

OPEN FORUM**The case for sport – from broadcasting to betting**

By Nic Coward (*)

In its 'White paper on sport', in 2007, the European Commission stated that sport accounts for 3.7% of EU GDP, and provides employment for 5.4% of the labour force. Additionally, there are around ten million volunteers active in about 700,000 sports clubs throughout the EU. Sports content is also at the forefront of technological developments.

But whilst sports bodies and governments have, for many years, understood and promoted the power of sports for good, the economics have been less clearly understood. When policy makers examined broadcasting and intellectual property issues, for instance, sport was not making its case. It has been in danger of losing out in major debates at national and EU level, and in other fora, such as the World Intellectual Property Organisation (WIPO). This is why, in February 2006, national, European and global sports organisations decided to do something. Today, the Sports Rights Owners Coalition (SROC) includes over 40 organisations. SROC brings together major sports organisations in the widest variety of sports from tennis, rugby, football, golf, athletics, motor sport, cricket, basketball, handball and racing.

The initial focus of SROC's work at EU level has been to make sport's case in broadcast policy development, particularly in addressing digital piracy of live broadcasts, the Audiovisual Media Services Directive, Content Online and various copyright reviews. A succession of reports have listened to sport's case and called for EU institutions to recognise, protect and promote the special nature of sport and sports rights.

One of the common causes right from the start of SROC was to campaign for a regime for sports betting that enables sport to protect its integrity, and establishes a fair return to grassroots and professional sports from betting operators. The recent vote in the European Parliament on the Schaldermose report, on one of the newer market

challenges, online gambling, was the most recent example of sport's case being taken on by policy makers. The huge 'yes' vote on the report was an important step forward.

Both the defenders of traditional



Coward: Integrity and fair return are two core issues

models across Europe and those seeking to establish open markets did not want to talk about the issues, for very different reasons. But as debate has opened up, our case has been made, understood and endorsed. Sports are neutral in terms of the legislative arrangements that structure different betting models in different countries. Sports look for the two core issues of integrity and fair return to be addressed, whatever the model. As member states and EU policy makers look at changing gambling and sports betting models, sport has argued that our interests must be addressed. Calls to open up markets without addressing how sport will be treated in this new market are missing the point, as leading voices in the European Parliament have made very clear. Similarly, if fair return and integrity are established in a more open market, these are not reasons to block change.

The European Parliament vote on online gambling followed closely behind ground breaking moves by the French government in their proposals to create a controlled opening of online sports betting. The proposal includes confirmation of a right, a sports event organiser's right, that

any betting operator will have to respect. This is what sports called for. France is leading, and sports see it as a model for the whole of the EU and across the world. This right is there to protect integrity, and to achieve fair return.

For sport – and legitimate betting operators of any kind - to respond to the challenges of match-fixing and corruption, a framework is needed to ensure cooperation by all parties, that is to say sports organisations, betting operators and regulators. And that framework has to be based on contractual agreements as well as market regulation. Without this clear legal framework, and without a contract within that framework, there is no obligation on a betting operator offering a bet on an event to share information with sports bodies when they detect irregular betting patterns. The establishment of initiatives, such as the European Sports Security Association by a group of betting operators, is a step in the right direction, but must be part of a clear contract-based framework to be truly effective.

A key issue for sports organisations is the ability to manage the risk levels of the betting that takes place on their events, an issue which is recognised in the French proposal. Under the new law, a competition organiser would have to agree that a particular operator could offer a bet on the competition, and be able to control the type of bets through the agreements with these betting operators. One of the greatest fears of sports is 'lay bets', bets to lose, or bets on minor outcomes, which can be easily manipulated. The risks are seen as high at lower levels, and in minor competitions, where dealing with these threats has never been part of the culture.

SROC's agenda is very broad, but vital for the promotion of something that citizens right across the EU see as hugely important, something to be protected and promoted - sport. ■

(*) Nic Coward is chair of the Sports Rights Owners Coalition