



NEWSLETTER

REVIEW OF BROADCASTING AND MEDIA RIGHTS IN SPORTS

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Introduction

Broadcast coverage is the principal means for people around the world to experience the magic of sports.¹ It serves as a means whereby companies create awareness for their business and products. Sports has been seen as an avenue whereby people from different parts of the world with different ideas come together to participate in an entertaining competition. Post-COVID-19 was an awakening period, it made companies acknowledge technology and its benefits. It is widely said and accepted that we are in a digital world.

What is broadcasting?

Broadcasting is the transmission of programmes or information by radio or television. It is seen as electronic transmission of radio and television signals that are intended for general public reception, as distinguished from private signals that are directed to specific receivers.²

The National Broadcasting Commission is a parastatal of the Federal Government of Nigeria established by Section 1 of the National Broadcasting Commission Act, laws of the Federation, 2004 and vested with the responsibilities of;³

- Receiving, processing, and considering applications for the ownership of radio and television stations including cable TV services, direct satellite broadcasts, etc.
- Regulating and controlling the broadcasting industry;
- Receiving, considering and investigating complaints from individuals and bodies regarding the content of a broadcast or conduct of a station;
- Intervening and arbitrating in conflicts in the broadcasting industry.⁴

 ¹ Olympic Broadcasters - TV, Radio, Mobile and Internet Platforms (olympics.com)
² Broadcasting - Formation of the British Broadcasting Company | Britannica







 ³ About Us (nbc.gov.ng)
⁴ <u>12 Functions Of The Nigerian Broadcasting</u> <u>Corporation (infoguidenigeria.com)</u>



What are broadcast rights?

Broadcasting rights (also known as media rights) are legal rights which a broadcasting organisation owns and negotiates for the purpose of commercial exploitation.⁵ Broadcast rights (media rights) and the coverage include TV, Radio, motion pictures, amongst others. "Broadcasting rights" is the term for the media rights to an intellectual property object sold to a particular broadcasting company. Basically, if a company wants the media rights to a sports organization or a competitive video game, the company would contact the distributing organization, negotiate and enter into a contract with the sports organization to have limited broadcasting rights or broadcasting exclusivity for a specific sport or sports events.⁶

Broadcasting in Football

This is when one party permits another party to have access to broadcast its games. In sports, this means a league company or club assigns the rights to broadcast its games to a broadcasting company. The Premier League's current broadcaster in the region, SuperSport has been broadcasting the competition since the League's inaugural season, 1992/93.⁷

The types of broadcasting rights are:

- 1. Collective rights: Here, the league enters an agreement to broadcast the games of all the clubs within the league.
- Individual rights: Here, the clubs individually enter into a contract with the broadcasting company giving the latter access to broadcast their games.

⁶ <u>Broadcasting Rights: what are them and how do</u> <u>they work | WePlay Esports Media Holding</u> (weplayholding.com) ⁷ <u>SuperSport acquires Premier League rights in Sub-</u> <u>Saharan Africa</u>







⁵ What are the sports broadcasting rights? – Sage-Tips



It is possible that a club can have both collective rights and individual rights in respect of their games. Usually, the collective rights can be in respect of their league games, while their individual rights can relate to pre-season games, transfer news etc.

Furthermore, the broadcasting rights can be sold domestically or internationally. Domestic sale of broadcast rights involves an agreement between the league company and broadcasting companies within the country where the games are played e.g. the sale of broadcast rights by the English Premier League ("EPL") to BT Sports in the UK. The international sale of broadcast rights is done by the league company to broadcasting companies outside the country. For example, the sale of broadcasting rights by the EPL to Bein Sports the Middle East in and SuperSports in Sub-Saharan Africa.

Distribution of profits

Under a broadcast right agreement, the profits can be distributed using different sharing formulas as agreed to by the parties. In the EPL, the profits are distributed as follows⁸:

- 50% is shared equally among the clubs.
- 25% is awarded to the clubs, dependent on the position they finish with on the league table. This is also known as *Merit Payments*.
- 25% is paid for facility fees, i.e. how often a club's match is shown.

Broadcast rights in Olympic games

The International Olympic Committee (IOC) has full ownership of the global broadcast rights to all Olympic Games including broadcasts on television, radio, mobile and internet platforms. The IOC is responsible for allocating Olympic broadcast rights to media companies throughout the world through the

⁸ 'How much money do clubs receive from the distribution of broadcast rights'

https://www.premierleague.com/news/102362 accessed on the 10th of January 2023[









negotiation of rights agreements. The IOC established Olympic Broadcasting Services (OBS) in 2001 to serve as the permanent host broadcaster for the Olympic Games, eliminating the need to continually rebuild the broadcast operation for each edition of the Games. Olympics Broadcasting Service (OBS) is responsible for providing the international television and radio signals from the Games to all rights-holding broadcasters around the world.9

Broadcast rights of football games in Nigeria.

By the provisions of *Rule 6.21 the Nigerian Professional Football League ("NPFL") Rules,* the League Management Committee ("LMC") has exclusive broadcast rights to matches played during the league. However, *Rule 6.25* provides that "subject to the rights and approval of the LMC, clubs are entitled to negotiate local radio broadcast rights to enable them generate additional avenue". The import of this provision is that the football clubs in the NPL can have individual rights, while the LMC has collective broadcast rights.

However, since the LMC has been proscribed and thus replaced by the Nigerian Premier League Limited by Guarantee, the rights and obligations which accrued to the former have now been automatically transferred to the latter, and this will include the right to broadcast the NPFL matches.

What is a Broadcasting Agreement?

Broadcasting Agreement is a contract between the broadcaster and the originator, agency, client. In such an agreement, the agency or client offers the distribution rights to the broadcaster to broadcast the particular show or sports event or league.¹⁰ A broadcasting agreement is an agreement entered by two or more parties for the broadcast of an event to reach a maximum or a wide audience through TV signals,

⁹ Supra note 1





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¹⁰ Essentials of a Broadcasting Agreement - iPleaders

subscription-based broadcasts, and/or via internet signals, or radio signals.¹¹

Key provisions to be included in a Broadcast Right Agreement

- **Parties**: This is very important especially while paying attention to the peculiarities of this transaction.
- Habendum: Broadcast agreements have varying durations and most span across 3 - 4 years.
- Geography and Platform: This refers to areas the broadcast will cover, either internationally or domestically. The platform covers onair, or internet streaming whether television, radio or mobile. The activities to be broadcasted should also be considered, i.e. whether pregames and post-game recordings, live matches or replays, and the number/hours of games to be streamed.



• Commercials/Sponsorship:

- Sponsors may want to partner with the football league in terms of paid commercials and promotions while the league matches are being aired on the radio or television.
- Profit distribution formula: This determines the percentage of profit that each party will be entitled to during the season.
- Rights and Obligations: This may include the right of first refusal granted to the broadcasting company by the Nigerian Professional Football League.
- League Representations: Here, the League makes representations to the other parties to the contract stating that it has the right to grant access to the broadcast of the league games via the agreed means e.g. television, radio, mobile phones etc.
- Indemnification: Here, the League is to indemnify the broadcast company against any liability that may arise

¹¹ <u>All you need to know about a broadcasting</u> <u>agreement - iPleaders</u>







from the broadcast of the league games against third parties.

Boilerplate clauses to be included:

- Dispute Resolution clause
- Governing Law
- Force Majeure
- Termination clause
- Confidentiality
- Limitation of Liability
- Notices
- Miscellaneous

Broadcasting Regulations in Nigeria

There are various regulatory bodies that govern broadcasting in Nigeria. Broadcasting has been a source of creating awareness for an event locally and internationally.

Broadcasting Organization of Nigeria

The Broadcasting Organization of Nigeria (BON) is a body that supervises both private and public broadcasters in the country. BON was established in 1973 and has over 140 members that



operate over 200 radio and television stations.¹² They are equipped with the objectives to serve as a meeting point for all terrestrial radio, and television broadcasters, to serve as an advisory body to the Federal and State Governments on broadcasting matters, to improve the quality and profitability of broadcasting and to encourage & sustain greater co-operation and collaboration among the broadcasting organizations, and other industry players.

Functions of the Broadcasting Organization of Nigeria

- They encourage the innovation of content and technology in the industry.
- They Foster the advancement of the membership interest in the local, state, national, international, industry, and affairs of the public.
- They Serve as a body that advises the Federal and State governments





¹² Broadcasting Organisation of Nigeria - Wikipedia

on issues that have to do with the Broadcasting industry.

 They assist to sustain and encourage greater cooperation, unity, and collaboration among Broadcasting Organisations as well as other players in the industry.¹³

News Agency of Nigeria

The News Agency of Nigeria (NAN) is a mainstream news agency owned and operated by the Federal Government of Nigeria. NAN was established on May 10, 1976, and is the primary news content provider for Nigeria's news industry such as newspapers, electronic media and bloggers.

Functions of News Agency of Nigeria

 They help to gather, process and distribute news about Nigeria to local and foreign news media.¹⁴



- They assist in accumulating news all around the globe that papers couldn't bear the cost of exclusively.¹⁵
- They gather credible information on recent happenings both in local, state, and federal units, and publish them for public consumption of course after scrutinizing the report.

National Broadcasting Commission

The National Broadcasting Commission а parastatal of the Federal is Government of Nigeria established by Section 1 of the National Broadcasting Commission Act, Cap. N11, Laws of the Federation, 2004 and vested with the responsibilities of, amongst other things, regulating and controlling the broadcasting Industry in Nigeria.¹⁶



 ¹⁵ <u>news agency: functions of news agency</u> (anewsagency.blogspot.com)
¹⁶ About Us (nbc.gov.ng)







 ¹³ Broadcasting Organisations of Nigeria - ProGuide
¹⁴ What are the functions of News Agency of Nigeria? - Short-Question



Functions of the Nigerian Broadcasting Commission

- They regulate and control the broadcast industry.
- They advise the Federal Government on the implementation of the National Mass Communication policy with particular reference to broadcasting.
- They receive, consider and investigate complaints from individuals and bodies corporate regarding the content of a broadcaster and the conduct of a broadcast station.
- They promote Nigerian indigenous cultures, morals and community life through broadcasting.

 They aid in determining and applying sanctions including revocation of license of defaulting stations which do not operate in accordance with the broadcast code and in the public interest.¹⁷

Conclusion

The advancement of technology has aided everyone in the society to know how important creating awareness is. Broadcasting plays a significant role in the entertainment and sports industry.

¹⁷ <u>Functions Of Nigerian Broadcasting Commission</u> (medianigeria.com)









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