

the sportsman Submission to the Green Paper

1. the sportsman's Online Betting Services

the sportsman is a sports rights and marketing agency that specialises in the acquisition and distribution of media broadcasting rights. For over 6 years now, the sportsman has offered live streaming of sporting events to online betting companies so that they can provide direct coverage to their customers who make use of their fixed odds and live betting services.

We cover up to 15,000 events per year around the clock, including football, tennis, basket ball and other sports that historically, have not received a wide audience in Europe. We provide access to the end customer via betting companies of non-televised events in addition to those that are shown on national networks.

As well as rights distribution we also provide our clients with a support service, a monitoring and reporting service, and a consulting service in which we share with them our technical expertise in online streaming.

(41) What are the proportions of on-line gambling revenues from sports betting that are redirected back into sports at national level?

Of the revenues we receive from online sports betting companies, the major part effectively goes to the sports organisations that we acquire the broadcasting rights from. Beside the big international organisations we also have many cooperation with smaller national leagues, federations and organizers that are receiving revenues from us.

We deal with the largest names in the online gambling world: *Bwin, bet365, Unibet, betfair* and *William Hill* have all used our services to provide high quality streaming and betting solutions to their customers.

2. Online Gambling and Sport

(i) Digital Entertainment

the sportsman sees sports betting as an extension of the entertainment experience that following sports brings. Supporters are passionate about their teams and loyally follow sportsmen and women as they compete in a multitude of events across the globe. Placing a wager on their team adds to the fans' sense of excitement and desire for their chosen party to win and reinforces the sense of affiliation that they feel as they live the highs and the lows of their sporting heroes.

(ii) Responsibility

This is, of course, the positive view of sports betting from the consumer's perspective. We are well aware that gambling, however you dress it up, still carries a risk of problem behaviour. It is the responsibility of those companies with whom we work to ensure that safeguards are in place to properly manage such risks in accordance with applicable law and industry best practice. In this view, we welcome also the establishment of the European Committee for Standardization (CEN) Workshop 58 Agreement that establishes a framework for providing a safe and secure online gambling environment in accordance with best practice.

(iii) Socio-economic Benefits

As a B2B supplier, the sportsman sees the issue of online Sports betting from a socio-economic point of view. The increasing popularity of online betting has provided a new revenue stream for sports organisations who exploit their audiovisual rights via licensing to third parties. Online betting companies purchase these rights to provide their customers with a broader digital entertainment service. Their customers benefit from being able to view the events on which they have placed bets live, and on the same screen as the odds information that is fed to them on the operator's website.

The benefits of live streaming are shown to be even greater in that it provide a platform to showcase sports that do not receive wide coverage on television. It is these developing sports that find a growing and essential fan base in the online betting market. The exposure that they receive from online operators helps to raise their profiles across Europe while the viewing rights purchased by distributors and betting companies provides a invaluable source of revenue that can be directly reinvested into the sports to fund their continued growth.

Another fundamental aspect of our operation is the technological advancement and innovation that is driven by continued development of online gaming and betting. Due to the highest demands for efficiency and quality we have invested significantly into the development of reliable systems. The advances in this area are at the forefront of e-commerce and the demand for these new technologies is driven, in part, by the requirements of the online betting and gaming industry. Today we are already working on implementing mobile solutions for the betting operators in order to suit their needs and to meet customer demands to have the products available everywhere. It seems that our partnerships with these operators are exactly the sort of enterprise that is envisioned by the Commission's Digital Agenda.

(iv) Benefits of a strong legal framework

It is the income that the sporting organisations receive through the distribution chain that is key to the issue of regulation of the online betting and gaming industry. The betting companies that we provide streaming services to pay fees that are channelled to the sports industry as explained above.

Those companies want to know that their rights to broadcast events on their sites are fully protected, and are not being breached by illegal operators “free riding” on the back of their investments. On a governmental level, such activity will create leakage of lost tax revenues, and in terms of reinvestment into sport, organisations (including smaller ones that rely heavily on income from granting of media rights) will lose out. What we certainly do not want is for the online operators to have any cause to question the investment they are making in purchasing these rights – the whole distribution chain would suffer.

Following on from the theme of progression, we would like to make the point that any attempt to bring the various regulatory regimes of Member States together under a pan-European framework can only be, in our view, a positive step forward. It goes without saying that sporting events at the top level are international in nature, with individuals participating in events all over the world throughout the sporting calendar, and domestic teams travelling the continent to engage in European competition. Secondary organisations that deal with these clubs and sportsmen want to mirror this free movement by providing cross-border services that reach as many customers in as many countries as possible. Such an aim is aligned with that of the Audiovisual Media Services Directive that requires Member States to promote the production of and Access to European Works.¹

(3) What, if any, is your experience of EU-based on-line gambling operators licensed in one or more Member State and providing and promoting their services in other EU Member States? What are your views on their impact on the corresponding markets and their consumers?

The Union of Europe provides a perfect platform in which these services, and the benefits thereof, can be provided in an efficient and consistent way to millions of its citizens. In the current market, this is simply not possible. We grant regulated online gambling companies licences to broadcast sporting events throughout Europe but they appear to be restricted by national laws of Member States that either fully prevent them from offering any services in their countries, or require them to have licences to broadcast, in addition to licences for carrying out the various categories of betting and gaming that they offer. As such, we have to procure warranties from them stating that they are legally permitted to offer their services in the proposed Member State(s) and are fully compliant with the relevant national laws. We (as well as they) then have to continue to monitor the legal state of affairs in that country and be alert to any changes that might render any current activity unlawful. It seems that a number of Member States have recently introduced, or are considering introducing new laws on (online) gambling, so vigilance is particularly important at the moment.

¹ See 2010/13/EU Article 13

A clear European regulatory framework would remove the uncertainty and the hurdles referred to above. It would ease the administrative and tricky compliance burdens that both industry members and its partners face, and would provide an equal playing field, in which foreign operators can compete with their local counterparts – and ultimately, it would be the consumer that would benefit from such a system. Additionally, the interests of the company would be better protected against black market operators; governments would enjoy a greater income from tax revenues; and sport itself would benefit from a greater cash injection and a greater exposure, which is invaluable for those sports that only have a low profile in Europe at the moment.

Contact information

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