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4 October 2019

Ms Violet Molete
Block B
350 Witch-Hazel Avenue
Eco Point Office Park
Centurion

By email to both vmolete@icasa.org.za and subscriptioninquiry@icasa.co.za

Dear Ms Molete

RE: Inquiry into subscription television broadcasting services (the "Inquiry")

Background to IMG

IMG is part of the Endeavor (formerly WME | IMG) group of companies, one of the leading global sports, media and entertainment companies with over seven thousand employees worldwide. We have offices across the globe, including New York, Los Angeles, London, Paris, Sydney, Hong Kong, Singapore and Johannesburg.

We own events in sports, fashion and entertainment, and we provide services to intellectual property owners spanning athletes, leagues, universities, Fortune 500 brands, actors, models, photographers, writers, producers, singers, social/digital influencers, among many more.

In sports media the company maintains long standing relationships with marquee rights holders across different sports, including tennis (e.g., ATP, Wimbledon), golf, motorsports (e.g., Nascar), soccer (e.g., FIFA, English Premier League, La Liga), and other global sports (e.g., Rugby World Cup, NFL).

We have vast experience of selling media rights in the South African market, and our role in the sale of media rights can take numerous forms, but the main ones are:

IMG response to the Inquiry and Provisional Findings

We have taken a great interest in the Inquiry and the Provisional Findings that have been issued and the impact that it could have on our activities in South Africa.



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We would have liked more time to respond. Accordingly, what is set out in this letter is very much our initial response and we reserve the right to make further representations should the opportunity arise.

Legal arguments

Due to the time constraints, we have not had the chance to construct any detailed legal arguments, but please note the following:



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1. We do not doubt ICASA's competence to make recommendations and propose regulations in a domestic South African setting.

However, we feel sure that rights-holders will dispute ICASA having jurisdiction to dictate how federations and other rights-holders based outside of South Africa should sell their rights within the South African market.

2. We would seek clarification that whatever rules are put in place at the end of this process are *prospective* in effect and in no way *retrospective*, ideally with a reasonable period of time before they come into effect so that rights-holders are able properly to adjust how they go about business, bearing in mind that strategies and processes for the sale of media rights are often many months (if not longer) in the planning

Summary

It is our considered judgment, based on our extensive experience of media rights sales in the region and globally, that, if enacted, ICASA's proposals could have a very significant impact on the value of media rights fees in South Africa and therefore on the income that is available for investment in sport.

Regards,

A handwritten signature in black ink, appearing to read 'Adam Kelly', written over a horizontal line.

Adam Kelly

Senior Vice President
IMG Media Limited

