

[GB] Court Judgment in the Battle for Broadcasting Football

IRIS 1999-8:1/7

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At the end of July 1999, the judgment on certain restrictions in the Football Association Premier League's (PL) rules and in its broadcasting agreements with BSkyB and the BBC was handed down by Justice Ferris at the Restrictive Practices Court in London. The restrictions enabled the PL to sell television rights on a collective and exclusive basis to BSkyB and the BBC. The judgment was delivered after a four month trial, with over 70 witnesses and experts, and is of crucial importance to sports broadcasting and the development of TV. The Director General of Fair Trading - John Bridgeman - referred the agreements to the Court because he believed they were likely to have a significant impact on competition. The parties to the agreements were also asked to show that the restrictions do not adversely affect the public interest. The Restrictive Practices Court finally ruled that the 20 league clubs that make up the Premiership were not acting as an illegal cartel in selling live rights to BSkyB and highlights to the BBC.

The Court's ruling is important in three respects. Firstly, the Court has found in favour of the clubs selling collectively through the Premier League and also has judged this to be the best way to maintain competitive balance between the clubs, which is the key to the success of the Premier League.

Secondly, the Court held that the arrangements encourage competition in the television industry. Acquiring rights on an exclusive basis allows broadcasters to make their programming distinctive and attractive to viewers. Thirdly, the Court held that the television revenues from selling rights on an exclusive basis had enabled the clubs to invest in their stadia and players. There is a right of appeal but only on a point of law.

Judgment handed down by Justice Ferris, on 28 July 1999.

