



brabners chaffe street
 incorporating the James Chapman
 sports law team

www.brabnerschaffestreet.com



Spotlight on Sport

Issue 1 Summer 2006

Welcome ... to the first "Spotlight on Sport" newsletter from Brabners Chaffe Street. The sports law team of James Chapman & Co (which became part of Brabners Chaffe Street on 1 May 2006) is one of the country's largest. We are renowned for advising international and national governing bodies, bidding cities, event organisers, clubs, sponsors, broadcasters, merchandising licensees, marketing agencies and individuals across a wide range of sports such as football, rugby union, rugby league, motorsport, golf, swimming, athletics, rowing, tennis, cricket, boxing, cycling and the Gaelic sports.

Spotlight on Sport will focus on current legal and commercial issues facing the sports industry, with the latest deals and cases, as well as advice on getting the most out of sports marketing for your business.

Our contact details and further information about the team's work can be found overleaf. We hope you enjoy reading Spotlight on Sport and would welcome any feedback.

We look forward to hearing from you.

"Any Spare Tickets – Buy or Sell?" Clampdown on Ticket Touts for the World Cup

We've all attended sporting or music events and heard the familiar call on our approach to the venue: "any spare tickets – buy or sell?". Ticket touting is big business across many sports.

Whilst the image of shady characters doing business on the peripheries of event venues is still very much the norm, ticket touts have wised up; over recent years, the internet has become the place to do business for the savvy tout. But the authorities are fighting back. In the run up to the FIFA World Cup, the Government has taken steps to crackdown on touting.

New legislation (The Football Spectators (Prescription) (Amendment) Order 2006), which came into force in April this year, makes it an offence for anyone in England and Wales to tout tickets for any match in this summer's FIFA World Cup in Germany. Previously, the touts were able to sell tickets for all matches in the FIFA World Cup which did not include England or Wales (had Wales qualified), including those matches beyond the first group stage which England may play in by virtue of qualification from Group B. By extending the definition of "match" in the existing touting legislation (Criminal Justice

and Public Order Act 1994) to include FIFA and UEFA tournaments and competitions in which England or Wales is eligible to participate, the new measure closes this particular "loophole".

One area which hasn't been amended by this new legislation is ticket touting over the internet – which has become a haven for today's touts. This is dealt with separately through the Violent Crime Reduction Bill, which is currently passing through Parliament and is expected to come into force this Autumn. The Bill prohibits: "(i) offering to sell a ticket; (ii) exposing a ticket for sale; (iii) making a ticket available for sale by another; (iv) advertising that a ticket is available for purchase; and (v) giving a ticket to a person who pays or agrees to pay for some other goods or services or offering to do so". These expansive provisions will not only capture the sale of tickets by touts but also capture the on-line facilitators of secondary sales of tickets where they are established in the UK.

Whilst legislative changes will undoubtedly make touting more difficult, practical measures also have a significant part to play. For the FIFA World Cup, FIFA has introduced the use of Radio Frequency Identification (RFID) (tags

to personalise and track tickets by verifying the initial purchaser data against the attendee presenting the tagged tickets). It has also established an official "Ticket Exchange Platform" to enable supporters to re-sell tickets after appropriate security checks have been carried out. Going forward, electronic solutions combined with more effective ticket distribution systems should, in theory, mean that tickets for sporting events end up in the hands of genuine fans who have paid a fair price for them. The recent reluctance, however, of The Millennium Stadium to re-issue the stolen Liverpool FA Cup Final tickets shows that ticket touting is still a grave concern.

We have considerable experience in ticketing and related issues for event organisation and exploitation, including advising:

- Manchester United F.C. on ticketing and hospitality matters; and
- FINA (the world governing body for swimming and the other aquatic sports) on accreditation for the 11th FINA World Championships 2005, including news access for non-rights holders.

For more information, please contact us.

Image Rights:

HALF TIME

Golf:

Following a House of Lords decision against Andre Agassi, international sports stars could be obliged to pay millions of pounds in outstanding taxes to HM Revenue and Customs for endorsement earnings they received whilst in the UK.

Michelle Wie will play at the men's European Masters in the Swiss Alps in September, becoming only the second woman ever to participate in a men's European Tour event.



The Sky's the Limit for the F.A. Premier League after its £1.7bn TV Deal

Following the deal negotiated last November between the European Commission and the F.A. Premier League (FAPL), Sky's 14 year monopoly of UK live broadcast rights to Premiership games comes to an end after the 2006/7 season.

It has been announced that, from the beginning of the 2007/8 season, Sky will only screen 92 of the 138 live televised games, with Setanta, the Irish-based cable and satellite broadcaster, securing rights for the remainder.

The existing £1.024bn contract between Sky and the FAPL, signed in 2003 and due to expire in 2007, grants Sky a monopoly over live Premiership games. However, the European Competition Directorate previously held that Sky's monopoly is anti-competitive by effectively fixing prices, with the FAPL acting as the sole agent for its member clubs for broadcasting rights. In response, the FAPL confirmed that in the future no single broadcaster would be granted the same degree of exclusivity. For the new deal, the FAPL created six packages of "balanced" content to put out to tender to broadcasters. In order to avoid a repeat of Sky's existing monopoly, the FAPL guaranteed that there would be no single buyer of all the packages.

The new deals with Sky and Setanta (worth a combined £1.7bn) mean that the value of each live game increases from £2.5 million per match to £4.1 million. This 66% overall increase in the value of UK live rights is good news for the Premiership generally, particularly at a time when commentators had feared a stagnation in the value of broadcasting rights in football. What's more, the sales and auction process for the two remaining UK packages (mobile and near live clips) has yet to be concluded, the near live long form packages having been awarded to BT and Sky, who submitted a joint bid for £84.3 million and the highlights package has been retained by the BBC for £171.6 million.

Our experience in broadcasting includes advising:

- *MUTV on all areas of its growth and development;*
- *FINA on host broadcasting, distribution and licensing issues, including negotiations with Fox Sports, WCSN, CCTV and the EBU; and*
- *Match Day Media in connection with its in-stadia broadcast service and related issues.*

For more information, please contact us.

Some of our Previous Deals

Advising:

- **Manchester United** on its sponsor rights programme, including agreements with **Nike, Vodafone, Anheuser-Busch, Audi, Pepsi, Ladbrokes, AirAsia, Century 105** and **Fujifilm**, its tours of South East Asia, the USA and South Africa and exploitation of its electronic media business.
- **adidas** on its sponsorship of **FIFA's** events 2007 - 2014 and sponsorship agreements with **two leading European football clubs**.
- **FINA** on sponsorship agreements with **Yakult, Omega, Astralpool** and **Speedo** and its bid processes for the 13th FINA World Championships 2009 and the 10th FINA World Swimming Championships (25m) 2010.
- **Coors Brewers** on its sponsorships of **Celtic FC, Rangers FC** and the **Football League Carling Cup**, which form part of its sponsorship programme for the **Carling brand**.
- **Lloyds TSB** on several rugby union sponsorships, including the **IRB Rugby World Cup 2003**.
- **Jonny Wilkinson** on endorsement agreements with **Boots, Hackett, Headline Book Publishing, adidas, Lucozade, Danilo Calendars** and **Travelex PLC**.
- the **Professional Rugby Players' Association** in respect of its relationships with the **Rugby Football Union (RFU)** and **Premier Rugby Limited (PRL)**, plus player issues, including the introduction of a Standard Playing Contract.
- on commercial agreements involving, amongst others, **David Beckham, Wayne Rooney, Ruud van Nistelrooy, Damien Duff, Cristiano Ronaldo, Shaun Wright-Phillips, Dean Ashton, Nick Faldo, Colin Montgomerie, Ian Woosnam** and **Amir Khan**.

Sports Law Specialists



Jason Smith
Partner

David Bentham
Solicitor

Carol Couse
Solicitor

**Brabners Chaffe Street LLP,
Brook House, 70 Spring Gardens,
Manchester, M2 2BQ
telephone 0161 236 5800
email: sport@brabnerscs.com**

The team specialises in:

- Sponsorship and Merchandising
- Event Organisation and Exploitation
- Broadcasting and New media
- Athlete / Celebrity Representation
- National and International Regulatory Issues
- Disciplinary Proceedings
- Anti-Doping
- Defamation

Tennis:

adidas has secured an injunction blocking the International Tennis Federation's decision to ban the use of adidas' "three-stripe" design.

FULL TIME

Formula One:

The dispute that threatened to split Formula One into rival camps from 2008 appears to have been resolved, with the leading teams reaching a compromise with Bernie Ecclestone, the sport's commercial rights holder.