

CCPR Consultation Response: Content Online

Creative Content Online in the Single Market

29 February 2008

About CCPR

CCPR is the representative body for sport and recreation in the UK, counting over 270 sport and recreation organisations including the national governing bodies of sport within its membership. CCPR exists to promote, protect and provide for sport and recreation in the UK by demonstrating the benefits that sport and recreation bring to society, working to reduce adverse impacts from legislation or other causes, and providing a range of high quality services to enable its member organisations to operate effectively.

CCPR is also an active member of the European Non-Governmental Sports Organisations (ENGSO) which represents over 40 national (EU and non-EU) umbrella sports organisations across Europe and is also a member of the EU Sports Office.

General Comments on the Consultation

CCPR is disappointed that sport is not explicitly mentioned in the communication on Creative Content Online in the Single Market. 300 million or 60% of Europeans regularly participate in sport and the European Institutions have rightly realised the importance of what is the EU's largest social movement. The White Paper on Sport released last year recognised that "issues concerning the relationship between the sport sector and sport media (television in particular) have become crucial as television rights are the primary source of income for professional sport in Europe. Conversely, sport media rights are a decisive source of content for many media operators."

While the White Paper continued to address the theme by clarifying "the importance of an equitable redistribution of income between clubs, including the smallest ones, and between professional and amateur sport," the Paper failed to show the importance of the solidarity mechanisms between media rights and grassroots sport. In the UK governing bodies such as the Rugby Football Union and the English Cricket Board (ECB) derive over 80% of their income from media rights and, being responsible for their sport from playground to podium, use this money to invest heavily in grassroots sport. The ECB has just announced a new £30m (€50m) project investing in grassroots sport, which would not have been possible without media deals. These solidarity mechanisms are taken very seriously in the UK. The major sports right owners are signatories to the CCPR-led Voluntary Code of Conduct in relation to the broadcasting of major sporting events which ensures that signatories provide at least 5% of TV rights income annually to directly fund grassroots

initiatives. In reality, most sports spend a great deal more of their media income on grassroots development.

Rather than be excluded from the consultation sport should be considered with specific concern. The reason for this is that the value of sport piracy, unlike film or other markets, lies in live, near live or delayed transmission. Because of this regulatory action with even a short lead time currently offers minimal protection for sport.

Digital Rights Management (DRM) - Questions 1-5

No DRM is likely to be 100% effective in counteracting piracy and the regulation of the market runs the risk of preventing the continual technological improvements needed to keep pace with piratical innovation. It may be more reasonable to allow development in DRMs and allow a fully informed market place to define their needs.

Multi-Territory Rights Licensing (MTL) – Questions 6-8

The Commission should consider whether there is any genuine evidence that MTL is required and the market for pan-European audiovisual content actually exists. The current broadcasting system is defined by the market and offers a particularly complicated and consumer driven product; and should a demand for MTL occur supply is likely to follow with individual providers adapting to suit. Indeed adding a regulatory element or an explicit intervention may in fact have a negative effect in creating barriers to entry into what should be a diverse market place.

Piracy and Stakeholder Cooperation – Questions 9-11

The vast demand for sports' copyrighted material makes sporting events a clear and obvious target for piracy. Piracy constitutes a real and tangible economic threat to national governing bodies and, ultimately, grassroots sports and youth development as driven by the solidarity mechanisms outlined in the general comments section of this paper.

Unlike other media, sport is particularly susceptible to live, near live and delayed transmissions due to the intrinsic value of live sporting events. CCPR urges the Commission to pay particular attention to the need to tackle such live streaming. While live streaming may disproportionately affect sport compared to other media, the mechanisms used are a shared problem for film and music alike. The examination of peer to peer, or P2P, piracy is an example of where a coordinated response across creative providers could be of great benefit. CCPR believes that piracy must be of utmost concern to the Commission in analysing content online and agrees that further discussions between stakeholders including sports rights owners would be immensely valuable. On top of this, the Commission must consider that the problem goes beyond the EU with much piracy occurring outside the 27 member states, but with the end user residing in the EU. The need for internationally recognised enforcement regimes is therefore quite apparent.

The need for all stakeholders to collectively work together to ensure the continued expansion of this new medium is hugely important and therefore CCPR welcomes the Olivennes Memorandum of Understanding. CCPR encourages the Commission to engage with all interest groups and suggests that Internet Service Providers can also help in fighting piracy when enforcing terms and conditions of subscribers.

Conclusion

CCPR welcomes efforts made by the Commission to understand and both develop and protect content online simultaneously; although careful assessment of evidence is needed to ensure the full impact of proposals is understood. A robust intellectual property framework is needed in order to address uncertainties in this expanding market and sport should be an integral part of the consultation and stakeholder process. CCPR welcomes the involvement of such actors as the Sports Rights Owners Coalition (SROC), which includes many of our own members.

CCPR believes that piracy is of huge concern to sports rights owners and directly threatens investment in the grassroots and development of sport. Therefore it is imperative that piracy, and in particular piracy of live streaming of sports events, is addressed in full.

CCPR is happy to expand on all of the above points if we can help further.

CCPR supports the submissions of both Sports Rights Owners Coalition and the English Premier League and recommends that the Commission reviews their papers for fuller explanations of many of the items outlined in this submission.

James MacDougall

A handwritten signature in black ink, appearing to read 'J MacDougall', with a stylized flourish at the end.

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