Intergovernmental Group of Experts on Competition Law and Policy

17th Session
11-13 July 2017
Room XVII, Palais des Nations, Geneva

Thursday, 12 July 2018
Afternoon Session

Agenda Item 3a. Competition issues in the sale of audio-visual rights for major sporting events

Presentation by
Anna Chanduvi

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SPORT MEDIA LANDSCAPE
WHERE DO WE STAND?
EXPONENTIAL GROWTH

RIGHTS VALUE ($)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>31,425</td>
</tr>
<tr>
<td>2014</td>
<td>36,321</td>
</tr>
<tr>
<td>2015</td>
<td>39,619</td>
</tr>
<tr>
<td>2016</td>
<td>43,641</td>
</tr>
<tr>
<td>2017</td>
<td>46,975</td>
</tr>
<tr>
<td>2018</td>
<td>49,517</td>
</tr>
<tr>
<td>2019</td>
<td>51,823</td>
</tr>
<tr>
<td>2020</td>
<td>52,903</td>
</tr>
<tr>
<td>2021</td>
<td>54,272</td>
</tr>
</tbody>
</table>


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### TOP 10 PLAYERS


<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Media Rights Spend ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>21,222</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>4,844</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>2,269</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>2,234</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>1,883</td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>1,707</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>1,227</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>1,112</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>940</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>782</td>
</tr>
</tbody>
</table>

### TOP 10 MARKETS BY MEDIA RIGHTS SPEND ($M)


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10 SPORTS = 93% OF GLOBAL BUSINESS

- Football: 43%
- American Football: 17%
- Basketball: 10%
- Baseball: 8%
- US College Sport: 7%
- Motorsport: 4%
- Ice Hockey: 3%
- Golf: 3%
- Multi-Sport Events: 3%
- Cricket: 2%

REGULATORY BODIES ALSO PLAY

1. Increased competition
2. Territory licensing & packaging
3. Listed events (anti-siphoning laws)
4. Anti-cartel regulations

DISRUPTION AHEAD

INDIVIDUALIZED VALUE CHAIN
COLLECTIVE TO PERSONALIZATION

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# SHIFTING CONSUMPTION PATTERNS

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Mobile</th>
<th>TV Set</th>
<th>Computer</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-24</td>
<td>74%</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>35-44</td>
<td>50%</td>
<td>27%</td>
<td>9%</td>
</tr>
<tr>
<td>45-54</td>
<td>38%</td>
<td>30%</td>
<td>15%</td>
</tr>
<tr>
<td>55+</td>
<td>20%</td>
<td>47%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Source: Ofcom Study, 2017
SHIFT IN BROADCASTING FORMATS

Source: “The Sponsorship and Broadcasting Value of the FIFA World Cup 2018”, KPMG https://www.footballbenchmark.com/the_sponsorship_and_broadcasting_value_of_the_fifa_world_cup
BROADBAND ACCESS GROWING

Global internet advertising revenues to grow 8.7% CAGR


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54% of millennials watch illegal streams.

Approximately 1/3 of media value whipped of the surface.

Source: Guardian, 2017: https://www.theguardian.com/sport/2017/apr/25/illegal-streams-live-sports-sports-industry-group
NEW BUSINESS MODELS
NEW ENTRANTS, ALLIANCES AND CHALLENGES

Entrants

IP Ownership

Blurred ownership

DTC

anna CHANDUVI
LAS SEDES DE LaLIGA
OPPORTUNITIES FOR SMALL PLAYERS

- DIGITAL & SOCIAL FIRST CONTENT
- NEW AUDIENCES
- NICHE
- OUTSIDE TO INSIDE

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ANNA@WBRNETWORK.COM

@ANNACHANDUVI