

[IT] New developments in the attribution of football broadcasting rights

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On 15 April the Italian Football League revoked the three years assignment of football rights to the Cecchi Gori Group. As reported in IRIS 1996-4: 13, the Cecchi Gori Group, owner of two national terrestrial channels in Italy: Telemontecarlo and Videomusic, acquired the rights for the non-encrypted broadcasting of both domestic and international football games because their offer had been higher than the ones presented by the public broadcaster RAI and the Fininvest Group.

However, after the rights' assignment, the Cecchi Gori Group did not comply with the financial requirements of the contract. In particular, they were not able to deposit within twenty days the required guarantee sum. Consequently, the League accorded the rights to the broadcaster that made the second best offer. This happened to be the RAI. RAI offered 185 billion Lire for the first year (approximately 120 million US dollars), 193 billion for the second year and 202 billion for the third year. The attorneys of the Cecchi Gori Group announced legal action against the League since, in their view, the assignment in their favour could not be annulled without a formal default action before a court of law. They also contest the *dies a quo* (the starting date) determined by the League to fix the end date of the twenty day period. IRIS will keep you informed on further developments.

