



IOC  
TELEVISION & MARKETING  
SERVICES SA  
SWITZERLAND

Free-to-air Events Review Panel  
2-4 Cockspur Street  
London SW1Y 5DH  
United Kingdom

Ref. No. 2009/415/ckm  
By mail and email

Lausanne, 20 May 2009

### **Free-To-Air Events Review**

Dear Mr Davies,

I am writing to you again in respect of the Free-To-Air Events Review in my capacity as IOC Director, Television and Marketing. As I explained previously, the IOC is the sole owner of the Olympic Games broadcast rights.

We intend to present additional materials to the Panel at the meeting scheduled on 4 June, but in advance of this meeting I should like to take this opportunity to provide a summary of the IOC's position regarding the Olympic Games and the Free-To-Air Events Review.

By way of background, the IOC has always striven to achieve the widest possible dissemination of images of the Games, in line with the Olympic Charter, which requires that the IOC take, "*all necessary steps in order to ensure the fullest coverage by the different media and the widest possible audience in the world for the Olympic Games*". The IOC routinely obliges a rights-holding broadcaster by contract to broadcast a minimum of 200 hours free-to-air in respect of summer Olympic Games and 100 hours free-to-air in respect of winter Olympic Games. Regardless of whether a revised Free-To-Air events list is established, the IOC will continue to pursue the objectives of the Olympic Charter and license in such a manner as to achieve the widest possible access to the Games, including licensing to free-to-air broadcasters.

If a list is established, the IOC wishes to ensure that the new listed events rules cover only live Olympic Games content of significant importance for the UK viewing public, in line with the rationale of the relevant legislation, while leaving the IOC free to sell the remaining live Olympic Games content to entities and subject to the terms and conditions of its own choosing. The IOC believes that this balance would benefit the UK viewing public, the International Sports Federations and Olympic sports, Olympic Games host cities, as well as National Olympic Committees (such as the British Olympic Association) and their teams, and would accord with the relevant legal principles.

### **Current situation**

The Olympic Games take place every two years over 16 days, preceded by the opening ceremony. The hours of live Olympic Games content made available for broadcast have increased steadily with every edition of the Games, amounting to 5,000 hours covering 28 sports at the 2008 Beijing Olympic Games (1,000 hours and all 7 sports at the upcoming Vancouver 2010 Olympic Winter Games). This trend is expected to continue with the London 2012 Olympic Games, when the IOC expects to produce full live coverage of every event.



The current listed events rules designate the Olympic Games as a single event of significant importance. Rights-holding qualifying free-to-air television broadcasters thus have a guaranteed right to broadcast all or any part of the 5,000+ hours of live Olympic Games content alongside any other successful bidder for the same rights.

The Europe territory Olympic broadcast rights-holder from 1964 through the London 2012 Olympic Games has been the European Broadcast Union, of which the UK members are the BBC and ITV. Since 1992, only the BBC has broadcast the Olympic Games on BBC1 and/or BBC2 (ITV's last Olympic broadcast participation was in Seoul 1988).

BBC1 and BBC2, however, cannot broadcast 5,000+ hours of live Olympic Games content over 16 days: at least 26 free-to-air channels broadcasting 12 hours a day for 16 days would be needed for that (equivalent of 208 days of uninterrupted broadcast coverage). In addition, since the BBC cannot use BBC1 and BBC2 to broadcast only live Olympic Games content over 16 days, the actual live Olympic Games content broadcast on these two channels has always been a fraction of the total available live content at any Olympic Games. For example, at the 2008 Beijing Olympic Games, the BBC aired a mere 4.8% (240 hours, of which 210 live and 30 hours delayed) of that content over BBC1 and BBC2. The principle applies similarly to the Olympic Winter Games -- for Torino 2006, the BBC showed 104 hours on BBC1 and BBC2, 10.4% of the total available output.

Whilst the BBC has made provision to air further coverage behind the red button and through broadband, the practical effect of the current listed events rules has been that over 95% of all available live Olympic Games content has hitherto failed to reach the UK viewing public via BBC1 and/or BBC2.

### **The IOC's position**

In the IOC's view, the situation just described confirms that the current listed events rules that designate the Olympic Games as a single event of significant importance are arguably overbroad and excessive.

In addition, the constraint of the current listed events rules on the IOC's freedom to sell over 95% of all available live Olympic Games content to entities and subject to the terms and conditions of its own choosing hurts Olympic sports, Olympic Games host cities, as well as National Olympic Committees, to whom approximately 92% of all the Olympic Games marketing revenue is distributed. For example, the IOC is distributing several hundred million pounds out of its broadcast licensing revenues to the London 2012 Olympic Games and to the British Olympic Association.

The IOC believes, therefore, that significant benefits would be achieved by tailoring the listed events rules to reflect the fact that the Olympic Games are one of a handful of broadcast events that generate many times more hours of content than can be broadcast on free-to-air channels, and where only some of that content is actually of significant importance to the UK public. Carefully crafted listed events rules could ensure that the free-to-air live broadcast of the Olympic Games events of significant importance for the UK viewing public remains unaffected, while preserving the IOC's liberty to market the remaining live content to other broadcasters. Other events of long duration, such as Wimbledon and the Rugby World Cup, already benefit from such measured and proportionate treatment.



### **The IOC's proposal**

The IOC proposes the following steps:

- Limit the total number of hours of live Olympic Games content subject to free-to-air designation under the new listed events rules to the hours of live content historically aired by the BBC on BBC1 and/or BBC2.
- Determine the Olympic Games events of significant importance for the UK viewing public in light of the events broadcast live on free-to-air channels under the listed events rules during the last Olympic Games, subject to Ofcom's review and approval.

### **Conclusion**

The IOC believes that its proposal would further the Olympic Charter's objectives by preserving the live free-to-air coverage in the UK of events of significant importance to the UK viewing public; by increasing the amount of live Olympic content made available to the UK viewing public via all available channels; and by generating more funds for redistribution to International Sports Federations and Olympic sports, Olympic Games host cities and National Olympic Committees.

We look forward to meeting you and the Advisory Panel in person on 4 June, in order to discuss these matters in greater detail. In the meantime, please do not hesitate to contact me directly by phone [REDACTED] or by e-mail [REDACTED] if you require further details or clarification on anything mentioned in this letter.

Yours sincerely,

Timo Lumme  
IOC Director, Television & Marketing

cc: Jacques Rogge, IOC President  
Thomas Bach, IOC Vice-President  
Sir Craig Reedie, IOC member