EU Sector Inquiry 0505_SG_EU_001



SECRETARY GENERAL

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D/729/2004 19 October 2004 Subject: Case COMP/C2/38788 Sector inquiry into the provision of sports content over 3G networks;

IBU comments on the Issues Paper on the preliminary findings of the Sector Inquiry into New Media (3G)

Salzburg, 30 June 2005

Dear Doctor Ungerer,

The IBU thanks for having been given the opportunity to comment on the "Issues Paper on the preliminary findings of the Sector Inquiry into New Media (3G)" and on the presentations at the public presentation in Brussels on 27 May 2005. The IBU would like to point at the following issues:

- 1. The IBU is ready to assist in the development of 3G/UMTS as a new means of serving citizens and consumers, as far as these new media are able to serve the interests of sport beyond solely making business. The IBU is using its partnership with the EBU in constantly developing the chance that viewers and listeners of broadcast can access some of the television and radio programmes streamed by EBU members via mobile phones. Access via mobile telephone to the joint IBU EBU websites hosting and the television and radio programmes displayed on those websites is in the process of development. Already at present, video clips can be downloaded and further steps are undertaken, provided they help in creating publicity for the sport of biathlon.
- 2. The fundamental focus on biathlon as an Olympic sport is the reason why the IBU is favouring a four years' contract period instead of a three years' one. A four year circle allows to plan in Olympic periods and thus to streamline the public appearance of this sport in parallel development to the Olympic Games. The Olympic Games and

their four years interval lay down the basic concept for the sport development and the necessary finances for an Olympic sport. Budget plans and Congress periods follow this fundamental circle. Marketing and media contracts result from this budget strategy. Sport is planning and building up all its initiatives in four years' periods. The EU is kindly asked to support these needs inherent in an Olympic sport and create and assure the necessary legal framework.

- 3. The Issues Paper does not mention competitive constraints between the different platforms as a key criteria for the competition law analysis, which easily can be taken care of by a TV contract selling part of the rights, eg for pay-TV on a non-exclusive basis.
- 4. The IBU cooperates by its joint internet platform with the TV rights holder so that an ever greater convergence between moving images on television and moving images received by a mobile telephony platform is coming into being. It is interested and follows the policy of selling broadcast rights for all audiovisual platforms, in order to avoid any cannibalization dynamic to the process of convergence between these platforms.
- 5. The IBU supports concepts considering the basic principles of copyright which include contractual freedom of the rights holders, those of the sport federation as well as those of the media companies. It is for various reasons as a rule more favourable for a constant rise of interest of spectators in a sport to sell TV rights for all kinds of TV at once and guarantee and being guaranteed exclusivity on the other hand. Such system helps to focus on the laws and dynamics of sport itself, TV and marketing always being an important, but ever a second class factor for sport.
- 6. The IBU kindly asks the EU Commission for carefully balancing the interests of development of sport where TV and marketing issues are an important, but by far not the most important factor. The athletes, the technical officials and the fan communities worldwide form the core of the sport. They are creating a successful product and the product will suffer as soon as one part of the core team falls apart. It is not the interest of the mobile operators in having a successful business, but the interest of the sport community, not being destroyed by companies acquiring TV rights for sport, but at the same time subordinating sports interests to own marketing strategies.

As a conclusion, the IBU welcomes the initiative of the European Commission on the 3G/UMTS sector, but would appreciate, if the Commission could take the above items into consideration when elaborating or issuing respective legal acts or undertaking other steps in this field.

With kind regards

Michael Geistlinger IBU Secretary General