

## HANDBALL

### IHF says lucrative Al Jazeera deal will take the sport into new territories

By Robin Jellis

The International Handball Federation has hailed its new deal with Qatari pay-television operator Al Jazeera as one which would “maintain the position of handball as a global sport and further develop and increase its global exposure.”

Al Jazeera is thought to be paying about CHF100m (€81m/\$111m) for the global media rights to the men's and women's World Championships of 2015 and 2017. This would be close to double a figure of about CHF50m paid by the Ufa Sports agency in the previous four-year cycle. Al Jazeera will also pay production costs. Ufa is thought to have paid a further €6m-€7m in production costs in its deal.

The IHF said that the rights fee had increased but not by 100 per cent. Sandi Sola, IHF treasurer and executive member, told *TV Sports Markets* this week: “It was a tough competition. All the offers submitted had much higher

numbers than the ones received four years ago. We are very happy about the value of our sport and how the other parties value handball.”

Al Jazeera was awarded the rights as it presented the “best offer in all terms,” Sola said. The choice was a unanimous decision by the IHF Council.

Sola said that competition for the rights was strong because handball was one of the top team sports across the globe. “We are very strong in Europe, North Africa, the Middle East, parts of the Americas, and are growing,” he said.

The main objective of the deal with Al Jazeera is to continue the growth of handball and increase the sport's exposure. “One of the main advantages of having Al Jazeera as a partner is their presence in some regions and countries where we see a lot of space for the

*Continued on page 3 ►*

## TV MIDDLE EAST

### Abu Dhabi strikes back after losses

By Kevin McCullagh

Abu Dhabi Media beat Al Jazeera-owned rival beIN Sports to the rights in the Middle East and North Africa to the Uefa European Qualifiers last month in a bid to reverse recent decline, industry insiders say.

ADM, whose free-to-air and pay-television service AD Sports has lost ground to beIN Sports in recent years, in particular since losing the rights for English Premier League football to its

rival in the current cycle, 2013-14 to 2015-16. BeIN Sports also runs free-to-air and pay-television channels.

ADM last month lost rights for another major sports property, Formula One motor-racing, to the MP & Silva agency, which is expected to sell the rights to beIN Sports.

As well as a blow to AD Sports's rights

*Continued on page 4 ►*

## CONTENTS

1,3 Al Jazeera beats rivals to land handball World Championships  
Ufa Sports: We will bounce back

1,4 Middle East market could be set to heat up again as Abu Dhabi Media says enough is enough

2 Fastrack: Romy on Mediapro's World Cup plans; NHK delivers more cash and more eyeballs for Paralympics; Sport 'not off the hook' in Brussels rights probe

5 TF1 pays less for France matches but Uefa still happy with deal  
Le Lay: Focus is on major events

6 Fiba nets increase in Greece

7 IMG Media looks likely to emerge stronger from WME takeover

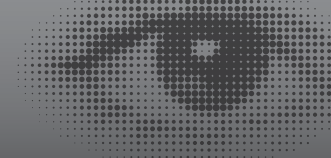
8 More top-level defections raise questions about Sportfive

9 Sports Clips

Follow us on Twitter

@TVSportsMarkets

Plus the latest edition  
of Watching Brief



## FASTRACK

## NEWS IN BRIEF

### Mediapro close to deals for 2014 World Cup channel

The Spanish Mediapro agency expects to have all carriage deals for its dedicated 2014 World Cup channel in place by the end of this month.

Gerard Romy, Mediapro's managing director, told *TV Sports Markets* this week: "This is the first time there has ever been a World Cup channel in Spain. We will take our time negotiating with the distributors. This is not a take the money and run sale."

Mediapro plans to rebrand its premium digital channel Gol T to Gol 2014 World Cup. The channel will broadcast 24 hours per day from May 19 to July 20. It will show all 64 matches of the competition, including 39 matches on an exclusive basis, in addition to showing archive coverage. There will also be other live programming around the event.

Commercial broadcaster Telecinco will broadcast all of the Spanish national team's games. But Romy said that the World Cup channel would offer a far richer experience. "What you will see on Telecinco is a match but what you will see on Gol is an event. We will have nearly 100 people in Brazil. It's a big operation."

The channel will be priced at about €21 (\$29) per month across all platforms where it is available. The negotiations will centre on a minimum guarantee based on the distributor's subscriber base. Experts expect Mediapro to make at least a large part of its €10m investment in the rights back through the carriage deals. ■

### Fees and exposure up for IPC

The International Paralympic Committee secured a major increase in exposure and a big uplift in rights fees in its deal last week in Japan with public-service broadcaster NHK.

The deal for the 2014 Games in Sochi and 2016 Games in Rio is understood to have a value in the low millions of US

dollars, representing about a threefold increase on the value for rights for the 2010-2012 cycle, which were sold by the local organisers.

Arguably of greater importance to the IPC is the increase in exposure in a territory which delivers the event's second biggest audiences after China and where the 2020 summer Games will be held.

NHK will show 29 hours from Sochi, compared to the 15 hours it showed from the 2010 Vancouver Games. It plans to show 46 hours from Rio, compared to 38 hours from London 2012, including seven hours live on NHK2.

For the first time, NHK has also sublicensed rights to pay-television operator Sky Perfect, which will show 200 hours from Sochi, including 60 hours live. It is expected to show more from Rio, though exact details are yet to be agreed.

After the London Games, the IPC had entered into direct talks with NHK, its long-term partner in the country, rather than putting the rights out to tender. It was approached by Sky Perfect, which was prepared to bid against NHK, but persuaded the broadcasters to work together via a sublicensing deal.

The IPC is in the final stages of concluding deals in South America, Australia and New Zealand, which will complete the rights sales process for the Sochi Games. ■

### Premier League 'not off the hook'

The decision by the European Commission last week to launch a formal antitrust investigation into the licensing agreements in Europe for premium film content, rather than into sports rights, suggests that the territorial sale of sports rights may be 'off the hook' as far as Brussels is concerned.

This view appeared to be supported by the comments of Joaquín Almunia, the EC's competition commissioner, in announcing the investigation.

The regulator has been examining

sports rights contracts signed in the wake of the 2011 European Court of Justice ruling in the landmark Premier League v Karen Murphy case. In particular, it wanted to see if the kind of exclusivity clauses which attempt to hermetically seal broadcast exclusivity within national borders were still in use.

Almunia said: "After the ruling of the Court of Justice, our information, after having looked at the situation and how it evolved, shows that these exclusivity conditions for territorial restrictions are being eliminated or have been eliminated."

Some experts believe, however, that any celebration in sport would be premature, at least for the Premier League.

Ben Van Rompuy, a senior researcher and consultant at the Asser Institute in the Netherlands, argued this week that "for the few rights-holders of premium sports content with wide appeal, such as the Premier League, this investigation should cause some nervousness."

In response to the ECJ's ruling that imposing absolute territorial exclusivity contractually was illegal, the Premier League – along with most other sports rights-holders – now sells its rights in Europe in the local language only. It has also limited the number of its matches that European broadcasters can show on Saturday at 3pm.

Rompuy said that the "language exclusivity" and other output restrictions were to "the detriment of broadcasters and millions of sports fans outside the UK and Ireland – and all to protect the value of the domestic rights. The European Commission has many good reasons to equally attack these practices," he said.

In the wake of the Murphy ruling, the Asser Institute was commissioned by Brussels to produce a report into the sale of sports rights in Europe. The report was delivered this week. Rompuy's views do not necessarily reflect the findings of the report. ■

## HANDBALL

# IHF says Al Jazeera deal will take sport into new territories

Continued from page 1 ►

increase of exposure and development of handball,” Sola said.

Al Jazeera is expected to use MP & Silva or the Pitch International agency, or both, to sell the rights in territories where it does not have a channel.

## Strategic payment

The Al Jazeera deal represents the second successive large increase the IHF has secured for its global media rights. Ufa's deal was up by 65 per cent on the CHF30m Sportfive paid for the 2007 and 2009 World Championships.

Al Jazeera was prepared to pay a strategic premium for the rights as the 2015 and 2017 men's World Championships will be hosted in Qatar and France respectively, two key territories for the broadcaster. Al Jazeera owns pay-television broadcaster beIN Sports in the Middle East and France.

Qatar's hosting of the 2015 tournament and an increasingly competitive media-rights market in North Africa is increasing the value of the rights in the Middle East and North Africa.

The rights in France could be six or seven times more valuable in the new cycle, one industry insider said, due to the strength of the French team and the value of the rights to beIN Sports. The rights were previously sold to its pay-television rival, Canal Plus.

Al Jazeera should be able to secure a decent increase in Scandinavia where the World Championships can draw audiences comparable with those of top international football tournaments. It will find things more difficult in Spain, which is deep in economic crisis, and Germany, whose handball team has performed poorly of late.

Some handball rights experts believe that the scale of the increase Al Jazeera is paying does not reflect market reality and that the broadcaster will lose millions

## Ufa: We can absorb losing flagship handball property

The Ufa Sports agency said this week that it would bounce back after the loss of its flagship contract with the International Handball Federation and would continue to be active in the rights market.

The deal agreed with Al Jazeera in December (see main story, page 1) brings to an end a long relationship between the IHF and top executives at Ufa. Joint managing directors Robert Müller von Vultejus and Philip Cordes have been selling World Championships rights for nearly 10 years, first at Sportfive, then at Ufa, which they left Sportfive to help re-launch in 2008.

The IHF contract was important to Ufa's business. It was one of the first contracts the agency signed after it re-launched and was important in “putting Ufa back on the map,” as one industry executive put it. However, it was also a strategic investment on which the agency is thought to have struggled to make a profit.

Müller this week played down the impact of the loss on the agency.

He told *TV Sports Markets*: “Our contract ran out. This is what happens. We have had to compete in a very competitive environment and this time we lost.”

He said that the agency was always looking for new properties, both media rights and marketing rights. “We are always interested in growing the company as far as it makes sense for certain projects. We do not have to replace the contract just because we lost it.”

He said that the agency still had “good people, a good network, a good reputation and financial means. As far as it makes sense, we are looking to expand our portfolio of rights.”

Ufa has broadened its portfolio since 2008, acquiring hospitality rights to the FIFA World Cup in 2014, as well as media and marketing rights for some smaller properties and club marketing rights.

Ufa is a subsidiary of the RTL Group, which is owned by the Bertelsmann media company. ■

on the deal. One source said that Al Jazeera's task in refinancing the deal was “mission impossible.”

The most valuable markets for the rights in the last cycle were Scandinavia (€15m), Germany (€5m), the Middle East and North Africa (€3m-€4m), Spain (€2m), France (€2m) as well as Russia, Poland, and other countries in Central and Eastern Europe. The rights outside Europe and the Middle East in the previous cycle were worth about €2m (*TV Sports Markets* 17:9).

## Bidding

Sola said that “all of the major houses involved in the TV rights market” were interested in the bidding process and participated “partly or fully.”

Rival bidders are thought to have included Ufa, which offered more than its current rights fee, the Infront Sports & Media, Sportfive, IMG Media and MP & Silva agencies, and the European Broadcasting Union, the consortium of

public-service broadcasters.

The EBU is thought to have withdrawn its bid late on, as it believed the outcome was a formality. Its offer was commission-based with a guarantee. It is thought that the IMG and MP & Silva agencies also tabled commission-based offers.

MP & Silva wanted to agree an advisory deal, similar to its contract with the European Handball Federation for Champions League rights agreed in June last year. The World Championships would have complemented Infront's offering of European Championships handball, which it will market until 2020.

The IHF began exploratory talks with interested parties in January last year. It took nearly 12 months to complete the process. Sola said that the IHF had conducted an open tender which he described as “a clean and transparent process, without any objection of any party involved.”

[www. For the full interview with Sandi Sola visit our website.](#) ■

## TV MIDDLE EAST

# Abu Dhabi strikes back after loss of F1 and Premier League

*Continued from page 1 ►*

portfolio, these defeats are considered a loss of face for the Abu Dhabi state among its neighbouring Arab states in the gulf region. AD Sports's key rival beIN Sports is ultimately owned by the Qatari state.

Abu Dhabi fully owns ADM, hosts a Formula One Grand Prix, and owns Premier League club Manchester City. It has invested billions of dollars across the three projects. Until last year, AD Sports was exclusively broadcasting coverage of both sports properties across Mena.

ADM beat beIN Sports and at least one other bidder to secure the European Qualifiers. It did so with a strong late bid, understood to be over \$50m (€37m) for the four years covered by the deal, 2014-15 to 2017-18, more than \$12.5m per year.

Although the European Qualifiers will be no replacement for the Premier League, there is big interest in the region in European football among both the local population and the large number of expatriate Europeans working there.

ADM, which has lost subscribers since losing the Premier League, is understood to be in the market for further sports content to shore up its position.

This is welcome news for rights-holders. ADM has been quiet in the rights market since its last Premier League deal, agreed in 2009 and covering 2010-11 to 2012-13. ADM's inactivity ended a period of massive rights fee inflation, and led to stagnant or falling fees for top properties including the Premier League and Uefa Champions League, the market's two biggest pay-television subscription-driving properties.

Losing the Premier League was a huge blow for ADM and the prompt for its re-emergence, local experts say. The Premier League was ADM's crown jewel – Al Jazeera controls almost all the other valuable sports content in the region. As one agency source put it, "if this doesn't wake them up, nothing will."

ADM was taken by surprise when MP

& Silva acquired the Premier League rights. The broadcaster did not expect strong competition, and bid low to renew the rights, having been stung by criticism it had overpaid in the previous cycle. ADM had paid \$350m in 2010-13, a 200-per-cent increase on the previous fee.

ADM's European Qualifiers fee is considered a very strong one for rights-holder Uefa and its agent CAA Eleven. It compares favourably to deals agreed in Europe, considering that no matches featuring Mena teams are included.

The Mena rights market is not certain to return to the heady days prior to 2009, however, when ADM and Al Jazeera competed fiercely for top properties. Both broadcasters are considered to some extent vanity projects by their wealthy state backers that don't have to make a profit – Qatar owns Al Jazeera, and Abu Dhabi owns ADM. But both have shown a desire to avoid huge fee increases since 2009.

beIN Sports is the strongest player in the Mena pay-television market, with between 1m and 1.5m subscribers. OSN, which offers channels from various genres, is the second-biggest with about 730,000 subscribers. ADM is thought to have around 300,000 subscribers currently.

## F1 value increases

Formula One Management, the series' rights-holder, secured a strong fee increase in Mena in its deal with MP & Silva. The agency is thought to be paying over \$40m per season in a deal which also covers Poland, Romania and Bulgaria.

The deal is for six years, from 2014 to 2019 in all territories except Bulgaria, where it runs for five years, from 2015 to 2019. FOM usually sells its rights in three-year cycles but the agency is understood to have paid a premium for the extended period.

The fee compares to just over \$30m per season from the four territories last time. FOM is thought to have earned about \$23m per year from Mena, where the rights were sold to the promoter of the Abu Dhabi Grand Prix as part of the race hosting deal, which began in 2009.

Polish pay-television operator Polsat paid about \$7.5m per year from 2011 to

2013. Romanian pay-television operator RCS-RDS paid about \$1.5m per year in the same period. The rights in Bulgaria are worth much less.

In the new agreement, the value of Mena is understood to have increased strongly, and the value of Poland to have decreased. Poland went down because of the retirement from Formula One racing of Polish driver Robert Kubica.

The \$23m-per-year fee attached to FOM's previous Mena deal, with race promoter Abu Dhabi Motorsports Management, was to some extent an arbitrary figure. The rights were included as a sweetener in the promoter's race hosting deal. ADMM paid FOM a single fee for the media and hosting rights, and the rights-holder was able to allocate a sum to each element as it wanted.

## F1 extracts itself

The FOM-MP & Silva deal was agreed in unusual fashion. FOM ended early its existing media-rights deal with ADMM in order to sell the rights to MP & Silva. ADMM's media rights ran concurrently with its race hosting rights, which run to 2016.

MP & Silva is understood to have been lobbying FOM for a chance to buy the rights. The agency would have had a good idea of what beIN Sports was prepared to pay. MP & Silva convinced FOM to negotiate to end ADMM's deal. FOM is understood to have agreed the deal with MP & Silva without inviting other offers.

ADMM sublicensed the rights each year it had them to Abu Dhabi Media. This was not a surprise as both are to some extent state-owned. Abu Dhabi owns ADM fully, and ADMM jointly with an Abu Dhabi-based property company.

Local industry experts say ADM's subscriber figures will not be badly affected, as Formula One is a minority sport in the region. However, the broadcaster is expected to try to negotiate with MP & Silva for at least some coverage.

MP & Silva may have talks with interested parties across the region, as it did when it acquired the Premier League rights this cycle. But as with that property, it is expected that beIN Sports will end up acquiring most or all of the rights. ■



## FOOTBALL

## Reduced French qualifier fee is still good deal for Uefa

By Robin Jellis

French commercial broadcaster TF1 is paying about 20 per cent less for France football matches in its deal for the newly-centralised European Qualifiers package compared to what it paid in the current cycle, in which home games were acquired from the national football federation and away games from sports-rights agencies.

The deal is for exclusive rights for all 40 France national team matches for four years from 2014-15 to 2017-18. It is worth about €135m (\$184m), or €3.4m per match. The deal was agreed by CAA Eleven, Uefa's sales agent for its national team competitions.

This is a 17-per-cent decrease on the €4.1m per match that TF1 pays for home games in its present four-year deal, from 2010-11 to 2013-14, with the French football federation, the Fédération Française de Football. It is the second successive fall in the value of the rights to home matches. TF1 paid €5m per match from 2006-07 to 2009-10. Away games also currently go for about €4m per match.

Despite the drop in fee on a per-match basis, rights experts in France believe the deal is a very good outcome for Uefa for several reasons.

First, France national team matches must be shown on free-to-air television according to listed events legislation, limiting the number of potential bidders. Commercial rival M6 also bid, but could not beat TF1's offer.

Second, the advertising market has suffered as a result of the economic crisis, and broadcasters are trying to reduce the cost of their sport rights.

Third, the quality of the France national team has fallen since TF1 last bought the rights. France failed to get through the group stages at the 2010 World Cup, slipping to 27th in the Fifa rankings, its lowest place ever.

Fourth, France matches from 2014-15 to 2015-16 will all be friendly matches.

## Uefa deal part of TF1 focus on top sporting events

Commercial broadcaster TF1 said this week that its acquisition of France national team football matches underlined its desire to target major sporting events.

Laurent-Éric Le Lay, the president of TF1 Publicité, the broadcaster's advertising arm, told *TV Sports Markets*: "The editorial policy at TF1 in sport is to focus on big events which are capable of drawing very large audiences. We have shown France football matches for about 20 years now, so it was natural we would want to show these. It is also a question of status and image. Having France matches is part of the image of the TF1 channel."

The deal covers 40 France matches in the four years from 2014-15 to 2017-18 (see main story). TF1 also has rights to the 2014 Fifa World Cup, the 2015 rugby union World Cup, and some matches at Euro 2016.

TF1's increasing focus on one-off sporting events comes as expensive season-long properties like Formula One and the Champions League, both of which were once a staple of TF1's output, are gradually shifting from free-to-air to pay-television. Commercial broadcasters have been prepared to pay strategic premiums because of the 'halo' effect, but in a recession some are deciding such properties are no longer affordable.

TF1 held the rights to Formula One from 2008 to 2012 for €31m (\$42m) per year, but was losing heavily on the deal

and refused to match the offer when the contract came up for renewal. Pay-television broadcaster Canal Plus picked up the rights in a three-year deal, from 2013 to 2015, worth €29m per year.

Formula One was too expensive compared to the audience that it could generate in France, Le Lay said. Interest has declined because there are few French drivers, there is no Grand Prix in France, and Sebastian Vettel is the dominant driver.

From 2009-10 to 2011-12, TF1 and Canal Plus shared rights to the Champions League in a combined deal worth €56m per year. In the current cycle, from 2012-13 to 2014-15, Canal Plus and pay-television rival beIN Sports pay a combined €111m per year. TF1 sublicensed the rights to show the final over the same three-year period in a deal with Canal Plus worth €2.5m per year.

The Champions League did not always offer TF1 matches that would enable it to generate large audiences due to the lack of success of French clubs, Le Lay said.

"French clubs are less competitive on the European scene than they perhaps used to be. Paris Saint-Germain may change this, but French clubs tend to have difficulty in progressing out of the group stages. With non-French teams, the Champions League is much less of an event."

Nevertheless, TF1 would still consider bidding for rights in the next cycle from 2015-16 onwards, Le Lay said. A tender is expected to be issued in the summer. ■

France has a guaranteed place at Euro 2016 as it is hosting the tournament.

TF1 will also cover the production costs to all France home matches, on top of its rights fee. This is the same as in the previous deal with the FFF. Each game costs about €100,000 to produce.

### Long-term partner

TF1 is the long-term broadcaster of the French team, although M6 showed some away qualifiers in the 2010-11 to 2013-14 cycle, prior to Uefa centralising the rights. M6 bought rights to some

matches from the Sportfive agency, paying about €4m per match.

TF1 was keen to hold on to one of its last marquee sports rights. France matches regularly attract audiences of more than 7m viewers. In 2013, TF1 recorded 99 of the top 100 audiences in France. Three of the top 10 were France matches, with the France-Ukraine second leg World Cup play-off match attaining an audience of 13.6m, a 45.5-per-cent share.

The deal also makes TF1 the exclusive broadcaster of all France matches, and an official partner of the French team. This

means that TF1 will have privileged access to France players and the manager for interviews. TF1 is also hoping to cover the official announcement of the French squad for the 2014 World Cup, as it did before the 2010 tournament, Laurent-Eric Le Lay, the president of TF1 Publicité, said. Final details are yet to be agreed between TF1 and the FFF.

### Bidding

CAA Eleven issued a tender for the rights at the end of September, with bids due in early November. The agency had initially put the rights on the market in January 2013, but no deal was agreed. TF1 was the only broadcaster to bid then, and offered about €100m, or €2.5m per match.

This time TF1 offered about €130m across the four years before going into direct negotiations with CAA, where it upped its offer to about €135m.

TF1 faced some competition from M6, which bid for at least some France matches, but did not have the financial

power to compete for all 40 games across the period. M6 focuses on entertainment programming which is cheaper to produce and generates large audiences. Its main sports property is the Europa League, Uefa's second-tier club competition. Public-service broadcaster France Télévisions did not bid.

Despite reducing its costs by about €700,000 per match, French rights experts believe that TF1 will be unable to refinance the deal from advertising revenue. One industry insider estimated that the broadcaster could earn between €2m and €2.5m per match from advertising. TF1 charged up to €160,000 per 30-second advertisement during the France-Ukraine second leg World Cup play-off.

### Third-party rights

For the matches not involving France, pay-television broadcasters beIN Sports and Canal Plus have both bid. Al Jazeera-owned beIN Sports is thought to have initially bid €18m, while Canal Plus is

### Uefa's target prices

- 1:** Exclusive rights to all third-party qualifier matches (those not involving France), delayed coverage of all 40 France matches, highlights of all matches. €30m.
- 2:** Exclusive rights to eight of the best France matches. €30m.
- 3:** Exclusive rights to another eight France matches. €30m.
- 4:** Non-exclusive rights to the remaining 24 France matches. €20m.
- 5:** Non-exclusive rights to the remaining 24 France matches, highlights of other matches on the nights the France team plays, status as official partner of the France team. €60m.

thought to have offered €12m.

A deal is yet to be agreed, but beIN Sports is thought to be close to finalising a contract worth more than €20m. It is thought that Uefa was initially targeting €30m for the rights. ■

## BASKETBALL

# Fiba nets increases from recovering Greek market

By Robin Jellis

The International Basketball Federation, Fiba, last month secured increases of about 25 per cent in the value of its media rights in Greece to its World Cup and EuroBasket competitions.

It agreed deals with commercial broadcaster Antenna TV and pay-television broadcaster OTE covering both tournaments. The total value of the deals was just over €3m (\$4.1m).

The 2014 World Cup is worth just over €1.5m. Antenna is paying about €1m, and OTE the remaining €500,000. This is up from the 2010 World Cup, which was shown by former public-service broadcaster ERT in a deal worth €1.2m.

EuroBasket 2015 is also worth about €1.5m, with Antenna paying about €1m of this. EuroBasket 2013 was shown by the same combination of broadcasters in a

deal worth about €1.2m. Antenna paid €800,000 and OTE paid €400,000. EuroBasket 2011 was shown by ERT in a deal worth about €1.1m. The new deals were agreed directly by Fiba.

The fee increases are thought to be driven by the success of EuroBasket 2013 on Antenna and OTE. Fiba was pleased with the coverage the 2013 tournament received from both broadcasters – it was the first time EuroBasket was shown by private broadcasters. The federation had only been able to agree a one-tournament deal for the 2013 event following the closure of ERT.

Antenna received excellent ratings for the tournament, especially the matches of the Greek national team, and refinanced the rights fee from advertising revenue. This meant the broadcaster was willing to up its fee. Basketball is the second most popular sport in Greece behind football.

There was also strong competition for the rights. Public-service broadcaster Nerit, which has replaced the now-defunct ERT, and commercial broadcaster Alpha both bid.

Nerit made a decent offer but was not able to increase this in a second round of bidding for political reasons.

The broadcaster cannot be seen to pay more for sports rights than ERT, its predecessor. ERT was closed by the government as an austerity measure as it was accused of wasting money.

The rights are also important for OTE. The broadcaster has rights to all matches of both Fiba tournaments for half the fee paid by Antenna. The federation spoke to pay-television broadcaster Nova, but it is not thought to have bid. Nova is thought to be focusing on its core properties: the Greek domestic football league, the Superleague, the Uefa Champions League and Euroleague basketball.

Antenna will show the best match per day of each tournament, as well as all Greece matches, two quarter-finals, both semi-finals, the bronze medal match and the final. All will be shown non-exclusively by OTE.

The fee increase suggests there may be signs of recovery in Greece. Rights fees have generally been falling in Greece in recent years as a result of the declining economy and advertising market. The increases for Fiba follow a steady rights fee for Euroleague basketball in a deal agreed last July by the Asset Ogilvy agency (*TV Sports Markets* 17:14). ■

## AGENCIES 1

# IMG Media set to emerge stronger from takeover

By Frank Dunne

The question being asked in the sports rights industry about the change in ownership at IMG is whether the agency's new owners will fund a more aggressive rights strategy for IMG Media, the company's rights and production arm, than previous owners Forstmann Little were prepared to.

The answer will come down to the appetite for risk demonstrated by the new owners, talent agency William Morris Endeavor and private equity firm Silver Lake.

The most obvious reason to believe that their appetite is strong is that the two companies were prepared to outbid rivals by over \$300m (€221m) to land IMG.

WME/Silver Lake paid between \$2.3bn and \$2.4bn for IMG. The agency was the target for several other entertainment/private equity partnerships, but none was prepared to pay more than \$2bn.

WME is the world's largest talent agency and the new combined company will have a uniquely powerful position across all major forms of media content, including music, television, film and sport. IMG provides the company with a global platform that it currently lacks.

WME's aggressive move into sport is in stark contrast to the approach of its main rival in the talent representation business, Creative Artists Agency. CAA, and its private equity backer TPG, was one of those interested in IMG. It dropped out of the running at an early stage.

CAA made a botched attempt to create a sports operation under the leadership of former Chelsea chief executive Peter Kenyon in 2009, largely pulling out of the business just two years later. One insider said that CAA's executives in California had little appetite for the "Wild West" nature of European football rights trading.

Another clue to IMG's future lies in the profile of the two Endeavor executives who will be joint chief executives of the

new combined WME/IMG company: Ari Emanuel, who founded Endeavor in 1995, and Patrick Whitesell, the former head of talent at CAA, who joined the agency in 2001.

In just over a decade the two men helped build the company into one of the most powerful in Hollywood and were the drivers of the merger with the William Morris agency. *Fortune* magazine described the deal as a "big, bold gamble."

## Deep pockets

IMG's new owners do not lack financial resources. Silver Lake, which holds a 31-per-cent stake in WME, has over \$20bn in assets under management. A minority stakeholder in the new combined company, Mubadala Development Company, the investment arm of the Abu Dhabi ruling family, has an investment portfolio worth over \$55bn.

Deep pockets do not guarantee big investments and making cuts is another way for private equity firms to fatten up their margins. But two rival agency bosses said this week that they expected IMG Media to become more aggressive.

As one of the executives put it, "whether WME and Silver Lake eventually want to sell off IMG or take it to an IPO, they have to make the bride a bit lovelier. And you can't do that just with cost-cutting and efficiencies. You need the fantasy as well, and that means going for prestigious sports-rights properties."

Other industry experts point to two precedents where a change of private equity owners heralded a more aggressive rights strategy.

Infront Sports & Media has been stronger since Bridgepoint Capital acquired it from Jacobs Holdings, Nicole Junkermann and Martin Steinmeyer in 2011, they say. It has successfully defended its core rights properties in winter sport and Italian football and is building on them, with deals such as that for the newly-founded pan-European ice hockey competition in November and this week's deal for the rights in sub-Saharan Africa to the Olympic Games of 2014 and 2016.

The Sportfive agency became more ambitious after being acquired by venture capitalists Advent International

## IMG's new owners

### William Morris Endeavor

A talent and literary agency formed from the merger of the William Morris and Endeavor agencies in April 2009. It represents artists in film, television, music, literature, theatre and digital media. The William Morris Agency, founded in 1898, was one of the oldest and most prestigious talent agencies in the world. The Endeavor Talent agency, founded in 1995, quickly developed a roster of Hollywood A-list actors.

### Silver Lake

A private equity company which defines itself as the "global leader in technology investing." It has \$20bn in assets under management. In May 2012, the private equity company bought a 31-per-cent stake in WME.

### Mubadala Development Company

An investment vehicle wholly-owned by the government of Abu Dhabi. Mubadala's chief executive Khaldoon Khalifa Al Mubarak is also chairman of Premier League club Manchester City after the club was acquired by a separate private equity vehicle, the Abu Dhabi United Group, in September 2008. Mubadala was established in 2002 as "a principal agent in the diversification of Abu Dhabi's economy." It has over \$55bn of investments.

## IMG numbers: what the papers say

- WME/Silver Lake paid Forstmann Little between \$2.3bn and \$2.4bn to acquire IMG Worldwide Holdings
- IMG had ebitda of between \$180m and £190m in 2013
- IMG's most profitable division, IMG College, accounts for about \$375m of turnover and \$75m of ebitda
- The owners will look to make savings of \$50m to \$100m across the combined WME/IMG company
- Forstmann Little paid \$750m for the agency in 2004.

in 2004 from broadcasters Canal Plus and RTL. Although not signed until 2009, when Sportfive was owned by Lagardère, the agency's €236m deal for rights to the Olympic Games of 2014 and 2016 was conceived during the Advent period.



## Risk v sustainability

IMG's overarching philosophy is rooted in the concept of sustainability, and unless WME makes major changes at senior management level, it is likely to remain so. That means looking for long-term relationships and minimising the amount of business based on high-risk, upfront guarantees in deals with short lifespans.

However, IMG Media has recognised

that the price of top rights, especially those for top football, has soared in recent years and that staying in the game increasingly means taking risks.

In the last 18 months, IMG has bid €1.3bn for the global rights to the European Qualifiers over four years, made an unsolicited €150m per season bid for the global rights to the German Bundesliga and an unsolicited bid for

Serie A international rights of €1bn per season. It also made a massive bid for the rights to the English Premier League in 30 territories.

In each case, for a different reason, it lost out. In the next 12 to 18 months it will become clear whether such losses are likely to turn into gains and if so, whether such deals add to or take away from the division's profits. ■

## AGENCIES 2

# Sportfive is being 'pruned until there is nothing left'

By Frank Dunne

The exodus of top management from the Sportfive International agency shows no sign of abating, raising questions over the agency's long-term role as a player in the sports-rights market.

*TV Sports Markets* understands that chief financial officer Patrick Yzerman and senior vice president and head of acquisitions and operations Jean-Baptiste Casta have either left or are about to leave the agency.

The departures follow the December resignation of chief executive Shaila-Ann Rao. Just two months earlier, Rao had been given responsibility for media distribution, production and digital innovation in the new "media hub" created by Sportfive and the IEC in Sports agency (*TV Sports Markets* 17:19).

Of the five-person senior management team listed on the agency's website at the time of going to press, only Edward Floyd, the head of legal affairs, is thought to be still with the company.

One former Sportfive employee said that the "tree is being pruned back until there is nothing left."

The talent drain is part of a wider problem that parent company Lagardère Unlimited has had in holding on to its top executives. The sports marketing group, owned by French conglomerate Lagardère, also owns the World Sport Group and IEC in Sports agencies.

The three most recent departures follow a number of other high-profile resignations

in the last 12 months, including those of:

- Shiva Misra, who stepped down as senior vice president and head of football associations and media sales at Sportfive International in November
- Helena Choe, managing director of the Sportfive International Hong Kong office, who left to join Fox International Channels in November
- Kevin O'Connor, who stepped down from his role as Lagardère Unlimited's chief operating officer in the US and South America in May
- Phil Lines, Lagardère Unlimited's head of media activities in Europe and Africa, who quit in January 2013
- Nick Haigh, who stepped down as chairman of the international board at IEC in Sports in January 2013
- Nathalie Zimmerman, who was hired in January 2013, to head the marketing team at Sportfive International, but who left within months.

## Federation business

Sportfive International's remaining football federation media-rights contracts are being passed over to Sportfive Germany in Hamburg, which operates a thriving club marketing business.

Rivals believe that the switch of the business presages the eventual closure of the Geneva office and expect the sales team to be absorbed by IEC.

Those close to the agency play down the significance of the shift, however, pointing out that the federation business has shrunk dramatically since Uefa's centralisation of the rights to the qualifier matches of the World Cup and European Championships. It is now limited to friendly matches and other low-value inventory, mostly for small federations such as Kazakhstan and Azerbaijan.

Sportfive International's last major rights deal was for the 2014 and 2016 Olympic Games in 40 territories, for which the agency paid €236m (\$321m) in 2009. A director at one sports-rights agency said this week that it had not viewed Sportfive as a serious rival for at least 18 months.

One well-placed source said that Lagardère Unlimited appeared to be winding the unit down but that the parent company was reluctant to shut the division because it would send a negative message to the markets which could hit Lagardère's share price.

Sports marketing is only a small part of the conglomerate's business, so any damage would be limited. But the company's general and managing partner, Arnaud Lagardère, and its other shareholders, will be well aware of what happened to advertising giant Interpublic with its sports marketing arm Octagon Worldwide in 2003. When Interpublic was forced to write down \$500m against Octagon's activities, its share price hit a 10-year low.

Arnaud Lagardère has mapped out a future for Lagardère Unlimited based on athlete representation, sports events and marketing. Rights-trading is now seen as too risky.

However, Sportfive remains active in media rights trading in Africa, where it enjoys a powerful position in the market. World Sport Group and IEC also continue to operate in the rights market.

One source close to the company said this week that Sportfive should not be ruled out as a long-term player in the market. "Sportfive stepped away from media rights due to the centralisation," he said, "but you can leave and come back. I think you should never exclude that Sportfive will come back." ■



# SPORTS CLIPS: News from TVSM Daily from December 19 to January 15

## MEDIA RIGHTS 1

### Football: Fifa World Cup, European Qualifiers, Champions League and more

- **Football:** The Argentinian government acquired free-to-air rights for the 2014 Fifa World Cup. Public-service broadcaster TV Pública will exploit the rights on state-owned digital-terrestrial channel DeporTV, which will show 32 games live and the other 32 matches on a delayed basis. Pay-television broadcasters TyC Sports and DirecTV acquired cable-television rights in Argentina for the tournament.
- **Football:** Indian sports and entertainment pay-television channel Sony Six acquired exclusive rights for the 2014 and 2018 Fifa World Cups. The five-year deal will run from 2014 to 2018 and cover 15 other events staged by Fifa, the sport's global governing body, including the 2017 U-17 World Cup in India.
- **Football:** The Optima Sports Management International agency awarded free-to-air rights for the 2014 Fifa World Cup to the Nigerian Television Authority and Silverbird Television. The agency acquired the free-to-air rights last year in a deal with Fifa.
- **Football:** French commercial broadcaster TF1 acquired exclusive rights for France national team friendly matches and qualifiers for the 2018 Fifa World Cup (page 5).
- **Football:** Pay-television broadcaster Abu Dhabi Media acquired rights for qualifying matches for the Uefa Euro 2016 and Fifa 2018 World Cup national team tournaments. The broadcaster's AD Sports-branded channels will show live coverage and highlights across the Middle East and North Africa. The rights cover all media platforms, with games also shown live via the Super.ae online and mobile services (page 1).
- **Football:** Pay-television broadcaster Sky Deutschland extended a rights deal in Austria for the Uefa Champions League for three years, from 2015-16 to 2017-18. Sky will show a total of 146 matches per season, including 128 on an exclusive basis. The deal, brokered by the Team Marketing agency on behalf of the sport's European governing body Uefa, includes live coverage of the Uefa Super Cup in 2015, 2016, 2017 and 2018.
- **Football:** Pan-regional sports broadcaster Eurosport acquired exclusive rights in Romania for the English Premier League top division. The deal will run for two-and-a-half years, covering the remainder of the 2013-14 season plus the 2014-15 and 2015-16 campaigns. Eurosport will show live games on every match day plus highlights on television, internet and mobile platforms.

## SINCE LAST TIME

- The US Supreme Court agreed to consider a case brought by US networks ABC, CBS, NBC and Fox against television streaming service Aereo. The broadcasters, which are supported by Major League Baseball and American football's NFL, are appealing a lower court decision that Aereo's live streaming of television content does not infringe upon their copyright. The broadcasters were seeking to stop Aereo from showing the content while the case moved forward. The Supreme Court may hear the case as early as April.
- North American basketball league the NBA is close to agreeing a deal to end its long-running commitment to pay a share of national media revenues to the owners of the defunct Spirits of St. Louis franchise, Ozzie and Daniel Silna. The owners gave up the team's place in the NBA when the league merged with the American Basketball Association in 1976 in exchange for a share of one-seventh of future media revenues generated by the Denver Nuggets, Indiana Pacers, San Antonio Spurs and the franchise that was then called the New York Nets, which all went on to play in the NBA.
- The French government's proposed amendment to the country's so-called 'buffet tax' on sports broadcasts was rejected by the Conseil Constitutionnel, the country's top constitutional body. The body said that the amendment, which was passed by the French parliament in December, was unconstitutional. The amendment said that five per cent of revenue from the sale of media rights for sporting events or competitions organised by entities operating in France should be directed to the CNDS, the National Centre for the Development of Sport. It would have forced French broadcasters to pay a five-per-cent levy on rights fees for events even if they only partially take place in France.
- An administrative court judge in Thailand said in an opinion that the 'must carry' rule forcing pay-television broadcasters to allow all matches during the 2014 Fifa World Cup national team football tournament to be shown on free-to-air television should be revoked. The court follows the judge's opinion with its final ruling in the majority of cases. The rule was implemented by the National Broadcasting and Telecommunications Commission, the country's media regulator.

## MEDIA INTERNATIONAL

- MLB Advanced Media, the interactive media and internet company of Major League Baseball, acquired an equity stake in multi-platform sports entertainment channel the Whistle as part of a broader content partnership. The Whistle will show short-form, youth-orientated programming produced by MLBAM across its digital platforms while MLBAM will provide the Whistle with technology services to support its multimedia platforms.
- North American media company Anthem Media will launch a new television channel dedicated to fantasy sports on March 4. The Fantasy Sports Network will provide live studio programming, call-in shows, panels, celebrity and expert drafts, reality programming and on-site commentary from sports venues through online and mobile video platforms in the US and Canada.
- The WWE wrestling organisation will launch WWE Network, a new 24-hour pay-television channel in the US, on February 24. The platform will feature all 12 WWE live pay-per-view events in 2014

# SPORTS CLIPS: News from TVSM Daily from December 19 to January 15

## MEDIA RIGHTS 2

### Football: FA Cup, Bundesliga, Campeonato Paulista, Liverpool and more

- **Football:** Newspaper group News UK acquired online clip rights covering the remaining rounds of the 2013-14 season's FA Cup in a sublicensing deal with UK commercial broadcaster ITV. News UK will make the clips available to subscribers of its UK national newspapers – *The Sun*, *The Times* and *The Sunday Times* – via online and mobile devices.
  - **Football:** Fijian commercial broadcaster Mai TV acquired rights for the German Bundesliga in a deal that will run for one-and-a-half years, starting immediately and running until the end of the 2014-15 season. Mai TV agreed the deal with the Bundesliga's commercial arm, DFL Sports Enterprises.
  - **Football:** The MP & Silva agency extended a deal to distribute rights for the Brazilian football leagues the Campeonato Paulista and Campeonato Brasileiro in France, Germany, the Netherlands, Belgium, Switzerland, Austria, Japan, Malaysia, Singapore, Indonesia, Thailand, Vietnam and Myanmar. The agreement with Brazilian sports media company Globo will run for two years, from 2014 to 2015. The multi-platform rights include live coverage and a weekly magazine programme and highlights show.
  - **Football:** MP & Silva acquired rights in Japan for the remainder of the 2013-14 season of the Greek top-tier Superleague. MP & Silva agreed the deal with the Taf Sports agency, the league's international rights-holder.
  - **Football:** Egyptian Television Network, the state-run broadcaster in Egypt, acquired rights for the 2013-14 season of the country's Premier League. The deal is worth LE70m (€7.4m/\$10.1m).
  - **Football:** The Future Media and Telecommunications Company acquired rights in Egypt for games featuring Egyptian Premier League club Al-Ahly. The one-year deal, covering the 2013-14 season, is worth LE41m (€4.3m/\$5.8m).
  - The club has refused to be part of the league's collective rights deal.
  - **Football:** The Pitch International agency agreed rights distribution deals on behalf of English Premier League club Liverpool. Agreements were reached with: pay-television broadcaster beIN Sports in the Middle East, Hong Kong and France; Indonesian pay-television channel Kompas; Norwegian commercial and pay-television broadcaster TV2; Indian pay-television platform Sony; digital free-to-air channel Sommet Sports in New Zealand; Maltese pay-television broadcaster Go TV; Icelandic media group 365; and pay-television broadcaster Arena TV in the Balkans. The lengths of the deals were not disclosed. The deal includes coverage of recent matches and behind-the-scenes footage. Pitch distributes Liverpool's international programming block and Liverpool FC TV, the club's in-house pay-television channel, on a worldwide basis excluding the UK.
- as well as reality shows, documentaries, archive matches and more than 1,500 hours of on-demand content at the launch. Subscriptions will cost \$9.99 (€7.35) per month and customers will have to make a minimum six-month commitment.
- Qatari pay-television broadcaster Al Jazeera Sport rebranded as beIN Sports. The broadcaster said that the change would unite the brands of the company's sports channels around the world. The company broadcasts in the Middle East and North Africa, France, the US, Indonesia, Hong Kong and the Philippines.
  - The Ultimate Fighting Championship mixed martial arts organisation launched a new digital subscription service that will show at least 10 events live per year. UFC Fight Pass is available for free until February 28 and initially launched in the US, Canada, New Zealand and Australia. The service will cost \$9.99 (€7.35) per month once the introductory period expires.
  - Pay-television operator OSN agreed a carriage deal for combat sports pay-television channel Fight Network in the Middle East and North Africa. The deal expanded the reach of Fight Network to an extra 25 territories. OSN also started carrying OSN Fight Network HD, the high-definition version of the channel, which covers mixed martial arts, boxing, kickboxing, professional wrestling, traditional martial arts and offers fight news and fight-themed drama series, documentaries and feature films.
  - The IMG Media agency sealed a partnership with Sky Sports, a division of UK pay-television broadcaster BSkyB, to launch a new cycling 'brand' called inCycle that will incorporate a new magazine programme of the same name. The programme will launch on March 19, initially as a 24-minute show to run for 28 weeks across a number of media platforms. The show, which will be produced by IMG and shown on Sky, will feature news, features, previews and reviews around major international cycling events.
  - Channel 4 agreed a carriage deal with IMG to bring the agency's weekly magazine programme, *Trans World Sport*, back to the UK commercial broadcaster.
  - New UK-wide online subscription streaming service Amateur Sports Channel UK will be headquartered in Cardiff, Wales. The channel will show university and college sport, including events operated by the British Universities and Colleges Sports Association as well as women's sports, disabled sports, youth sports and the Special Olympics.
  - The Fox International Channels broadcast subsidiary of media company 21st Century Fox launched Fox Sports 2 HD, a new sports pay-television channel, on pay-television operator Sky Italia's high-definition sports package. FIC will also launch local versions of pay-television channel Fox Sports in Colombia and Uruguay in the first quarter of 2014.
  - The Sports Ministry in France and Frédéric Thiriez, the president of the Ligue de Football Professionnel, the French football league, criticised Canal Plus after the pay-television broadcaster submitted a note to the government claiming that rival beIN Sports should be blocked from the next cycle of domestic rights sales for the top-tier Ligue 1 due to a conflict of interest. Qatar's ruling family

# SPORTS CLIPS: News from TVSM Daily from December 19 to January 15

## MEDIA RIGHTS 3

### Major League Baseball, Fiba basketball, cricket, darts and handball

- **Baseball:** Telco Rogers Communications extended a rights deal in Canada with Major League Baseball for eight years, from 2014 to 2021. Rogers' pay-television channel, Sportsnet, will continue to show more than 240 regular-season games per year plus the All-Star Game, the Home Run Derby and the post-season play-offs featuring the World Series. As part of the deal, Rogers started carrying the league-owned pay-television channel MLB Network.
- **Baseball:** US pay-television broadcaster Comcast SportsNet extended a rights deal with the Philadelphia Phillies Major League Baseball franchise. The deal will run for 25 years, from 2016 to 2040.
- **Basketball:** Fiba, the sport's global governing body, awarded exclusive media rights in Greece for the 2014 World Cup and EuroBasket 2015 national team competitions to commercial broadcaster Antenna TV and pay-television broadcaster OTE TV (page 6).
- **Basketball:** Pay-television broadcaster Telemundo acquired exclusive rights in Puerto Rico for a series of national team tournaments in a deal with Fiba. The rights cover the 2014 Centrobasket competition in Central America, the 2014 World Cup and the 2015 Americas Championship. The broadcaster will show all Puerto Rico and US national team games on Telemundo while other games will be shown on secondary channel Punto 2.
- **Cricket:** The Star India broadcast subsidiary of media company 21st Century Fox acquired rights for the 2014 Asia Cup featuring Afghanistan, Bangladesh, India, Pakistan and Sri Lanka. Star India agreed the deal with the Asian Cricket Council continental governing body, which operates the tournament.
- **Cricket:** Indian sports and entertainment pay-television channel Sony Six acquired exclusive rights for the India national team's tour of New Zealand starting on January 19. The deal, agreed with the New Zealand Cricket national governing body, includes five One-Day Internationals and two Test matches.
- **Cricket:** The Bangladesh Cricket Board national governing body awarded domestic rights for the national team's home series against Sri Lanka to Maasranga Television. The series, which starts on January 24, includes two Test matches, three One-Day Internationals and two Twenty20 contests.
- **Cricket:** Indian subcontinent pay-television broadcaster Taj TV acquired rights for the 2014 T20 Challenge Twenty20 franchise-based competition in South Africa. Taj TV, which struck the deal with the Cricket South Africa governing body, will exploit the rights on its Ten Sports channel.
- **Darts:** Dutch commercial broadcaster RTL7 extended a rights deal for Professional Darts Corporation events in a three-year deal, from 2014 to 2016. The deal includes rights for the World Championships.
- **Darts:** Pan-regional sports broadcaster Eurosport acquired live rights for the 2014 British Darts Organisation World Trophy. The deal was brokered by the organisation's commercial partner, BDO Events. The Eurosport 1 and British Eurosport channels will show the coverage.
- **Handball:** Qatari pay-television operator Al Jazeera acquired global rights for the 2015 and 2017 men's and women's World Championships in a deal with the sport's global governing body, the International Handball Federation (page 1).
- **Handball:** Televisa Networks, a subsidiary of Mexican media group Grupo Televisa, acquired rights for the European Championship national team competition, which is operated by the European Handball Federation continental governing body. The deal, brokered by the federation's marketing partner, the Infront Sports & Media agency, covers the men's and women's tournaments in 2014 and 2016. The deal covers Argentina, Bolivia, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, Venezuela, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Mexico on an exclusive basis plus Aruba, Barbados, Curacao, Guyana, Suriname and Trinidad and Tobago on a non-exclusive basis. Live and delayed coverage, repeats and highlights will be shown on the Televisa Deportes Network multimedia platform. Televisa also has sublicensing rights.

controls the Qatar Investment Authority, the majority owner of Ligue 1 club Paris Saint-Germain, as well as Al Jazeera, the parent company of beIN Sports.

- Trackside and TAB TV, the racing channels operated by the New Zealand Racing Board governing body's betting operator, TAB, will be taken off the Freeview digital platform and made available only through pay-television operator Sky New Zealand from April 14. TAB executive general manager Glenn Patrick said that the operator planned to show about 5,000 more races as well as more magazine programmes on the channels and added that TAB would save "millions" each year by not offering the service through Freeview. Fifteen leading races, including the Melbourne Cup, will remain available on Freeview and Prime TV, Sky's national free-to-air channel.

## MEDIA RIGHTS NEGOTIATIONS

- American football's NFL invited broadcasters to bid for a new package of rights comprising Thursday night games. The rights will run for one year, covering the 2014-15 season. The broadcaster that acquires the rights will share coverage of Thursday evening games with NFL Network, the league-owned pay-television channel. The rights are likely to include up to eight games and some late-season Saturday night games could be included in the package. The NFL invited bids from its current broadcast partners – pay-television broadcaster ESPN and the NBC, CBS and Fox networks – plus other companies such as pay-television broadcaster Turner Broadcasting System.



# SPORTS CLIPS: News from TVSM Daily from December 19 to January 15

## MEDIA RIGHTS 4

### Ice hockey, mixed martial arts, Formula One, Olympic Games and more

- **Ice Hockey:** German sports broadcaster Sport1 acquired rights for the men's and women's tournaments of the 2014 winter Olympic Games. Sport1 acquired the rights in a sublicensing deal with public-service broadcasters ARD and ZDF. Sport1 will show live coverage of 25 games, including the semi-finals and finals, on its main basic-tier television channel, its high-definition channel Sport1 HD and the Sport1.de website.
- **Mixed Martial Arts:** Paraguayan free-to-air broadcaster Telefuturo acquired rights for the Ultimate Fighting Championship. Telefuturo will show four live events and a weekly highlights programme in the first year of the agreement. The length of the deal, which includes online rights, was not disclosed.
- **Motorsport:** The MP & Silva agency acquired exclusive rights for the Formula One world championship in the Middle East and North Africa, Poland, Bulgaria and Romania. The agreement covers exclusive rights for all races, qualifying and practice sessions (page 1).
- **Motorsport:** German sports broadcaster Sport1 agreed a one-year extension, until the end of 2014, to its rights deal for the World Rally Championship. The deal covers Germany, Austria and Switzerland. Sport1 will show highlights from each of the series' 13 events on a free-to-air basis and will provide occasional live coverage.
- **Motorsport:** UK pay-television broadcaster BT Sport and commercial broadcaster ITV acquired rights for the World Rally Championship. The one-year deals, which were agreed with WRC Promoter, the championship's commercial arm, will run until the end of 2014. BT Sport's coverage will run across the broadcaster's three channels – BT Sport 1, BT Sport 2 and ESPN – and include preview and review shows for each rally plus highlights. Digital television channel ITV4 will broadcast a weekly highlights show after each event plus daily highlights from the season-ending Wales Rally GB. The combined value of the deals is thought to be about £200,000 (€240,000/\$326,000).
- **Olympic Games:** The International Olympic Committee awarded the Infront Sports & Media agency rights in sub-Saharan Africa for the 2014 winter and 2016 summer Games plus the 2014 winter Games. Infront will work with the TV Media Sport agency to distribute rights to 43 territories. The deal covers free-to-air television, internet and mobile rights. The programming includes live and delayed coverage of all competitions plus the opening and closing ceremonies as well as highlights. Infront and TV Media Sport will produce a broadcast feed dedicated to the African market with English, French and Portuguese commentary.
- **Paralympic Games:** Japanese public-service broadcaster NHK extended a rights deal with the International Paralympic Committee for four years, from 2013 to 2016, covering the 2014 winter Games and the 2016 summer Games (page 2).
- Uefa, football's European governing body, launched several invitations to tender for multi-platform rights. Bids for rights over three years, from 2015-16 to 2017-18, to the Champions League and Europa League in Italy and Israel must be submitted by February 5 and February 10 respectively. In the Philippines and Taiwan, bids for the Euro 2016 national team tournament and the European qualifiers for Euro 2016 and the 2018 Fifa World Cup national team competition over four years, from 2014-15 to 2017-18, are due by January 29. Bids for the rights in Malta for European Qualifiers must be in by January 28.
- The Fédération Française de Football, the French football federation, invited bids for three packages of rights covering four seasons, from 2014-15 to 2017-18. One package comprises the Coupe de France club competitions for men and women and Division 1 Féminine, the top-tier women's division. The other packages include rights for the France U-21 team and the France women's team. Bids must be in by January 28.
- Daniel Bilalian, the director of sport at France Télévisions, said that the public-service broadcaster would only want to show an "officially-recognised" European rugby union club competition. France Télévisions has free-to-air rights for the Heineken Cup in a four-year deal that will expire at the end of the current 2013-14 season. English clubs have refused to commit to playing in the cup beyond this season and are interested in forming a breakaway tournament. Bilalian said that the broadcaster would "question the value" of a competition that does not feature English clubs.
- TSN will be "aggressive" in bidding for sports rights after it was outbid by telecommunications company Rogers Communications for NHL ice hockey rights from 2014-15 in Canada, according to Phil King, the president of CTV programming and sports at the pay-television sports broadcaster's parent company, Bell Media. King said that TSN would be "at the table for literally everything else that's available" and added that the broadcaster would continue to show ice hockey through its rights deals for the NHL's Montreal Canadiens and Winnipeg Jets.
- Fijian commercial broadcaster Mai TV said that it was in talks with rival commercial broadcasters FBC and Fiji TV about a "shared broadcast platform" for the 2014 Fifa World Cup after having acquired rights in September.

## ALSO SINCE LAST TIME

- NFL American football teams the Green Bay Packers, Indianapolis Colts and Cincinnati Bengals avoided local television blackouts of play-off games after businesses stepped in to purchase remaining blocks of tickets to ensure stadia were sold out. The NFL said last month that it would "strongly oppose" a proposal by the US Federal Communications Commission to scrap the blackout rule, which prevents games from being shown

## SPORTS CLIPS: News from TVSM Daily from December 19 to January 15

### MEDIA RIGHTS 5

#### Rugby league, rugby union, skeleton, skiing, tennis and wrestling

- **Rugby League:** UK pay-television broadcaster Premier Sports acquired rights for the inaugural National Rugby League Auckland Nines competition in New Zealand on February 15-16. Premier Sports agreed the deal with the league, which comprises teams from Australia and New Zealand.
- **Rugby Union:** Canal Plus extended its rights deal for the Top 14 with France's Ligue Nationale de Rugby, which operates the club competition. The deal will run for five years, from 2014-15 to 2018-19, and covers all media platforms in all countries where Canal Plus operates. The agreement is worth a total of €355m (\$484m) over five years, or an average of €71m per season – more than double the current deal, which will expire at the end of the 2013-14 season. The new deal includes exclusive rights to the play-offs, semi-finals and non-exclusive live coverage of the Top 14 final. Canal Plus will distribute rights in countries where the broadcaster does not operate, as part of a revenue-sharing agreement with the league.
- **Skeleton:** UK public-service broadcaster the BBC acquired rights for 2013-14 Skeleton World Cup in a deal with the FIBT, the sport's global governing body.
- **Skiing:** Russian free-to-air broadcaster RTR acquired rights for the 2013-14 Tour de Ski cross-country series in a sublicensing deal with Russian pay-television broadcaster NTV Plus.
- **Tennis:** Indian pay-television broadcaster Sony Six acquired exclusive rights for the Australian Open grand slam tournament in a five-year deal, from 2015 to 2019.
- **Tennis:** Indian pay-television broadcaster Star Sports acquired rights for the Chennai Open tournament. The deal with the ATP World Tour, which operates the professional men's tour, covers three editions of the event, from 2014 to 2016.
- **Wrestling:** Pay-television operator Cable Thai Holdings acquired exclusive media rights in Thailand for WWE wrestling entertainment programming. The deal will run for five years, from 2014 to 2018. CTH will show WWE's flagship shows such as Raw, SmackDown, Main Event, Superstars, NXT, Afterburn, Bottomline, Experience, Vintage Collection and This Week in WWE. All pay-per-view 'specials' will be available on a daily basis via the CTH Sports Spirit channel.

TVSportsMarkets

**Sportel**  
ASIA  
3-5 MARCH 2014

## TV SPORTS MARKETS AND SPORTEL JOIN FORCES

*TV Sports Markets* is proud to announce the signing of a comprehensive partnership agreement with *SPORTEL* to deliver industry events and conferences during *SPORTELAsia 2014* and *SPORTELMonaco 2014*.

*TV Sports Markets* will organise events in which the leading players in the global sports industry will address the major topics of the day.

Join us at *SPORTELAsia 2014* in Shanghai in March for two high level panel discussions on the Asian sports industry and media rights market.

Full details of topics and speakers will be available soon.

# SPORTS CLIPS: News from TVSM Daily from December 19 to January 15

- live on television in their local market if they fail to meet a specified level of ticket sales.
- US network CBS streamed live coverage of the NFL's American Football Conference play-offs through its CBSSports.com website for the first time. US pay-television broadcaster Fox Sports also said it would stream live coverage of the Super Bowl NFL championship game on February 2 for free, but would restrict online coverage of the National Football Conference post-season to subscribers of pay-television operators Comcast, AT&T U-verse and Cablevision Systems. Fox Sports' online coverage of the Super Bowl will be available via the FoxSportsGo.com website and mobile application.
  - The Houston Rockets NBA basketball franchise was granted additional time by a federal bankruptcy judge to negotiate on behalf of financially-troubled Comcast SportsNet Houston, the exclusive home of Rockets and Houston Astros MLB baseball games. The arguments surrounding the Astros' motion to dismiss an involuntary Chapter 11 bankruptcy petition filed against CSN Houston will be heard on February 4. If CSN Houston enters bankruptcy, a clause that requires all three of the broadcaster's board members – representatives of Comcast, the Rockets and the Astros – to agree on significant decisions, is likely to be eliminated. The clause has been cited as a hindrance to efforts to increase the broadcaster's reach.
  - Canadian pay-television sports broadcaster TSN showed coverage of the 2014 World Junior Championship through Twitter Amplify – the first such use of the social media platform for live sports in the country. TSN offered real-time video highlights of the International Ice Hockey Federation-sanctioned competition, with all video tweets sponsored by the Canadian division of fast food chain McDonald's.
  - Conmebol, football's governing body in South America, said that the clubs participating in the 2014 Copa Libertadores would receive 95 per cent of the media rights income from the knockout competition, providing a "significantly" higher figure than last year.
  - Cricket Australia said that viewing figures for the first half of the Big Bash League had justified the national governing body's decision to switch coverage of the Twenty20 cricket competition to free-to-air television and defer the start of the event. Australian commercial broadcaster Network Ten, which dislodged pay-television broadcaster Fox Sports to acquire rights for the event in a five-year deal, from 2013-14 to 2017-18, attracted audiences in excess of 1m viewers for a quarter of its matches in the first half of the tournament.
  - The International Paralympic Committee will stream more than 300 hours of live coverage of the 2014 Paralympic winter Games via its official website, Paralympic.org. The website will offer four high-definition channels showing uninterrupted daily coverage of alpine skiing, Nordic skiing, ice sledge hockey and wheelchair curling in Sochi, Russia. A fifth channel will show a combination of all sports. All five channels will feature English commentary. The action will be shown on demand at the end of every competition day and highlights of each sport will also be available.
  - Business advisory firm Deloitte said that the value of premium sports broadcast rights worldwide would increase to £16bn (€19.2bn/\$26.2bn) in 2014 – a 14-per-cent rise of £1.9bn over 2013. The increase in rights fees compares to average growth of five per cent between 2009 and 2013 and exceeds the forecast four-per-cent increase in global pay-television revenues for 2014. The report, which covers recurring annual competitions only, said that about three-quarters of the total value of premium broadcast rights fees would be generated by the top-tier domestic football leagues in England, France, Germany, Italy and Spain, the Uefa Champions League European club competition, and the four major North American professional leagues.

## INDUSTRY MOVES

- The Lagardère Unlimited sports marketing company appointed Daniel Franck as the head of media and production operations across Europe and Africa. Franck will remain chief executive of the Lagardère Unlimited-owned IEC in Sports agency. • Simon Ellen secured a new four-year term, from 2014 to 2017, as chairman of the UK's Racecourse Media Group, the umbrella organisation for the 34 racecourses that own an interest in pay-television channel Racing UK, betting shop service Turf TV and international betting shop service GBI Racing. • US media and entertainment company Discovery Communications extended the contract of its president and chief executive David Zaslav through to December 31, 2019. In November, Discovery entered talks with TF1 to fast-track a full takeover of pan-regional sports broadcaster Eurosport from the French media company ahead of the original schedule drawn up in December 2012. • David Surtees will stand down as chief financial officer of digital sports media company Perform on January 31.

### EDITORIAL

|           |                                    |
|-----------|------------------------------------|
| Editor    | Frank Dunne<br>@frankdunneTVSM     |
| Reporter  | Robin Jellis<br>@robinjellis       |
| Reporter  | Kevin McCullagh<br>@kevinmccullagh |
| Telephone | +44 (0) 20 7954 3506               |
| Fax       | +44 (0) 20 7954 3511               |
| Email     | tvsm@tvsportsmarkets.com           |

### DESIGN & PRODUCTION

|          |                |
|----------|----------------|
| Designer | Stewart Henson |
|----------|----------------|

### SALES & COMMERCIAL

|                 |   |
|-----------------|---|
| Telephone       | +44 (0) 20 7954 3483  |
| Email           | sales@tvsportsmarkets.com                                     |
| Paul Santos     | Head of Sales & Commercial<br>paul.santos@tvsportsmarkets.com |
| Scott Longhurst | Account Manager<br>scott.longhurst@tvsportsmarkets.com        |

### TV Sports Markets

Registered Office:  
St Mark's House, Shepherdess Walk, London, N1 7BQ  
© TV Sports Markets Ltd 2014.  
Printed by Rapidity, Citybridge House,  
235-245 Goswell Road, London EC1V 7JD



*SportBusiness*

### Important Terms and Conditions

All rights in this newsletter are reserved. No part of this newsletter may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of TV Sports Markets.

For full terms and conditions of use, please visit: <http://www.sportbusiness.com/terms-and-conditions-0>