

PREMIER LEAGUE

Discovery and beIN stay away but status quo still delivers big increase

By Frank Dunne

It is not yet clear whether Sky's 83-per-cent increase in spending on Premier League rights was down to a blockbuster first-round bid to see off BT, a second-round reaction to aggressive BT bidding, or a combination of both. What this week's deal does make clear is that the Premier League is absolutely critical to Sky's entire business model.

This has been questioned. Some analysts argue that the league is one of many attractive sports on Sky, sport one strand of entertainment among many, Sky's channels just one part of a wider offering including phone and broadband services, and that Sky itself is now part of a wider pay-television business also encompassing Germany and Italy.

Losing some Premier League rights or some of the best picks would not be a disaster, the argument went. Sky clearly does not agree.

Sky and BT will pay a combined £5.136bn (£6.805bn/\$7.719bn) over three years, from 2016-17 to 2018-19, or £1.712bn per season. Of this, Sky is paying £1.392bn per season, an increase of 83 per cent on the £760m per season it pays in its current three-year deal. BT is paying £320m, an increase of 30 per cent on the £246m per year it currently pays.

There are several other observations which can be made about the process and its outcome. These are:

- it was a two-horse race – neither

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AGENCIES

Infront must shape its own destiny

By Frank Dunne

The €1.05bn (\$1.19bn) acquisition by Chinese conglomerate Dalian Wanda of the Infront Sports & Media agency this week is expected to make the agency even more aggressive in the rights market than it has been in the last two years, when it was being fattened up for sale.

The agency will be aggressive – inevitably – in the burgeoning Chinese sports market. It has already established a foothold there through its advisory deal with the Chinese Basketball Association,

which began in 2005 and runs to 2017. But being owned by Wanda will open doors and help build relationships that would have been beyond Infront.

The company is owned by China's second richest man, Wang Jianlin. It has interests ranging from real estate to financial services. The investment in Infront was driven by its diversification into entertainment (see panel, page 6).

As one rival agency boss put it this week, "China is a highly volatile market


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PREMIER LEAGUE

Big Sky and BT bids show UK pay-TV needs top football

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Discovery/Eurosport nor the beIN Media Group bid

- the planned roll-out of 'quad-play' services (combining television,

broadband and both fixed and mobile telephony) was the most important long-term context to the bidding

- the overall value was driven up by a fierce battle for two packages: package D, which includes 28 Sunday 4pm kick-offs, with 18 first-picks; and package E, with at least 18 Monday evening matches
- Sky's loss of the Uefa Champions League to BT from next season heavily conditioned the broadcaster's outlook
- getting a 70-per-cent increase from the two broadcasters just to maintain the

status quo was a personal triumph for league chief executive Richard Scudamore and his closest advisers, lawyer Nick West and consultant David Kogan

- the deals could yet be struck down by UK regulator Ofcom.

Two-horse race

US media company Discovery Communications had been widely expected to bid for some live rights for its British Eurosport channel, the UK-oriented version of the pan-regional

WHAT THE EXPERTS SAY

Phil Lines, consultant, Nootka, and former director of international broadcasting and media operations for the Premier League

I was expecting the deal to be worth close to £5bn, probably in the £4.7bn to £4.9bn range. Having lost the Champions League and the Europa League, Sky were in a very difficult position. They couldn't afford to lose anything. BT less so, having got exclusive Champions League and Europa League rights. But they wanted to improve the packages they have. Sky's loss of the Champions League and the Europa League was the Premier League's gain.

In terms of the value of the individual packages, it used to be just Sky who understood it because they had all the data. In the last few years, BT have probably done a lot of research into the relative merits of the packages. When they look at the balance of kick-off times, time-slots and picks, they have experience of knowing what to go for.

We have talked about platform wars and it is still that. The origins of the Premier League's initial success were in a platform war: satellite TV v terrestrial TV. Before the Premier League was even formed, there were club chairmen being told that satellite broadcasters, in particular Sky, had to get something to make a difference. Sky was a struggling satellite channel until the Premier League was formed in 1992. That was the first platform war.

Then it was a war between digital and analogue, then a broadband war, and it's now becoming a quad war. For the future,

you have to look at other forms of technology, other platforms, and whether that will continue to make a difference. What this is not about anymore is just pay-TV subscriptions.

For a standalone channel business, the economics don't add up, but it depends on whether you need the economics to add up or not.

I never thought Discovery would bid, or if they did, that they would be a serious player. What would they have been bidding for? They would like to find something to push up their carriage fees. Would the Premier League help? Yes. But not at the numbers the Premier League rights are going for. US companies are not big risk-takers. There is more chance that they will try to pick up international rights in some territories when they come up for sale later this year.

Show me the evidence that US companies will really rip it out and go for it outside America. I have never seen it. If ESPN don't have the stomach for that kind of fight, why would Discovery?

IMG were twice given a price for the international rights to the Premier League and twice decided not to go for it, in 2004 and 2007. They asked for a world price, which we gave them, but they said it was too high. We surpassed it both times.

There has been pressure on [Premier League chief executive] Richard Scudamore to have more live matches. His tactic has been to increase the number of live matches each time. He has always resisted creating a new slot. Friday night is

unpopular with travelling fans but he has staunchly resisted creating a new package on Saturday or Sunday or allowing matches to go head to head and that doesn't leave many alternatives.

Claudio Aspesi, senior analyst, Bernstein

In spite of the positive response from the market, I think that BT got a set of very weak rights, certainly weaker than the rights they had before. They will struggle to keep interest in BT Sport and they are paying 30 per cent more.

The market responded well because there had been fears that BT would have been drawn into a huge price increase but with marginal incremental value. They could have spent 40-50 per cent more to get one more package that would not have really moved the needle.

If Sky had ended up with marginal games, it would have been catastrophic. Sky is operating under the fear that if it lost its prominence in Premier League broadcasting the impact on its share price upfront will be so massive that they are better off spending the money.

It is worth remembering what happened to Premiere [now Sky Deutschland] in 2005. When they lost the rights to the Bundesliga their share price fell 50 per cent in one trading session. That is the lesson that everyone keeps in their minds: if you have the bulk of the domestic football rights and you lose them, the impact will be massive.

If you assume that BT outbid Sky on

sports channel. The company is looking to improve Eurosport's carriage fees and advertising revenue by acquiring premium content in individual markets to add to its pan-regional content. It held talks with the Premier League but in the end did not table a bid.

Discovery said on Wednesday: "As a global media company, Discovery evaluates many opportunities – from media assets to sports rights – but we do not act on everything. We remain disciplined and focused on investments

that will drive long-term value for our worldwide businesses.

"The Premier League is a fantastic property with widespread popularity around the globe, so we have the advantage of being able to pursue all types of partnerships with them, beyond any single market, and we look forward to continuing those discussions."

BeIN Media Group plans to roll out its beIN Sports premium channels in the UK. The company looked very carefully into distribution options. One source said

that the company was keen to find a UK platform partner which would have enabled it to launch without securing carriage on Sky.

Some rights experts say this is a potentially significant moment for the league: if two well-resourced channel syndicators cannot afford to bid at current prices, it is hard to see how they will ever do so in future.

One UK rights expert said the beIN strategy when rolling out its channels was to target three rights properties: the top

three lesser packages and Sky realised they were behind, that would have panicked them into putting high bids across the board in the second round. That would have been the natural response at that point. They could easily have decided that it was better to spend vast amounts of money than to walk away with nothing. If Sky had three packages by Friday, as has been reported, they could have still interpreted that as a sign that BT were getting ready to trump them on the other packages.

We don't know whether Sky panicked without realising they were being led down the garden path by BT, or whether they acted extremely rationally in the light of the information they had.

I don't think this will change much for Sky in terms of their wider sports rights strategy. They have smaller, more marginal sports they can abandon if they want to in order to keep costs down. But their overall position in the sports market will not change all that much. I don't think they will give up on anything important.

If you are Virgin Media you will not be very happy as you will have to pass on price increases to your own customers in order to fund all of this spending, which is why they tried to block the sale. This is something that Ofcom will now have to take into consideration. This may finally give the regulator ammunition to go in and argue for a completely different way to sell the rights. There has to be a point where Ofcom worries whether this price inflation destroys the profitability of all

the companies it regulates.

As things stand, Vodafone and Virgin would be mad to get involved in acquiring sports rights. It is hard enough to do it for the incumbents. To add further capacity by adding Vodafone Sports and Virgin Sports on top of Sky Sports and BT Sport would make the whole thing catastrophic for the distribution businesses.

David Murray, director at Fozmuz and former BBC head of sports rights

Every time the Premier League announces the results of another eye-popping auction, the inevitable question is: is this sustainable?

Having lost the Champions League rights, Sky had to maintain its Premier League portfolio, and paid a high price in anticipation of strong competition from BT. Live Premier League football remains central to Sky's content proposition, and Sky claims the extra £625m per year can be found through savings (including the Champions League) and a £1 per month increase in subscriber fees.

Sky's share price dropped almost 10 per cent following the announcement of the new deal, but at the time of writing had already made much of that back.

For BT, Premier League football is not as central to its ultimate distribution business. It was happy to maintain its rights position knowing Sky could not increase its packages, while estimating Discovery could not justify a serious challenge.

Combined with its Champions League

coup, BT now has a compelling football proposition. Having staunches its broadband haemorrhage, its corporate focus is on the integration of its £12.5bn EE mobile acquisition, a new front in its battle with Sky. BT's share price rose slightly following the announcement.

The elephant in the room is the Ofcom investigation. Virgin Media sought to postpone the tender process until after the investigation. However, the lack of a delay has improved its case. The back-to-back 70-per-cent live rights fee increases have dramatically increased the importance of Premier League football relative to the total UK sports rights market.

Among other areas, Ofcom will investigate whether collective selling of the Premier League rights is anti-competitive. In forming a judgement, it will look at the size of the Premier League rights fees relative to the overall market. That market could encompass all UK sports rights, or Ofcom may decide football is a market in its own right.

Either way, the Premier League's share of the overall pot is approaching three quarters, with the Champions League rights its closest competitor, albeit costing a full £1.4bn per year less. Every other sports right is out of sight. The last two auctions make it more difficult for the Premier League to argue its case. ■

Phil Lines, Claudio Aspesi and David Murray will be panellists on a TV Sports Markets webinar on the implications of the new league television deals on Tuesday February 17, at 10.00 GMT.

BBC pays more to keep key Premier League highlights

UK public-service broadcaster the BBC renewed its Premier League highlights rights late last month, paying a rights-fee increase of 13.5 per cent despite a lack of competition from other broadcasters.

The new deal is for three seasons, from 2016-17 to 2018-19, and is worth £68m (£90m/\$102m) per season. This is up from the £59.9m per season the BBC pays in its current deal, from 2013-14 to 2015-16. The deal was agreed between the BBC and the Premier League after a tender process.

In the run up to the bidding deadline, January 29, commercial broadcaster ITV had been expected to bid aggressively to win back rights it last held in 2001-02 to 2003-04. ITV has lost Uefa Champions League, FA Cup and IPL cricket rights in recent times, and is thought to be looking to add sports content.

TV Sports Markets understands ITV did not bid. Nor did commercial broadcasters Channel 4 and Channel 5. The BBC is thought to have increased the fee for two main reasons.

First, due to the threat of an ITV offer. Its *Match of the Day* show is a flagship programme and provides very strong

ratings. It had an average audience of over 3.8m for *Match of the Day* and just under 2.6m for *Match of the Day 2* across the 2013-14 season.

Second, budget cuts imposed on the BBC mean it has to prioritise its most important properties, which are the Premier League highlights, the Wimbledon tennis championships and Six Nations rugby union. It is expected to bid hard to retain the latter two when those rights are up for renewal.

The BBC this month lost rights to British Open golf (see separate story, page 8), and has had to reduce its exclusivity for US Masters golf and Formula One motor racing in sharing deals with pay-television broadcaster Sky.

It is also understood to have lost its Football League highlights rights to Channel 5. The commercial broadcaster is expected to pay a rights fee of close to £2m per season, plus production costs of about £1m per season.

The BBC currently holds the rights in a three-season deal, from 2012-13 to 2014-15. It does not pay a rights fee but covers production costs of close to £1m per season.

domestic league, the English Premier League and the Champions League.

"With that, they're in," he said. "In some markets, the domestic league is weak and less important. But in the UK, without the Premier League, it can't work."

Nevertheless, beIN is said to be undeterred by the Premier League outcome and launching in the UK is a matter of when, rather than if, with or without Premier League rights. The company is expected to bid for the rights to Spain's La Liga later this year.

Quad war

If the battleground for the last Premier League rights auction in 2012 was the UK broadband market, this time it was the emerging quad-play market.

The big difference is that in 2012 the triple-play services which broadband enabled BT and Sky to offer were developed and had been taken up by millions of customers. Quad-play is still marginal – less than one per cent of UK homes take all four services from a single provider. But by the time the new deals begin, in 2016, it will be the terrain on which BT and Sky will be competing.

One UK media executive said: "The immediate focus is still very much on triple-play, but the long-term game is about quad-play. This was the background to the bidding but I doubt that either Sky or BT has really nailed down their strategy yet. BT is still in the middle of its acquisition of [mobile operator] EE, so it's still very early days."

Some experts predict that the need for top content to differentiate quad-play services will extend to the league's rights for near-live matches and digital clips, forcing up the price of both considerably.

'Kingmaker' package

The league secured increases in rights fees across the board but the bulk of Sky's investment is understood to be in packages D and E.

Sky's *Super Sunday* and *Monday Night Football* programmes are considered the 'crown jewels' of its sports output. The Sunday package, in particular, is seen as the 'kingmaker' by UK pay-television operators and was heavily targeted by BT.

In the 2013-14 season, the average live audience for the Sunday 4pm matches was 1.831m. The next highest was Sunday lunchtime, with 1.467m, followed by Monday evening, with 1.393m.

The league arguably made a shrewd move in yoking the new slot on Friday evening – considered a graveyard slot by broadcasters – with the more popular Monday night matches in package E. Interest was also driven in the new slot by the fact that it could become the preferred time slot for teams who are involved in Champions League matches the following Tuesday.

Premier League picks, current cycle v new cycle				
Broadcaster	Pick	Current Cycle	Change	New Cycle
Sky	1st	20	6	26
	2nd	33	-2	31
	3rd	35	-12	23
	4th	35	11	31
	5th	8	7	15
	Total	116	10	126
BT	1st	18	-6	12
	2nd	5	2	7
	3rd	0	12	12
	4th	13	-9	4
	5th	2	5	7
	Total	38	4	42

Source: *TV Sports Markets*

Sore losers

Sky's loss of the Champions League and Europa League rights to BT from the 2015-16 season hurt the company's senior rights-acquisitions team, and heavily conditioned its strategy for the Premier League rights.

BT's €1.076bn take-it-or-leave-it first-round offer to Uefa in November 2013 completely wrong-footed Sky. Publicly the broadcaster put a brave face on the loss, but privately senior management vowed never to be outflanked by BT again for such an important property. In addition, having missed out on the rights, Sky was left with a large war chest to spend on the Premier League that it would not otherwise have had. As a consequence, some sources say, first-round bids from both broadcasters this time were higher than the league had expected.

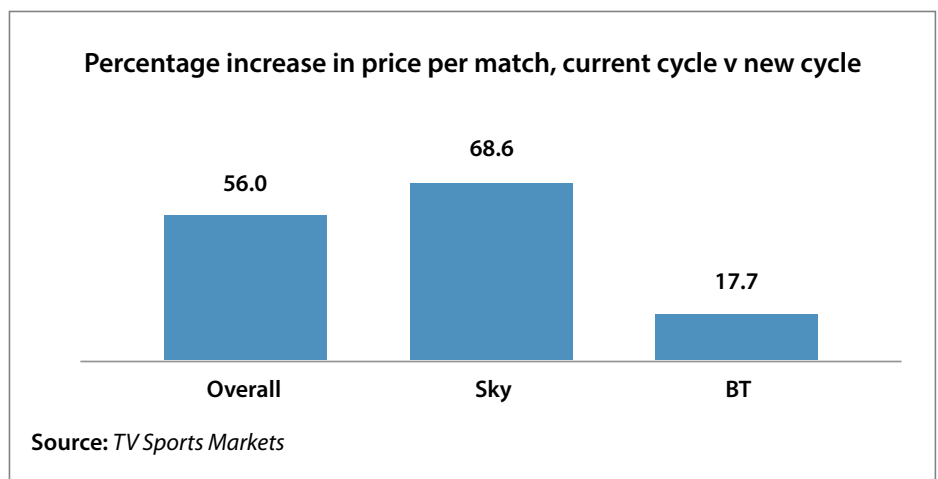
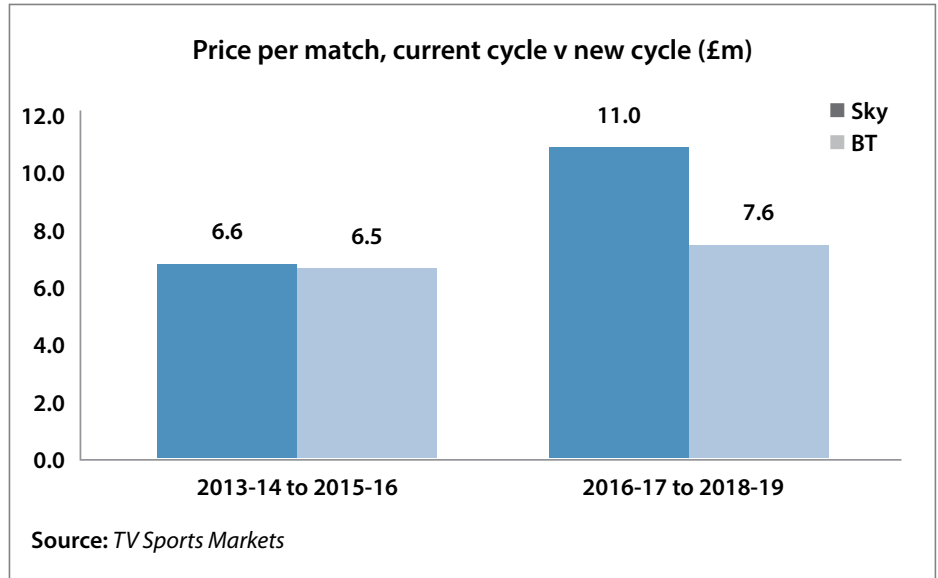
In some respects, Sky's huge fee increase this time is proof, if it were still needed, that it respects and fears BT like no other rival it has ever faced in the UK market, and understands that BT will be a long-term competitor.

Emotional response

One UK pay-television executive with experience of Premier League rights auctions said that the real skill of Scudamore and his team was that they turned the tender into "an emotional, rather than rational process."

Scudamore, he said, "is a genius at schmoozing all the players in the market to get them to where they feel they have to be in and know exactly how to go about it. Then the auction is handled in such a way as to appeal to the emotions of those involved – be it fear, ego, paranoia or whatever. You get to where you sign off on bid levels that you could never really justify rationally."

Another executive who has been through the process was highly critical. He said the only way to ensure a level playing field for all bidders would be for second-round bids to be delivered by email or fax on the same day as the initial bids and for all communication to be overseen by an independent adjudicator. "The league gets its bids on a Friday then leaves you to sweat over the weekend.



And you have no way of knowing what kind of phone conversations are taking place on Saturday and Sunday," he said.

Ofcom's pale shadow

A second consecutive 70-per-cent increase for the league is unquestionably a brilliant achievement and testament to the fact that Premier League matches are the only truly must-have content for a UK pay-television operator. But the shadow of Ofcom, the UK's competition regulator, still looms over the deals.

Ofcom's decision not to halt the sales process this month in response to a complaint from Virgin Media was not tantamount to it giving approval for the sales process. It cannot be ruled out that the regulator will strike down the deals with BT and Sky if it finds that the collective selling of rights, allied to a limit on output of the number of matches to

168 out of 320, represents a restriction of competition.

It remains more likely, however, that Ofcom's focus will be on convincing the league to make most or all of its games available for live broadcast in the next cycle, from the 2019-20 season. As one senior competition lawyer put it late this week, "my instinct is that a regulator would focus on the next cycle, assuming that it is actually minded to change anything. Ofcom is not a strong regulator anyway and they will know that it would be deeply unpopular from a political point of view to attempt to strike down these deals.

"Plenty of people will think these deals are 'good news for Britain' since a British industry is generating vast profits. Plus, it's difficult to suggest that the outcome was not the result of a highly competitive bidding process." ■ www.bbc.com/sport/0/football/2015/02/150212_sky_bt_premier_league_bids

THE PREMIER LEAGUE RIGHTS DEALS

To dig further into the English Premier League's landmark new domestic media rights deals with pay-television broadcasters BT and Sky, *TV Sports Markets* is hosting a free webinar on **Tuesday, February 17**, featuring three experts from the sports and broadcasting industries. They are:



PHIL LINES

Consultant at Nootka Ltd,
and former Director of International Broadcasting and Media Operations at the Premier League, who led the league's international rights sales during his time there.



CLAUDIO ASPESI

Senior Research Analyst at Bernstein,
and an expert on the telecoms and media industries.



DAVID MURRAY

Director of Fozmuz Limited,
and former Head of Sports Rights at the BBC who has worked with rights-holders from across the sports world, including the Premier League.

The discussion will be moderated by Frank Dunne, editor of **TV Sports Markets**. Webinar attendees will hear the views of the panel on big issues raised by the deal, including: -

- **What drove the 70% increase in the league's rights fees**
- **What the deals mean for Sky, BT, the Premier League, and their rivals**
- **Why we didn't see Discovery or beIN Sports emerge as Premier League broadcaster**
- **Whether or not Ofcom could yet strike the deals down**

The webinar will be broadcast live online, and attendees will have the opportunity to put questions to the panel.

Subscribers of *TV Sports Markets* and *SportBusiness International* Knowledge Centre will also be able to watch a recording of the webinar afterwards

To register, [click here](#)

AGENCIES

Infront: We will keep control of day-to-day management

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but Wanda is a big group and well connected. This will give Infront a big advantage.”

The consensus among industry commentators is that the success of the project depends to some extent on the degree to which Infront is allowed to continue to call the shots. The agency has enjoyed rapid growth under its current management. Turnover grew from €600m per year in 2011 to €800m last year, with some sources putting the agency's ebitda at about €80m.

One private equity consultant said: “Will the new owners interfere in the strategy or will they just be happy to get the benefit of having the company in the group? I would advise them to be hands off, but with sport, people can't resist playing.”

Wanda told *TV Sports Markets* this week: “Infront has a long-term and so far very successful growth strategy as well as a clear vision in place. Dalian Wanda is fully committed to this strategy and vision and will support its further development.

“As for the day-to-day management, the operative business will continue to be directed by existing management and the respective teams. The outstanding services and quality levels will remain intact.”

Infront added: “The change of ownership will have no impact on our day-to-day business. The Infront board will be restructured after the formal closing of the acquisition, following the required extraordinary board meeting to be held within a reasonable amount of time. Wanda Group aims at a focused board presence.”

A strategic plan is already in place until 2020. Infront's most senior executives, such as Philippe Blatter, Stephan Herth and Marco Bogarelli, are said to be committed to staying with the company.

IMG and CAA balk at price

The deal this month was completed after two major US sports industry players – WME/IMG and the Creative Artists Agency – dropped out of the bidding late last year.

A merged WME/IMG/Infront would have created a powerhouse with no close rivals. By turning two aggressive competitors into a single player it would probably have removed some of the dynamism from the global rights market.

Dalian Wanda and Infront in numbers

Dalian Wanda paid €1.05bn to acquire 100 per cent of the shares of Infront from Bridgepoint Capital. Bridgepoint bought the agency in September 2011 for about €550m from its three main shareholders: Jacobs Holding, Martin Steinmeyer and the Junkermann Group.

Wanda acquired a 20-per-cent stake in La Liga club Atlético Madrid last month for €40m. It founded Chinese professional football club Dalian Wanda in 1993. Other entertainment assets include US cinema chain AMC. It is in talks to acquire US film studio Lions Gate.

Wanda has turnover of about \$40bn. Owner Wang Jianlin is estimated to have personal wealth of over \$13bn.

A CAA buyout, on the other hand, would probably have increased it. It would have been a mirror image of WME's acquisition of IMG last year, bringing together a major talent agency with a sports and media business.

Both companies had been in talks with Infront's owner Bridgepoint Capital last year. There were compelling reasons for each to buy the Swiss agency.

For IMG, it would have meant accessing a rights portfolio which is both strong and almost entirely complementary. There are also a number of obvious overlaps between the two groups which would have enabled IMG to make cost cuts without hurting the business.

CAA was studying a joint bid with its 35-per-cent stakeholder, private equity fund TPG. The two failed in a bid to

acquire IMG, with an offer below \$2bn. WME paid \$2.3bn, and in doing so leapfrogged CAA as a sports and entertainment player. Infront represented an opportunity to redress the balance.

It is thought that both WME/IMG and CAA/TPG dropped out largely on price. A further obstacle to an IMG buyout would have been the challenge of integrating the senior management of the two companies.

A number of private equity funds, including US company Providence, also came to the conclusion that a €1bn-plus price tag was too big.

One sports finance expert said Wanda had paid “quite a high price” but it made sense for an industrial buyer with a long-term strategic vision in a way that it could never have done for a private equity firm looking for 25 to 30 per cent growth in three to five years.

He said that Infront's deals with Fifa for World Cup rights in Asia through to 2022 and with Italy's Serie A through to the 2020-21 season had “really exciting margins” but it was difficult to see where deals with similarly high margins could be agreed over the next few years. The deal with the International Ice Hockey Federation for its World Championships is also thought to be lucrative. “For funds looking to drive value over a three-plus year timeframe, €1bn was too much.”

Another expert said that industrial investors were also more likely to pay a premium for a sports asset. “It takes you to a different level in the way your business is perceived globally. There are intangible benefits, which don't exist for a private equity firm, who focus purely on the numbers,” he said.

With the sports and media sectors delivering strong growth and primed to do so for many years to come, the IMG and Infront takeovers will not be the last in the industry. *TV Sports Markets* understands that one major US private equity house is preparing a bid for the MP & Silva agency. One source said this week that exploratory talks had taken place. ■

[www. For the full Q&A with Infront visit our website.](#)

TENNIS

BeIN Media and ITF finally sign off on complex deal

By Robin Jellis

The International Tennis Federation's deal for its global Davis Cup and Fed Cup rights with beIN Media Group, agreed last week, is the largest in the federation's history.

The deal is for seven years, from 2015 to 2021, and is worth just over \$15m (€13.2m) per year. This would be about double the current value of the rights, of about \$8m per year.

At present, the federation agrees deals on a market-by-market basis but the new deal with beIN is for global rights.

ITF commercial director Andrew Walker told *TV Sports Markets* this week: "There were a number of parties interested in the rights, which is a real testament to the perceived and real value of the rights."

BeIN is understood to have beaten bids from the Lagardère Unlimited and IMG Events & Media agencies.

TV Sports Markets first reported that a deal was close in August last year (*TV Sports Markets* 18:15). The sign-off took time because the deal covers a complex matrix of rights. The Davis Cup and Fed Cup are listed events in some territories, in which they must be shown free-to-air.

BeIN is expected to show games in territories where it operates channels, and sublicense the rights to others. It may even agree deals with free-to-air broadcasters in territories where it has channels to boost the exposure of the tournaments.

A full plan is yet to be ironed out. BeIN and the ITF will have a first strategy meeting about distribution later this month. It is expected that beIN will work with an agency to sell on rights.

BeIN will not pay a rights fee in the first two years as the ITF already has deals in many territories for 2015 and 2016. Walker said all existing deals would be "honoured and respected." Once existing deals have ended the rights will be rolled into the beIN deal, he said.

It is understood there is a revenue share element to the deal on top of the guarantee from beIN. However, media rights experts think it unlikely that beIN will earn more than \$15m per year from selling on rights.

The ITF had been seeking a way to "move forward" with its global media rights, and undertook a "comprehensive review process," Walker said. The process lasted 18 months.

Walker said it was more important to agree a deal with a "truly committed partner" than it was to simply increase the overall rights fee.

BeIN will help increase the value of the ITF rights, get more exposure, reach bigger audiences, improve production and develop new media products to meet consumer demand, Walker said.

BeIN is thought to believe there is untapped value for the rights which it could drive by improving production and expanding coverage, and is planning to introduce changes to the format.

The media group also has strong ties to tennis. Nasser Al-Khelaifi, beIN president, is a former professional tennis player and is president of the Qatar Tennis Federation.

The most valuable markets for Davis Cup and Fed Cup rights are Japan, France, Switzerland and Canada. Spain and Argentina are also understood to be lucrative markets.

Free-to-air coverage

BeIN is investing heavily in the rights and will want to show coverage on its channels in territories where it operates, but the federation will insist on a certain amount of free-to-air coverage.

In France and Spain, two big markets for the federation, some games are covered by listed-events legislation and must be shown free-to-air.

In France, semi-finals and finals involving the national Davis Cup team must be shown free-to-air. In Spain, all Davis Cup matches involving the national team must be shown free-to-air. The rights are currently held by public-service broadcasters in both countries – France Télévisions and TVE respectively. ■

[www. For the full interview with Andrew Walker visit our website.](#)

FOOTBALL

Betting rights are the final piece in Bundesliga jigsaw

By Robin Jellis

The German Bundesliga is to agree a deal for its global betting and streaming rights in the coming weeks, which could take its total international media rights revenue to about €160m (\$181m) per season.

It will host a 'Dutch auction' for the rights. This means it will start with a high asking price and lower the asking price until one bidder makes an offer.

The four bidders invited to the auction are: the Sportsman Media Group agency, the IMG Events & Media agency, digital media company Perform, and betting-related services company Sportradar. The deal will be for two seasons, from 2015-16 to 2016-17.

Sportsman currently holds the rights in a three-season deal, from 2012-13 to 2014-15, worth about €3m per season.

The league expects the value to increase to about €8m per season in a new deal. The main reason for this is the increased standing of the league internationally since the current deal was agreed. One media rights expert predicted the rights could fetch up to €10m per season.

The betting/streaming rights deal is the last of substantial value to be agreed for the next international cycle. The league must still agree media rights deals in Australia and New Zealand.

The end of the international rights sales process will signal a switch in focus to the live domestic rights. These are currently held exclusively by pay-television broadcaster Sky Deutschland in a four-season deal, from 2013-14 to 2016-17, worth €628m per season (*TV Sports Markets* 16:8).

Sky's deal covers the Bundesliga 1 and 2 divisions, and the total rights fee is split about 80:20 between the two.

Rights for the next cycle are expected to be tendered in February or March 2016.

The league's rights are sold by DFL Sports Enterprises, the commercial arm of the league, the Deutsche Fussball Liga. ■

BASKETBALL

NBA says its digital breakthrough will be welcomed by all

By Richard Welbirg

The National Basketball Association's exclusive digital rights deal with Chinese internet operator Tencent, agreed late last month, looks to be a landmark one for the country's media-rights market.

It is the first time the sheer size of China's online audience has been reflected financially in a single deal, while the exclusive nature of the deal marks a break from the NBA's international distribution strategy. Previously, it has split content among as many players as possible in order to maximise exposure.

The agreement covers all of the NBA's digital assets in China for five seasons, from 2015-16 to 2019-20. It is worth \$500m (€441m), or \$100m per season, plus a share of future advertising and commercial revenue estimated at \$200m across the five seasons.

NBA China chief executive David Shoemaker told *TV Sports Markets*: "It's the first time in the Chinese media space that we have struck a deal we believe represents the market value of our content. That's a shift that other sports rights-holders are looking at with interest."

Linear broadcast rights are held by state broadcaster CCTV, satellite broadcaster Chongqing Satellite TV and a patchwork of regional broadcasters in multi-year deals. The three-season deal with CCTV, from 2012-13 to 2014-15, is thought to be worth about \$100m.

One rights expert estimated that the NBA currently earns a total of \$70m to \$80m per season from its linear broadcast and digital deals. The deal with Tencent will increase its total rights-fee income by at least 50 per cent.

The level of increase is hugely significant in a territory where rights-holders have traditionally struggled to extract value due to CCTV's control over the market.

The online market is freer, and far more competitive. Rights-holders have long been hopeful that growing audiences and

the growing income of Chinese operators would lead to the competition for top sport seen elsewhere in the world.

Tencent is believed to have faced fierce competition from rival internet company Sina, which currently carries the most exclusive NBA digital content. Internet firm LeTV, currently the NBA's official smart TV and OTT broadcast partner, is also thought to have made a serious bid.

Tencent has a huge user base. In the last quarter of 2014, desktop messenger QQ had 820m unique monthly users and mobile messenger WeChat 468m. But it is still thought unlikely that Tencent will be able to profit on the first years of the deal.

Broadband penetration in China will increase over the duration of the deal, boosting the value of online advertising but some sources suggest the NBA is primarily a loss-leader to gain market share, for which Tencent was prepared to pay a strategic rights fee.

Both parties believe there is significant potential value in the production of NBA-branded computer games. Tencent has already been involved in the delivery of the NBA 2K Online game in China.

Coverage

Through its various portals, Tencent will stream about 400 NBA games per season to computer and mobile devices. It will also operate the NBA.com/China website and the sites of the 30 NBA teams. It will work with the NBA to launch the League Pass full-season live and on-demand subscription package into China for the first time.

Digital streaming rights are currently split between Sina, LeTV and Tencent. All three deals end this season. In the 2014-15 season, Sina will show 146 regular-season games on an exclusive basis. LeTV will broadcast 120 and Tencent 36.

Sina has managed NBA.com/China since signing a three-season deal from 2010-11 to 2012-13. In 2013-14 the deal was expanded to include streaming to mobile devices, and extended to 2014-15. The NBA's existing deal with Tencent, which began in the 2011-12 season, includes clips for its WeChat messaging service and an online store.

The NBA's decision to launch the League Pass into China reflects an increasing confidence in the ability of the market to

resist piracy. Illegal streaming and downloading has been rife in the country, and has been one of the drivers behind rights-holders avoiding exclusive deals in the past.

Shoemaker said: "We are late in China to the League Pass offering in part because our partners have been so capable in delivering our content. It's also frankly been a little because fans weren't ready for it. But we think that's changing. The mindset of the central government towards intellectual property rights is also changing."

China-based sports reporter Mark Dreyer said that launching the League Pass, "could open the door for the pay-television model." But only if it survived piracy. "Cracking down on piracy is much harder here than anywhere else. Even five years ago there was little chance people would have paid for content like this." ■

GOLF

Sky doubles fee to take British Open away from BBC

By Robin Jellis

UK pay-television operator Sky doubled the rights fee for the exclusive domestic rights to golf's Open Championship last week in order to wrest it from public-service broadcaster the BBC.

Sky will pay £15m (€20m/\$22.5m) per year in a five-year deal from 2017 to 2021. It will also cover production costs of several million pounds each year.

This is up from the £7.5m per year the BBC pays in its existing five-year deal, from 2012 to 2016. The BBC also covers production costs of up to £2.5m per year.

Sky bid aggressively as it wanted to improve an already strong golf portfolio. As one source put it, "the Open was a gaping hole" for Sky. Golf is one of the few sports on which Sky has retained a stranglehold in the pay-television market since the entrance of rival BT Sport.

BT is understood to have looked seriously at the property, but did not make an offer. Commercial broadcasters ITV, Channel 4 and Channel 5 did not bid.

Sky was also forced to pay a premium to encourage the Royal & Ancient Golf Club (R&A), the commercial rights-holder, to move exclusive coverage to pay-television.

Some observers thought the rights in a new deal could be shared between the BBC and Sky, as is the case for the US Masters, but Sky wanted Open rights exclusively (*TV Sports Markets* 19:1).

The BBC felt its existing rights fee was high, although some media reports say the broadcaster offered £10m per year to renew its rights. Its sports-rights budget has been cut in recent years.

The broadcaster agreed a five-year deal for highlights rights, also from 2017 to 2021. It will show two hours of highlights between 8pm and 10pm each day, which was crucial for the R&A.

The R&A was also swayed by the coverage Sky will produce around the Open. It will convert one of its channels to dedicated Open coverage, as it did for last year's Ryder Cup competition, and will show content in the run up to, and after, the Open. The broadcaster will also advertise and promote its coverage, and will invest heavily in production costs.

The R&A has limited the amount of advertising the broadcaster can show to four one-minute advert slots per hour.

The rights were tendered in November. After a first round of bidding the R&A spoke to the BBC and Sky, before a second round was held. The BBC pushed for the highlights after the first round of bidding. These rights were sold in direct talks with the BBC – there was no separate tender process. The two have a 60-year relationship and the R&A wanted its highlights to receive wide exposure.

As well as the men's Open, the Sky deal covers the women's Open, the amateur Walker Cup in 2019, the Amateur Championship and the Junior Championship. Sky may also show other minor events run by the R&A.

Reception

The R&A has been criticised for moving coverage of the UK's golf major from free-to-air to pay-television. Critics say audiences will be much lower in a new deal. However, big golf fans are likely to have a Sky subscription anyway, as the broadcaster has nearly all top golf rights.

Approximately 11.5m people watched at least 15 minutes of the 2014 Open on the BBC. A similar number is expected to watch combined live coverage on Sky and highlights coverage on the BBC, according to one source close to the deal.

The R&A is keen to play down the notion that moving coverage to pay-television will have a negative impact on participation and revenues from sponsorship deals.

The body does not believe that participation is directly linked to free-to-air television viewing. In the UK, the number of people playing golf fell from almost 900,000 in 2006 to 730,000 in 2014. Yet that decline has taken place at a time when the Open and the US Masters have been shown free-to-air.

Initial feedback from sponsors is said to be relatively positive. The UK broadcast coverage of the Open is just a small part of any brand's association, according to one source. ■

SAILING

Dramatic finale boosts America's Cup interest

By Richard Welbirg

US network NBC this week agreed a deal to show the 2017 America's Cup, holding off strong interest in the rights from other US broadcasters. Oracle Team USA is the holder of the Cup.

Coverage of the 2017 event will be significantly broader than ever before. The play-offs and finals of the cup will be shown live on the main NBC network. America's Cup World Series events in 2015 and 2016 will be broadcast on NBC's Sports Network pay-television channels. All television broadcasts will be accompanied with live streaming through the NBC Sports Live Extra platform.

In the cycle leading up to the 2013 America's Cup, a single World Series event, hosted in Rhode Island, was shown on free-to-air television. The finals were shown on NBC Sports Network.

The airtime across this period was

acquired by the America's Cup Event Authority for a total cost of about \$4m (£3.5m). The ACEA sold advertising around its programming.

The new deal is not thought to include a rights fee. It is based on the ACEA and NBC splitting advertising and sponsorship revenue. Production costs are paid by the ACEA, with some venues contributing to the cost of producing their events.

Harvey Schiller, commercial commissioner for the 35th America's Cup, told *TV Sports Markets* the dramatic finale to the 2013 competition, in which Oracle Team USA won the last eight races consecutively to retain the trophy 9-8, had greatly boosted interest in the 2017 competition.

"I think the biggest impact is that we have interest from basically all the major networks, and significant interest from around the world," he said.

NBC had an exclusive negotiating window immediately following the 2013 event, but chose not to use it. The ACEA began talks with broadcasters in March 2014, but a deal could not be concluded until Bermuda was named as host in December 2014.

With NBC installed as host broadcaster, the ACEA will now look to agree deals internationally. The strongest markets are thought to be Oceania and the UK, where the participation of a challenger team led by Sir Ben Ainslie is expected to boost the potential value.

The competition begins on June 6, with the first event of the America's Cup World Series in Cagliari, Italy. ■

ICE HOCKEY

World Cup comeback with Rogers hurts TSN

By Richard Welbirg

The resurrected World Cup of Hockey will join the National Hockey League on pay-television broadcaster Rogers Sportsnet in Canada following a deal agreed late last month.

Rights to the 2016 edition of the

tournament were acquired by Rogers last month in a C\$30m (€21m/\$24m) deal with the NHL and the NHL Players' Association, the tournament organisers. The tournament was last played in 2004.

Rogers holds domestic NHL rights in a 12-season deal from 2014-15 to 2025-26, worth C\$436m per season (*TV Sports Markets* 17:22).

The bidding process is understood to have angered Rogers' rival pay-television network TSN, which was a long-term broadcaster of the NHL until Rogers' record-breaking deal in late 2013.

TSN believed it had submitted the highest offer, and that the process – supposedly neutral – was swayed by Rogers' existing relationship with the NHL.

It is doubtful the organisers would be able to maintain or improve their fee for the next World Cup if TSN decides not to compete against Rogers.

Pulling out

Reviving the World Cup is widely seen as a precursor to the NHL and NHLPA withdrawing their players from the Olympic Games.

The winter Games is a thorn in the side of NHL owners. Losing their teams' top players forces a break in the league calendar. The disruption is understood to reduce teams' income.

There is a marketing value for the NHL in allowing its players to play in the winter Games as it helps grow the sport in international markets. But with the next two winter Games to be hosted in Pyeongchang, South Korea, in 2018, and either Beijing, China, or Almaty, Kazakhstan, in 2022, this effect is expected to be very small.

The World Cup will be held in the off-season, and profits split equally between the NHL and the NHLPA.

It was previously held in 1996 and 2004, a successor to the Canada Cup international tournament. The revived competition will be held every four years and is invitational. The 2016 event in Canada will feature six countries – the US, Canada, Russia, Sweden, Finland and the Czech Republic – and two 'all-star' teams, one from North America and one from Europe. ■

FOOTBALL

MP & Silva digs in with second Asia deal in 2015

By Richard Welbirg

MP & Silva fought off competition from rival agencies Dentsu, Infront Sports & Media, and World Sport Group this month to land an advisory deal with the Football Association of Singapore.

The deal is the latest in the agency's strategy of targeting domestic Asian football. It follows a deal last month with the Football Association of Malaysia (*TV Sports Markets* 19:2).

MP & Silva has guaranteed the FAS income of S\$25m (€16.3m/\$18.4m) over six years, from 2015 until 2020.

The agency will advise on global media rights, sponsorship and international events involving the Singapore national team and age group sides.

The media rights value of the deal is relatively small. MP & Silva co-founder Andrea Radrizzani told *TV Sports Markets*: "Media value is a marginal aspect. Our Malaysia project is focused mainly on media, while Singapore is the opposite – more focused on the commercial rights."

The advisory agreement will be extended to include the Lions XII club side from 2016. The Singaporean team plays in the Malaysian M-League, which will be run jointly by MP & Silva and the league from next year. The club has an existing four-year deal, worth \$4m (€3.5m), for broadcast and sponsorship rights in Singapore with pay-television operator StarHub. The deal expires after the 2015 season.

The deal does not include the domestic S-League. The league generates small attendances and holds little appeal from a sponsorship or media rights perspective. The FAS is currently undertaking a strategic review of the league's future. It may be folded into the deal with MP & Silva at a later date.

This is the first time the FAS has agreed an advisory deal covering all its media and sponsorship rights.

National team matches have traditionally

been sold on an ad-hoc basis to leading pay-television broadcasters StarHub or SingTel, or occasionally to free-to-air stations. One local former pay-television executive said individual games had a value of between \$5,000 and \$10,000.

It is likely MP & Silva will be able to extract more value for national team rights from the domestic market. The executive said the association's "disorganised" sales process undersold the rights by between \$15,000 and \$20,000 per match.

MP & Silva is keen to change the way matches are sold. The six-year deal will cover more than 30 national team games, and Radrizzani said the agency would seek long-term deals.

The agency could also extract more value from the rights in neighbouring markets by bundling it with other football content it owns in Asia.

Another key plank of the strategy will be developing new events. These will include:

- a Chinese New Year cup involving Asia-Pacific teams
- international friendly matches in the Fifa friendly windows of June and/or October-November
- an international club tournament in July-August, which could be jointly hosted with other Asian cities
- a one-off charity match in December, possibly involving legends of the game.

Nevertheless, some experts say that MP & Silva's S\$25m guarantee is very high for a property with a history of moderate sponsorship income and small media rights fees.

Radrizzani said MP & Silva's involvement with leagues in Europe and in Asia could produce reciprocal gains, particularly through encouraging Asian players to head to Europe.

"We can start to get closer with our network and relationships to stimulate young players," he said. "The lack of strong competitions in Asia does not help their careers. Bringing young players to countries like Belgium can help them to improve."

MP & Silva is the worldwide media adviser to the Belgian Pro League from 2014-15 to 2019-20, in a deal worth €450m, an average of €75m per year. ■

[www. For the full interview with Andrea Radrizzani visit our website.](#)

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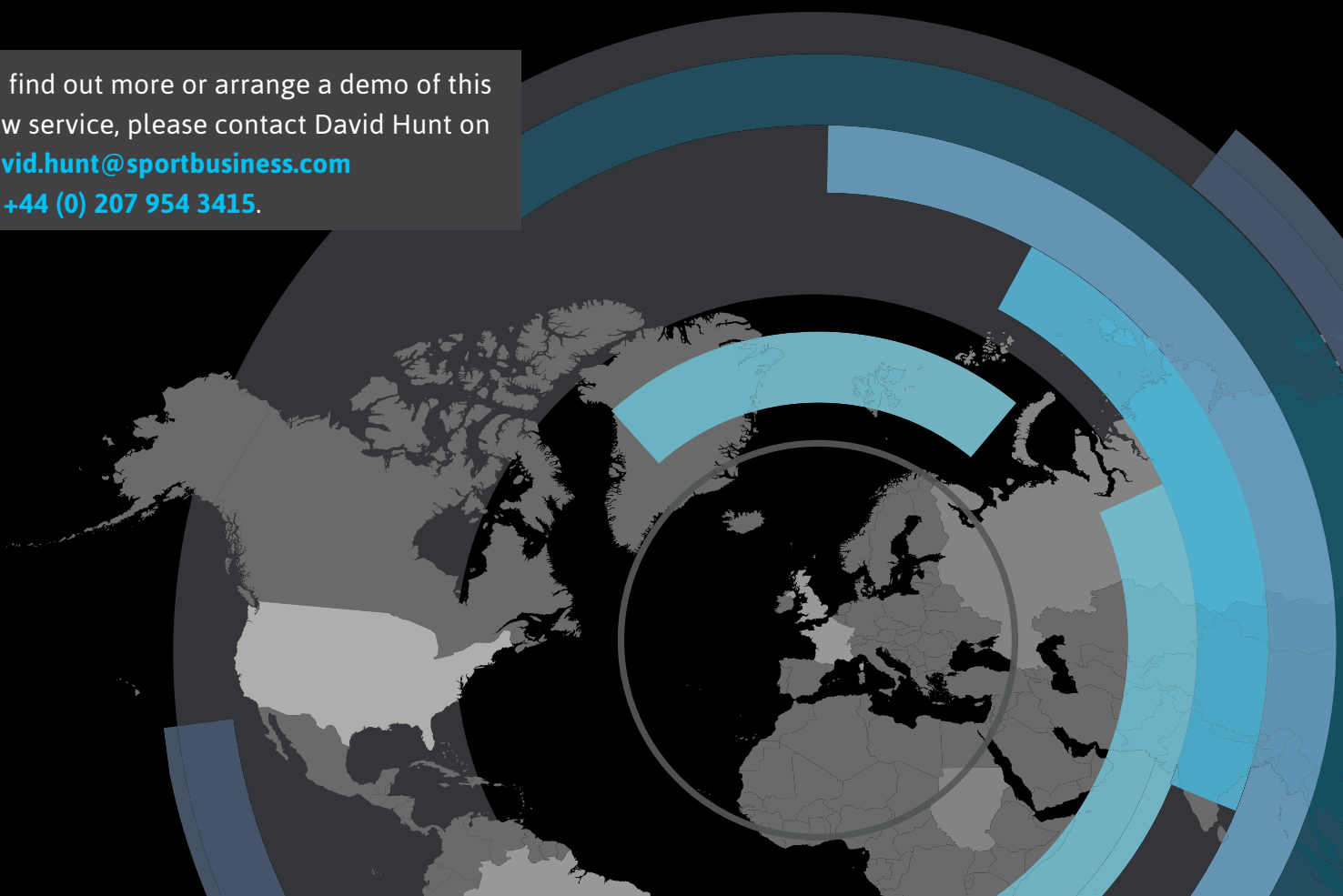
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SPORTS CLIPS: News from TVSM Daily from January 29 to February 11

MEDIA RIGHTS 1

Football: Premier League, Champions League, Danish Superliga and more

- **Football:** UK pay-television broadcasters Sky and BT Sport acquired live rights for the English Premier League for three seasons, from 2016-17 to 2018-19 (page 1).
- **Football:** UK public-service broadcaster the BBC retained rights for Premier League highlights in a three-year deal, from 2016-17 to 2018-19. The rights cover the Saturday evening *Match of the Day* programme, the Sunday morning repeat, *MOTD2* on Sunday evenings, and other evenings when Premier League fixtures justify a programme, plus a midweek magazine programme that will be shown at 10pm on the BBC Two channel (page 4).
- **Football:** The IMG Events & Media agency renewed and expanded a global rights deal for the Danish top-tier Superliga for six years, from 2015-16 to 2020-21. The deal includes rights for the second-tier 1st League for the first time.
- **Football:** Pay-television broadcaster Setanta Sports acquired live rights for the Uefa Champions League and Europa League in the Republic of Ireland for three years, from 2015-16 to 2017-18. The agreements include live coverage of all games from both tournaments, including exclusive live coverage of Europa League matches on Thursdays.
- **Football:** Telco O2 acquired rights in the Czech Republic for the next three seasons of the Uefa Champions League, from 2015-16 to 2017-18. O2 will show 130 matches per season via its O2 TV IPTV platform.
- **Football:** Norwegian commercial and pay-television broadcaster TV2 struck a rights deal with Real Madrid TV, the in-house pay-television channel dedicated to the Spanish Liga club. TV2 will show Real Madrid B team games until the end of the 2014-15 season to follow the progress of Norwegian football prospect Martin Ødegaard.
- **Football:** Pay-television broadcaster ESPN Brasil acquired Copa do Brasil rights in a two-year sublicensing deal, from 2015 to 2016, with the club tournament's rights-holder, rival pay-television broadcaster Globosat. The deal includes highlights of Campeonato Brasileiro Série A and Série B – the top two divisions in Brazil.
- **Football:** The MP & Silva agency struck a strategic rights and commercial partnership with the Football Association of Singapore. The deal will run for six years, from 2015 until 2020 (page 10).
- **Football:** Spanish Liga club Athletic Bilbao confirmed a one-year rights deal with the Mediapro agency for the 2015-16 season. The deal was agreed “a few months ago,” but had not been made public due to a confidentiality clause, according to Athletic president Josu Urrutia, who added that the financial terms are significantly better than the club's current agreement with pay-television operator Canal Plus.
- **Football:** North American pay-television broadcaster One World Sports renewed an exclusive deal with the New York Cosmos. One World Sports will show every Cosmos game during the 2015 North American Soccer League fall and spring seasons.

SINCE LAST TIME

- The Infront Sports & Media agency was acquired by Chinese conglomerate Dalian Wanda from private equity company Bridgepoint in a deal worth €1.05bn (\$1.19bn). The takeover is subject to customary closing conditions. Infront's existing management team, led by president and chief executive Philippe Blatter, will remain in place (page 1).
- Mediapro won an appeal in the Spanish Supreme Court against an earlier ruling by Madrid's provincial court that the agency had breached contracts relating to rights for Spanish football's top-tier Liga. The court found that the July 2006 contracts Mediapro had been accused of breaching by rival media company Prisa were “null and void.” Prisa had been seeking €320m (\$363m) from Mediapro, but following the ruling, which cannot be appealed, Mediapro will pay only €32m – the amount resulting from a settlement between the two companies covering the 2006-07 season.
- Indian public-service broadcaster Doordarshan was permitted to share broadcast signals for the 2015 Cricket World Cup with cable-television operators on a temporary basis following a ruling from the country's Supreme Court. The Supreme Court stayed an order from the Delhi High Court barring Doordarshan from sharing the signals and will take up the case on February 17. Pay-television broadcasters ESPN and Star Sports, the tournament's media rights-holders, along with the Board of

Control for Cricket in India, had claimed that cable-television operators were receiving live feeds through Doordarshan channels free of charge, resulting in a loss of income.

MEDIA INTERNATIONAL

- North America's Major League Soccer sold KickTV, a global media platform with a core presence on video-sharing website YouTube, to London-based digital media company Copa90. MLS will retain a stake in the company and work alongside Copa90 to develop the platform. Copa90 will continue to show MLS as well as the US Soccer governing body's content.
- The new 120 Sports digital sports channel operated by US media group Time is to launch on digital media player Apple TV.
- US media regulator the Federal Communications Commission rejected a complaint by US pay-television broadcaster Tennis Channel of inconsistencies in testing whether media company Comcast violated carriage rules.
- German pay-television broadcaster Sportdigital agreed a deal to be carried by Turkish pay-television operator Digiturk's IPTV platform in Germany, Austria and Switzerland. Sportdigital will be included in Digiturk's ‘family’ and ‘sport’ packages.
- French pay-television broadcaster Canal Plus agreed an exclusive carriage deal with sports broadcaster Eurosport. The Eurosport and Eurosport 2 channels will be carried on the CanalSat satellite-

SPORTS CLIPS: News from TVSM Daily from January 29 to February 11

MEDIA RIGHTS 2

NBA, EuroBasket, Indian Premier League, Cricket World Cup and more

- **Basketball:** Chinese internet company Tencent struck an exclusive digital partnership with the NBA for five years, from 2015-16 to 2019-20. Tencent will show live coverage of pre-season and regular-season games, the All-Star event, the play-offs, finals, Summer League and the draft as well as highlights and support programming. Coverage will be available through Tencent's NBA sections on various websites, the Tencent Video application and the Tencent News app (page 8).
- **Basketball:** German public-service broadcasters ARD and ZDF acquired rights for the Germany national team's games at EuroBasket 2015. ARD and ZDF signed the deal with Fiba, the sport's global governing body.
- **Cricket:** The Novi Digital Entertainment subsidiary of pay-television broadcaster Star India acquired rights for three seasons of the Indian Premier League Twenty20 tournament, from 2015 to 2017, after outbidding the Multi Screen Media and Times of India media companies. Novi Digital will pay a total of R302.2 crore (€43m/\$49m) – considerably higher than the reserve price of R120 crore set by the Board of Control for Cricket in India, which operates the tournament. The rights cover online and mobile platforms in the Indian subcontinent, as well as platform neutral rights in select international territories.
- **Cricket:** South African public-service broadcaster the SABC acquired rights for the 2015 Cricket World Cup. The broadcaster will show live coverage of 30 matches, including two quarter-finals, one semi-final and the final. The rights will be exploited on the SABC3 channel.
- **Cycling:** Spanish public-service broadcaster TVE acquired rights for the Giro d'Italia and a number of other cycle races. The deal with RCS MediaGroup will run for two years, from 2015 to 2016. The agreement covers the Milan-San Remo, Il Lombardia, Tirreno Adriatico, Strade Bianche, Tour of Romandie and Tour of Flanders races.
- **Golf:** UK pay-television broadcaster Sky sealed an exclusive five-year live rights deal, from 2017 to 2021, for the British Open in with the R&A, which operates the tournament. UK public-service broadcaster the BBC, the incumbent live rights-holder, will scale back its coverage to primetime highlights (page 8).
- **Golf:** Irish public-service broadcaster RTÉ struck a three-year deal, from 2015 to 2017, for rights to the Irish Open, in an agreement with the European Tour. The Irish Open will be shown live on RTÉ2 and streamed online via the RTÉ Player service.
- **Hockey:** UK public-service broadcaster the BBC acquired rights for the 2015 EuroHockey Championships in London. All games featuring the England or Scotland men's or women's national teams will be shown via the BBC's red button interactive television service, the BBC Sport website and its smartphone application. If the England or Scotland national teams qualify for the final, the game will be shown live on free-to-air television channel BBC Two.
- **Horse Racing:** Australian pay-television horse racing broadcaster Sky Racing agreed a 10-year rights deal, from 2015 to 2024, with the sport's authorities in New South Wales. Sky Racing acquired domestic and international rights as well as non-exclusive digital rights.
- **Ice Hockey:** Sports broadcaster ESPN acquired US rights for the 2016 World Cup of Hockey national team tournament in Toronto, Canada, after outbidding the NBC Sports Group division of media company NBCUniversal and the Fox Sports division of the Fox network.

television platform from the spring of 2015. Canal Plus added that the deal is exclusive to "metropolitan France," with the exception of cable-television networks.

- Media company Turner Latin America completed a deal to increase its shareholding in Brazilian commercial channel Esporte Interativo from about 20 per cent to 100 per cent after finalising an agreement to acquire the Top Sports agency's stake.
- Spanish agency Mediapro will launch its new channel dedicated to Formula One motor-racing in Latin America on March 1. F1 Latin America will be available via pay-television platforms throughout the region, with the exception of Brazil.
- Sky New Zealand launched a new service which will allow customers to watch premium sports rights online without signing up to its broadcast pay-television offering. A season pass to Super Rugby games, featuring rugby union teams from New Zealand, Australia and South Africa, will cost NZ\$299 (€192/\$218), with a monthly online pass available for NZ\$69 or a weekly one for NZ\$29. The passes are being sold through the Fanpass.co.nz website. Season passes for National Rugby League games, featuring rugby league teams from Australia and New Zealand, and the Formula One motor-racing world championship will also be priced at NZ\$299, with monthly passes priced at NZ\$59 and NZ\$49 and weekly ones costing NZ\$19.90 and NZ\$24.90, respectively.
- Telco Emtel signed a multi-year partnership with Manchester United to carry MUTV, the in-house television channel of the English Premier League football club, in Mauritius. Emtel will show the content across television, mobile and internet platforms in conjunction with pay-television broadcaster Canal Plus and pay-television operator CanalSat.

MEDIA RIGHTS NEGOTIATIONS

- The Six Nations may consider offers from UK pay-television broadcasters for its next rights cycle, starting in 2018, according to the annual international rugby union championship's chief executive, John Feehan.
- Pay-television operator Fox Sports is set to win exclusive live rights to all races from the Formula One motor-racing series in Australia from 2016. Fox Sports will broadcast all races live, while commercial broadcaster Ten will show live coverage of half of the events.

SPORTS CLIPS: News from TVSM Daily from January 29 to February 11

MEDIA RIGHTS 3

World Cup of Hockey, Endurance World Championship, motorsport and more

- **Ice Hockey:** Canadian telco Rogers Communications acquired rights for the 2016 World Cup of Hockey (page 9).
- **Motorcycling:** Sports broadcaster Eurosport acquired rights for the Endurance World Championship in a deal with the International Motorcycling Federation (FIM). The deal is part of a broader promotional and host broadcasting agreement between the FIM and the Eurosport Events division which will run for six years, from 2015 to 2020. Eurosport 2 will show live coverage in Europe and the main Eurosport channel will broadcast live coverage in the Asia-Pacific region. Highlights will be broadcast after each event and every race will be shown live on the Eurosport Player online subscription service.
- **Motorsport:** The Infront Sports & Media agency agreed a deal to replace the IMG Events & Media agency as the distributor of global media rights for the FIA World Endurance Championship in a five-year deal, from 2015 to 2019.
- **Motorsport:** French digital-terrestrial channel L'Équipe 21 acquired live and highlights rights for the remaining rounds of the 2015 World Rally Championship.
- **Motorsport:** Norwegian commercial and pay-television broadcaster TV2 acquired rights for the World Rally Championship until at least the end of the 2015 campaign. TV2 will show live coverage and highlights of the championship on the TV2 Sport and TV2 Sumo channels.
- **Motorsport:** Eurosport extended and expanded a deal for coverage of the 2015 GT Series. Eurosport will show live and highlights coverage of the Sprint Series and Endurance Series in Europe and the Asia-Pacific region.
- **Multi-sport:** Spanish public-service broadcaster TVE acquired rights for the 2015 European Games in Baku, Azerbaijan. TVE will show live coverage plus the opening and closing ceremonies and a pre-event magazine programme.
- **Multi-sport:** Pay-television broadcaster Sport TV acquired rights in Portugal, Angola and Mozambique for the 2015 European Games and will show the coverage via a dedicated 24-hour channel.
- **Multi-sport:** Estonian public-service broadcaster ERR acquired live rights for the 2015 European Games.
- **Multi-sport:** Latvian public-service broadcaster LTV acquired live rights for the 2015 European Games.
- **Multi-sport:** Slovenian public-service broadcaster RTV Slovenija acquired rights for the 2015 European Games.
- **Multi-sport:** The German Olympic Committee agreed a three-year extension, from 2015 to 2017, with SportA – the agency which acquires for public-service broadcasters ARD and ZDF – for a package of national and international events featuring various sports.
- **Rugby League:** Pay-television broadcaster beIN Media Group acquired rights in France for the Super League, which comprises clubs from England and France, in a three-year deal from 2015 to 2017. French club Catalan Dragons will be shown live at least 11 times during the regular season. The league brokered the deal with exclusive live UK rights-holder Sky and the Rugby Football League.

- Free-to-air broadcaster ATV will retain its rights for football's top-tier Hong Kong Premier League after convincing the Hong Kong Football Association that it will fulfil the terms of its deal. ATV's one-year agreement, covering the inaugural 2014-15 season, included the responsibility to produce programming to promote the league's clubs and the sport. ATV assured the association of its long-term viability and will begin producing the required additional programming.
- Major League Baseball is in talks with Fox which could result in games from the US network's regional sports broadcasters being streamed without regional blackouts.
- ARD and ZDF, along with the German Handball Association, will step up their efforts to ensure future major handball tournaments are broadcast on free-to-air television in Germany after the German public-service broadcasters only secured rights for extracts of coverage from the 2015 men's World Championship in Qatar.

ALSO SINCE LAST TIME

- The NBC network's live coverage of the New England Patriots' v Seattle Seahawks NFL American football Super Bowl championship game on Sunday, February 1, generated the largest US television audience ever. The average audience was 114.4m, according to audience measurement company Nielsen, which added that coverage of the Patriots' 28-24 win peaked at 120.8m during the final minutes. The half-time show featuring singer Katy Perry attracted an average of 118.5m viewers – a record for the mid-game spectacle. More than 1.3m people watched the game through NBC's online streaming service in the closing minutes.
- The NFL worked with telco Verizon to offer an in-stadium application which provided video content for fans attending the Super Bowl.
- The Spanish Football League asked the country's government to introduce legislation for collective media-rights sales "as soon as possible" after 40 out of 41 clubs voted for the change at an extraordinary assembly. The only club to vote against the move was Athletic Bilbao. The assembly was convened after clubs expressed frustrations about delays in the process.
- World Rugby, the global rugby union governing body, teamed up with production company Engage Sports Media to launch a new magazine programme. World Rugby TV will be shown by more than 20 broadcasters in 180 countries and will replace the governing body's long-running Total Rugby programme. ESM will also produce and distribute content across World Rugby's digital platforms, including video-sharing website YouTube.
- Sports content company Aurora Media Worldwide will produce a bespoke package of programmes for the 2015 Cricket World Cup

SPORTS CLIPS: News from TVSM Daily from January 29 to February 11

MEDIA RIGHTS 4

Super League, America's Cup, ATP and WTA Tour, Davis and Fed Cup tennis

- **Rugby League:** Australian pay-television operator Fox Sports acquired Super League rights in a five-year deal from 2015 to 2019.
- **Rugby League:** Pay-television broadcaster Sky New Zealand struck a two-year deal for Super League rights, from 2015 to 2016.
- **Rugby League:** Fox Sports acquired exclusive live rights in North America for Super League rugby for five years, from 2015 to 2019.
- **Rugby League:** Pay-television operator OSN agreed a five-year deal, from 2015 to 2019, to show Super League rugby in the Middle East.
- **Sailing:** The NBC Sports Group division of US media company NBCUniversal acquired rights for the 2017 America's Cup. The deal includes America's Cup World Series events in 2015-16 plus the America's Cup Qualifiers, Playoffs and Finals in 2017 (page 9).
- **Tennis:** Eurosport acquired television and digital rights for the new ATP Geneva Open men's tournament. The deal will run for three years, from 2015 to 2017, and includes all 54 territories covered by Eurosport in Europe. The rights are exclusive with the exception of the event's home market, Switzerland.
- **Tennis:** BeIN Media Group struck a seven-year deal, from 2015 to 2021, with the International Tennis Federation for its Davis Cup men's and Fed Cup women's national team tournaments (page 7).
- **Tennis:** Australian commercial broadcaster Seven acquired rights for the Fed Cup for two years, from 2015 to 2016.
- **Tennis:** Romanian cable-television operator Romtelecom acquired Fed Cup rights for two years, from 2015 to 2016.
- **Tennis:** Polish pay-television operator Polsat acquired Fed Cup rights for two years, from 2015 to 2016.
- **Tennis:** AZ Medien-owned channel TV24 acquired rights in Switzerland for the 2015 Fed Cup.
- **Tennis:** British Eurosport agreed a deal with the Lawn Tennis Association for exclusive pay-television coverage of five grass court tournaments. The three-year deal covers ATP World Tour men's tournaments the Aegon Championships and the Nottingham Open, plus the Birmingham Classic, Eastbourne International and Aegon Nottingham Open WTA Tour women's events.

under an agreement with the International Cricket Council. Aurora will produce the official film of the World Cup, a tournament highlights programme and a daily show for the ICC's channels on YouTube and Facebook.

- The Professional Squash Association agreed a three-year production deal, from 2015 to 2017, with UK company Moov for its top-tier World Tour events.
- Digital media company Bedrocket and the PGA Tour formed a joint venture to launch golf-dedicated online channel SkratTV, which will feature daily video content and tournament highlights.
- Organisers of the World Rallycross Championship said that 3,982 hours of the 2014 motor-racing series were broadcast worldwide – a 444-per-cent increase on 2013.

INDUSTRY MOVES

- Perform co-founder and joint-chief executive Oliver Slipper stepped down to take up a non-executive position on the board of the digital sports media group. • Fox International Channels, the broadcast division of media company 21st Century Fox, appointed Olivier Bramly and Jeff Ford as general managers for France and the UK. • DFL Digital Sports, the media production subsidiary of the German Football League, appointed Andreas Heyden as its new chief executive to replace Josef Nehl on June 15. • Rightster founder Charlie Muirhead stepped down as chief executive of the online video distribution and marketing company and was succeeded by current chief commercial officer Patrick Walker.

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