



Online Safety, Media and Platforms Division
Department of Infrastructure, Transport,
Regional Development, Communications and the Arts
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Re: Review of the anti-siphoning scheme

To whom it may concern,

Australian Professional Leagues (APL) thanks the Department of Infrastructure, Transport, Regional Development, Communications and the Arts for the opportunity to make a submission to the Review of the anti-siphoning scheme.

Background to APL

APL holds the exclusive and perpetual right to operate, market and commercialise the top-tier, professional domestic football competitions in Australia. Known collectively as the A-Leagues, they are made up of A-League men, A-League Women, A-League Youth, and the E-League.

From an historical perspective, a national men's football league has been in operation since 1977 when the National Soccer League was established. In 2004, following a significant period of reform, the A-League was established by Football Australia with an almost full set of newly established clubs. In 2008, the W-League was formed, Australia's first professional national football league for women.

Up until the beginning of 2021, the leagues were operated by Football Australia when an 'unbundling' occurred, resulting in APL assuming the operational and commercial control of the leagues. Subsequent to the unbundling, APL secured a minority stake investment from American private equity firm Silver Lake, a global leader in technology investing. The transaction valued APL at approximately AUD \$425M.

The Isuzu UTE A-League Men has twelve clubs playing across 26 rounds during the season as well as a final series. The 2022/2023 season began in October 2022 and will finish in May 2023. The Liberty A-League Women is in a period of expansion that will result in it growing to twelve clubs in season 2023/2024 playing a 22 round season plus a finals series. The current season began in November 2022 and is scheduled to finish in May 2023.

APL Broadcast arrangements

In May 2021, APL announced an historic five-year agreement with ViacomCBS for Network 10 and Paramount+ to become the new home of the Liberty A-League Women (ALW) and the Isuzu UTE A-League Men (ALM). From the establishment of the men's A-League in 2004, these leagues had been shown on a variety of free to air and pay TV operators including Foxtel, ABC, Network 10 and SBS.

In season 2022/2023, the following broadcast arrangements apply:

- Two ALM games per week are shown live and free and 10Bold (Saturday night and Sunday afternoon)
- All ALM games are broadcast live on the Paramount+ streaming service (and available on demand)
- All ALW games are broadcast live and free on 10Play - this is the first season all games have been made available live and free making them more accessible to more people.
- All ALW games are also broadcast live on Paramount+

Football and the anti-siphoning list

ALM or ALW (or their historical predecessors) regular season games along with their respective finals series have never been included on the Anti-Siphoning list.

This is in contrast to certain games played by the Australian men's national football team, the Socceroos, along with the FIFA World Cup (mens) final. The APL has no direct involvement with the broadcast arrangements for these games in Australia.

Importance of broadcast for football in Australia

Football has the most participants of any organised sport in Australia with almost 2 million players according to the latest data from Ausplay¹ (released in November 2022). This includes more than 500,000 females (all ages) and more than 700,000 Australians aged up to 14 years old. Unlike other codes in Australia, football has a strong and consistent footprint across all states and territories.

As a genuinely global game, football's engagement extends well beyond direct participation. The interest in football content abroad, particularly the higher profile European leagues, is vast. In fact, between participation in the game and engagement as a follower of football, APL estimates there are approximately 8 million² Australians with an interest in the game.

Football in Australia has a tremendously diverse and multicultural base. When establishing themselves in Australia, many immigrant communities, particularly post World War II have used football as an important social outlet. Many local clubs around Australia continue to maintain these important cultural links. In more recent years, refugee communities such as those from Afghanistan and parts of Africa made extensive contributions to the Australian football landscape.

With such an expansive and diverse participation base, it is critical the professional leagues are linked with broadcast arrangements that make the watching of games accessible to as many as possible while remaining commercially viable.

In this regard, our new broadcast agreement with ViacomCBS has ensured our league matches together with associated content are now accessed by more Australians than ever

¹ Ausplay's National Sport and Physical Activity Participation Report, November 2022

² YouGov Sport Global Fan Profiles. AU Dataset: October 2020 – December 2021

before. This has been achieved through a multi-pronged platform of Network 10, Paramount+ and APL's own content assets particularly the 'Keepup' digital asset. This approach has also allowed APL, together with its broadcast partner, to develop new, innovative football content that engages more people and more sections of our community.

We also recognise that football fans consume their football content in a broad range of methods. In the past, the only way to watch ALM or ALW broadcasted games was on a television set at home. This of course has rapidly changed. Our younger audiences in particular demand A-Leagues content through smart-phone apps, through social media apps and other digital mediums.

Anti-siphoning - key questions for APL

What does, or should, 'free access' to events mean? Does having to pay for internet access alter your perspective on whether these events are 'free' to access?

The way Australians consume broadcasted sport events has been exponentially changing over recent years with internet based services at the heart of that change.

Australians' access to high speed internet has grown rapidly, particularly during the period of the global pandemic. Research released by the Australian Communications and Media Authority in 2021 through its report , Communications and media in Australia: How we use the internet³, indicated:

- Nearly all Australian adults (99%) have access to the internet.
- 91% of Australian adults have a home internet connection, and three-quarters of these have an NBN connection.
- In the first half of 2021, almost all (98%) older Australians aged 55+ used the internet, up from 76% in 2019, prior to COVID-19 lockdowns.

Demonstrating the desire for internet based free access services (BVODs), the most recent Tokyo Olympics held in 2021 as well as the 2022 FIFA World Cup have provided the respective Australian broadcast rights holders, Channel 7 and SBS, with unprecedented numbers of viewers using internet based technologies to watch those events with no subscription costs.

With all ALW matches in season 2022/2023 made available live and free on 10Play, the APL anticipates a similar level of growth in audience numbers via this BVOD.

Is the trend of exclusive rights acquisition by subscription-based online services evident in overseas markets likely to be replicated in Australia? If so, under what timeframes and circumstances?

The APL recognises that exclusive rights held by subscription-based online services can impede community access to broadcast sport product. In this regard, the APL's five year

agreement with Viacom has provided the best of both worlds for broadcast of our professional football league content with access to Network 10 channels as well as the subscription-based streaming service on Paramount+. The decision by APL and our broadcast partner to make every Liberty A-League Womens game this season (2022/2023) live and free on the Channel 10 platform 10Play is evidence of this available flexibility.

Should the anti-siphoning scheme be extended to cover online services and digital platforms and services? If so, should broadcasting and digital rights be treated in the same manner under the scheme (homogenous regulation), or should different restrictions and obligations apply to each?

The APL's overwhelming view on any decision to extend the coverage of the anti-siphoning scheme is that caution must be taken to not reduce flexibility of broadcast arrangements. Further regulation within the industry has the potential to stymie investment in new technologies.

The audience for football (and most other sports) is not homogenous. Football fans need to be engaged in different ways through different technologies and different mediums.

We are committed to working with our broadcast partners, in an ongoing fashion, to constantly increase accessibility to an ever improving and innovative A-League's broadcast product. We want the millions of football fans in Australia (and those abroad) not just to be able to access our broadcast product, but also enjoy it as a high quality and engaging experience.

Would the imposition of coverage obligations alter decisions made by industry regarding media rights to sporting events, both listed and unlisted? Would this make it easier or harder to sell and acquire such rights? What practical changes would Australian viewers see from the imposition of coverage obligations?

As previously mentioned, APL's overwhelming view on any decision to extend the coverage of the anti-siphoning scheme is that caution must be taken to ensure any change does not reduce flexibility of broadcast arrangements. Further regulation within the industry has the potential to stymie investment in new technologies and reduce flexibility of access.

There is no doubt that any unnecessary coverage obligations and/or other regulation would have an impact on future broadcast rights negotiations. The competition for broadcast rights is likely to reduce while the value of the rights is also likely to reduce leading to reduced investment in our game and its players.

Are any changes warranted to the sports on the anti-siphoning list? Should any sports be added? Should any be removed?

The APL has no desire for any of its broadcast products to be added to the anti-siphoning list.

The APL makes no comment on other sporting events on the current anti-siphoning list.