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## **FOOTBALL**

# Kickback culture finally challenged but will FBI case lead to a cleaner industry globally?

By Frank Dunne

The bribery crisis engulfing world football looks likely to have a more profound impact on the sports marketing industry than the combined failures of the ISL agency in August 2001 and Germany's KirchMedia in April 2002. That was the last time the industry was forced to take a hard look at itself, and it evolved rapidly thereafter as a consequence.

The investigations by the US
Department of Justice and the Swiss
Attorney General, and related arrests, have
opened up the possibility of numerous
confederation officials and sports
marketing executives being jailed. The
process will be slow and controversial,
especially concerning the geographical
extent of the DoJ/FBI remit.

The optimistic view is that somewhere down the line, the outcome for football will be positive. Hundreds of millions of dollars that would have been siphoned off from media and marketing rights contracts will instead remain in the game.

The pessimistic view is that in many countries – especially parts of Africa, Asia and Latin America – kickbacks and other forms of inducements are so deeply ingrained in business culture that sport will not become a bastion of transparency and fair dealing overnight.

The immediate questions the industry is grappling with include:

• can the Traffic, Full Play and Torneos y Competencias (TyC) agencies survive?

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# **PAY-TELEVISION**

# Eurosport aggression illustrates local intent

By Robin Jellis

International broadcaster Eurosport agreed a spate of rights deals late last week worth upward of €40m (\$44m), as it continues to invest heavily in locally-relevant content.

Since Discovery Communications took a controlling stake in Eurosport a year ago, it has bid more aggressively to secure rights of local importance in individual territories, preferably on an exclusive basis.

Eurosport chief executive Peter Hutton said last week that the broadcaster must become "far more locally relevant" and acquire rights to "the biggest sports events in each individual market".

Last week, Eurosport signed deals for: the Europa League in Scandinavia and Singapore; golf's PGA Tour in Norway; the Rugby World Cup in Germany; Wimbledon tennis in Belgium; and a host of football properties sold by the MP & Silva agency in the Netherlands, including France's Ligue 1 and Italy's Serie A.

Hutton told *TV Sports Markets* last week: "This is only the start for us, there are plenty more deals in the pipeline. There are a lot more territories where we can and want to be aggressive."

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# **FASTRACK 1**

# **NEWS IN BRIEF**

# Cricket Australia to go it alone outside the UK

Cricket Australia will take a more flexible approach to its rights sales when its global advisory deal with the IMG Events & Media agency expires after the 2015-16 season, TV Sports Markets understands.

The board has built up its expertise in recent years and intends to take more of its media rights sales in-house.

Going forward, in each territory or region the Australian national governing body will decide whether to work with an agency, sign direct deals with broadcasters, or launch an alternative offering – dependent on market conditions.

However, Cricket Australia has retained IMG as an adviser in the UK. In the UK, IMG agreed a four-season deal with pay-television broadcaster Sky, from 2012-13 to 2015-16. The deal is worth about £50m ( $\[ \in \]$ 70m/\$76m), or £12.5m per season ( $\[ \]$ 7 Sports Markets 16:18).

This was a big uplift in value on the previous four-season deal, also with Sky, from 2008-09 to 2011-12. Then, Sky paid about £16m, or £4m per season.

Another increase is likely in any new deal due to the intense levels of competition between Sky and its main pay-television rival, BT Sport.

The UK was the first market Cricket Australia considered under its new strategy. It allowed an exclusive 90-day negotiating window with IMG to close on April 21, and invited expressions of interest from other agencies. The Pitch International agency is thought to have offered strong competition to IMG.

IMG will be paid a flat fee in the new deal. In the previous global contract it was paid on a commission basis.

The duration of the contract is subject to negotiation but is likely to match the term of the next broadcast deal. Cricket Australia and IMG will begin discussions with UK broadcasters in the next few months.

# SLC leaves money on table

Sri Lanka Cricket has awarded its domestic rights to state broadcaster Rupavahini, turning down a larger bid from incumbent rights-holder Carlton Sports Network.

Rupavahini will pay LKR110m (€750,000/\$820,000) over three seasons, from 2015-16 to 2017-18. Commercial broadcaster Carlton is thought to have offered LKR175.5m, almost 60 per cent more. Commercial channel MTV offered LKR51.5m.

Local sources say the sale of domestic rights is highly politicised.

Carlton, which acquired rights unopposed from 2012-13 to 2014-15 for LKR125m, was founded by the sons of then-president Mahinda Rajapaksa. At the time of the award, Sri Lanka Cricket secretary Nishantha Ranatunga was also chief executive of Carlton.

Rajapaksa's government was voted out in favour of the New Democratic Front party led by Maithripala Sirisena in January. Sirisena's government has been less favourable to Carlton: the broadcaster was one of several companies targeted by a new 'Super Gain Tax' in February. Finance minister Ravi Karunanayake claimed Carlton had not paid broadcast spectrum taxes or electricity bills.

Sri Lanka Cricket is currently administered by a nine-person interim committee appointed by sports minister Navin Dissanayake in April.

The difference between the Carlton and Rupavahini bids is dwarfed by the size of Sri Lanka's international rights deal with Indian subcontinent paytelevision broadcaster Ten Sports.

Ten pays about \$75m ( $\le 69m$ ), including production costs of \$15m, over the seven seasons from 2013-14 to 2019-20 for international rights to games played in Sri Lanka (TV Sports M arkets 18:5).

Sri Lanka's home Test series against India this August is not included in the deal with Ten because it was not scheduled as part of world cricket's Future Tours Programme. A tender for the rights to the series closed last week with Ten the only bidder, reportedly offering \$1.4m. The board has entered direct negotiations with the broadcaster.

# BelN gets Uefa rights in Australia

The beIN Media Group has agreed a deal for Champions League and Europa League rights in Australia, *TV Sports Markets* understands.

BeIN has agreed a three-season deal for rights to both competitions, from 2015-16 to 2017-18, worth about \$6m ( $\le$ 5.5m) per season.

This is a 50-per-cent increase in the value of deals covering Australia in the previous cycle, from 2012-13 to 2014-15, worth about \$4m per season.

In the previous cycle, rights to both competitions across Oceania were worth about \$5.5m per season in total. BeIN is also thought to have acquired rights in other territories in Oceania.

ESPN paid \$3.4m per season for pay-television Champions League rights across Oceania. Setanta, now owned by beIN, paid \$1.06m per season for pay-television Europa League rights across Oceania.

Public-service broadcaster SBS held free-to-air rights to both competitions in Australia only for \$1.04m per season (*TV Sports Markets* 16:13).

SBS bid to retain its rights, while international broadcaster Eurosport and commercial broadcaster Seven also bid. BeIN won the rights in the first round.

It is understood beIN is in talks to sublicense rights in New Zealand to either pay-television broadcaster Sky or Lightbox Sport, the joint venture formed between online subscription services Coliseum and Lightbox.

BeIN acquired the Setanta Sports Australia pay-television operation in October last year, and rebranded it as beIN Sports the following month (*TV Sports Markets* 19:1).

BeIN agreed the deal with the Team Marketing agency on behalf of Uefa, the governing body of European football.

## **FOOTBALL**

# Questions linger over repercussions of FBI investigation

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- what is the legal status of the rights contracts they signed with the two confederations that control football in the Americas (Concacaf and Conmebol)?
- what impact, if any, will the crisis have on this month's Copa América in Chile?

Some of the longer-term questions include:

- will there be a move away from buyout deals for media rights and a greater use of fair and transparent tender procedures?
- with the FBI claiming jurisdiction over any agreement made in US dollars, will deals done in regions like Africa, Asia and the Middle East also come under scrutiny?
- if the rights market in Latin America is finally opened up to genuine competition, who stands to benefit?

### Survival chances slim

The universal view this week was that Full Play, Traffic and TyC have no future as sports-rights intermediaries, regardless of the US investigation's outcome.

Already, four individuals have pleaded guilty. Traffic's founder José Hawilla has pleaded guilty to racketeering, wire fraud and money laundering. In December, he agreed to forfeit \$151m (€139m), of which \$25m was paid at the time of his plea. Two Traffic subsidiaries have also pleaded guilty: Traffic Sports International and Traffic Sports USA.

"Their reputation is done and dusted," one executive said this week. "I don't think that from a rights-holder perspective you would work with those companies in the future."

The three agencies are equal partners in Datisa, the company which trades as WeMatch. Datisa, or the constituent agencies, handles global rights distribution and production for a number of the major tournaments run by South American football's governing body (Conmebol) and the Confederation of North, Central America and Caribbean

Association Football (Concacaf).

A number of executives this week said they expected Datisa to try to sell on these rights in order to generate cash. They may also look to sell other assets to cover any further forfeitures or fines.

Traffic and Full Play are also for sale. Over the last decade most major sports marketing companies have considered buying Traffic, but have not done so.

One agency executive said this was for reasons of "corporate governance and tax issues". A source at another agency said Traffic's owners had been looking for too high a price, but there could now be "a fire sale" and it may be bought cheaply.

It is not clear whether Concacaf or Conmebol would agree to Datisa offloading its rights or whether other agencies would want them, as there are legal questions hanging over the contracts.

Full Play also sells international rights to all of South America's football leagues, except Brazil's Série A. Only the Argentinian league is said to have much value to broadcasters, but Full Play is understood to have secured a good fee for the betting rights to all the leagues in a deal with the Perform Group. Some experts believe these international rights could be put back on the market as early as this summer if Full Play fails to pay the fee instalments it owes in pre-season.

Traffic and TyC are not just rightstrading vehicles. Traffic has a player agency business and TyC a major channel and production business in Latin America.

None of these divisions of the two companies are under investigation, but there is a question mark as to whether they can survive in their current form – or under their current names – because the brand will be seen as toxic.

A further problem for TyC is that its indicted former chief executive, Alejandro Burzaco, who gave himself up to Italian police this week, is the company's main link to the Argentinian government, which controls domestic club football rights. Sources close to TyC say that without Burzaco, the company's ability to agree future deals may be badly affected.

### Status of contracts

Rights contracts in the US and Europe increasingly include an automatic right of

termination in the event of one of the parties being found guilty of bribery. This is largely in response to the introduction of specific anti-bribery legislation. It is not yet clear whether such clauses were in any of the Concacaf or Conmebol contracts.

One contract lawyer said, ordinarily, in these circumstances, Concacaf and Conmebol would seek to nullify the contracts with Datisa on the basis of what has emerged. However, to do so might be seen as an admission that something inappropriate has taken place on issues where no guilt has yet been established.

Lawyers say that in the event of a guilty verdict, or a premature termination, the contracts would be declared null and void and the unsold rights put back on the market.

## Copa questions

The FBI investigation throws up immediate issues about the Copa América, which began in Chile on June 11. Datisa is the global rights distributor, with TyC handling host broadcast production.

All the signs this week were that the tournament would be delivered and serviced by the agencies and their intermediaries without any problems. One rights-holder said that all of the usual pre-tournament preliminaries, including test signals, had been carried out normally.

Some broadcasters are questioning whether they should pay Copa instalments to the bank accounts originally agreed upon when the contracts were signed. One lawyer said there were alternatives in such cases, such as paying fees into escrow or trustee accounts, but that Datisa would almost certainly challenge this.

#### 'Nail in the coffin'

The agreements signed by Concacaf and Conmebol were traditional buyout deals, where the agencies paid a guarantee and retained all profits above that. The margins on some of the deals are understood to have been colossal.

Datisa is paying \$75m for global media and marketing rights to the 2015 Copa and \$112.5m for the rights to the centenary edition of the event in 2016. Sources close to Datisa have told *TV Sports Markets* that media rights sales alone brought in \$200m for this year's

event and are expected to reach \$300m for the 2016 competition.

Buyout deals remain commonplace in Africa, Asia and Latin America, where they are typically agreed without an open or transparent tender process. The imminent renewals for the global media rights to the football confederations of Africa and Asia have both been negotiated without a formal tender.

Organisations like Fifa and Uefa, football's world and European governing bodies, and the International Olympic Committee, increasingly circumvent agencies and sell directly to broadcasters.

In territories where these organisations work with agencies it is usually on a sales agency or consultancy basis.

Deals with brokers or broadcasters – with one or two exceptions – are usually awarded only after a tender process.

In such deals, the rights-holder usually retains intellectual property rights, remains the contract signatory and is closely involved in the individual deals agreed by the agency. One lawyer said that anti-bribery and other anti-corruption provisions were "easier to police in a sales agent or broker deal as opposed to a buyout deal".

One of the questions being widely discussed this week is whether the FBI investigations will accelerate this trend and widen it geographically. As one lawyer put it this week, "any buyout deal from now on will invite suspicion and scrutiny".

One senior football federation official said this week that the tendency of some football confederations to sell their global rights in one block to a single agency in a buyout deal meant they had not been able to – or needed to – develop their own internal marketing structures. He said such deals put these confederations at a major disadvantage compared to Uefa.

These confederations had effectively handed complete control of their marketing strategies to third parties who have since become more powerful commercially and politically.

One senior agency executive agreed, saying: "They need to change their structures in order to be more professional and to be able to distribute their rights on a commission basis while having full control over their intellectual

property. This would take one to two years to achieve but is possible."

# How far will the FBI go?

Probably the most widely-asked question this week was, how far will the FBI go? The US authorities have said the first wave of arrests and indictments was only the beginning of the process. They claim jurisdiction in the case on the basis that financial transactions went through US banks or took place on US soil.

The FBI also claims jurisdiction over any deals done in US dollars anywhere in the world. Theoretically, therefore, many deals done in Africa, Asia and the Middle East could also be examined.

One lawyer said it would be surprising and highly controversial if the FBI expanded its investigation far from the US. "They will only go so far with the budget, time and resource they have, and if the dollar is the only link to the US in a deal done between, say, two parties in Asia or Africa, it is a pretty tenuous one," he said.

### Competition

Regardless of whether or not Full Play and Traffic survive as agencies, their long-standing grip on the Latin American rights market appears to be broken for good. This ought to represent an opportunity for major US and European rights agencies such as IMG Events & Media, Infront Sports & Media, Lagardère Unlimited and MP & Silva.

The margins for agencies have been falling in Europe for over a decade due to increased competition, while the volume of rights available has shrunk. This is largely because of Uefa's centralisation policy (first of the Uefa Cup, then of qualifier matches for the Fifa World Cup and European Championship) and moves by rights-holders like Fifa, Uefa and the Premier League to sell rights in-house.

As a direct consequence, agencies began looking to Asia and, to a lesser extent, Africa. But they have not been able to agree deals with Concacaf or Conmebol to any great degree. Riccardo Silva, co-founder of the MP & Silva agency, last week suggested this was because of favourable treatment of Full Play and Traffic.

Another agency executive said this week: "Those confederations and federations will

have to be very careful about how they sell their rights in future. They will have to be able to demonstrate that there was a fair process. The big agencies will go for rights which it wasn't worth their while going after in the past."

For data on the commercial deals for the Copa América, visit our website.

## **PAY-TELEVISION**

# Eurosport continues 'localisation' strategy with host of deals

Continued from page 1 ▶

Discovery acquired a 20-per-cent stake in Eurosport from French commercial broadcaster TF1 for  $\in$ 170m in December 2012 (*TV Sports Markets* 16:23). In May 2014, Discovery increased its stake in Eurosport to 51 per cent.

As well as acquiring a host of new rights, *TV Sports Markets* understands Eurosport has curtailed some smaller programming deals, such as those for WWE highlights, the timbersports World Championship and World's Strongest Man.

The Eurosport channels will remain in the basic-tier of most pay-television operators, although this may change in individual markets dependent on the territory and the rights Eurosport acquires.

Eurosport is understood to be discussing rebranding options for Asia, Australia and Europe. The long-term plan will not involve country names, such as Eurosport Denmark, but the Eurosport 1 and Eurosport 2 channels will have a more local focus. There are also thought to be plans to launch a third channel.

## **Europa League 1**

Eurosport's acquisition of Europa League rights in Scandinavia is the most expensive in the latest swathe of deals.

The deal covers Denmark, Norway and Sweden, and will run for three seasons, from 2015-16 to 2017-18. Eurosport will pay about €10m per season for the rights, an 11-per-cent increase on the value of the rights in the previous cycle. From 2012-13 to 2014-15, pay-television broadcaster C More paid about €9m per season.

Both deals were agreed with the Team Marketing agency on behalf of Uefa, the governing body of European football.

The increase is relatively small as there was limited interest in the rights. C More, which acquired the rights across the three territories last time, has sold on its pay-television businesses in Denmark and Norway, and is instead focusing on its core Swedish market.

The main pan-regional broadcaster, commercial and pay-television operator Modern Times Group, is not thought to have been interested following its renewal of Champions League rights in October 2013. That deal is worth about  $\[mathebox{\@scalebase}\]$  That deal is worth about  $\[mathebox{\@scalebase}\]$ 73m per season (TV Sports Markets 17:20).

A tender for the Europa League was issued at the same time as the Champions League, in September 2013, but no deal was agreed as offers were deemed too low by Uefa. Then, basic-tier broadcaster SBS, also owned by Discovery, bid across the region, as did C More. Commercial and pay-television broadcasters TV2 Norway and TV2 Denmark bid for rights in their individual territories respectively.

Acquiring Europa League rights appears a shrewd move from Eurosport. The broadcaster has acquired a strong second-tier property which generates a decent level of interest in Scandinavia, as more local teams qualify for the Europa League than the Champions League.

## Europa League 2

Eurosport also acquired Europa League rights in Singapore for about \$100,000 per season in the three seasons from 2015-16 to 2017-18.

Eurosport is not thought to have faced much competition. MP & Silva cofounder Andrea Radrizzani is understood to have bid to acquire rights for his yet-to-launch channel brand, Eleven. Channel syndicator Fox International Channels is not thought to have bid.

Telcos Singtel and StarHub did not bid either. The two are likely to have been dissuaded by cross-carriage regulation which prevents either of them acquiring sports rights on an exclusive basis.

This meant Uefa was left with a choice between Eurosport, a relatively wellestablished broadcaster in Asia, or Eleven, an unproven broadcaster. The Europa League deal follows Eurosport's acquisition of the Champions League rights in Singapore in April, for the same three seasons, for about \$4.5m per season (*TV Sports Markets* 19:8).

The fee for both competitions has increased marginally for Uefa. In the previous cycle, from 2012-13 to 2014-15, Singtel paid a total of \$4.5m per season for the rights to both competitions.

#### **PGA Tour**

Eurosport also agreed to sublicense US PGA Tour golf rights in Norway from C More in a six-year deal, from 2016 to 2021, worth about \$500,000 per year.

C More acquired the rights across the Nordics in March. That deal also runs from 2016 to 2021, and is worth about \$6m per year (TV Sports Markets 19:6).

C More, which sold its pay-television business in Norway to TV2 Norway in March, is understood to have initially offered the rights to TV2 Norway, but it was not interested. C More then began talks with other broadcasters. MTG was interested, but was unwilling to match the fee offered by Eurosport.

The PGA Tour is not hugely popular in Norway as there are no successful local golfers, but it provides plenty of volume and is well-produced content.

The deal marks the first time Eurosport will have broadcast live golf "in a meaningful way," Hutton said.

Coverage in Norway will continue to be shown on MTG's pay-television Viasat Golf channel until the end of this year. MTG holds rights across the Nordics, from 2011 to 2015, in a deal worth \$3m per year. The current allocation for rights in Norway is thought to be in the low hundreds of thousands of euros per year.

### **Netherlands deals**

In the Netherlands, Eurosport has acquired rights to Ligue 1 and Serie A for a combined fee of €2.6m per season in the three seasons from 2015-16 to 2017-18.

Serie A will be worth about €2.1m per season, while Ligue 1 will be worth about €500,000 per season. Both Fox and pay-television broadcaster Sport1 are thought to have been interested. The Serie A fee is similar to the previous two-season deal, from 2013-14 to

2014-15, when Fox paid about €2m per season. This was part of a wider package which also included the Premier League, Major League Soccer and the Brazilian Série A (TV Sports Markets 17:7).

There is relatively strong interest in Serie A in the Netherlands, mainly due to the presence of Dutch stars such as Kevin Strootman, Stefan de Vrij and Nigel de Jong. There are also rumours that Dutch striker Robin van Persie may sign for an Italian club over the summer.

Sport1 held Ligue 1 rights in a threeseason deal, from 2012-13 to 2014-15, worth about €250,000 per season.

Fox is thought to have offered about €400,000 per season for the rights in a new deal, but was outbid by Eurosport. The Sunday evening matches rate quite well and there is interest in the matches of champions Paris Saint-Germain.

The deal includes the Coupe de la Ligue. The Emirates Cup pre-season friendly competition is also part of the contract.

Eurosport is also in advanced talks to acquire NFL rights from MP & Silva, which holds rights in 42 European territories over the five years from 2015 to 2019 (*TV Sports Markets* 19:5).

# Wimbledon win

The acquisition of Wimbledon rights in Belgium marks the first time Eurosport has held rights to all four tennis grand slams in one territory.

The deal is for three years, from 2015 to 2017, and is worth about €200,000 per year. This is understood to be an increase on the combined value of the previous deals, from 2013 to 2014, with Flemish public-service broadcaster VRT and Walloon commercial broadcaster RTL.

It is understood VRT chose not to bid strongly for the rights in a new cycle as it is reducing its spending on sports rights.

The agreement is seen as part of an attempt by Eurosport to establish a wider relationship with the tournament's commercial rights-holders, the All England Lawn Tennis Club.

The deal was agreed with the IMG Events & Media agency, which advises the club on its media rights deals. IMG will also sell on news access rights.

Eurosport's coverage will be available in both Flemish and French. It is likely

Eurosport will bid for Wimbledon rights in other territories as and when they become available.

### **Rugby World Cup**

Eurosport also agreed a deal to show 30 matches of the 2015 edition of the Rugby World Cup in Germany in a deal worth close to €200,000.

This is a four-fold increase in the value of the rights from 2011, when basic-tier sports broadcaster Sport1 paid about €50,000. Sport1 is understood to have offered a similar amount to Eurosport.

Rugby union is growing in popularity in Germany, albeit from a limited base. It is understood pay-television broadcaster Sky Deutschland considered a bid, but chose not to make an offer.

For more details of Eurosport's deals under Discovery, visit our website.

## **ICE HOCKEY**

# C More snatches Allsvenskan, hopes to profit from ppv

By Robin Jellis

The Swedish second-tier ice hockey league, the HockeyAllsvenskan, will earn an increase of about 12 per cent in the value of its media rights in the next cycle, following a deal with C More last month.

Pay-television broadcaster C More will pay about SEK35m (€3.7m/\$4.1m) per season in the new four-season deal, from 2015-16 to 2018-19.

C More and the league will also share additional revenue from the broadcaster's pay-per-view service on a 50:50 basis. The league hopes this will generate a total of SEK15m per season. The ppv service will launch in the coming months.

The league earned about SEK30m in the 2014-15 season from its deal with commercial and pay-television broadcaster Modern Times Group. It also earned SEK8m from its own ppy service.

The league's chief executive, Stefan Bengtsson, told *TV Sports Markets* this week there were two main reasons why the league opted for C More.

First, the league was keen for all

matches to be shown by one broadcaster.

At present MTG shows two matches per round, the S24 ppv service run by newspaper *Aftonbladet* shows one match per round, and the league's own ppv service shows four per round.

Second, C More offered a bigger rights fee, plus a share of revenues from ppv sales.

The league was advised on the sale of its rights by the Profile Partners agency. No "traditional tender" was issued, Bengtsson said, but talks were held with C More, MTG, public-service broadcaster SVT, basic-tier broadcaster SBS Discovery Media and *Aftonbladet*.

MTG was unwilling to increase its existing rights fee, and attempted to decrease the fee from the SEK30m it paid for the 2014-15 season.

Neither SBS nor SVT showed much interested in acquiring live rights, Bengtsson said. SVT showed highlights in a one-season deal covering 2014-15.

Despite the switch to C More, Bengtsson said of MTG: "They have really contributed to the HockeyAllsvenskan as a trademark and they have created very good relationships with the clubs and the league." He added that their production of matches had been "excellent".

The C More deal is for global rights, although there is limited interest in the rights outside Sweden. The MTG deal was for all territories in which it operates.

The deal is only for media rights. In previous deals MTG were also awarded marketing and sponsorship rights, which were far less valuable than media rights. From next season marketing and sponsorship rights will be sold separately.

# Pay-per-view play

C More will show all regular-season matches, play-off matches, the final, and direct qualification matches to the top-tier Swedish Hockey League.

One match per round will be shown on premium channel C More. One match per round from the play-offs and qualification series will be shown on sports channel TV12. All matches will be streamed on the C More ppv service.

The league set up its own ppv service in 2012-13, generating about SEK2m. It doubled this in 2013-14, earning about SEK4m. And in 2014-15 it earned more

than SEK8m. The league service was available for SEK99 per match, the same cost per match as the S24 service.

C More has not yet decided on pricing for its ppv offering. Matches from the SHL last season cost SEK169m each. Matches for the second tier are likely to be cheaper.

C More will cover production costs to all matches on top of its rights fee.

Matches cost an average of just under SEK20,000 each to produce. The deal covers 330 games per season.

# C More positioning

C More has suffered financial difficulties in recent years, and has scaled back its operations in Denmark and Norway. This deal consolidates an already strong position in its core Swedish market.

SBS bought the Canal 8 and Canal 9 basic-tier channels in Denmark from C More earlier this year. In March, commercial broadcaster TV2 Norway bought C More's Norwegian pay-television operation (*TV Sports Markets* 19:6).

Although the HockeyAllsvenskan is a second-tier league, it is an attractive property in Sweden where ice hockey is very popular. There is strong interest in play-off and qualification matches.

The deal means C More now holds rights to each of the top four domestic properties: the top two ice hockey leagues, the SHL and the Allsvenskan; and the top two football leagues, the Allsvenskan and the Superettan.

In March 2013, C More renewed rights to the SHL for four seasons, from 2014-15 to 2017-18, for about SEK325m per season. The SHL used to be known as the Elitserien (*TV Sports Markets* 17:6).

In April 2013, C More renewed rights to football's Allsvenskan and Superettan for four years, from 2016 to 2019, for between SEK200m and SEK225m per year (*TV Sports Markets* 17:7).

### **Modern history**

MTG first acquired HockeyAllsvenskan rights in May 2009, when it outbid C More, then known as Canal Plus. MTG paid SEK25m per season over three seasons, from 2009-10 to 2011-12, a 10-fold increase on the value of the previous deal (*TV Sports Markets* 13:9).

In June 2011, MTG agreed a four-season extension, from 2012-13 to 2015-16. The deal was worth SEK39m per season, of which about SEK35m per season was for media rights.

The deal was renegotiated after two seasons when plans were announced to increase the number of clubs in the SHL from 12 to 14, beginning in 2015-16. This means fewer strong teams will play in the second tier. There will also be changes in the way teams are promoted.

MTG's contract contained a clause stating that any significant change to the format of the league was grounds for renegotiation or cancellation. MTG activated the clause, ending the contract.

It then renewed for one season, 2014-15, reducing its rights fee by about 25 per cent. In return, the league took back two matches per round.

MTG previously had the right to four matches per round, and the league three. MTG had sublicensed one match per round to *Aftonbladet*.

In the latest, renegotiated deal, MTG had two matches per round, and the league five. The league then sublicensed one match per round to *Aftonbladet*.

Bengtsson, and data on the league's media rights revenue, visit our website.

# **KICKBOXING**

# Recent spate of Glory deals take it to record revenue

By Callum McCarthy

Kickboxing promotion Glory Sports International has struck multiple broadcast deals in the last month aimed at driving the niche property into the mainstream. The deals take the global value of Glory's media rights to around 4.5m (4m) for 2015.

Glory chief executive Jon Franklin told *TV Sports Markets* this week: "We're doing market-by-market and pan-regional deals to bring the product to as many people as we can, as you can cover lots of countries very quickly that way. The goal is for people to see it."

Glory earns around \$400,000 per event in global rights revenue, which is boosted by single-event rights deals and additional payments from broadcasters. Glory will promote nine events in 2015.

All deals are brokered on behalf of Glory by the Total Sports Asia agency. TSA founder and chief executive, Marcus Luer, is managing director of Glory Sports International.

Glory, the world's leading kickboxing promotion, was created after parent company Glory Sports International purchased several smaller kickboxing promotions, acquiring almost all of the world's top kickboxers in the process.

### Latest deals

The US is by far Glory's most lucrative market. The promotion has had a close relationship with US commercial broadcaster Spike since 2013. Spike takes all Glory programming.

Spike pays around \$125,000 per event in rights fees, and considerably more towards production costs and other Glory expenses, such as advertising and celebrity appearance fees. These costs can sometimes exceed the value of the rights.

Glory's contract with Spike is not entirely exclusive, so the promotion can negotiate with other US broadcasters to ensure maximum coverage. Spike's live rights are believed to be exclusive.

A deal for delayed rights was struck in February with US pay-television broadcaster CBS Sports Network. The broadcaster shows Glory's second-tier Superfight Series in a four-event deal.

CBS Sports is believed to contribute to production costs, which reduces its rights fee for events hosted in the US.

Europe and Asia are also important regions for Glory. In Hungary and Romania, pay-television broadcaster Digi Sport acquired rights until the end of 2015. The deal is thought to be worth around \$20,000 per event, plus production costs for Glory's event which will be hosted in Romania this September.

Glory also renewed its deal with basic-tier sports broadcaster Eurosport. The deal is worth about \$20,000 per event and runs until the end of 2015, covering 54 territories. Eurosport has rights to all Glory programming, but chooses to show

only delayed coverage of events.

In South Korea, a deal has been agreed with pay-television channel KBS-N Sports, owned by commercial broadcaster KBS. The deal is worth about \$4,000 per event and covers all events in 2015.

In sub-Saharan Africa, pay-television broadcaster StarTimes agreed a deal for live and delayed rights in 23 territories. The deal covers 2015 and is thought to be worth about \$4,000 per event.

Glory's previous deal in sub-Saharan Africa, with pay-television sports broadcaster Setanta Africa in 2013, was worth \$3,200 per event.

### Pan-Asian search

Franklin hopes Glory can emulate mixed martial arts promotion Ultimate Fighting Championship in appealing to a wider audience. "The goal is to bring Glory beyond its niche fans and turn it into a global sport like the UFC. We've got the kickboxing fans, we just need to bring it mainstream," he said.

UFC is one of the fastest-growing sports promotions in the world, having successfully expanded beyond its core North American market (*TV Sports Markets* 19:4).

In the Netherlands, Glory has a deal with commercial broadcaster RTL for delayed rights worth \$35,000 per event.

In France, pay-television broadcaster Canal Plus holds live and delayed rights in a deal worth about \$20,000 per event. Canal Plus also contributed to production costs for Glory's recent event in Lille.

However, Glory has no live broadcast deals in big markets such as the UK, Germany, Spain and Japan. This has a negative impact on the promotion's ability to attract sponsors. Glory sees Japan in particular as a large, untapped market.

"We need to sign solid TV partners on a pan-Asian basis," Franklin said. "We need to close a good deal in Japan from an exposure and brand-building standpoint. Our number one source of revenue is TV rights, then sponsorship. We hit hundreds of millions of people, we just need appropriate sponsors who want to sign with us." ■

For the full interview with Jon Franklin, and a list of Glory deals in 2014 and 2015, visit our website.

# FASTRACK 2

# **NEWS IN BRIEF**

# Siyaya behind on launch preparations in South Africa

Pay-television broadcaster Siyaya is yet to launch in South Africa, calling into question whether or not matches of the South African national football team will be broadcast, *TV Sports Markets* understands.

Last August, Siyaya acquired rights to all South African Football Association rights in a six-season deal, from 2015-16 to 2020-21, worth ZAR175m (£13.1m/\$14.2m) per season.

The contract covers men's home friendlies, women's and youth internationals, and other second-tier properties. As part of the deal Siyaya was due to create Bafana Bafana TV, a channel dedicated to the national team.

This channel, along with Siyaya's wider pay-television operation, was due to launch this month. However, Siyaya is not yet thought to have the required infrastructure in place to broadcast. Insiders believe it may not be fully operational until the end of 2015.

As such, the men's friendly matches against Angola and Mauritius next week, on June 16 and 18 respectively, may not be shown in South Africa.

National team matches must be shown free-to-air, either live, delayed or as a highlights package. Siyaya is in talks to sell free-to-air rights to commercial broadcaster e.tv. A deal is expected soon.

Siyaya is unlikely to sublicense rights to state broadcaster the SABC, after the latter recently disputed Siyaya's ownership of Safa properties.

Last month, the SABC claimed to have renewed its deal for all Safa rights, from 2015-16 to 2017-18. This was denied by both Safa and Siyaya.

Siyaya's six-season deal is a 143-percent increase on Safa's previous agreement with the SABC, which ran for three seasons from 2012-13 to 2014-2015, and was worth ZAR72m per season. It is understood the SABC was unable to pay this amount in full, paying close to ZAR15m per season.

# Gazzetta picks up Copa América

RCS Media Group, the parent company of Italy's Gazzetta TV channel, is thought to have paid about €600,000 (\$655,000) for the exclusive live rights to this month's Copa América.

The deal represents a major step up for the channel, which is linked to the popular daily sports newspaper *Gazzetta dello Sport*, which is also owned by RCS. Since its launch in February it has focused mainly on news, highlights and features.

The channel derives its income largely from advertising. The free-to-air channel is available on Sky Italia's satellite platform and all major digital-terrestrial platforms. Given the late local kick-off times of the matches – from 11.30pm to 2am – audiences are unlikely to be very large, despite the presence of popular sides like Argentina and Brazil. The channel may struggle to refinance the deal from advertising revenue.

However, the competition will give the channel a huge boost in terms of brand awareness. The *Gazzetta* – which has a daily circulation of over 250,000 – has been promoting the competition and its television coverage heavily since the deal was signed last week.

Further deals for live rights are expected in the near future. RCS is said to be investing €60m in the channel over five years, split €7m-€8m per year in each of the first two years, and €15m per year in each of the following three.

RCS acquired the rights from the Pitch International agency. Pitch is not thought to have made a profit on the deal on a standalone basis.

Pitch also holds the rights in Italy for the 2019 edition and will be hoping that the emergence of a new player will increase competition next time around, enabling it to at least break even.

The agency acquired the rights before the plan for the centenary version of the tournament in 2016 had been finalised so does not have those rights for Italy.

Pay-television platform Sky Italia, which broadcast the 2011 Copa in Italy,

had been favourite to win the rights until RCS stepped in. Sky is thought to have bid up to €500,000. ■

# **NBC** goes large to snatch Open

NBC Sports is understood to have paid a significant increase to prise rights to golf's British Open from its long-term American home on ESPN.

NBC, a division of media group NBCUniversal, will pay more than \$50m (€46m) per year in a 12-year deal from 2017 to 2028.

The fee is double the value of the current contract with pay-television broadcaster ESPN. As well as the incumbent, NBC had to fight off competition from commercial channels Fox Sports and CBS.

The deal was brokered by the IMG Events & Media agency on behalf of the Royal & Ancient Golf Club (R&A).

The R&A last year exercised a clause to opt out of the final year of its \$25m-per-year, 10-year contract with ESPN. The deal, which would have run from 2008 to 2017, was the first time all four rounds of the tournament were shown exclusively on pay-television.

Under the new deal, NBC Sports will broadcast the first two rounds via its pay-television Golf Channel, while highlights and the back two rounds will be shown free-to-air on NBC.

As well as the 100-per-cent increase in rights fee, the greater reach of NBC compared to ESPN was an important secondary factor in the R&A's decision. NBC is also thought to have made a strong promotional commitment.

The deal also includes the annual Senior Open Championships and the biennial Walker Cup competition.

TV Sports Markets understands NBC Sports has separately acquired rights to the women's Open from the Ladies Golf Union. The deal was brokered by IMG.

NBC's acquisition will go some way to replacing the loss of the US Open, which switches to Fox this year. The 12-year deal is worth \$93m per year (TV Sports Markets; 18:18).



For the first time, TV Sports Markets is opening its sports media rights database to provide an analysis of the value of the global market, in the TVSM Global Report 2015.

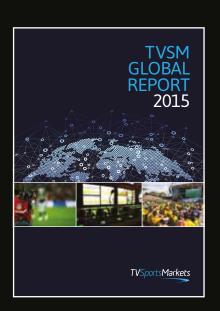
Essential reading for anyone working in sports media, the report will help you understand the global value of the rights industry, and of the top sports, properties and markets. It includes historical and projected future figures, with written analysis looking at the movements in value. The TVSM Global Report 2015 includes information on:

- The total value of all sports media rights globally
- The world's top sports by media rights value
- The world's top sports properties by media rights value
- The world's top markets by sports media rights value
- Key trends driving the industry, with analysis and insight from the TV Sports Markets editorial team.

Thanks to our extensive and exclusive media rights database, and the expertise of our analysts, we believe that this report will present the most accurate picture ever of the sports media rights industry.



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# **MEDIA RIGHTS 1**

# Football: Europa League, Serie A, Bundesliga, Copa América and more

- **Football:** International sports broadcaster Eurosport acquired rights in Denmark, Norway and Sweden, as well as Singapore, for the Uefa Europa League. The rights cover three seasons, from 2015-16 to 2017-18. Two matches will be broadcast live each match day on Eurosport Norway, Eurosport Denmark and Eurosport 2 in Sweden, and up to two matches will be shown live on parent company Discovery Communications' channels - Kanal 9 in Sweden, Max in Norway, and 6'eren and Canal 9 in Denmark. About 100 matches per season will also be available on Dplay, Discovery's premium video streaming service. In Singapore, Eurosport Asia will broadcast two live games per match day (page 1).
- Football: ESPN confirmed a sublicensing deal with rival international pay-television sports broadcaster Fox Sports Latin America for Serie A across Latin America and certain territories in the Caribbean. The deal, which includes Brazil, covers the three seasons from 2015-16 to 2017-18.
- **Football:** Eurosport acquired rights in the Netherlands for Serie A and Ligue 1, the top divisions in Italy and France. The deals cover three seasons, from 2015-16 to 2017-18, and include television and digital rights plus the French league cup, the Coupe de la Ligue (page 1).
- **Football:** Gazzetta TV, the Italian sports channel operated by the RCS MediaGroup, acquired exclusive live

- rights for the 2015 Copa América national team tournament (page 8).
- Football: Portuguese commercial broadcaster TVI acquired rights for the 2015 Copa América. Live coverage and highlights will be shown on the TVI and TVI24 channels.
- Football: Polish public-service broadcaster TVP acquired rights for the 2015 Copa América. The TVP Sport HD television channel and online streaming service Sport.tvp.pl will show all games live. The TVP1 channel will also show some matches.
- Football: Hong Kong telco PCCW acquired exclusive rights for the 2015 Copa América. PCCW will show all 26 matches live via its pay-television service Now TV after striking the deal with the MP & Silva agency, which has been marketing the rights in Asia.
- Star India confirmed the acquisition of rights for the Bundesliga, the top division in Germany. The exclusive rights will run for five seasons, from 2015-16 to 2019-20. The deal was agreed with DFL Sports Enterprises, the commercial arm of the Deutsche Fussball Liga, the German football league. It covers Bangladesh, Bhutan, India, the Maldives, Nepal and Sri Lanka. The deal was reported by TV Sports Markets in November 2014.
- **Football:** StarTimes confirmed a five-season deal, from 2015-16 to

- 2019-20, for the Bundesliga. The rights are exclusive in sub-Saharan Africa and include live coverage, preview and review shows.
- Football: Pan-African pay-television operator StarTimes acquired rights for the 2015 U-20 World Cup in New Zealand, Women's World Cup in Canada and U-17 World Cup in Chile. StarTimes struck the deal with Fifa, the sport's global governing body. The Women's World Cup will be broadcast on new channel Star Sports Premium, which launched on June 1 as part of the StarTimes Unique package.
- Football: German sports broadcaster Sport1 acquired rights for selected matches during the 2015 Uefa U-21 European Championship. The rights, which were acquired from the SportA agency, cover all platforms. Sport1 will show four games not featuring the German national team plus the final, as long as Germany fail to qualify live and exclusive on free-to-air television. Sport1 will also broadcast highlights.
- Football: ESPN agreed a deal with fellow pay-television US sports broadcaster One World Sports to simulcast coverage of a game between the North American Soccer League's New York Cosmos and the Cuba national team in Havana on June 2. One World Sports will broadcast and produce the game. ESPN will show the match on its ESPN2 and ESPN Deportes channels.

# **SINCE LAST TIME**

- DirecTV is monitoring the US Department of Justice's investigation into allegations of corruption involving Fifa, football's global governing body, and the Torneos y Competencias agency, in which the eponymous pay-television operator has a minority stake. US prosecutors' indictment in the case against Alejandro Burzaco, the head of TyC, claims the agency's joint venture with the Traffic Sports and Full Play agencies, Datisa, agreed to pay bribes of \$110m (€101m) to football officials for rights to Copa América matches. The payments were allegedly channelled through a Swiss bank account of a TyC affiliate (page 1).
- The Uruguayan Football Association's secretary of economic affairs, Ignacio Alonso, said it is a "possibility" the governing body could curtail its contract with Full Play following the scandal. The association signed a rights deal with the agency, covering certain Uruguay national team away games, earlier this year (page 1).
- The Autoridade da Concorrência, Portugal's competition regulator, ratified a set of proposals by Controlinveste, the investment vehicle which controls the Olivedesportos agency, to limit the lengths of domestic rights deals with football clubs from the top two divisions to three seasons. Companies will also be barred from agreeing deals with clubs that extend beyond a three-season period following a break clause, while deals which include a right of first refusal upon a contract's conclusion will be

# **MEDIA RIGHTS 2**

# Cotto v Geale, Sri Lanka Cricket, Wiggins' hour record, The Open and more

- Boxing: German pay-television broadcaster Sky Deutschland acquired exclusive rights for the World Boxing Council middleweight title clash between champion Miguel Cotto and Daniel Geale on June 7. The fight was shown on pay-per-view service Sky Select.
- Cricket: Sri Lanka Cricket awarded its domestic rights to state-owned broadcaster Rupavahini for three seasons, from 2015-16 to 2017-18. The rights will be exploited on Channel Eye and will include Sri Lanka's upcoming home series against Pakistan, which begins on June 17 (page 2).
- Cycling: Eurosport acquired live television and digital rights for Bradley Wiggins' hour record attempt on June 7. The rights covered the Asia-Pacific region and Europe, excluding the UK. The rights were exclusive in Belgium, France, Germany, the Netherlands, Poland and Spain.
- **Golf:** The NBC Sports division of media company NBCUniversal acquired rights in the US for the Open Championship. Coverage will be

- shown on the NBC network plus the group's Golf Channel and NBC Universo channels in English and Spanish (page 8).
- Golf: Eurosport acquired rights in Norway for the US PGA Tour over six years, from 2016 to 2021, in a sublicensing deal with pay-television broadcaster C More, which in March bought the rights across the Nordics over the same six-year period. The deal includes coverage of a minimum of 36 tournaments per year, plus the Presidents Cup between the US and an international team in 2017, 2019 and 2021. The coverage will be shown on Eurosport Norway and the Dplay digital service (page 1).
- Golf: LeTV Sports, the sports-rights venture operated by Chinese IPTV operator LeTV, struck a rights deal with the US Golf Association for three years, from 2015 to 2017. The rights cover the US Open, US Women's Open Championship and US Veteran Open.
- **Gridiron:** Canadian pay-television sports broadcasters TSN and RDS

- agreed a three-year extension, from 2019 to 2021, to their deals with the Canadian Football League. TSN and Frenchlanguage sister channel RDS retained exclusive television and digital rights to all CFL games, including pre-season, regular-season and play-off matches, as well as the season-ending Grey Cup.
- division of US media company
  NBCUniversal extended a rights deal
  with the New York Racing Association
  including exclusive rights to the Belmont
  Stakes. The New York Times newspaper
  said the renewal would run until at least
  2020. Coverage will be shown on the
  NBC and NBC Sports Network channels
  plus its digital platforms. NBC Sports
  International will continue to distribute
  NBC's coverage of the Belmont Stakes
  on a global basis.
- Horse Racing: The WatchandWager division of online betting company Webis Holdings renewed a simulcast and video streaming deal with the NYRA. The deal covers live video streams of events at racecourses operated by the association.

blocked. Controlinveste made the proposals after the watchdog launched an investigation into the company's contracts with football clubs in April 2013.

# **MEDIA INTERNATIONAL**

- International sports broadcaster Eurosport will establish a new local channel in Denmark on July 1 after relaunching its Eurosport Player digital service. Eurosport Denmark will replace Danish channel Canal 8, a general sports channel which was acquired by Eurosport parent company Discovery Communications from pay-television broadcaster C More.
- Internet company Yahoo was selected by American football's NFL to deliver the first live stream of a regular-season game free to viewers worldwide. Yahoo will provide live coverage of the NFL International Series game in London, UK, between the Buffalo Bills and Jacksonville Jaguars on Sunday, October 25. Coverage will be available on multiple online platforms, including Yahoo, Yahoo Sports, Yahoo Screen and Tumblr.
- US pay-television operator Charter Communications began carrying regional pay-television channel SportsNet LA on June 9. The deal was agreed following Charter's acquisition of fellow

cable-television operator Time Warner Cable, which had been the channel's only major distributor in Southern California.

- UK pay-television broadcaster BT Sport will launch a free-to-air digital channel, BT Sport Showcase, to offer live coverage of some Uefa Champions League and Europa League matches, starting in 2015-16. The channel will broadcast a minimum of 12 Champions League and 14 Europa League matches per season, with each participating British team being shown at least once. BT Sport will charge £5 (€6.95/\$7.60) per month for these matches. In August, the broadcaster will also launch BT Sport Europe, on which it will show its European football coverage, and BT Sport Ultra HD, Europe's first 4K ultra high-definition channel.
- The Mediapro agency will withdraw its Gol T football paytelevision channel from Spanish digital-terrestrial television on July 1. Gol T will be replaced by Mega, a male-oriented channel that will be launched by commercial broadcaster Atresmedia. In April, Mediapro struck a deal to distribute beIN Media Group's new Spanish sports channel from its launch on August 1. In announcing the deal with Atresmedia to replace Gol T with Mega, Mediapro said the new beIN Sports channel would be available on the TotalChannel platform and other pay-television operators.

# **MEDIA RIGHTS 3**

# European Games, Wimbledon, French Open, US college sport and more

- Multi-sport: Pay-television broadcaster Fox Sports Africa acquired rights in 25 territories in sub-Saharan Africa for the 2015 European Games. Fox Sports Africa will broadcast daily coverage in English and French on the Fox Sports and Fox Sports 2 channels plus coverage of the opening and closing ceremonies.
- **Multi-sport:** Serbian public-service broadcaster RTS acquired rights for the 2015 European Games.
- Multi-sport: Pay-television broadcaster Sky New Zealand acquired rights for the 2015 European Games. Sky will broadcast coverage via two dedicated 24-hour Sky Sport channels.
- Multi-sport: Russian state broadcaster VGTRK acquired free-to-air and pay-television rights for the 2015 European Games. VGTRK will broadcast more than 10 hours of coverage daily via its Russia 2 free-to-air channel and the Sport 1, Sport and Fight Club pay-television platforms. Coverage will be available online via sports video service

- Sportbox.ru and sports website Vesti.ru.
- **Tennis:** Eurosport acquired rights in Belgium for the Wimbledon Championships. The exclusive deal covers television and digital rights over three years, from 2015 to 2017, in Flemish and French (page 1).
- **Tennis:** Indian telco DigiVive acquired rights for the 2015 French Open. The deal covered mobile and online platforms, with the rights exploited via DigiVive's nexGTv digital application.
- US College Sport: US pay-television broadcaster CBS Sports Network struck a rights deal for American football and basketball games from the US Mid-American Conference. The rights, which will cover four seasons, from 2015-16 to 2018-19, were acquired in a sublicensing deal with ESPN. The deal covers up to six American football games and seven basketball match-ups in the first season, followed by up to 12 games of each sport in the remaining three seasons. In 2015-16, the six American football

- games will include two Thursday and three Saturday games, as well as one game on the Friday after Thanksgiving.
- Volleyball: Thailand-based multimedia company SMM became the worldwide media and marketing rights distributor of the Asian Volleyball Confederation, the sport's governing body in Asia and Oceania. The four-year deal will run from 2016 until 2019.
- Wrestling: Italian pay-television broadcaster Sky Italia renewed a deal for WWE programming over five years, from 2015-16 to 2019-20. Sky will continue to show the organisation's flagship programming, including WWE Raw, SmackDown, NXT, WWE Experience and WWE Main Event. Cielo, Sky's free-to-air channel, will broadcast one-hour versions of WWE Raw and SmackDown weekly on Sunday mornings. All WWE pay-per-view specials per year, including WrestleMania and SummerSlam, will continue to be available on the Sky Prima Fila service.

- Production company Plazamedia extended a deal to produce German public-service broadcaster ZDF's coverage of the Uefa Champions League for three seasons, from 2015-16 to 2017-18.
- Russian media group Gazprom Media Holding will launch a new analogue and digital-terrestrial television sports channel. The channel will be created by using the infrastructure of paytelevision broadcaster NTV-Plus's DTT channel Sport Plus. It will be distributed through the network of Russia 2, the free-to-air channel operated by state-owned broadcaster VGTRK. Programming will include national and international events, youth sports, and health and fitness-related content. Russian Sports Minister Vitaly Mutko said the channel is expected to launch on September 1.

# **MEDIA RIGHTS NEGOTIATIONS**

- American football's NFL will consider selling standalone digital rights to its Thursday Night Football package of games according to Hans Schroeder, the league's senior vice-president for media strategy, business development and sales.
- UK public-service broadcaster the BBC responded to reports it is considering curtailing its live rights deal for golf's Open Championship, saying it is "committed" to showing the next two editions. Earlier this year, the Royal & Ancient Golf Club, which

- organises the annual event, awarded exclusive live rights to pay-television broadcaster Sky in a five-year deal from 2017 to 2021.
- German commercial broadcaster RTL is reported to be close to extending a rights deal for the Formula One motor-racing world championship for three years, from 2016 to 2018.
- South African pay-television broadcaster Siyaya TV rejected claims by public-service broadcaster the SABC that the latter had struck a deal for coverage of South Africa's national football teams. Siyaya said the SABC had not acquired the rights and added that the public-service broadcaster had "refused to deal with Siyaya" on a possible sublicensing deal (page 8).
- Australian pay-television broadcaster Sky Racing will cease coverage of thoroughbred horse racing from the state of Victoria on June 15, according to parent company Tabcorp, a gambling operator in the country. Tabcorp submitted an offer for the rights to events operated by the Racing Victoria body on June 1. Racing Victoria's preferred future partner is commercial broadcaster Seven, with Sky allowed to acquire a reduced package of rights. According to The Sydney Morning Herald newspaper, Seven will not be able to start broadcasting Victorian racing until August.
- The Macquarie Capital investment bank was hired by the Australian Football League to assist in negotiations for the next cycle of domestic media rights for the top division of Aussie rules.

The AFL will begin talks in the coming months over a new five-year rights cycle, from 2017 to 2021.

- Four broadcasters submitted final bids for rights to the Ekstraklasa, the top football division in Poland. The Ekstraklasa, which is being advised by the MP & Silva agency, was considering bids for rights starting with the upcoming 2015-16 season.
- TrueVisions will "fight to the end" to dislodge rival Thai paytelevision operator Cable Thai Holdings as the rights-holder for football's English Premier League, according to Suphachai Chearavanont, the president and chief executive of the broadcaster's parent company, True Corporation. The rights for three seasons, from 2016-17 to 2018-19, will be put on the market in the next two months. Chearavanont said TrueVisions would not over-pay for the rights, with CTH having doubled the rights fee in the three-season cycle from 2013-14 to 2015-16.

# **ALSO SINCE LAST TIME**

- The NBC Sports division of US media company NBCUniversal launched a new sports documentary production division, NBC Sports Films, which will produce and broadcast an average of one documentary every three months. The documentaries are likely to focus on sports such as ice hockey and Nascar stock-car racing.
- The Premier League, the top-tier of football in England, revamped its solidarity payments system for clubs competing in the lower-tier Football League. From the 2016-17 season, clubs will receive 55 per cent of the equal share of broadcast revenue paid to Premier League clubs in the first season after relegation, 45 per cent the following season and 20 per cent in the third. Clubs relegated after a single season in the top division will receive 55 per cent in the first season, and then 45 per cent in the second with the third payment eliminated.
- Telco EE trialled an instant replay service via 4G mobile technology during the FA Cup final between Arsenal and Aston Villa on May 30. The trial involved some spectators at Wembley Stadium. EE, a sponsor of the stadium, connected multiple devices to one stream of live footage over its 4G mobile network, giving spectators a chance to watch multiple camera angles and replays.

- Six UK internet service providers were ordered to block subscriber access to three websites which offer live streaming coverage of English football matches. The Premier League and the Football Association, the sport's governing body in England, extended the list of websites blocked by the UK High Court to 128 by adding Rojadirecta, LiveTV and Drakulastream.
- The BBC will offer up to 15 live online streams simultaneously during its coverage of tennis's 2015 Wimbledon Championships. The streams will be available via a dedicated page on the BBC Sport website, with rolling highlights supplementing coverage on the broadcaster's main BBC One and BBC Two channels.
- International sports broadcaster ESPN provided live and on-demand coverage of the 2015 summer X Games action sports event to European audiences through its broadband platform, ESPN Player.

# **INDUSTRY MOVES**

- Thierry Thuillier was appointed as the new head of sport at French pay-television broadcaster Canal Plus. Thuillier currently works as programme director of France 2, a channel operated by French public-service broadcaster France Télévisions. He will start his new role on June 15.
- German sports broadcaster Sport1 appointed Ivo Hrstic as director of content and digital editor. Hrstic, who previously worked as head of Sport1.de, the broadcaster's website, will continue to report to Sport1 managing director Olaf Schröder.
- MP & Silva appointed William Mao from video-sharing website YouTube to serve as the agency's new vice-president of digital operations in the Americas. Mao will be based in the agency's New York office.
- US Olympic Committee chairman Larry Probst was appointed to lead the International Olympic Committee's new 16-member Olympic Channel Commission, which will oversee the launch of the Olympic channel next year. IOC president Thomas Bach will chair the channel's 12-person board of directors. The IOC also formed an Olympic Channel Services department, which will be led by Spanish IOC member Juan Antonio Samaranch Junior.

# EDITORIAL

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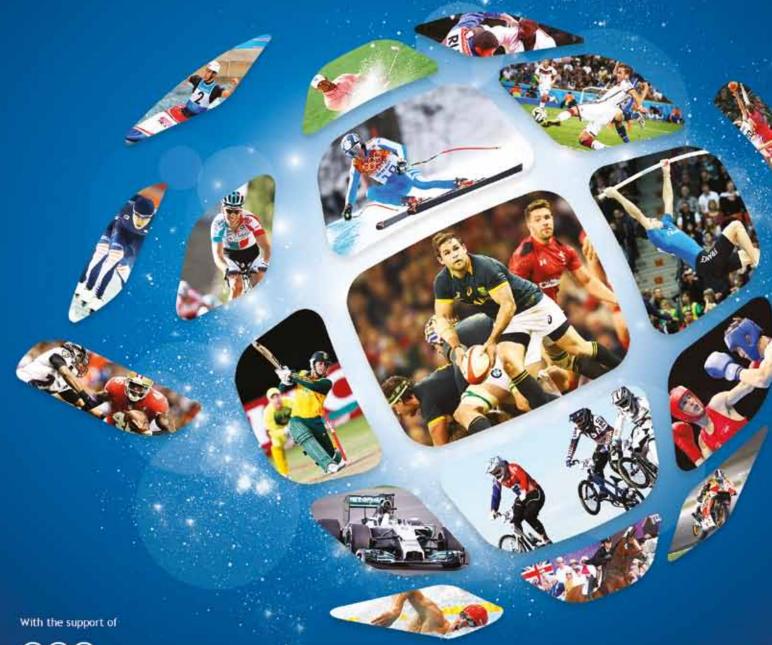


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