
Intergovernmental Group of Experts on Competition Law and Policy

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Afternoon Session

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

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INTERNATIONAL OLYMPIC COMMITTEE

Olympic Games – media rights sales

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Key questions



- What is the model that the IOC uses for the sale of Olympic Games audio-visual rights? How do we promote competition for rights?
- What is the impact of internet platforms on competition for the acquisition of Olympic Games audio-visual rights?

How do we promote competition?



- IOC owns global broadcast rights for each Games
- Appoints “Olympic Broadcast Services” as host broadcaster
- Olympic Charter obligations in Rule 48
 - ensure the fullest coverage by the different media and the widest possible audience in the world for the Olympic Games
- Broadcast is principal means to fulfil mission of promoting Olympism throughout the world and to experience the magic of the Olympic Games

Practical impact



- Free to air commitment
 - Minimum hours
 - High viewer interest events
- Impact on “pay television” services
 - Sublicensing obligation
 - Impact on rights acquisition process and competition?
- Territorial overview

Broadcast and Media Rights – PyeongChang 2018



Promoting competition



- Market by market approach
- Usually involves tender process
 - “Competitive tension”
 - Multiple rounds of bidding
- Factors to consider
 - Location or timezone of Games - bundling of multiple Games?
 - Separation of “free” and “pay” rights
 - Value of exclusivity – restriction on sublicensing permissions?
 - Other premium rights in the market?
 - Listed events/anti-siphoning laws

Impact of internet platforms on rights sales



- Digital delivery by existing “traditional” broadcasters
- Focus on “OTT” services
 - Content delivered via the open internet – “OTT”
 - Services separate to traditional cable/satellite pay-TV provider



What are the advantages of OTT?



- Quantity
 - Unlimited content offerings
 - Not constrained by “channels” and available capacity of the distribution system
- Adaptability and personalisation
 - Breadth of content type and format
 - Can be multi-language, multi-feed, self-directed
 - Interactive relationship with user
- Lower barriers to entry for providers
 - Infrastructure, licensing, regulatory and content needs
- Data
 - Reliable, viewer-specific data for advertising purposes
- Ease of customer acquisition and/or delivery
 - Quick sign-up, no additional equipment needed

What are the disadvantages of OTT?



- Scale and reliability
 - Issues with significant concurrent audiences – “live” sport
 - Picture quality and sound – an issue now???
- Latency
 - Issues with social media interaction?
- Less established business model (e.g. ratings) as compared to broadcast television
 - OTT offers directly addressable audience but advertisers used to acquiring aggregated large audience via television
- Variety of devices used by consumers

What does this mean for IOC rights?



- PyeongChang 2018 – Facebook, YouTube and Reliance Jio in India
- Minimal short term impact given long term deals
 - Use of content by broadcasters on social platforms
- Superficially, good to have more “competitors” for rights, but...
- Key questions:
 - Will new content monetisation models underpin rights “value” we have now?
 - Challenging commercialisation vs increased competition
 - Should we avoid “gatekeeper” arrangements and focus on distributing to multiple rightsholders?
 - What will “exclusivity” look like in future?
 - By distribution means?
 - By economic model (free vs pay)?
 - By audience type or content type?
 - Will Facebook, YouTube or any other “free” service satisfy the IOC “free to air” requirements?
 - Impact of current “free to air” definition on rights value to pay operators
 - Will we see multi-continent deals?



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THANK YOU!