

## Press release

### Monopolies Commission analyses central marketing of football broadcasting rights

- Monopolies Commission supports the competition authorities' approach to add competitive elements to central marketing, e.g., no-single-buyer rules
- Monopolies Commission recommends a more comprehensive case assessment by the competition authorities, which should focus on customer preferences and the effects on the competition of media technologies
- International competition among football clubs makes a coordinated approach of the competition authorities necessary

The Federal Cartel Office has regularly examined the central marketing of broadcasting rights by 'Die Liga – Fußballverband e. V.' and 'Deutsche Fußball Liga GmbH' (together: 'DFL') for the past award periods. The reason was the DFL's monopoly regarding the award of broadcasting rights. This year, the Federal Cartel Office has imposed a "no-single-buyer rule". The effect was that the company Sky could not acquire selected rights for the seasons 2017/18 to 2020/21 anymore.

The imposed obligations are intended to ensure that consumers receive high quality football transmissions at a fair price in spite of the DFL's monopoly position, both in free-to-air TV and in pay TV. However, it is unclear which obligations would serve this purpose best. The Federal Cartel Office and the other European competition authorities do not follow the same approach.

Against this backdrop, the Monopolies Commission has analysed the central marketing of broadcasting rights in its twenty-first Biennial Report (*'Hauptgutachten'*) in depth, and has focused on basic competition problems as well as concepts for competitive assessments. It became apparent that central aspects have not been clarified so far. In particular, it is unclear whether clubs are the exclusive right holders and whether they are allowed to market rights individually instead of resorting to central marketing. Legislature should clarify this legal question. In addition, going forward, the competition authority should not continue to assess the central marketing merely on a preliminary basis – as was done for the past assessment periods – and it should not continue to close the cases based on commitments only. Obligations regarding the design of the central marketing model should be formulated in a way benefiting all market participants, meaning that especially the spectators' views should be analysed in greater depth in the future.

A positive aspect of central marketing is that it makes it possible to offer highlight reporting, e.g., in the *"Sportschau"*. This, however, does not outweigh the potential negative effects on prices and quality under all circumstances. In central-marketing scenarios, advantages for consumers requiring competition between different transmission products and technologies can only be achieved by means of mandatory obligations imposed by the competition authorities, such as no-single buyer rules. This applies particularly to the competition between traditional TV and streaming services.

#### Monopolies Commission

The economic result of the relevant central marketing model has effects on the competitiveness of German football clubs on the international level, e.g., in the Champions League. The marketing models of the national leagues differ, among others, due to varying evaluation methods by the competition authorities. The latter impose obligations of mixed effectiveness, e.g., as regards the design of the no-single-buyer rules. Considering that the design of the marketing models directly impacts on international football, the Monopolies Commission recommends to coordinate the evaluation of central marketing models on the EU level.

Prof. Achim Wambach, the chairman of the Monopolies Commission: “Spectators have a legitimate interest in sports transmissions that are both high quality and affordable. The Federal Cartel Office’s assessment plays a significant role to make sure that, aside from the football clubs and the transmitting media, also the spectators benefit. Since professional football is an international market, a coordinated approach of the competition authorities on the European level is recommended.”

The Report is accessible at the Monopolies Commission’s [home page](#) as of now.

The Monopolies Commission is a permanent, independent expert committee, which advises the German government and legislature in the areas of competition policy making, competition law and regulation. Its legal responsibilities encompass, among others, the preparation of a Main Report analysing the development of competition on a bi-annual basis. The Monopolies Commission has five Members appointed by the Federal President based on a proposal of the German government. Prof. Achim Wambach, Ph.D., is the chairman of the Monopolies Commission.