Euroleague games featuring other Spanish teams. The matches will be shown on TVE's digital-terrestrial sports channel Teledeporte.
- **Boxing:** The Fox Sports division of US network Fox signed a rights extension with boxing promoter Golden Boy. The length of the deal was not disclosed. Fox Sports will retain exclusive live US rights to 48 events per year. Pay-television channel Fox Sports 1 will show 24 events. Spanish-language sports broadcaster Fox Deportes and the Fox Sports Go online service will show all events live. Fox International Channels will have exclusive live rights to all events in Central America, South America, the Caribbean, sub-Saharan Africa, the Middle East and Europe, excluding the UK.
- **Boxing:** The International Boxing Association, which governs the amateur ranks of the sport, extended its partnership with the Total Sports Asia agency. The agency will continue to distribute rights for the World Championships on a worldwide basis and rights for the World Series of Boxing in Asia through to the end of 2013.
- **Boxing:** UK pay-television broadcaster BoxNation acquired live rights for two events operated by promotional company Top Rank. It showed two title fights from an event in Macau on April 6 before the world super-bantamweight title fight between Nonito Donaire and Guillermo Rigondeaux on April 14. The two fights were: a super-featherweight fight between Román Martínez and Diego Magdaleno; and a world flyweight fight between Brian Viloria and Juan Francisco Estrada.
- **Boxing:** UK commercial broadcaster Channel Five acquired exclusive domestic rights for the heavyweight bout between Tyson Fury and Steve Cunningham on April 27. The broadcaster struck the deal with British promoter Hennessy Sports, which is organising the bout.
- **Canadian Football:** Canadian pay-television sports broadcaster TSN agreed an extension to its domestic rights deal with the Canadian Football League, the country's top gridiron division. TSN and French-language sister channel RDS will continue to provide live coverage of the league for five years, from 2014 to 2018. The deal is worth C\$30m (€22.4m/\$29.1) per year, about double the value of the current agreement. TSN and RDS will have live rights to all regular-season, play-off and Grey Cup championship games.

also said it expected to broadcast European club rugby union's top competition regardless of the tournament's future structure. In September, BT announced a three-year rights deal, from 2014-15 to 2016-17, for a tournament that will succeed the existing Heineken Cup. The agreement was not approved by Heineken Cup organiser European Rugby Cup, which struck a deal for the same three-year period with Sky.

**FOOTBALL**

- Francisco Roca, the chief executive of the Liga de Fútbol Profesional, the Spanish football league, said he hoped the league would shift from individual club media-rights sales to a collective selling model within two to three years. Roca said 35 of the 42 clubs in the top two divisions had agreed to a more equal split of media-rights revenues. Pay-television broadcaster Al Jazeera would be interested in acquiring rights to the Liga if they were collectively packaged, according to media reports.
- Scottish Premier League chief executive Neil Doncaster dismissed reports that UK pay-television broadcasters BSkyB and ESPN could curtail their rights deals with the league due to lower-than-expected viewing figures. Doncaster produced a copy of the contract to show those present at a meeting between the SPL, Scottish Football League and Scottish Football Association that the five-year deals, from 2012-13 to 2016-17, are not in danger.
- The Scottish Premier League is facing a £1.8m (€2.1m/\$2.7m) damages claim for stopping a Scottish pub operator using a Polish pay-television service to show its matches. The league obtained a court order in 2007 to prevent one of Lisini Pub Management's pubs in Scotland showing live Saturday afternoon SPL games using the Polish service. In rejecting an application by the league

## SPORTS CLIPS: News from TVSM Daily from March 21 to April 17

### TV RIGHTS 3

## IPL cricket, cycling, golf, World Championship ice hockey and more

- **Cricket:** Times Internet, the online and mobile arm of the Times Group publishing company in India, extended its live rights deal with YouTube for the 2013 and 2014 seasons of the Indian Premier League Twenty20 tournament. YouTube will stream live coverage of all matches worldwide, excluding the US and Canada. It will have exclusive live-streaming rights for desktop web viewing, with a five-minute delay in India, and non-exclusive rights for mobile viewing. Times also sublicensed mobile rights for the 2013 season to Indian media company NexGTV, which will show live coverage and highlights of every game.
- **Curling:** Pay-television sports broadcaster TSN extended its exclusive rights deal in Canada for the World Curling Championships with the World Curling Federation, the sport's global governing body. The agreement runs until the end of the 2019-20 season. TSN and its French-language pay-television sister channel RDS will continue to serve as the official broadcast partner of the Canadian Curling Association national governing body. TSN struck the deal with the Infront Sports & Media agency, the global body's marketing partner.
- **Cycling:** Swiss public-service broadcaster SRG extended a rights deal for the Tour de Suisse in a two-year deal, from 2013 to 2014. The rights cover television, online, mobile and radio platforms. SRG will also act as the host broadcaster and will produce an international feed for rights-holders worldwide. The deal was agreed with the IMG Media agency.
- **Cycling:** Media company Dirt TV struck a deal with organisers of the mountain biking Enduro World Series to produce and show online coverage of each event during the 2013 campaign. Dirt TV will produce a preview show and highlights of all seven races this season, as well as coverage during events.
- **Golf:** The IMG Media agency struck a deal to continue to distribute worldwide media rights for events operated by the Ladies Professional Golf Association. The length of the extension was not disclosed.
- **Ice Hockey:** German publisher Axel Springer acquired rights for live online coverage of the finals of the 2013 German Ice Hockey Cup. The rights for the finals, from April 14-24, are being exploited on the Sportbild.com website after the publisher struck the deal with the Sportsman Media Group agency. Sportsman's online sports broadcaster, Laola1.tv, and commercial broadcaster Servus TV, are also showing live coverage.
- **Ice Hockey:** UK pay-television broadcaster Premier Sports acquired live rights to the International Ice Hockey Federation's 2013 World Championship. Premier Sports will broadcast 20 games from the Championship, which takes place from May 3-19 in Stockholm, Sweden, and Helsinki, Finland. Premier Sports also acquired rights for live coverage of Great Britain's games in the second-tier World Championship Division I Group A in Budapest from April 14-21. The deal was agreed with the Infront Sports & Media agency, the federation's marketing partner.
- **Kickboxing:** Indian sports and entertainment pay-television channel Sony Six acquired exclusive live and archive footage rights for Glory World Series events. The length of the agreement with the Total Sports Asia agency, the series' worldwide rights distribution partner, was not disclosed.

to have the damages claim thrown out, a judge said the October 2011 European Court of Justice ruling in the English Premier League's case against English pub owner Karen Murphy would have "an important bearing" on the case.

- The Dimayor, the body responsible for the top two football divisions in Colombia, fined second-tier club América de Cali 44.21 million Colombian pesos (€18,800/\$24,400) for showing live online coverage of its games without permission. América showed live coverage of its away game at Bogotá on February 4, and its home games against Deportivo Cali on March 13, and Real Cartagena on March 18 via its website, Americadecali.tv. The club also promoted the online coverage via social media platforms Twitter and Facebook.
- Clubs of the top-tier Super League in Malawi discussed the possibility of selling media rights for the competition for the first time. The league's general secretary, Williams Banda, said that clubs would have to find sponsors that would pay for the rights to be shown on state-owned broadcaster MBC TV,

which would then transfer funds back to the league for distribution to its clubs.

- The English Football Association said there were plans to stream live coverage of selected England national team and FA Cup matches via a new Mandarin-language version of the TheFA.com website.

### TV INTERNATIONAL

- US network NBC will provide live coverage of 20 games from the English Premier League next season as part of parent company NBCUniversal's three-year rights deal, from 2013-14 to 2015-16. There will also be 154 live matches on pay-television channel NBC Sports Network, 76 on Spanish-language channels Telemundo or Mun2, and 22 on other channels, as well as weekly highlights on Saturdays and Sundays. NBC Sports Network will show a re-run of the weekend's best match on Sundays, a Monday programme focusing on games involving Manchester United and Manchester City, and a show on Tuesdays focusing on games featuring Chelsea, Liverpool, Arsenal and Tottenham Hotspur.

**SPORTS CLIPS:** News from TVSM Daily from March 21 to April 17**TV RIGHTS 4****Motorcycling, motorsport, Olympics, rugby union and rugby league**

- **Motorcycling:** Dorna Sports, the commercial rights-holder of the MotoGP championship, secured deals in the US, Netherlands and on Sport 24, the sports channel produced and distributed by the IMG Media agency for airlines and shipping lines.  
The Fox Sports division of US network Fox renewed rights in a multi-year deal beginning in 2013. Fox Sports' pay-television channel Speed will show live coverage of all races until August, when coverage will continue on new sports network Fox Sports 1, which will replace Speed.  
Dutch pay-television broadcaster Sport1 struck a two-year extension, from 2013 to 2014, to show live coverage of all qualifying stages and races from the top-tier championship as well as the Moto2, Moto3 and MotoGP Rookies Cup developmental series.  
Sport 24 will broadcast live coverage and highlights of all 18 races this year.
- **Motorsport:** UK commercial broadcaster ITV extended a deal for live coverage of the British Touring Car Championship. The deal will run for three years, from 2015 to 2017. All races will be shown live on the ITV4 and ITV4 HD digital channels as well as online via ITV's website, which will also stream live coverage of qualifying sessions. Highlights will continue to be shown on the ITV, ITV HD, ITV4 and ITV4 HD channels in the week following each race.
- **Olympic Games:** América Móvil, the Mexican telecommunications company owned by billionaire Carlos Slim, acquired rights across Latin America for the 2014 and 2016 Olympic Games (page 1).
- **Rugby Union:** Organisers of the Pro12 struck a deal for YouTube to provide highlights of games from the club competition on a worldwide basis. YouTube will offer in-game highlights and extensive post-match highlights, as well as archive footage, on a dedicated channel for the tournament.
- **Rugby League:** UK public-service broadcaster the BBC and pay-television broadcaster Premier Sports acquired rights for the 2013 Rugby League World Cup. Premier Sports will provide live coverage of every game with exclusive coverage of five New Zealand and Australia group games, three quarter-finals and one semi-final. The BBC's deal covers the next two editions of the competition, in 2013 and 2017, plus the 2014 and 2016 Four Nations tournaments featuring England, Australia, New Zealand and another national team. For the 2013 tournament, the BBC will provide live coverage of all England group games, plus a quarter-final, a semi-final and the final.
- **Rugby League:** Pay-television broadcaster Sky New Zealand acquired rights for the Australia v New Zealand international match on April 19. The New Zealand Rugby League, the sport's national governing body, struck the deal with Sky after also holding talks with free-to-air broadcaster Māori Television. In a bid to minimise costs, Sky took Australian commercial broadcaster Nine's feed and did not use its own commentators.
- DirecTV Sports Networks, a division of pay-television provider DirecTV, agreed to sell a majority stake in regional sports channel Root Sports Northwest to Major League Baseball franchise the Seattle Mariners. The deal is worth about \$2bn (€1.54bn) over 17 years and includes rights to Mariners games, which will continue to be exploited on the channel from 2014 until 2030.
- Fox Soccer, the US network's football pay-television channel, will close later this year and be replaced by a general entertainment channel. The content currently broadcast on Fox Soccer is expected to be used on Fox Sports 1, a new national pay-television sports channel being launched in August.
- Latin American pan-regional pay-television broadcaster DirecTV launched an online sports channel for internet-connected televisions. The service, called PanAmericana, will offer highlights of international sporting events in high definition as well as statistics, schedules and other information.
- UK pay-television broadcaster BSkyB apologised after thousands of people who were trying out its Now TV internet television service for the first time were unable to access live coverage of the Manchester United v Manchester City Premier League match on April 8. Sky said refunds would be made to those who paid for a £9.99 (€11.75/\$15.28) day pass in order to watch the match, and 5,000 viewers who used promotional passes would be given new passes to try the service in future.
- A write-down of Mediaset's sports rights contributed to the Italian media company posting its first annual loss since going public in 1996. Impairments and provisions, including a write-down on the value of its sports rights, totalled €307.8m (\$400.1m) in 2012. Mediaset reported a net loss of €287.1m in 2012, against a €225m profit a year earlier.
- Thai pay-television operator TrueVisions launched three new sports channels on its platform: basketball channel NBA TV, motorsport channel MotorVision, and outdoor pursuits channel the Outdoor Channel.

**TV RIGHTS NEGOTIATIONS**

- Commercial broadcaster Mediaset is the favourite to acquire rights in Spain for the 2014 Fifa World Cup, according to Spanish news website El Confidencial Digital. Bids for the rights were due by April 12.
- Ludwig Sneyers, the chief executive of Belgian football's Pro League said News Corporation's Fox International Channels was a potential buyer of its domestic rights at the next auction, for 2014-15 to 2016-17.

## SPORTS CLIPS: News from TVSM Daily from March 21 to April 17

### TV RIGHTS 5

## America's Cup sailing, tennis, US college sport, volleyball and more

- **Sailing:** Italian state broadcaster Rai will show the America's Cup World Series regatta taking place in Naples from April 16-21 through an agreement with the series organisers, the America's Cup Event Authority. The broadcaster paid no rights fee but has committed to extensive live coverage on its sports channel Rai Sport 1. The broadcaster's second national channel Rai 2 will show live coverage on April 20 from 4pm to 6pm. Rai will provide extensive news coverage across all of its channels.
  - **Tennis:** The Deutschen Tennis Bund, the sport's governing body in Germany, sealed a 10-year deal with German commercial broadcaster ProSiebenSat.1, from 2013 to 2022. The two parties will develop the jointly-operated Tennis.de website, while the broadcaster's Sat.1 Gold free-to-air channel will show coverage of all national team matches during the Davis Cup and Fed Cup men's and women's tournaments, as well as some top-tier Premier events on the Women's Tennis Association Tour.
  - **US College Sport:** The Fox Sports division of US network Fox acquired rights for a new college sports competition that will include teams that have left the Big East conference. The 12-year deal will run from 2013-14 to 2024-25 and is worth a total of \$500m (€384.6m). Fox Sports will show all men's basketball games, some women's basketball contests, and all other Olympic sports events organised by the conference. The Fox Sports 1 network will show more than 100 men's basketball games every year.
  - **US College Sport:** The CBS Sports division of US network CBS extended a rights deal for men's basketball games in the Big East conference for seven years, from 2013-14 to 2019-20. The agreement is worth about \$21m (€16.2m), or \$3m per year, and includes live rights for up to 12 games per year.
  - **US College Sport:** US pay-television sports broadcaster ESPN agreed a new rights deal with the Mountain West conference. The deal will run alongside an existing agreement between the conference and its primary rights-holder, the CBS Sports Network division of US network CBS, for seven years, from 2013-14 to 2019-20. ESPN and CBS Sports Network will alternate selections of American football and basketball games to be shown live. ESPN's deal includes rights to leading university Boise State's home games, while CBS Sports Network will show the university's away games.
  - **Various:** UK pay-television broadcaster BSkyB agreed a rights and production deal with promoter Matchroom Sport. The deal, covering 10 events promoted by Matchroom, will run for five years, from 2013 until 2017. The agreement covers pool's Mosconi Cup, World Pool Masters and World Cup of Pool, table tennis's World Championship of Ping Pong and the Fish'O'Mania, Fish'O'Mania International and FLW Outdoors Bass Fishing events, as well as snooker's World Seniors Championship, golf's PGA EuroPro Tour and the Weber Cup tenpin bowling competition.
  - **Volleyball:** Online sports broadcaster Laola1.tv acquired live rights for the 2013 Youth Volleyball European Championship for Girls from the Confédération Européenne de Volleyball, the sport's governing body in Europe. Laola1.tv acquired rights for all matches from pool one, featuring Montenegro, Slovenia, Poland, Italy, Greece and Czech Republic. Games in pool two, featuring Serbia, Turkey, France, Germany, the Netherlands and Russia, have been available on the Serbian volleyball federation's official website. The tournament started on March 29 and ran until April 7.
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- Public-service broadcaster France Télévisions may decide against renewing a domestic rights deal for the French Open tennis grand slam as part of a review of its sports-rights portfolio. The broadcaster is in the final year of its current rights deal.
  - German commercial broadcaster ProSiebenSat.1 is interested in acquiring rights for the Uefa Euro 2013 U-21 championship, according to *Kicker* magazine.
  - Lega Basket Serie A, the top basketball league in Italy, began private negotiations with broadcasters for its rights for two seasons, from 2013-14 to 2014-15, after receiving no bids by its original auction deadline of April 10.
  - Australian network Ten entered a period of exclusive talks until the end of April over a possible A\$350m (€280m/\$364m) rights deal with Cricket Australia for national team Test and One Day International home matches, and domestic club competitions the Sheffield Shield and Big Bash League, over five years, from 2013-14 to 2017-18. The Seven network has bid about A\$320m for the rights and has also made separate, standalone bids for the Big Bash, ODIs and Tests. The Nine network, the incumbent rights-holder, will be given the opportunity to match the highest bid. Telecommunications company Telstra ruled itself out of the bidding for the mobile and digital rights.
  - Australian network Seven had a bid to extend a rights deal for the Australian Open tennis tournament rejected by rights-holder Tennis Australia. The governing body wants to launch a tender for the rights from 2015 onwards later this year. Seven pays A\$21m (€16.5m/\$21.5m) per year in the current deal. Tennis Australia has received offers for the next cycle from agencies worth around A\$40m per year.
  - Hamish McLennan, chief executive of Network Ten, said the Australian network was unlikely to bid for the 2014 and 2016 Olympic Games rights unless the asking price was lowered. McLennan said commercial broadcaster Nine's A\$25m (€18.5m/\$24m) loss on the 2012 Olympics had made the rights

## SPORTS CLIPS: News from TVSM Daily from March 21 to April 17

- “a little unpalatable.” Nine and commercial rival Seven have also said that they will not bid.
- The US Tennis Association started early talks with the CBS network about renewing rights for the US Open for 2015 onwards. The association is looking for a significant increase on its current \$20m (€15.4m)-per-year rights fee.
  - West Virginia University in the US will launch a new rights-sales process for its sports events after a review by West Virginia Attorney General Patrick Morrisey found there were “significant errors” in a previous sale in which the university had agreed a deal with the IMG agency’s US college sports division, IMG College. The deal covered the 12 years from 2013-14 to 2024-25.
  - It was confirmed that the US Navy academy will honour an existing rights deal with broadcaster CBS Sports for its American football home games through to 2017, even though the academy will join the Big East college sports conference in 2015. In March, pay-television sports broadcaster ESPN acquired rights for all Big East American football games. ESPN will only show the Navy’s away games.
  - Media company Constantin Medien, which owns the Team Marketing agency, raised €65m (\$84.5m) in a bond issue.
  - The V8 Supercars motor racing series launched an online service providing live coverage of every race via computer, tablet and mobile. The V8SuperView service, which is currently free to access, will charge viewers from the May 3-5 event in Perth, Australia. A pass for the 2013 season, including live coverage of every first- and second-tier series race to the end of the season, will cost A\$49.95 (€36.84/\$47.90).
  - Wige Broadcast, a subsidiary of production company Wige Media, was appointed by EHF Marketing, the marketing arm of the European Handball Federation, as host broadcaster of the EHF 2013 Final Four.
  - Production company HD Protek, owned by Turkish agency Saran Media, was appointed host broadcaster of the 2013 Fifa U-20 World Cup in Turkey. HD Protek struck the deal with production company Host Broadcast Services, which is owned by the Infront Sports & Media agency.

### ALSO SINCE LAST TIME

- UK public-service broadcaster the BBC said that, for the first time, every MotoGP practice session will be streamed live on the BBC Sport website during the 2013 season. The sessions will also be available live via the BBC Sport mobile application. All races from the Moto2 and Moto3 developmental series will be available live on the BBC’s red button digital service.
- Digital sports media company Perform established a joint venture with American City Business Journals, publisher of the Sporting News service, in the US and Canada. Perform Sporting News Limited will be 65-per-cent owned by Perform and 35-per-cent owned by the publisher. Perform also agreed a deal with the *Nigerian Guardian* to put Perform’s ePlayer video service on the sports pages of the newspaper’s website.

### INDUSTRY MOVES

- Redha Chibani is to step down from the Ligue Professionnel de Football, the French football league, to join the CAA Eleven agency. Chibani will be responsible for the sale of television and commercial rights to Uefa competitions for national teams. He has been in charge of the international development of France’s Ligue 1 since 2008. • Ma Guoli, chief executive and managing director of the Infront China division of the Infront Sports & Media agency, will be promoted to chairman of the Infront China board of directors on January 1 2014. • Joachim Wildt, the head of broadcaster servicing at football’s European governing body Uefa, will join production company Plazamedia as its new chairman of the management committee on July 1.

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