

[DE] Exploitation Rights for German Bundesliga

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The Deutsche Fussballbund (German Football Association - DFB) has agreed a four-year contract with the Kirch group on the exploitation of television and Internet rights relating to the Bundesliga (national football league). The Kirch group will pay DEM 3 billion, ie DEM 750 million per season, for the right to broadcast Bundesliga matches between 2000 and 2004. The deal covers pay-TV broadcasts, including the possibility of watching all matches on a pay-per-view basis, as well as free TV channels, which can be received at no extra charge. Once again, therefore, the DFB has sold these rights centrally with the agreement of the clubs.

The European Commission is currently examining whether the central marketing of all matches by the DFB is consistent with European competition law. The Commission has repeatedly stated in the past that sport is subject to the competition regulations of the EC Treaty. On the one hand, it must decide, in relation to Article 81 of the EC Treaty, whether central marketing can affect trade between Member States. This might be the case if the broadcasting rights were sold on to other countries. On the other hand, it is unclear whether this arrangement might lead to the prevention or restriction of competition. Currently, in the opinion of the EU Competition Commissioner, the Commission is tending towards the conclusion that both are true. The DFB, however, argued that the sale of rights to a collecting society in no way restricted competition and that, on the contrary, it rationalised the international distribution of rights. It was also in the consumers' interests to have a competitive league, so that they enjoyed a fair share of the benefit resulting from collective selling (see Article 81.3 of the EC Treaty).

Meanwhile, German rights to the UEFA Champions League have been sold to the broadcaster RTL and payTV channel Premiere World. Only last year, broadcaster tm3 acquired the rights for four years. UEFA agreed to the change of rightsholder. The Commission is currently holding a similar enquiry into the central marketing of rights by UEFA.

Case No IV/37.214 - DFB. Central marketing of TV and radio broadcasting rights for certain football competitions in Germany, OJ C 6, 9.1.1999, p. 10-11.

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Case No IV/37.398 - UEFA. Central marketing of the commercial rights to the UEFA Champions League OJ C 99, 10.4.1999, p. 23-24.

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