

Dorna Sports is an international sports management, marketing and media company, founded in 1988. The organisation has its headquarters in Madrid, and further offices in Barcelona, London and Tokyo. The group main shareholder is Bridgepoint Capital.

Dorna is the commercial and television rights holder for the FIM Road Racing World Championship Grand Prix (MotoGP). With more than 60 years of history MotoGP is the pinnacle of motorcycle racing and is Dorna's main focus.

Dorna has an all-encompassing Grand Prix event management philosophy, with 360° direct involvement in the different areas of the MotoGP World Championship.

Dorna has additional involvement in further motorcycling events, such as the Spanish National Championship (CEV) and the Red Bull MotoGP Rookies Cup, which seeks to promote the development of the next generation of riding talent.

The company also markets Ad-Time, a rotating advertising board system, in Spain, Italy, Portugal, the UK, South America and Japan - using it in volleyball, baseball and football (soccer).

In the last ten years, the gambling industry has become one of the main sponsors of international sports events, and thus one of the sources of revenue on which sports organisers rely to develop their activities. Therefore, Dorna feels it is important to contribute to the discussion on the future regulation of online gambling services.

With respect to the EC Green Paper public consultation, Dorna wishes to provide its answers to three questions that can have a direct impact on the relationship between sport bodies and online gambling companies and on the future growth of sports.

(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**. Moreover, they have to be seen in a larger context with the applicable national gambling legislation, the legislations overall consistency and its compliance with EU law. One problematic aspect with regard to online gambling is the cross-border aspect of both the betting services and the commercial communications.

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

- Dorna, the organiser of MotoGP, runs races all across Europe and the world. It currently has a sponsorship agreement with an online betting

company that sponsors certain European races, but cannot seek sponsors for other European races like Germany or the Netherlands, because of local legal restrictions. Nonetheless, German and Dutch fans can watch on TV or through the Internet Spanish or Italian gambling-sponsored races.

- In general, both the Internet and TV don't know borders. Hence to cater and protect consumers/fans in all member states, coherent standards should apply.

This incoherence across the EU might expose sport organisers sponsored by gaming operators to penalties or other sanctions. Moreover, 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. In the end, sport will lose out.

(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?

The joy of sports fans lies in the fact that the outcome of a given sport event is not known in advance. This is also the basis for sports betting. Consequently, preserving sports integrity is an intrinsic need of both sport and betting providers. The fight against fraud requires the involvement and vigilance of all stakeholders (players, sports bodies, regulators, operators, etc).

Dorna is analysing and will apply together with the FIM strict rules and self-regulatory measures to prevent conflicts of interests and match fixing:

- Riders, team members and officials shall not be allowed to place bets on the events they are involved in;
- Riders, team members and officials will have to report any attempt by individuals/organizations approaching them to fix the outcome of an event;
- In case a rider, a team member or an official were found guilty of corruption, strong sanctions would apply.

(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. The essence of sport and consequently also of sports betting lies in fair competition and bases itself on the fact that no-one knows the outcome of a sport event in advance.

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 MotoGP 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.