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FOOTBALL

Swedish league gets 120% fee jump as Discovery ousts Bonnier

By Robin Jellis

The Swedish football league earned an increase of about 120 per cent in the value of its media rights last month as Discovery continued its strategy of buying domestic football league rights in Scandinavia.

The US media group will pay about SEK540m (€57m/\$62m) per year for the rights in a six-year deal, from 2020 to 2025. The league currently earns about SEK245m per year in its current four-year cycle, from 2016 to 2019.

Swedish media group Bonnier pays close to SEK225m per year for its rights. The league earns additional revenue from highlights and clips rights deals (*TV Sports Markets* 17:7).

Bonnier is understood to spend about SEK70m per year on production on top of its rights fee. It is thought Discovery will spend at least this amount on production in its new deal.

The rights were sold by Svensk Elitfotboll (SEF), the body which operates the top two tiers of Swedish football – the top-tier Allsvenskan and the second-tier Superettan. The SEF was advised on the sale of its rights by the Profile Partners agency.

Discovery will exploit the rights on its Kanal 5 and Kanal 9 commercial channels, its Eurosport pay-television channels, and on its Eurosport Player OTT service.

Eurosport chief executive Peter Hutton told *TV Sports Markets* this week: “This deal is clearly about the wider Discovery business – it’s not just about Eurosport.

“If you take the philosophy that buying Eurosport helped Discovery have a better hand in its wider distribution, this deal sits well alongside our domestic deals for the Norwegian and Danish leagues, as well as for the German and Polish leagues.

“This deal should be seen in the wider context of Discovery buying rights to premium local leagues to help improve take-up of our services.”

Discovery also has exclusive rights to Norway’s Eliteserien in a six-year deal – from 2017 to 2022 – worth NOK400m (€43m/\$47m) per year, and shares some rights to Denmark’s Superliga in a joint six-season deal with Modern Times Group – from 2015-16 to 2020-21 – worth a total of about DKK400m (€54m/\$59m) per year (*TV Sports Markets* 18:13; 19:23).

There are two key factors behind the SEF fee increase. First, competitive bidding between Bonnier and Discovery. Second, the belief that the rights are undervalued in the current deal.

The SEF sold rights directly to Bonnier in the current cycle without a tender and without agency help. The current deal also marked the first time the league had sold the Allsvenskan and Superettan only – these rights had previously been bundled together with matches of the Swedish national football team. As such, local experts say, it was difficult to accurately benchmark the value of the league rights.

One local broadcaster said the SEF fee had increased substantially due to Discovery's strong desire to win the rights having lost out in the bidding for Swedish Hockey League rights last year, and due to a decline in its channels' audience share.

Hutton said Eurosport planned to refinance its investment via increased carriage and advertising revenue, and from Eurosport Player. All of Discovery's major local carriage deals expire before the start of 2020, the first year of the SEF deal. Deals with telcos TeliaSonera and Com Hem are due to be renewed this year. Hutton added that a key target in its carriage negotiations is to increase the distribution of the Eurosport 2 channel.

Although the deal doesn't start for three years, Discovery is thought to be studying the possibility of sublicensing some SEF matches from Bonnier before 2020 in return for some matches once its deal begins in 2020. It may also presage a wider rights-sharing agreement between the two which could potentially include SHL matches.

Early sale

The league sold its rights early for three main reasons (*TV Sports Markets 21:4*).

First, it wanted to take advantage of strong competition for sports rights in the country. There is currently a powerful competitive dynamic across Scandinavia between Discovery and MTG (which both operate pan-regionally) as well as strong broadcasters in individual countries.

Second, it sought to sell before Uefa tendered Champions League rights in a new cycle, from 2018-19 to 2020-21. A tender was issued to broadcasters on April 10 with bids due by May 8. The Europa League will be sold at a later date.

Third, it wanted to replicate the success of the SHL, which last September sold its media rights to Bonnier in a six-season deal, from 2018-19 to 2023-24, for about SEK670m per season – a 90-per-cent increase on the value of Bonnier's existing deal (*TV Sports Markets 20:17*).

Losing SEF rights is a blow for Bonnier. Its C More pay-television channels have broadcast the league since 1997. It also calls into question the company's strategy of acquiring local sports rights.

It is understood the big increase paid by Bonnier to renew its SHL rights restricted its ability to bid aggressively in the SEF auction.

Furthermore, since Bonnier acquired the C More pay-television channels from German media group ProSiebenSat.1 in June 2008 for €320m, the channels are yet to make a profit. Bonnier has sold off C More in Denmark and Norway (*TV Sports Markets* 12:11). C More posted an ebita loss of SEK307m in 2016.

More matches free-to-air

All 240 Allsvenskan matches per year are currently shown live on C More and on the C More OTT service. Generally, two matches per year are shown free-to-air via commercial broadcaster TV4.

Discovery is set to increase the number of matches shown free-to-air to between eight and 10 matches per year when its contract begins. It is likely these will be shown on Kanal 5.

Hutton said: “We want to get the league more exposure and build its popularity. We have a more long-term perspective. We need to build an audience.”

He pointed to the broadcaster’s success in increasing audience figures for Norway’s Eliteserien in the opening round of this season, with a total of 476,000 people watching three matches on Eurosport Norge compared to 282,000 watching eight matches on commercial broadcaster TV2 last year.

Discovery’s deal is for global rights, although there is little interest in the SEF outside Sweden. It will likely make matches available via Eurosport Player and may show some matches on its linear channels in other territories.

Profit for Profile

Profile Partners issued a tender in January, with first-round bids due on February 17. Second-round bids were due on March 1. Broadcasters could acquire the rights for four, five or six years.

Under the terms of its advisory deal with the SEF, it is understood Profile will earn a commission of three per cent of the total value of the Discovery deal – about SEK16.2m per year, or SEK97.2m over the course of the six years. In order to trigger its payment, it is thought Profile had to at least double the league’s existing revenue.

Uefa rights

Champions League rights are currently held across Scandinavia by MTG in a three-season deal, from 2015-16 to 2017-18, worth about €73m per season. Europa League rights are held in the same region by Discovery over the same three seasons in a deal worth about €10m per season (*TV Sports Markets* 17:20; 19:11).

Local experts believe MTG will bid aggressively to retain its Champions League rights in Scandinavia. It is likely to face competition for rights across the region from Discovery. ◆

FOOTBALL

Qatar hosting of 2022 World Cup throws IMG/FA deal into doubt

By Frank Dunne

Talks to finalise the long-form agreement for IMG's \$730m (€694m) deal with England's Football Association have hit an impasse over an unexpected issue: the rescheduling of the FA Cup necessitated by the 2022 Fifa World Cup being moved to the winter.

In October, IMG won international FA Cup media rights in selected territories for six seasons, from 2018-19 to 2023-24, with an investment of \$121.7m per season (*TV Sports Markets* 20:19).

The rights are global but exclude Western Europe and the Middle East and North Africa, which were won by the Pitch International agency over the same period in a \$280m deal. The deal also excludes UK rights, which are held by public-service broadcaster the BBC and pay-television broadcaster BT Sport (*TV Sports Markets* 20:7).

Shortly after the IMG and Pitch offers were accepted, the two agencies each signed a memorandum of understanding with the FA agreeing to the key terms, reflecting the conditions in the original invitation to tender issued on September 12.

Pitch signed off its long-form contract shortly afterwards. IMG has yet to sign its long-form agreement. Talks between IMG and the FA have continued throughout the year, with one source saying the issue was substantive but "not a deal breaker".

In September 2015, Fifa confirmed the 2022 World Cup would be moved to the winter due to the excessive summer heat in Qatar. It will take place between November 21 and December 18.

The tournament will fall in the middle of the European football season, requiring matches in national leagues and cups, as well as Uefa's club competitions, to be rescheduled.

The schedule changes – which have not been discussed yet – will almost certainly have a negative impact on media-rights values. Many rescheduled league and cup matches will be squeezed into less valuable midweek slots.

TV Sports Markets understands the stumbling block in the IMG/FA negotiations concerns the way in which any compensation due to the agency for potential loss of earnings – essentially, a discount on its rights fee – would be calculated, and what would happen if the two parties could not agree on the amount.

The collapse of such a high-profile deal at such a stage in the process would be unprecedented.

Industry experts aware of the situation believe a compromise will be found – failure to do so would be an extremely unwelcome outcome for both parties, even if a ‘divorce’ were agreed without recourse to lawsuits.

For the FA, the value of the IMG deal was higher than anyone had expected and above even the association’s own expectations. There is no guarantee it could match the \$730m if it put the rights out to market again. Rights for the same territories are worth \$287.5m in the current six-season cycle, from 2012-13 to 2017-18, in seven deals with agencies and media groups.

For IMG, it would mean losing a prestigious property which involves clubs from the English Premier League. Further, if it were perceived in the industry it had walked away from the deal over a non-critical issue, it could have damaging consequences for IMG’s brand and reputation.

Some independent rights experts believe IMG overpaid for the rights for strategic reasons, possibly with a view to launching an IPO for the agency. Others said it had gambled heavily on massive football rights inflation in China and the US.

IMG and the FA were set to meet again late this week to discuss the matter. Neither IMG nor the FA were able to comment when contacted by *TV Sports Markets* this week. ◆

GAELIC SPORT

GAA enjoys uplift as it takes greater control of its content

By Frank Dunne

Ireland's Gaelic Athletic Association has enjoyed steady growth in commercial revenues over the last five years and is set to do so until mid-2022 following its latest round of media-rights deals.

Taking greater control over how the rights to its main Gaelic football and hurling events are distributed has been central to the GAA's growth, but one strand of that strategy – selling some rights exclusively to pay-television – has been highly controversial.

The GAA last month completed a round of media-rights renewals covering Ireland and the UK. The deals will run for five years, from mid-2017 to mid-2022.

GAA domestic media-rights deals for football and hurling, 2017-2022

Broadcaster	Annual fee (€m)	Rights each year
RTÉ	5.5	Senior Championships football/hurling: 31 live games, including all provincial finals, All-Ireland semi-finals and finals; Sunday-night highlights; exclusive radio rights to all GAA events
Sky	2	Senior Championships football/hurling: 20 live games, of which 14 on an exclusive basis; semi-finals and final simulcast with RTÉ; digital clip rights to 14 exclusive games
TG4	3.5	85 live and delayed games from: Allianz Leagues football/hurling, Sundays; Club championships football/hurling, Saturday/Sunday; U21 football/hurling championships; Minor football/hurling championships; County finals, schools and colleges football/hurling; Monday night highlights to all GAA competitions
Eir Sport	0.6	Allianz Leagues football/hurling: 23 live games; Club championships hurling/football: 30 live games; Digital clip rights to senior county championships, national leagues, club championships
BBC Northern Ireland	N/A	Ulster senior football championship

Source: TV Sports Markets Rights Tracker

Note: Fees are estimates based on approximate 10-per-cent uplift from current deals

In the current three-year cycle, from mid-2014 to mid-2017, the association has deals for coverage in Ireland for its flagship competitions – the All-Ireland senior county championships in football and hurling – with Irish state broadcaster RTÉ, and pay-television operator Sky.

RTÉ is thought to pay about €5m (\$5.4m) per year, while Sky pays between €1.5m and €2m per season. The decision to sell some matches in the current cycle exclusively to Sky was met with anger by many fans and GAA members, who felt viewers should not be excluded from amateur sports events which

were an intrinsic part of Irish identity and culture. One senior figure in GAA circles said this week that many fans were “still very angry” about Sky’s exclusivity.

Irish-language channel TG4 and pay-television service Eir Sport (formerly Setanta Sport) show the second-tier National League county events, the club championships and other lower-level games.

TG4 is thought to pay just over €3m per year and Eir Sport a figure in the low-to-mid hundreds of thousands of euros per year. UK public-service broadcaster the BBC shows games in Northern Ireland but is not thought to pay a rights fee. Sky also shows the season’s two showpiece games – the All-Ireland finals – live in the UK.

Market sources say the GAA secured an uplift of between five and 10 per cent in its renewals for the 2017-2022 cycle.

Noel Quinn, the GAA’s media rights manager, told *TV Sports Markets* this week the association’s twin focus was ensuring the widest possible exposure for its events, both in Ireland and around the world, and securing a fair value for its rights. He declined to provide rights fees but said the uplift in the new cycle was “in line with the upward curve” for premium rights.

In 2016, the association’s total media-rights income was just under €11.5m. This includes revenues from its commercial premises deal in the US with Premium Sports, from a deal with pay-television broadcaster Premier Sports in the UK and from its OTT platform GAAGO – a joint venture with RTÉ’s digital arm which launched in May 2014.

This was up from €11.23m in 2015. In the previous three-year rights cycle, from mid-2011 to mid-2014, the GAA earned just over €10m per year from its media rights.

All broadcasters pay production costs on top of their rights fees. The average cost per match is about €45,000. Production standards vary widely, from three to four cameras for the lowest-level games to 14 cameras or more for the top games.

Taking control

Quinn said the GAA’s strategy had evolved over the last three cycles and was now much more hands-on. “Prior to 2011, we took the cheque and handed over everything to the broadcasters, like a lot of rights-holders,” he said. “In the 2011-2014 cycle, we took more of a governing body approach, looking at the who and why of every deal. For the 2014-2017 cycle, we took full control. For 2017 and beyond we have some very ambitious plans around digital and social media.”

Quinn said the rollout of the GAAGO OTT service was the first real instance of the GAA “putting our stamp on our assets”.

The service is now available in over 200 countries and will show 100 games live in 2017. The GAA does not provide take-up figures but Irish media have reported that over 1m people used it last year.

“We are into year four now and are very happy with the way it is going. We are starting to do more analysis on usage, to look at patterns of consumption and feed that back into our thinking about how to develop the platform,” Quinn said.

In a further expansion of its direct-to-consumer content, the association will develop a free service on its gaa.ie website offering in-game clips, archive material, midweek round-ups, behind-the-scenes footage and player interviews. These rights were carved out of the new round of broadcast deals.

Clips will be also made available on the main social media platforms. “The content will be tailored for each platform and its particular demographics, so the content for Snapchat, for example, will be different to the content on YouTube or Facebook. We’re going to be clever with how we produce the content for the different platforms,” Quinn said.

Five years

Another departure from the GAA’s previous strategy was the decision to agree five-year deals, instead of three-year deals, which had been the norm until now.

Quinn said the change was driven by the GAA but was in line with what the market wanted. “It came both from what the broadcasters wanted and what we wanted to do ourselves. It enables our partners to really invest in talent, production and technology.”

He said that in arriving at the decision, the GAA had studied models such as the deals of the big four US sports leagues. “We also saw that rights-holders in Europe have been increasingly moving beyond the traditional three-year window.”

Quinn played down the controversy over the GAA’s deals with Sky. He said the first deal had been “widely accepted” in 2014 and when the renewal was announced in December there was “minimal, if any, negative reaction”. This was a “testimony to the job Sky has done and the resources they have committed to it,” he said.

He argued that criticism of the GAA’s hard-headed commercial approach overlooked the fact it invests 86 per cent of all revenues back into the sport.

Flourishing

Gaelic sports have faced intense competition for fan attention over the last 10-15 years from an explosion of interest in England’s Premier League and a growth in participation and interest in sports like rugby union. However, hurling and Gaelic football continue to provide high ratings for broadcasters.

Last Sunday’s Allianz National Football League final between Kerry and Dublin drew a peak audience of 642,000, with an average of 354,000 across the 70 minutes – a 37-per-cent share. It was the highest audience in TG4’s 31-year history. ◆

FOOTBALL

Fifa agrees additional World Cup deals with StarTimes and SABC

By Callum McCarthy

The addition of StarTimes to Fifa's set of 2018 World Cup broadcasters in sub-Saharan Africa has significantly increased the governing body's income from the region.

Fifa's deal with pay-television operator StarTimes for non-exclusive pay-television rights across sub-Saharan Africa, excluding South Africa, was completed shortly before football's global governing body announced it on March 30. The deal is thought to be worth about \$15m (€13.8m).

Pay-television broadcaster SuperSport and sports broadcaster Kwesé Sports agreed deals for the 2018 tournament in early January (*TV Sports Markets* 21:1).

The non-exclusive pay-television deals provided Fifa the opportunity to sell pay-television rights to StarTimes. Local experts believe this extra sale has somewhat eroded the value of SuperSport and Kwesé's deals at their current price.

2018 Fifa World Cup broadcasters in sub-Saharan Africa

Broadcaster	Rights	Territory	Fee (\$m)
Econet	Exclusive free-to-air rights	Sub-Saharan Africa (excluding South Africa)	30
	Non-exclusive pay-television rights (English language)	Sub-Saharan Africa (excluding South Africa)	
StarTimes	Non-exclusive pay-television rights (English language)	Sub-Saharan Africa (excluding South Africa)	15
SuperSport	Exclusive pay-television rights	South Africa	13
	Non-exclusive pay-television rights (English language)	Sub-Saharan Africa	
SABC	Exclusive free-to-air rights	South Africa	5
Canal Plus Afrique	Non-exclusive pay-television rights (French language)	Sub-Saharan Africa (excluding South Africa and Nigeria)	4

Source: *TV Sports Markets Rights Tracker*

All three pay-television broadcasters will have the right to show all 64 matches from the tournament.

Kwesé will broadcast at least 32 matches on free-to-air, but one informed source believes it is unlikely the broadcaster will be allowed to show more than 40 in order to protect the value of pay-television rights across the region.

Fifa has also completed a deal for exclusive free-to-air rights in South Africa with public-service broadcaster SABC, worth about \$5m. SABC acquired a package of 40 matches.

The total value of rights to Fifa's package of men's and women's national team tournaments in the region now stands at about \$67m. The bulk of this is for rights to the 2018 World Cup, and represents a huge increase on the \$23.5m Fifa earned for the rights to the 2014 World Cup across the region.

Non-exclusivity

The non-exclusive model – whereby all of Africa's biggest pay-television operators received identical pay-television rights – was a result of no single broadcaster being willing to pay the premium necessary to win exclusive rights. Sources close to the process told *TV Sports Markets* a bid of about \$40m would have been necessary to acquire exclusive pay-television rights across the region.

Experts believe SuperSport has the better deal of the three pay-television broadcasters. It retained its rights across the continent, including South Africa, for a lower price than was paid by StarTimes.

It is understood StarTimes' deal was completed after almost six months of talks. StarTimes is keen to acquire rights to top-tier sports content to bolster its decoder business across sub-Saharan Africa. The government in Nigeria – StarTimes' biggest market – is set to unveil its own digital terrestrial service, furthering StarTimes' need for the rights.

Free-to-air

TV Sports Markets understands Kwesé will handle all advertising, sponsorship and sublicensing of its free-to-air rights in-house, rather than turning to other agencies for help with distribution or brand partnerships.

Free-to-air specialist agency TV Media Sport submitted a bid to acquire free-to-air rights from Fifa, but was beaten by Kwesé's financial power and a strong in-house sales team, which helped the broadcaster convince Fifa it could secure adequate distribution for its free-to-air rights.

Kunle Falodun, Kwesé's head of business development, acquired and distributed free-to-air rights to the 2014 World Cup in Nigeria while working for the Optima Sports Management agency. Jonathan Riley, Kwesé's head of advertising and sales, acquired and distributed free-to-air rights to the 2010 World Cup while working for the Octagon agency. Their combined experience satisfied Fifa that Kwesé would not need external help.

The broadcaster's Kwesé Free Sports channel will soon be available in 11 countries, with syndication deals in a further nine. It will have to sublicense rights in territories where it is not active.

SABC acquired its free-to-air rights in South Africa in the second round, after bidding alongside SuperSport in the first round. SABC wanted to continue bidding with SuperSport but was forced to bid separately in the second round. Its sports department requires permission from the board of directors to bid with other broadcasters, however due to this board being dissolved in February, no permission could be granted. ♦

AMERICAN FOOTBALL

Amazon to test sport fit with Thursday Night Football deal

By Richard Welbirg

Digital rights to Thursday Night Football will again be a test bed for the NFL and a new entrant in 2017, after Amazon acquired the package won by Twitter last year.

Amazon is thought to be paying \$50m (€46m) for the package, which includes global digital rights to the 10 games produced by commercial networks CBS and NBC under their deal for the Thursday Night Football package (*TV Sports Markets* 20:3).

An NFL spokesman told *TV Sports Markets* this week: “Bringing our Thursday Night Football package to the millions of viewers on Amazon Prime Video represents a tremendous opportunity to continue to learn about ways to deliver our games to fans.”

The tech giant will stream the games to its Prime subscribers at no additional cost. The paid-for OTT service costs \$99 per year or \$10.99 per month in the US. A February analyst note from Morgan Stanley estimated that Amazon had about 65m Prime subscribers worldwide.

Amazon’s model is completely different to that of Twitter, which paid close to \$14m for the package last year. Twitter made the live stream available on its website without restrictions. It earned between 2m and 3.1m total streams per game. It reported an average per-minute audience of roughly 250,000 per game. It is understood to have bid to renew its rights, and there are also thought to have been bids from both Facebook and YouTube.

There is no change in the exclusivity of the rights. In the US, Thursday Night Football will be shown across several outlets: on CBS, NBC, their respective online services, the NFL Network pay-television channel, and on Verizon mobile devices.

Amazon will also have video-on-demand rights to a limited number of clips from each game, including pre- and post-game coverage.

Market reaction

TV Sports Markets this week asked a number of market experts about the deal, its potential impact, and the questions it raised:

- Gareth Capon, chief executive, Grabyo

“The Twitter NFL deal was mobile-centric: focused on a younger demographic and social-driven. This feels like a proper TV-lite model: it has none of the social interactivity that the Twitter deal gave. This is much more to test new rights-buyers who look like old rights-buyers. The rationale for Amazon is clear: does it affect Prime subscribers or the behaviour of existing subscribers?”

“Prime is still a US-centric proposition. And the NFL is the best sport to test that market. Plus, the purchasing value of the US Prime customer is almost certainly higher than anywhere else.

“One challenge is discovery. They are competing with very well-known channels. It was less of a problem for Twitter, which people check several times a day. Do they have enough people coming to Amazon Prime at those times and can they get people to go on?”

- William Field, partner, Prospero Strategy

“Apart from being big US tech companies they [Twitter and Amazon] aren’t very alike. All will be looking at it through their own lenses. My general view is that Amazon are by far the most interested in premium, and non-premium, sports rights of the lot of them. They are the only one that has the ability to monetise in multiple ways.

“What they need to know is how well sport will combine with the rest of their offering. One thing they aren’t looking to do is make the \$50m back in any direct financial sense. They have a lot of money to play with and this is an investment in understanding how this content plays in their consumer business and the rest of their product mix.

“They are great experimenters. They do a lot of A-B testing. Even down to the minutiae of how things are retailed they test different processes to see which works well. So that’s within their corporate culture. They will be looking at which of their consumers are interested and what their purchasing habits have been. They will be able to do a huge amount of cross-referencing.”

- Lewis Wiltshire, former senior director of media partnerships, Twitter UK

“Amazon will have two minutes [of advertising] per hour. The really interesting idea is that for the first time Amazon can potentially tie up what they know about us and our habits from amazon.com to Amazon Prime. That feels like a win for Amazon and for me as a consumer.

“Of all the digital platforms to put a toe in the water it’s the closest to being a traditional broadcaster. The difference is the extra aspects of the bundle. The other interesting thing for me is whether it brings Netflix into the mix. If so, you are almost back to two subscriptions giants slugging it out.”

- Carlo De Marchis, chief product and marketing officer, deltatre

“The fact they’ll put it in Amazon Prime is a signal of how they’ll use sport. They want to be the home for everything. They create so much knowledge of a person and it helps them serve you better, if it’s done well. If I know what you are buying and what you are interested in, I can create an image of you that’s deeper than you know yourself.” ◆

FOOTBALL

Sports Channel pays up for Uefa rights to retain position in Israel

By Robin Jellis

Uefa was the beneficiary this month as Israel's Sports Channel paid a fee increase of about 440 per cent to renew its Champions League rights.

The pay-television broadcaster will pay €18m (\$19.6m) per season for Champions League rights in Israel in a new three-season deal, from 2018-19 to 2020-21. The Sports Channel is owned by RGE media group.

The broadcaster pays slightly more than €3.3m per season for the same rights in the current three-season cycle, from 2015-16 to 2017-18 (*TV Sports Markets* 18:5).

Rights were sold by Uefa, European football's governing body, which was advised by the Team Marketing agency. Tenders for rights to both the Champions League and Europa League were issued on February 23 with bids due by March 20.

Uefa's new deal represents a huge increase compared to when it last sold its Champions League media rights in the country. Then, the fee increased from about €3m per season.

The value has increased dramatically this time for two reasons. First, strong competition for the rights. Second, an ongoing debate as to how sports rights are distributed in the country – the Sports Channel hopes that renewing its rights will give it leverage in these discussions.

There were two rounds of bidding. The Sports Channel faced aggressive bids from telco Partner Communications, which has bid unsuccessfully for rights to two other premium football properties – the Israeli Premier League and the English Premier League (*TV Sports Markets* 20:1).

The Sports Channel was determined to retain its rights and prevent the telco from entering the Israeli sports-rights market.

There was also a bid from basic-tier sports broadcaster One – which holds rights to Spain's LaLiga – but it did not bid in a second round. Pay-television broadcaster Charlton did not bid as its immediate focus is on renewing its rights to the Europa League.

The Israeli government has for months been debating access to televised sport. A reform intended to regulate sports broadcasting and bring about a decline in subscription costs was not passed in the Knesset, Israel's legislative body.

The reform was opposed by Israel's pay-television broadcasters, who claim they need exclusive sports rights to continue their respective businesses.

The reform was favoured by Israel's two main cable companies, Hot and Yes, who had hoped to introduce a system of rights sharing which would have limited platforms' cost of carrying sports channels. Neither Hot nor Yes can acquire sports rights directly as it is forbidden by local legislation.

Both have warned the government that continuing increases in the cost of sports rights will mean they, in turn, will have to increase subscription costs for customers.

The Sports Channel has been in dispute with Yes over the broadcast of Maccabi Tel Aviv basketball matches in the Euroleague, which it has not made available to the platform due to stalling carriage negotiations.

The broadcaster hoped that by retaining the Champions League, along with its rights to the main Israeli league match each week – which it sublicensed from Charlton – its portfolio is strong enough to agree new carriage deals (*TV Sports Markets* 20:15).

Dirk Schluez, managing director of the Davnis Sport agency and the former vice president of international football for the Sportfive agency, told *TV Sports Markets* the sale of Champions League rights may prevent any legislation being passed.

Schluez said: "Now that all top sports TV properties are sold in Israel, the threat of legislation to force incumbent rights-holders to sublicense their content to anyone else who pays a 'market reasonable' fee seems off the table as it is now harder to implement such a law than before this sales process was concluded."

He added that the large Champions League fee increase reflected that "the Israeli market is catching up to fees paid for sports in other markets". In December 2015, the English Premier League increased its fee by about 400 per cent, while in January 2016, the Israeli league increased its fee by 198 per cent.

Sublicensing matches

In its contract with Uefa, the Sports Channel is understood to have agreed it can continue to sublicense rights to certain Champions League matches.

The Sports Channel has already agreed an ad-hoc sublicensing deal with commercial broadcaster Channel Two for the new 2018-2021 cycle.

This will enable the latter to broadcast certain marquee matches – these will generally be important knockout matches such as the semi-finals or the final, or matches played by Barcelona and Real Madrid, which are popular in the country.

Channel Two is expected to pay between €300,000 and €400,000 per match. Its coverage will only be in standard definition, while the Sports Channel will retain the right to simulcast in high definition.

The Sports Channel and Channel Two have a similar sublicensing agreement in the current 2015-2018 cycle.

Europa League

Local sources last week claimed Charlton had renewed its Europa League rights. However, one source close to Uefa said talks over rights in the new 2018-2021 cycle are continuing.

Charlton holds rights in the current Europa League cycle, also from 2015-16 to 2017-18, for about €500,000 per season. This is slightly higher than the €450,000 per season it paid in the previous cycle, from 2012-13 to 2014-15. ◆

COMBAT SPORTS

Fight Globe seeks to “own the niche” as bigger agencies circle

By Callum McCarthy

Broadcaster demand for combat sports has dramatically increased since IMG’s acquisition of the Ultimate Fighting Championship, but mutual understanding between the sports industry and its combat niche is often lacking.

Promotions often have little in-house media-rights expertise and broadcasters often lack knowledge of the subject matter, leading to poor decision-making from both parties.

The Fight Globe agency, founded in 2012 by Sabine Kessler and Nino Ockhuysen, is attempting to bridge this gap by providing broadcasters and promotions with the necessary expertise.

The agency, which predominantly distributes and packages media rights, formally represents 24 kickboxing and MMA promotions and has informal arrangements with several others.

It signed a deal in February with kickboxing promotion Glory, thought to expire at the end of 2018, to distribute its rights outside Asia and North America.

Fight Globe also signed a global distribution deal with Russian MMA promotion Fight Nights Global following the Sportel Monaco trade fair in 2016, thought to expire at the end of 2017.

Kessler said: “At the moment our goal is to own the niche. We have the most properties and we want to represent all the properties that matter. We want to support our promoters as best we can, help them develop into international brands, work closely with the broadcasters, advise them and make the sport grow as a whole.”

Fight Globe holds rights to about 300 live combat sports events per year, but also consults promotions on improving their marketing, production and event-hosting strategy to become more broadcaster-friendly – a long-standing deficiency for many.

Fight Globe has a partnership with the Infront Sports & Media agency, acting as a gateway between Infront and promotions in need of production solutions.

“All the fight organisations are getting more professional,” said Kessler. “They’ve started to realise it’s not just about the audience at the venue. It’s about branding their organisation, getting their brand out there, getting international recognition and being broadcast all over the world.”

At a time when IMG has acquired the UFC, and the MP & Silva agency has entered the combat sports market with its global rights deal for the World Boxing Super Series, Fight Globe recognises it could soon face strong competition from some heavyweight sports-rights agencies.

However, Kessler and Ockhuysen are confident they can protect their business despite larger competitors entering their space.

Ockhuysen said: “We are a small company and bigger agencies are entering the market and you can think ‘they’re eating my pie!’ But, then again, if you look at it from a distance, IMG bought UFC and opened so many doors. They made it more mainstream than it already was.

“One of the consequences of what we see, of bigger agencies showing interest in the market, is that all of them have knocked on our doors already for advice.

“Are they a threat? I don’t know. Will they open bigger markets? I think so. Are there potential partnerships as a result of it? Perhaps. We’ll see how things evolve and what our place in the market will be.”

Distribution models

Fight Globe’s distribution model for larger promotions – such as Glory, Polish MMA promotion KSW and Fight Nights Global – is unique. Fight Globe allows promotions to agree deals with broadcasters themselves should they so wish, but retains the right to act as their agent either globally or in certain territories. These arrangements often unfold on an ad-hoc basis.

Under this model, Fight Globe earns commission of up to 20 per cent for each media-rights deal it completes. The agency is understood to earn a smaller commission on larger deals.

For smaller promotions, the agency seeks to acquire exclusive global rights for a minimum guarantee. It is understood that, depending on the popularity of the promotion, these guarantees can range between \$2,500 and \$15,000 per live event, with money earned above this split in favour of the promotion.

Most of Fight Globe’s deals enable both the promotion and agency to sign off deals in certain territories or regions, which can create confusion for broadcasters.

One broadcast source told *TV Sports Markets* they have had difficulty securing deals via Fight Globe due to not knowing who to negotiate with, or which party has the ultimate right to sign off deals.

Kessler said: “Because we’re in such close contact with all of our promotion clients, communication is open and everybody is aware of what the status is. I understand that sometimes it can be a little bit confusing but it doesn’t happen very often. Sometimes the promotions have deals in place before connecting with us, and we take over negotiations, contact and communications.”

One source at a Fight Globe client said: “It often comes down to ethics. If Fight Globe has contacted the broadcaster, I won’t approach that broadcaster. It shouldn’t be about getting \$20 more, but building trust and relationships between us, the agency and broadcasters.”

Fight Pass cutbacks

As IMG tries to cut costs at the UFC to meet its ebitda targets, the promotion’s UFC Fight Pass OTT service has begun to allow its rights deals for certain second- and third-tier promotions to expire.

Its deal for exclusive global rights to Combate Americas events – excluding the US, Mexico and Latin America, where it held non-exclusive rights – was worth about \$35,000 per event. This was allowed to expire at the beginning of this year.

The UFC’s exclusive global rights deal with Titan Fighting Championships, worth about \$20,000 per event, has also been allowed to expire.

The streamlining of Fight Pass will provide opportunities for specialist combat sports agencies such as Fight Globe, which could potentially step in to represent these promotions.

“The chances are that they could knock on our door and we could represent them. It could be,” Ockhuysen said. “It’s a consequence of IMG acquiring UFC.”

He continued: “Because of the high-profile acquisition and the attention it triggered, a lot of other broadcasters have started to think: ‘If one of the biggest sports agents out there is willing to pay \$4bn for a sports property we considered to be a second-tier sport... if that is the movement in the market, could there be an opportunity for us?’ There is a vacuum that has been created and we perceive that as an opportunity.” ♦



For the full interview with Sabine Kessler and Nino Ockhuysen, visit www.sportbusiness.com

FOOTBALL

SuperSport pulls plug on KPL deal due to format changes

By Callum McCarthy

SuperSport's decision to terminate its deal for Kenyan Premier League rights has handed the Football Kenya Federation an opportunity it has sought for over a decade: to take control of the league's revenue streams.

The pay-television broadcaster cancelled its six-year deal with the league, which would have run from 2016 to 2021, after just one season, citing a breach of contract by the KPL.

This breach was caused by a decision made by Kenya's Sports Dispute Tribunal – recognised as a court of law in Kenya – on January 10, when it ordered the KPL to submit to the FKF's desire to expand the league from 16 to 18 teams.

The top-tier of Kenyan club football has been autonomous since 2003-04, when it broke away from the federation.

In a letter to the KPL, SuperSport said the tribunal's ruling "subordinates [the KPL's] authority to run the Kenyan Premier League to the Football Kenya Federation", thus breaching the contract between broadcaster and league.

Local football experts have questioned the merits of expanding the league as it would lead to clubs receiving less money from central broadcast and sponsorship agreements.

While the KPL still technically holds its own commercial rights, experts believe the league now has no choice but to strike a deal with the federation allowing it at least some control. If it does not, they believe the federation will disrupt the league until it is forced to make concessions.

SuperSport has long withstood the FKF's attempts to disrupt the KPL, including in 2015 when the federation's then-president Sam Nyamweya attempted and failed to seize control of the rights.

This led to the 'FKF-KPL Agreement', valid from September 2015 to September 2019, which was designed to ensure the KPL could run its own affairs.

SuperSport was due to pay the KPL an average fee of ZAR19m (€1.4m/\$1.5m) per year, from 2016 to 2021, with production costs of about ZAR90,000 per match. This equates to KES153m per year, and production costs of KES725,000 per match.

The deal would have been worth a total of up to KES266m per year should SuperSport have produced between four and five matches per week, as originally hoped by the league.

Broken agreement

Local experts regard the tribunal's decision as contradictory. In its decision, the tribunal upheld the FKF-KPL Agreement signed by the two parties in September 2015. The Agreement states promotion and relegation of clubs should be agreed upon by the joint executive committee made up of FKF and KPL representatives, and forbids the federation from "undue interference" in the KPL's management of the league.

In the same decision, the tribunal dismissed the KPL's request for an injunction seeking to restrain the FKF from "contemplating, discussing or implementing any decision to expand the Kenyan Premier League".

In accordance with the Agreement, the FKF was obliged to pay the costs of expanding the league. The league and federation agreed these costs would amount to a one-off payment of KES38m. In reality, the cost has been the termination of the SuperSport deal.

The KPL could appeal the tribunal's decision at the Court of Arbitration for Sport, but cannot afford to bring a case without the support of SuperSport.

It is thought SuperSport is contractually obliged to provide the KPL with parachute payments after termination, but this will amount to far less than it was due to pay for the remainder of the 2017 season. The KPL will use the money to support clubs until a new deal can be found.

SuperSport consolidation

SuperSport has recently cut back on its investment in local leagues. It did not compete aggressively to renew its Ghana Premier League rights, which were subsequently acquired by pay-television operator StarTimes (*TV Sports Markets* 20:21).

SuperSport has also reduced its investment in producing the Zimbabwe Premier Soccer League, which is likely to seek a new broadcast deal after the current 2016-17 season (*TV Sports Markets* 21:5).

This is due to the weakening of the South African rand against the dollar and significant changes in the media-rights landscape in sub-Saharan Africa. SuperSport began investing in local leagues in response to being outbid for European football rights by now-defunct pay-television operators GTV and HiTV.

It faced no competition for African league rights, picking them up cheaply and building a more Africa-friendly brand after years of being viewed as a luxury subscription only expats could afford.

Pay-television operators Canal Plus Afrique, StarTimes and Kwesé TV have all acquired, or shown interest in acquiring, domestic leagues in Africa over the past year, driving rights fees up.

Even if an agreement is struck between the KPL and the FKF over the sale of the rights, it is not thought a pan-African operator would be interested in acquiring them in the current season.

The FKF is currently advised on the sale of its media rights by ex-MP & Silva employee Andrea Francesco Silva, who brokered deals for the second-tier National Super League and GoTV Shield cup competition with Kenyan commercial broadcaster Bamba TV.

Public-service broadcaster the Kenya Broadcasting Corporation is unlikely to acquire the rights. It has previously turned down the chance to show KPL matches for no rights fee and no production cost.

Such is the lack of interest at present, local observers believe SuperSport could eventually strike a new deal for the league at a later date, but only if it was expected to pay a much lower fee than it paid in its recently-terminated deal. ◆

FOOTBALL

Lagardère increases investment in AFF rights in light of AFC doubt

By Richard Welbirg

Lagardère Sports has more than doubled its fee to renew its commercial rights to the Association of Southeast Asian Nations Football Federation's (AFF) biennial national team tournament.

The agency's new deal will run for eight years, from 2017 to 2024, and cover four editions of the AFF Championship, better known as the Suzuki Cup.

Although each tournament is allocated a specific – and escalating – figure, Lagardère's guarantee over the eight-year term has more than doubled, to about \$44m (€40m). It paid a guarantee of about \$20m in its previous eight-year deal, from 2009 to 2016, which also included four tournaments.

There are three reasons for the significant increase in value.

Most importantly, it was vital Lagardère secured a strong property in the region now it is not guaranteed to retain Asian Football Confederation rights.

Lagardère holds all commercial rights to AFC competitions in a deal based on a guarantee of \$600m over eight years, from 2013 to 2020, or \$75m per year. But the extension to the deal it negotiated privately was eventually voted down by the AFC executive committee in December – at the same time the AFF deal was agreed (*TV Sports Markets* 20:22).

Secondly, the AFF is believed to have received several unsolicited bids from rival agencies. The AFF executive committee has to be informed about such bids, and this is thought to partially explain why Lagardère's deal was agreed in principle in December but only finalised last month, despite Lagardère having first option on the rights.

Thirdly, the volume of content is increasing in the new deal. Previous AFF Championships involved the top eight member nations competing in two groups of four.

From 2018, the Championship will expand to include 10 of the 12 AFF member nations: Australia, Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste and Vietnam. Australia does not participate in the AFF Championship. The lowest-ranked teams will play-off for the 10th spot.

The new format will see two groups of five teams play a round robin before the knockout stages. The semi-finals and final will remain two-legged ties. The change is aimed at increasing gate receipts.

The previous contract was a profitable one for the agency. In its 2016 accounts, Lagardère Sports and Entertainment said its “firm” full-year revenue performance was attributable to the favourable sporting calendar over the second half of the year, “namely the Asian and African qualifiers for the 2018 Fifa World Cup, and the ASEAN Football Federation (AFF) Suzuki Cup”.

One source said the agency had generated revenues of at least \$10m from each tournament in the previous deal. Suzuki has title-sponsored the last five tournaments in individual agreements thought to be worth between \$2.5m and \$3m per tournament.

For media rights, the most valuable territories are Indonesia and Thailand, where free-to-air rights to the 2016 tournaments were held by commercial broadcasters RCTI and BBTB respectively. Pan-regional pay-television rights were sold to Fox Sports Asia.

A source close to the agency estimated that revenues were split 60:40 in favour of media rights over sponsorship in 2016, and suggested media rights would continue to grow relative to the value of sponsorship rights in the new contract. ◆

HANDBALL

Bundesliga goes it alone, takes international rights in-house

By Robin Jellis

Germany's Handball-Bundesliga has eschewed offers from multiple agencies for its international media rights in order to sell market-by-market itself.

The league tendered its international rights on December 3 with bids due in early February (*TV Sports Markets* 20:21). At the end of March, the league decided to sell its international rights itself.

It is expected to sell its rights directly to broadcasters in big handball markets, such as the Middle East and North Africa, Scandinavia and some territories in Southeast Europe. The league is considering working with specialist agencies in other markets.

In November, when the league sold its domestic rights in a new cycle from 2017-18 onward, it carved out its international rights. These had previously been bundled in with domestic rights deals.

Sports broadcaster Sport1 currently holds all Handball-Bundesliga rights in a five-season deal, from 2012-13 to 2016-17, worth €3m (\$3.3m) per season. The broadcaster also covers production costs of about €1m per season (*TV Sports Markets* 20:16).

Sport1 has a sublicensing deal with the MP & Silva agency for Bundesliga international rights over four seasons, from 2013-14 to 2016-17, worth €1.2m per season. The deal is a buyout. It excludes Germany, Austria, Switzerland, Liechtenstein, Luxembourg and the Alto Adige region of Italy.

The league's decision to sell the rights in-house is a surprise as it was expected to sell them to an agency. It has opted to do so due to low offers from agencies and declining interest in the rights from pay-television broadcaster beIN Sports – one of its major existing broadcast partners.

Agency offers were about €1m per season, although Mena was excluded. Mena is one of the more lucrative regions for the league's rights – it is understood to account for close to half the total paid by MP & Silva in the current international rights cycle, or about €600,000 per season.

BeIN's declining interest in the league's rights is thought to be reflective of the broadcaster's wider approach to handball.

It is thought unlikely to bid aggressively to retain its global rights to International Handball Federation events. Its four-year IHF deal, from 2014 to 2017, is worth about CHF100m (€94m/\$102m). BeIN's interest in these rights was driven by the fact the 2015 men's World Championship was in Qatar (*TV*

Sports Markets 18:1).

The broadcaster's declining interest in handball makes it difficult for agencies to offer minimum guarantees for rights.

Offers from agencies are not thought to have been any higher than the league's own projections, and the league feels that – being the primary rights-owner – it will secure more widespread coverage than an agency motivated only, or mainly, by financial returns.

In the 2015-16 season, the Handball-Bundesliga was broadcast in 50 territories. A large chunk of these were covered by the beIN deal – it held rights in France, Hong Kong and Thailand as well as Mena.

MP & Silva also secured deals with: Arena Sport in the Balkans; Eleven Sports Network in Belgium; Nova in the Czech Republic and Slovakia; Modern Times Group in Denmark and Norway; Cosmote TV in Greece; Digi Sport in Hungary; Charlton in Israel; Best4Sport.tv in Latvia; SportKlub in Poland; Dolce Sport in Romania; and TBS in Japan. Eleven is also thought to have been awarded rights in Malaysia and Singapore. ◆

FOOTBALL

Bundesliga strikes huge China deal while maintaining exposure

By Richard Welbirg

Streaming platform PPTV's acquisition of Bundesliga digital rights in China last month secures its position as the country's pre-eminent football broadcaster.

The deal with DFL Sports Enterprises, the German league's commercial rights distributor, will be worth \$250m (€230m) over five seasons from 2018-19 to 2022-23, or \$50m per season.

It is a huge increase on the league's current media-rights income from China. In its existing three-season cycle, from 2015-16 to 2017-18, it earns about \$3m per season from deals with state broadcaster CCTV and the China Sports Media agency (*TV Sports Markets* 19:16).

It continues the aggressive expansion of PPTV since its acquisition by retail company Suning in October 2013. From the 2019-20 season, it will hold exclusive rights in China to the three most popular European football leagues.

It currently holds Spanish LaLiga rights in a five-season deal, from 2015-16 to 2019-20, worth about €50m per season (*TV Sports Markets* 19:15).

And it stunned the market in November last year with a deal worth close to \$233m per season for English Premier League rights over three seasons from 2019-20 to 2021-22 (*TV Sports Markets* 20:20).

The Bundesliga deal is an excellent one for the league, vastly increasing its income while ensuring continued free-to-air exposure.

In the new deal, PPTV is obliged to sublicense non-exclusive rights to two matches per week to CCTV. Sources close to the state broadcaster believe it will pay a very small increase – in the region of two to three per cent – on the fee it pays the league in the current cycle.

Current deals in China

CCTV is currently the primary Bundesliga broadcaster in China: it pays €2.5m per season for exclusive rights to the top three match picks each week.

Despite the rapid growth in fees paid for digital rights in China since 2014, the state broadcaster has not spent significantly more on linear media rights.

CCTV is the only broadcast outlet on which rights-holders can obtain nationwide free-to-air coverage. It has not been treated as a rival by digital players, both because it is considered to reach a different, older audience and because of its political influence.

CSM pays €250,000 per season to distribute the rights to regional free-to-air sports channels and streaming companies in single-season deals.

Last season, CSM agreed deals with eight regional free-to-air broadcasters and the four main digital players – PPTV, Sina, Tencent and LeSports.

CSM is understood to have made a decent profit on its Bundesliga deal, as each digital rights deal was worth between \$150,000 and \$200,000 per season. ◆

RUGBY LEAGUE

IMG finds Rugby League World Cup a tough sell in New Zealand

By Richard Welbirg

New Zealand's uncompetitive media-rights market made life difficult for IMG's sale of Rugby League World Cup rights.

The agency last month finalised a deal worth just over \$800,000 (€735,000) with pay-television operator Sky New Zealand, up from \$450,000 for rights to the 2013 World Cup, held in England.

New Zealand is one of the 2017 tournament's host countries, alongside Australia and Papua New Guinea. By comparison, Australian commercial broadcaster Seven – which will host-broadcast matches in Australia – is paying a combined \$10.6m in cash and contra for rights to the 2017 tournament (*TV Sports Markets* 20:7).

Sky has regained its dominance over the New Zealand market since the demise of OTT operator Lightbox Sport (*TV Sports Markets* 20:11).

IMG has also agreed a deal worth \$200,000 with public-service broadcaster Fiji TV for rights in Papua New Guinea and the Pacific Islands.

The New Zealand and Pacific Islands deals are among the last which will be struck by IMG, whose four-year buyout deal with the Rugby League International Federation – which operates the tournament – runs from 2013 to 2017. It was worth about \$20m, and included rights to the 2013 and 2017 World Cups, as well as the 2014 and 2016 Four Nations.

IMG did not attempt to renew its deal. The agency is thought to have lost money on the deal and has a strained relationship with the RLIF.

About six months ago, the RLIF issued a prospectus in which it stated any buyer would have to cover production costs for any new RLIF events, which further discouraged the agency (*TV Sports Markets* 21:3). The RLIF has since taken its media-rights sales in-house. ◆

BASKETBALL

After 12 seasons, CBA elects to test rights on Chinese market

By Richard Welbirg

The Chinese Basketball Association has ended its media-rights relationship with the Infront Sports & Media agency and will launch a sales process for a new deal.

Infront has been the sole media and marketing rights distributor for the CBA, China's top-tier basketball league, over the past 12 seasons.

It pays CNY330m (€44m/\$48m) per season in its current five-season deal, from 2012-13 to 2016-17. Its initial seven-season deal, from 2005-06 to 2011-12, was worth about \$10m per season.

An exclusive negotiating period between the two parties ended last month. The comprehensive deal was not renewed, but a new agreement was struck for a limited package of marketing rights over five seasons, from 2017-18 to 2021-22.

The league is thought to anticipate media and marketing income of between CNY7bn and CNY8bn for the five seasons from 2017-18 to 2021-22.

This would be comparable to the CNY8bn value of Chinese Super League domestic football rights over five years from 2016 to 2020 (*TV Sports Markets* 19:19). Football and basketball are the most popular sports in the country.

Since the Infront deal was agreed, the digital rights market in China has grown enormously. But two Chinese rights experts told *TV Sports Markets* an income of between CNY5bn and CNY6bn was a more realistic outcome for the league. Buyers may be discouraged as Infront is thought to have a matching-rights clause in its current contract.

Infront's current deal is thought to have been very profitable. It exceeded its minimum guarantee with just one deal, a CNY400m per season sponsorship agreement with Chinese sportswear manufacturer Li-Ning, from 2012-13 to 2016-17. ◆

FOOTBALL

Globo commits to longer deal with established Chapecoense

By Mónica Villar

The two-year deal agreed by football club Chapecoense and media group Globo last month reflects the former's newly-established position in Brazil's Série A.

The deal covers the 2017 and 2018 seasons and is worth BRL32m (€9.4m/\$10.2m) per year. Chapecoense's previous one-year deal with Globo, for 2016 only, was worth slightly more than BRL23m per year.

Negotiations began in April last year and were handled by Sandro Pallaoro, Chapecoense's former president. Pallaoro was killed – along with 70 others – when the plane the team was travelling in crashed near Medellín in Colombia last November.

Globo is currently the exclusive domestic broadcaster of Série A and Série B – the top two tiers of Brazilian football. The majority of its current club deals run from 2016 to 2018. With smaller clubs, Globo tends to strike one-year deals for their Série A rights based on promotion and relegation.

In 2014, Chapecoense returned to Série A for the first time since 1979. It has since cemented its place in the top tier.

Globo struck a similar deal with Ponte Preta in March, agreeing to pay the club BRL30m for its domestic rights in 2017, and the same amount plus inflation in 2018 (*TV Sports Markets* 20:22). ♦

MEDIA RIGHTS DEALS

MARCH 23 TO APRIL 11

FOOTBALL

- ◆ Irish commercial broadcaster TV3 acquired exclusive rights for England's national team qualifiers for the 2018 Fifa World Cup through a sublicensing deal with pay-television broadcaster Sky. TV3 will show six matches live.
- ◆ International sports broadcaster Eurosport acquired rights in Sweden to the top-tier Allsvenskan and second-tier Superettan (page 3).
- ◆ Chinese streaming operator PPTV agreed deal with the German Football League (DFL) for Bundesliga rights over five seasons from 2018-19 to 2022-23 (page 28).
- ◆ Sky acquired exclusive rights in the UK to Star Sixes, a new competition for high-profile retired players.
- ◆ Brazilian Série A club Chapecoense agreed a two-year deal with media group Globo (page 32).
- ◆ Rights to the 2018 Fifa World Cup were acquired in sub-Saharan Africa by pay-television operators Canal Plus Afrique, Kwesé TV, StarTimes and SuperSport, and in South Africa by public-service broadcaster SABC (page 11).
- ◆ German public-service broadcasters ARD and ZDF acquired rights to the 2017 Uefa European Under-21 Championship national team tournament. The broadcasters will show each game involving the German national team.
- ◆ SuperSport extended its deal for English Premier League rights in sub-Saharan Africa. The new three-season deal will run from 2019-20 to 2021-22.

- ◆ The Lagardère Sports agency agreed a deal to distribute the international media rights of the Football Association of Thailand. The deal, from 2017 to 2020, includes the Thai League 1, Thai League 2, Thai FA Cup and Thai League Cup, as well as Thai national team home matches.
- ◆ Liga MX team Club Deportivo Guadalajara struck a deal to show its home matches via media group Televisa in 2018 and 2019.
- ◆ UK public-service broadcaster the BBC agreed a deal to show the English Women's Super League One Spring Series club competition.

OTHER SPORTS

- ◆ **American Football:** Tech giant Amazon acquired live streaming rights to the NFL's Thursday Night Football package (page 13).
- ◆ **Athletics:** The NBC Sports Group division of US media company NBCUniversal acquired exclusive rights to the Diamond League. The three-year deal runs from 2017 to 2019.
- ◆ **Baseball:** DAZN, the OTT service operated by digital sports media company Perform, acquired live rights for Major League Baseball games in Austria, Germany and Switzerland. Its four-year deal runs from 2017 to 2020. DAZN has sublicensed some rights to sports broadcaster Sport1 in a three-year deal from 2017 to 2019.
- ◆ **Baseball:** MLB signed a content partnership with Indian digital media company Veqta. The multi-year deal grants Veqta exclusive rights to 20 games a week for its OTT sports platform.

MEDIA RIGHTS DEALS

MARCH 23 TO APRIL 11

- ◆ **Basketball:** Sky acquired rights to the British Basketball All-Stars Championship, a new competition launched by sports marketing company Matchroom Sport. The event starts on September 24.
- ◆ **Basketball:** The Fox Sports division of US network Fox acquired rights for Big3, a new three-on-three, half-court basketball league that will launch on June 25. Fox will show delayed coverage the following night during primetime.
- ◆ **Basketball:** The International Basketball Federation (Fiba) extended its rights agreement with Israeli pay-television broadcaster The Sports Channel. The new five-year deal covers Fiba events from 2017 to 2021.
- ◆ **Bodyboarding:** Australian live-streaming platform Epicentre.TV agreed distribution deals in 22 countries for the Association of Professional Bodyboarders' 2017 World Tour. Epicentre.TV will live-stream coverage of each event in the 2017 series in Australia, Brazil, Cambodia, French Polynesia, Indonesia, Malaysia, the Maldives, Mongolia, Myanmar, Palau, Papua New Guinea, the Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam.
- ◆ **Boxing:** Sky acquired exclusive live rights in the UK to Kell Brook's IBF World Welterweight title defence against Errol Spence on May 27.
- ◆ **Boxing:** Kwesé TV acquired rights for events operated by Kalakoda Promotions for three years from 2017 to 2019.
- ◆ **Boxing:** Social media platform Twitter streamed live coverage in the US of the April 8 WBO Lightweight world championship fight between Terry Flanagan and Petr Petrov.
- ◆ **Cycling:** International sports broadcaster Eleven Sports Network bought rights in the US for selected events from the 2017 Ciclismo Cup. The deal begins with the Tour of the Alps, from April 17-21, and includes the Coppa Agostoni, Coppa Bernocchi, Giro dell'Emilia, Gran Premio Bruno Beghelli and Tre Valli Varesine.
- ◆ **Cycling:** Dutch public-service broadcaster NOS extended its deal for the Tour of Flanders event. The agreement covers the next four editions of the Belgian event, from 2017 to 2020.
- ◆ **Esports:** Sport1 acquired rights to the Virtuellen Bundesliga (VBL), the official esports competition of the German Football League (DFL). Sport1 struck the agreement with EA Sports, developer of Fifa 17, which is the base game of the VBL. Sport1 will present live coverage of this season's finale on April 15-16.
- ◆ **Esports:** Social video platform Twitch renewed its long-running streaming partnership with the DreamHack organisation for the 2017 season.
- ◆ **Gaelic Sports:** Irish pay-television broadcaster Eir Sport acquired rights to the Gaelic Athletic Association's Football and Hurling Club Championship (page 8).
- ◆ **Horse Racing:** In-flight and in-ship channel Sport 24 acquired rights to six leading events through an agreement with Racecourse Media Group and Henry Birtles Associates.
- ◆ **Ice Hockey:** The Deutsche Eishockey Liga secured US coverage on pay-television channel

MEDIA RIGHTS DEALS

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My German TV via Superswiss. The deal will initially cover this season's play-offs.

◆ **Motorsport:** Swiss public-service broadcaster SRG extended its deal for Formula One rights by three years, from 2017 to 2019.

◆ **Motorsport:** SRG extended its deal for the MotoGP motorcycling series for five years, from 2017 to 2021.

◆ **Motorsport:** Moroccan free-to-air broadcaster 2M extended its long-running rights deal to cover the 2017 World Touring Car Championship.

◆ **Motorsport:** The AMC Networks International Central Europe division of AMC Networks extended its Formula One rights deal in the Czech Republic and Slovakia for three years, from 2018 to 2020.

◆ **Motorsport:** Spanish public-service broadcaster TVE acquired highlights rights to the 2017 MotoGP season.

◆ **Motorsport:** The World Rallycross Championship struck rights deals covering its 2017 season in: the Middle East and North Africa with pay-television operator OSN for the 2017 season; Spain with free-to-air channel Gol; Turkey with pay-television channel S Sport; the UK and Ireland with motorsports broadcaster Motorsport.tv; and the US with Ford Performance, a division of US carmaker Ford.

◆ **Motorsport:** German sports broadcaster Sport1 acquired rights to the 2017 World Endurance Championship.

◆ **Multi-sport:** The International Waterski & Wakeboard Federation agreed a content partnership with the International Olympic Committee's Olympic Channel.

◆ **Multi-sport:** The International World Games Association agreed a content partnership with the IOC's Olympic Channel. The deal grants the Olympic Channel streaming rights to this year's World Games.

◆ **Netball:** Sky acquired rights to the British Fast5 All-Stars Championship, a new competition launched by Matchroom Sport. The event starts on September 23.

◆ **Poker:** NBC Sports Group signed an agreement with Las Vegas-based organisation Poker Central. The deal begins with coverage of the Super High Roller Bowl, which starts on May 28.

◆ **Rugby League:** The England national team's match against Samoa on May 5 will be streamed live in the UK and Europe on rugby-league.com at a cost of £3.49 (€4.08/\$4.34). Supporters can access the match for free if they purchase a ticket for this year's Magic Weekend event.

◆ **Table Tennis:** Australian pay-television broadcaster Fox Sports acquired rights to 10 International Table Tennis Federation World Tour events, the World Tour Grand Finals, men's World Cup, women's World Cup, World Championships and World Juniors Championships.

◆ **Table Tennis:** Indonesian media company MNC Group bought rights to ITTF World Tour events, the World Tour Grand Finals, men's World Cup, women's World Cup, World Championships,

MEDIA RIGHTS DEALS

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World Team Championships and Junior Championships.

◆ **Table Tennis:** Pay-television operator Astro renewed a deal in Malaysia and Brunei to all ITTF World Tour events, the World Tour Grand Finals, men's World Cup, women's World Cup, World Championships and World Team Championships.

◆ **Table Tennis:** Fox Networks Group acquired ITTF World Tour rights in South Korea.

◆ **Wrestling:** DAZN agreed a rights deal in Japan with WWE. Under the multi-year contract, WWE's flagship programmes *Raw* and *SmackDown* will be available in Japan with Japanese commentary for the first time.

MEDIA RIGHTS NEGOTIATIONS

◆ Public-service broadcaster France Télévisions and Eurosport France lodged a joint bid to retain rights to the Coupe de France football club knockout tournament. The bid is reportedly valued at more than €20m (\$22m) per season over four seasons, from 2018-19 to 2021-22.

◆ Austrian public-service broadcaster ORF said it would submit an offer for Uefa Champions League rights. ORF spokesman Martin Biedermann told Austrian newspaper *Der Standard* the broadcaster would seek to retain its rights for the next cycle, from 2018-19 to 2020-21. The deadline for bids was April 3.

◆ The England and Wales Cricket Board (ECB) held talks with all major UK broadcasters, along with social media platforms such as Facebook and Twitter, as it sought to draw up a rights strategy for its new Twenty20 tournament. The

ECB pledged all games would be televised with "significant" free-to-air exposure. The ECB is said to be seeking a threefold increase in the value of its domestic broadcast rights. UK newspaper *The Telegraph* said the ECB will seek between £230m (€266m/\$289m) and £250m per year for its rights for five years from 2020 to 2024.

◆ Fifa, football's global governing body, opened an invitation to tender in Spain for the media rights to the 2017 Confederations Cup, the 2018 World Cup and the 2019 women's World Cup national team tournaments. Rights cover television, internet, mobile and radio transmissions. Bidders may also indicate an interest in the media rights for the 2022 World Cup and/or other Fifa events taking place during the 2017-2022 cycle, and submit independent unconditional offers for such rights.

◆ The new president of the Confederation of African Football will review the body's long-term rights deal with the Lagardère Sports agency.

◆ SuperSport terminated a rights deal with the Kenyan Premier League top-tier domestic club football competition (page 21).

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- ◆ Clubs from Italy's Serie A, the top division of domestic football, unanimously approved a new set of guidelines for the centralised selling of the next package of rights to the league and other competitions. The Reuters news agency, citing two sources familiar with the matter, said the tender is set to specify a single party cannot hold more than 80 per cent of the rights exclusively.
- ◆ A collective of major broadcasters and Europe's leading football organisations joined forces to call on the G7 group of nations to tackle internet piracy. The 19 signatories to the letter include US media company 21st Century Fox, UK public-service broadcaster the BBC, UK telco BT, French pay-television operator Canal Plus, Italian media group Mediaset, US media company NBCUniversal, pay-television broadcaster Sky, French media company Vivendi and the Walt Disney media company. The German Bundesliga, English Premier League and Serie A also signed the letter, as did European governing body Uefa.
- ◆ The US Department of Justice said it had reached a settlement with telco AT&T and its DirecTV satellite operator for allegedly acting as the "ringleader" of a series of unlawful information exchanges between DirecTV and three of its competitors during carriage talks for regional pay-television channel SportsNet LA. The DOJ said the settlement would prohibit DirecTV and AT&T from illegally sharing confidential information with competitors.
- ◆ The NBC Olympics division of US media company NBCUniversal extended its partnership with social media platform Snapchat to cover the 2018 winter Games.
- ◆ Talpa Holding acquired a 67-per-cent stake in Dutch commercial broadcaster SBS from majority shareholder Sanoma Media. The deal grants Talpa full ownership of the SBS6, NET5, Veronica and SBS9 television stations.
- ◆ The Puls 4 division of German media group ProSiebenSat.1 Media concluded its takeover deal for Austrian commercial broadcaster ATV.
- ◆ Tech giant Intel signed a multi-year partnership to provide virtual-reality content for US college sport. Intel signed the deal with the NCAA and its broadcast rights partners Turner Sports and CBS Sports.
- ◆ The European Commission gave unconditional approval to 21st Century Fox's proposed £11.7bn (€13.7bn/\$14.5bn) takeover of pay-television operator Sky. The Commission said it saw no competition problems with Fox's bid to acquire the share in Sky it does not already own. It added the two companies compete "only to a limited extent" in providing pay-television channels and acquiring sports rights. The deal requires approval from UK media regulator Ofcom.
- ◆ US network NBC committed to complete live coverage of the 2018 winter Olympic Games in Pyeongchang, South Korea. On most nights of the Games, the primetime broadcast will begin at 8pm ET, 7pm CT, 6pm MT, and 5pm PT. It will be followed in all time zones by local news, and then a *Primetime Plus* programme.
- ◆ MSG Networks, which owns and operates two US regional sports networks – MSG Network and MSG Plus – is reportedly looking for buyers.

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- ◆ Spain's anti-trust regulator, the Comisión Nacional de los Mercados y La Competencia, opened an investigation into the Mediapro agency in relation to possible anti-competitive practices. The CNMC said the investigation relates to allegations of applying "discriminatory and unequal business conditions" to pay-television operators in Spain interested in carrying the beIN Sports and beIN LaLiga channels marketed by Mediapro.
- ◆ The NFL entered into a partnership with Intel to deploy the company's freeD technology in select stadiums across the league.
- ◆ Video-sharing platform YouTube launched its YouTube TV service, delivering major television channels to subscribers in the US's largest metropolitan areas: New York, Los Angeles, San Francisco Bay, Chicago and Philadelphia.
- ◆ Mediapro will invest more in esports after hailing 2016 as its "best ever year". The agency claimed its investment in the LVP esports league had helped to boost its audience by 20 per cent last year. The agency reduced its net debt from €231m (\$245m) in 2015 to €143m last year on the back of full-year turnover of €1.536bn, up from €1.51bn the previous year. Ebitda also increased to €162m, from €130m.
- ◆ *The Daily Mail* reported that Sky is set to revamp its sports offering this summer, with dedicated channels to be launched for football, cricket and golf. The newspaper said there would be two dedicated football channels, with other sports to be bundled together under one variety package.
- ◆ UK pay-television broadcaster Sky acquired a majority stake in specialist horse racing channel At The Races. *The Times* newspaper reported that Sky previously held a 48-per-cent stake in the pay-television channel, while UK racecourse owner and operator Arena Racing Company held a 52-per-cent shareholding. The newspaper said Sky and ARC had agreed to flip their respective shareholdings, handing majority ownership to Sky.
- ◆ PA Group, the parent company of the Press Association news agency, agreed a deal to acquire a 61-per-cent stake in video-streaming company StreamAMG. PA Group has an option to acquire the remaining shares in StreamAMG.
- ◆ Mediapro agreed a carriage deal for its Canal F1 Latin America channel with Mexican pay-television operator Megacable.
- ◆ Highlight Communications said it had taken measures to ward off hostile takeover attempts as the dispute with its parent company, German media company Constantin Medien, continued. Highlight has granted options to two independent foundations to temporarily acquire a majority of the ordinary shares of Team Marketing, the sports and event marketing agency it controls, as well as Constantin Film. Highlight made the move in a bid to ensure that the material economic interests of the company and its minority shareholders are safeguarded.
- ◆ Serie A club Juventus launched an on-demand video platform for its international fan base. Juventus Pass is only available outside Italy and will offer full match re-runs and comprehensive highlights, as well as other content. Juventus

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Pass will retail at £7.99 (€9/\$10) per month, or £3.99 for club members.

◆ Football's Austrian Bundesliga revamped its distribution system for broadcast revenues as it prepared to launch a tender for its next domestic rights deal. Starting from 2018-19 – when a new deal will commence – the distribution of television revenue will be more focused on club performance. The new deal will see the amount distributed evenly to all clubs fall from 40 per cent to 30 per cent, while distribution according to the usage of Austrian players will be cut from 40 per cent to 20 per cent. Thirty per cent of revenue will be distributed according to the sporting performance of teams, while 20 per cent will be allocated based on attendances at games.

◆ The Norwegian Football Federation, Norsk Toppfotball and Fotball Media took legal action against commercial and pay-television broadcaster TV2 in the belief it has infringed rights regulations for coverage of the Eliteserien, the top division of domestic football. TV2 and its *FotballXtra* programme on TV2 Zebra have been showing goals and highlights and made content available online while games are being played. The NFF, NTF and Fotball Media believe this infringes the rights of the Discovery Networks division of international media company Discovery Communications and took action, initially requesting that such content is only shown after matches finish.

◆ Japan's five main commercial broadcasters teamed up to develop a system for simultaneous broadcasting of television programmes. Tokyo Broadcasting System Television, TV Asahi, TV

Tokyo and Fuji Television Network reportedly reached an agreement to invest in a joint venture established by Nippon Television Network and internet service provider Internet Initiative Japan. The joint venture, JOCDN, will be 20-per cent owned by IJ with the remaining 80 per cent divided equally among the five broadcasters.

◆ Organisers of the 2017 Southeast Asian Games in Kuala Lumpur said 24 of the 38 sports at the Games would be broadcast live – a record for the multi-sport event.

◆ African pay-television broadcaster Kwesé TV agreed a content partnership with the Ghanaian division of telco MTN. The partnership will see Kwesé TV's sports content made available to MTN customers across mobile devices.

◆ Formula One's head of commercial operations, Sean Bratches, said the motor-racing world championship would explore more digital opportunities, particularly in territories where pay-television deals are in place. Bratches told Motorsport.com that F1 is in the process of "re-imagining" its portfolio of digital assets.

◆ McLaren-Honda signed a content partnership with Indian pay-television broadcaster Star.

◆ Pay-television broadcaster Sky acquired digital content producer Diagonal View.

◆ The inaugural edition of Women's Tennis Association tournament the Ladies Open Biel Bienne, from April 8-16, will be made available in virtual reality. Tournament organiser the InfrontRingier agency will collaborate with South Korean consumer electronics company

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Samsung, Swiss public-service broadcaster SRG, newspaper group Blick and WTA Media to deliver the coverage.

◆ Video sports agency SNTV launched a new live sports video platform entitled SNTV Live.

◆ BeIN Media Group partnered with TMG, a provider of compliance and anti-piracy services, to combat online piracy of its content.

INDUSTRY MOVES

◆ Richard Wise was promoted to the role of senior vice president of content and channels at the IMG Media agency. Ed Mallaburn, who oversees IMG Media's tennis portfolio, will now oversee global business development and acquisitions. Kristian Hysén was appointed to oversee IMG Media's global sports business in addition to his role as lead for the Nordics region.

◆ Ian Holmes was appointed as the new global director of media rights at the Formula One motor-racing world championship. Holmes has sold F1 media rights worldwide since 2001.

◆ Bundesliga International, the new sales and marketing unit of the DFL, appointed Robert Klein as its chief commercial officer.