

# **EU Conference on Licensing Systems for Club Competitions**

**Brussels 17-18 September 2009**

**Thursday 17<sup>th</sup> September**

## **Introductory Speeches – Karl-Heinz Rummenigge**

Good afternoon Commissioner Figel, my fellow speakers, ladies and gentlemen.

I'd like to begin by thanking the Commission for organising this conference on Licensing Systems and inviting me as Chairman of the European Club Association to give this introductory speech and offer a clubs perspective on this very important issue. I'm very happy that we are gathered here in Brussels today not just among stakeholders from the world of football but also with senior representatives from across European sport as a whole. This will enable us all to learn more about the different practices across a wide-range of sport and how we can share our common experiences to set about developing a strengthened licensing system in football.

Let me begin by what may seem very obvious to many but which is important to mention. UEFA's licensing system was established with the aim of guiding clubs in their daily operations to ensure the future well-being of European football and we appreciate that. But licensing systems and cost control mechanisms are very much a club matter to address financial stability as a key objective of a club. With the current economic climate this is especially topical. Football and sport in general is not immune from the global economic downturn and it's imperative that we develop a proper framework and concrete rules and measures to ensure that clubs operate in a financially responsible manner to maintain the health of football across Europe. Over the last few years, a number of clubs have been behaving in a financially reckless manner which threatens the long-term viability of the game – something we cannot allow to continue.

Since the creation of the ECA over a year ago now, I as Chairman have made the issue of financial stability my number one priority for our association! I have been supported by all the members of the ECA who accept the need to amend the ways and practise that some of us have been employing in relation to finance. All accept that the status quo is no longer acceptable. I am adamant that club football should move forward in a manner that is sustainable and viable and am under no illusion that things will need to change if this is to be achieved.

Commissioner Figel, who we were honoured to have attend our General Assembly last week in Geneva will have heard all about the serious efforts ECA members have been making in this area. An important part of our discussions at the General Assembly focused on this very issue.

The ECA's Financial Affairs Working Group has been looking into the matter closely under the Chairmanship of Olympique Lyonnais' Chairman Jean-Michel Aulas and FC Internazionale's CEO Ernesto Paolillo. We have also set up a task force comprising experts from football and finance who have been working on developing concrete measures aimed at

reigning in on excessive spending by clubs. Jean-Michel who will be addressing you later on this afternoon will provide you all with more details on the planned measures proposed by the task force which will be shared with our fellow partners within the football family as we work together to find adequate measures to ensure financial stability within the game.

It is important to stress that we are not working on this issue in isolation. Our work is being conducted in close collaboration with UEFA through our regular contacts at the Professional Football Strategy Council. Only a few weeks ago, in Monaco we agreed that the Financial Fair Play concept be approved by UEFA's Executive Committee which it has now done in its meeting earlier this week. With the general principals relating to financial fair play now set we will begin in the coming weeks to earnestly develop the detailed and appropriate measures we wish to see introduced. Given the excellent climate of openness and cooperation I have no doubt that, together with UEFA and other football stakeholders, we will develop a viable plan which will help secure the long term financial stability of our sport. I especially want to thank Michel Platini the UEFA President who has shown real leadership on this issue and who's vision and hard-work has led to all major football stakeholders sitting down together, in a spirit of cooperation, leading to the results we've witnessed in Monaco.

Developing detailed measures will not come easily. It will demand creative and careful thought and also I must add a certain degree of sacrifice in the short-term. We the clubs understand that we must amend and change some of the excessive behaviours we have been engaged in over the last few years. But changes in clubs behaviour alone will not lead to financial stability. Change must take place at all level and must include all stakeholders within the game - not just the clubs. We all have a responsibility within the game if we are to be successful in our efforts. I would therefore urge players and their representatives to look at their own situation and see how they might lower wage demands which are a major cause of many of the financial difficulties clubs are currently faced with.

Let me finish off this short introductory speech by thanking the Commission for offering the ECA the opportunity to make clear its views on this key issue. I would also like to congratulate the Commission on the high quality both in terms of organisation and guests present at this conference today. I will end these remarks by re-iterating loud and clearly the ECA's strong commitment and full focus in ensuring that club football continue to develop successfully in a manner which is sustainable and financially prudent. If we fail to achieve this I fear the game we will all cherish will suffer hugely something that myself and colleagues within European football will not allow to happen.

I thank you for your attention and wish everyone a successful conference.