

Euroleague Basketball is pleased to offer its contribution to the European Commission's public consultation related to this important topic for the sports in Europe. Euroleague Basketball is a group of companies, independent from the international federation, who organizes and manages all the property rights of the pan-European top tournament of professional basketball clubs.

**(11) With focus on the categories mentioned above, how are commercial communications for (on-line) gambling services regulated for at national level? Are there specific problems with such cross-border commercial communications?**

Commercial communications are differently regulated depending on the Member State. It is often problematic as online gambling commercial communications are cross-border by nature, all the more so when national legislation is not EU compliant and when there's a lack of consistency within Member States.

Further to that, the disparity of regulations, in particular when these do not exist, or de facto tolerance, creates confusion on their application. In addition, it creates legal uncertainty regarding the possible response from the national administrations (that may directly impose a fine or ask for the removal of advertising), and confusion regarding the subject upon whom the responsibility falls (the hosting club, the owner of the arena, the organiser of the competition or the gambling company).

As an example of inconsistency and over-restrictive national advertising rules which lead to loss of revenues of all involved stakeholders, Euroleague could give the following example:

- A EU licensed gambling company may advertise its brand in Spain, Italy or France, but not in Germany, although the local monopoly was ruled inconsistent by the ECJ. However, German sports fans would watch the Spanish *or* Italian events on German TV where events are broadcast with gaming-branded advertising. Also private foreign TV channels broadcast from one country into other territories.

Such limitations are a mid to long-term damage for the commercial relationship between betting operators and professional sports, they are currently a loss of revenue for international sports in certain countries. Excessive limitations and uncertain legal situations may push betting operators to limit their investments further.

**(30) As regards sports betting and outcome fixing - what national regulations are imposed on on-line gambling operators and persons involved in sport events/games to address these issues, in particular to prevent 'conflicts of interest'? Are you aware of any available data or studies relating to the magnitude of this problem?**

Preserving sports integrity requires involvement and vigilance of all stakeholders (players, sports bodies, regulators, operators, etc). Euroleague Basketball has regulations in place, imposed to participants with reference to their required conduct in terms of sports betting & outcome fixing:

#### **Player Regulations:**

All players participating in competitions organized by Euroleague Basketball must sign a Player Entry Form, in which, among other commitments, all players “agree to comply with the FIBA Code of Ethics, in particular to not participate in, support, or promote betting activities related to Euroleague Basketball Competitions”. Likewise, the players “further agree that third parties may transfer to Euroleague Basketball information pertaining to betting activities in connection to the Euroleague Basketball competitions”.

#### **Officials Regulations:**

Article 22 r) of the Euroleague Officials Regulations consider as infringement “The involvement in permanent or temporary activities that may entail a conflict of interests with one’s position or have a direct or indirect relationship therewith, or in any other activities that may affect the outcome of any basketball competition”.

In addition, the Euroleague Disciplinary Regulations may sanction certain types of behavior which may vary from a warning to the exclusion of the competitions, depending on the damage caused to the image or interests of Euroleague Basketball. Obviously any conduct regarding match-fixing may cause a significant damage to the image of the competition.

**(32) What risks are there that a (on-line) sports betting operator, which has entered into a sponsorship agreement with a sports club or an association, will seek to influence the outcome of a sports event directly or indirectly for profitable gain?**

We believe that any activity or arrangement, which might seek improperly to influence the outcome of a sporting event, or to improperly exploit any inside information is most unlikely to arise as a result of any reputable sponsorship arrangement with a properly regulated betting operator.

Threats to sporting integrity typically come from organised crime and illegal bookmakers operating in unregulated markets. These illegal enterprises do not, and would not be permitted to, sponsor sports teams and competitors. Sponsorship activity by betting operators is already heavily regulated in many European jurisdictions, and the European sports sponsorship market is largely closed to any betting operator which is not properly licensed and regulated.

The core basis of sponsorship is that it is a mutual partnership whereby the sponsor and the sponsored party agree to associate their images and values for their mutual benefit.

The maintenance of sporting integrity is fundamental to the watching public and to sport itself and a professional sports event like Euroleague would never accept attempts to convince any of its members to fix the result of an event it is part of.

The commercial reality is that, far from being in conflict, the interests of a betting operator sponsor and its sponsored party are aligned, and the commercial and legal disincentives against any impropriety are such as to ensure that that remains the case.

Luxembourg, July 31, 2011