



**SUBMISSIONS FROM NETBALL SOUTH AFRICA ON THE DRAFT SPORTS  
BROADCASTING SERVICES AMENDMENT REGULATIONS, 2018 BY THE  
INDEPENDENT COMMUNICATIONS AUTHORITY OF SOUTH AFRICA (ICASA)**

**A INTRODUCTION**

1.

Netball South Africa wishes to make the following submissions to the Independent Communications Authority of South Africa's ("ICASA" or the "Authority") on the Draft Sports Broadcasting Services Amendment Regulations, 2018.<sup>1</sup> These submissions are made in response to the Independent Communications Authority of South Africa ("ICASA") gazetted notice, dated 14 December 2018 of its intention to amend the Sports Broadcasting Services Regulations, 2010.<sup>2</sup>

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<sup>1</sup> Draft Sports Broadcasting Services Amendment Regulations, 2018, published under notice number 1388, Government Gazette number 42115, 14 December 2018

<sup>2</sup> Sports Broadcasting Services Regulations, 2010, published under notice number 275, Government Gazette number 33079, 7 April 2010

## **B THE DRAFT SPORTS BROADCASTING SERVICES AMENDMENT REGULATIONS, 2018**

2.

The draft regulations are made by ICASA in terms of section 60(1) and (2) of the Electronic Communications Act, 2005 (“the EC Act”).

3.

Section 60(1) of the EC Act provides that “subscription broadcasting services may not acquire exclusive rights that prevent or hinder the free-to-air broadcasting of national sporting events, as identified in the public interest from time to time, by the Authority, after consultation with the Minister and the Minister of Sport and in accordance with the regulations prescribed by the Authority.”

4.

The existing 2010 Regulation 4 sets out the criteria which ICASA has used in listing national sporting events. It provides:

*“(1) The Authority has used the following criteria in determining national sporting events that are of public interest:*

*(a) A confederation sporting event involving a national team or an individual;*

*(b) A semi-final and final of a national knockout competition; or*

*(c) An opening game, semi-final and final of a confederation sporting event.*

*(2) Any new sporting event that falls within the criteria mentioned in regulation 4(1) (a) - (c) above shall be considered for listing during the review period in terms of regulation 7."*

5.

National Sporting Events are listed under the existing 2010 Regulation 5. Netball is not specifically listed as a National Sporting Event currently.

6.

The amended 2018 Regulation 5 makes provision for the grouping of sporting events and codes according to the level of public interest. "National Netball" is now listed under Group A [regulation 5.1.1 (i)] as a compulsory Listed National Sporting Event for a free-to-air licensee with full live coverage. It is in the first instance unclear to Netball SA what is meant by "National Netball". There is no event known as "National Netball". As it stands, the listing potentially covers all of the national events referred to in paragraphs 14 and 15 below, regardless of the level at which they take place. This outcome may not have been anticipated, but that is its potential effect and will make little sense. Netball South Africa is concerned that this listing will have a detrimental affect on the future of the sport.



## **C NETBALL SOUTH AFRICA**

7.

Netball SA was established in 1994 as a result of the merger of various netball controlling bodies, which were previously organized along racial lines. Its founding objectives were to unite netball under one controlling body; to empower women from all walks of life, especially rural women; to encourage women to participate in sport; and to join the nations of the world in competitions under the leadership of the International Netball Federation (INF).

8.

Today, Netball SA is the only body responsible for the administration, control and governance of netball in South Africa.

9.

Netball SA meets these responsibilities through its Constitution, rules and regulations. Netball SA is further governed by South African law and the mandatory prescripts of its controlling bodies, being SASCOC and the INF.

10.

Netball SA is also an active member of the international community, through its membership of the INF, the African Netball Association (ANA) and the Confederation of Southern African Netball Associations (COSANA).



11.

Netball SA has nationally 50 District Members, 9 Provincial Structures and 944 Registered Clubs. The Associated Members are Schools Sports; the South African Student Sport Union; Action Netball; SAPS; Correctional Services and the SA Deaf Association.

12.

The mandate and responsibility of Netball SA is to transform, develop and promote the quality of netball in South Africa and to ensure that all stakeholders are represented at national level irrespective of their gender, race, religion, culture and economic background.

13.

The main objectives of Netball SA are, inter alia:

- 13.1 To promote, organise, control and administer netball in South Africa;
- 13.2 To co-ordinate and facilitate the development of netball;
- 13.3 To promote the interests of the provincial teams;
- 13.4 To foster friendly relations amongst officials, clubs, teams and players;
- 13.5 To concern itself with matters affecting netball; and
- 13.6 To utilise its funds in the pursuit of its objectives.

## 14.

Netball SA administers the following competitions and leagues that fall under its auspices:

- 14.1 U19 Championships
- 14.2 U21 Championships
- 14.3 Senior Netball Championships
- 14.4 Male Netball Championships
- 14.5 Netfest Netball Competition
- 14.6 Provincial Netball Championships
- 14.7 Netball Provincial Premier League

## 15.

Netball SA participates in the following International competitions and events:

- 15.1 Zone VI
- 15.2 All Africa Games
- 15.3 Fast 5 Netball
- 15.4 U21 Netball World Cup
- 15.5 Senior Netball World Cup
- 15.6 Quad Series
- 15.7 Test series

## **D NETBALL PARTICIPATION IN SOUTH AFRICA**

16.

Netball SA is the biggest woman's sports organisation in South Africa with its primary role not only to administer, but to develop netball from grass roots level to elite level and to ensure mass participation in netball of all races. It is also the mandate of Netball SA to take netball to all provinces and communities in South Africa that would otherwise not have access to netball.

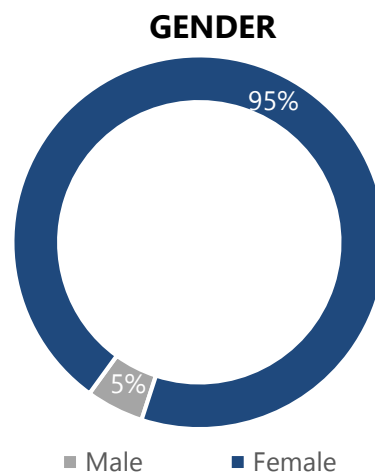
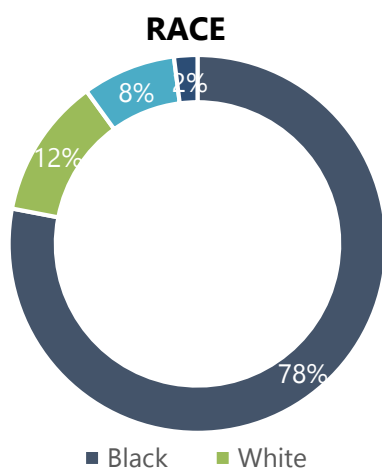
17.

Netball is the most popular participation sport for women in South Africa and the second most participated in team sport in South Africa (second only to soccer) with well over 2 million participants all over South Africa. Netball is played by 882 000 Black Adult Females, 135 000 White Adult Females and 115 000 Coloured/Asian Adult Females. Netball is also the most popular junior participation sport for girls in South Africa with 848 300 participants.<sup>3</sup>

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<sup>3</sup> BMi SportTrack 2017/2018

<b>NETBALL</b>	<b>ADULT (19+)</b>
Total Participants	1,191,784
Rank Against Other Sports	<b>4<sup>th</sup></b>
<b>NETBALL</b>	<b>JUNIOR (13-18)</b>
Total Participants	883,686
Rank Against Other Sports	<b>3<sup>rd</sup></b>





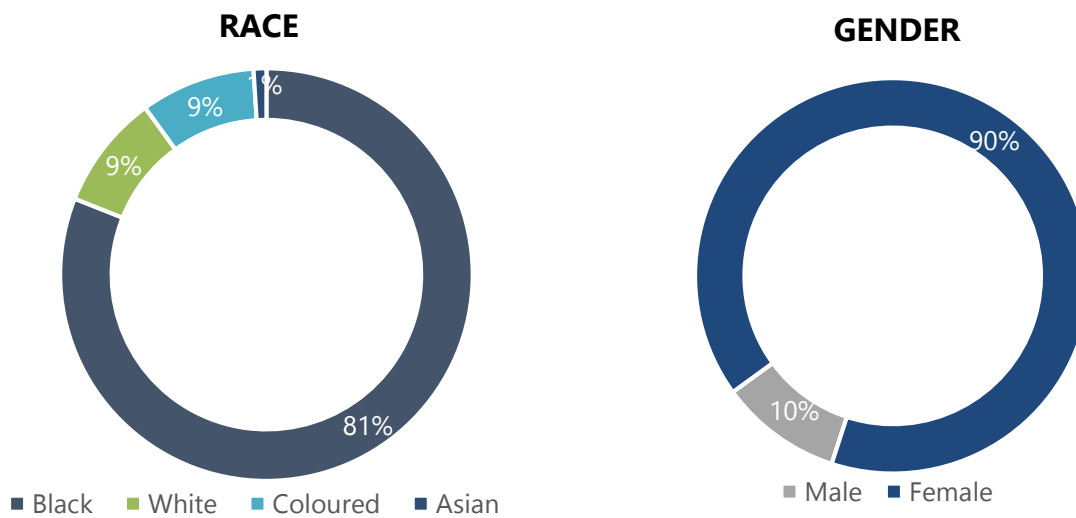
18.

With regard to followers, netball has over 3.1 million adult followers and is the fourth most popular adult spectator sport in South Africa among women. Among junior followers, netball has over 1.6 million followers in South Africa. This amounts to over 4.7 million followers.<sup>4</sup>

<b>NETBALL</b>	<b>ADULT (19+)</b>
Total Spectators	3,100,496
Rank Against Other Sports	<b>10<sup>th</sup></b>
<b>NETBALL</b>	<b>JUNIOR (13-18)</b>
Total Spectators	1,605,198
Rank Against Other Sports	<b>6<sup>th</sup></b>

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<sup>4</sup> BMi SportTrack 2017/2018



It is apparent that the sport of netball is thriving in South Africa. The recent announcement that South Africa will be hosting the Netball World Cup in 2023 will undoubtedly propel the sport to even greater heights. It is significant that South Africa was chosen for this honour ahead of various other well-established netball-playing countries.

**E NETBALL SA AND ITS OBJECTIVES**

19.

In the pursuit of its objectives, Netball SA has to generate sufficient funds for the benefit of netball in South Africa. This revenue is essentially secured through the sale of the rights to broadcast its content which is the netball matches played in its various competitions and sponsorships (which is directly dependent upon the broadcast of its properties. The revenue Netball SA derives from the sale of broadcasting rights is critical to the development of netball in South Africa.

20.

Without the revenue from its sale of its broadcasting rights, the viability and development of netball will be compromised or even face the significant threat of collapse.

21.

The Government contributes annually to the revenue of Netball SA through Sport and Recreation SA but with contending priorities, this contribution is not sufficient to sustain netball.

22.

Netball SA's sponsorship revenue is essentially driven by its ability to achieve a level of television exposure that will be attractive to sponsors. The sale of broadcasting rights is inextricably linked to revenue generated through sponsorship. These two revenue streams are thus closely interlinked and any interference with Netball SA's ability to balance the need for exposure with the need for maximum revenue will undoubtedly put at risk the very future of netball in South Africa.

## **F. BENEFITS OF BROADCASTING AND SPONSORSHIP REVENUE**

### 23.

Broadcasting and sponsorship revenue enable Netball SA to provide significant benefits to a wide range of beneficiaries that would not have been possible if it could not generate income from the sale of its broadcasting rights. These benefits include:

- 23.1 The increase in income from the sale of the broadcasting rights enabled Netball SA to invest more than R2 000 000-00 [Two Million Rand] in netball development during 2018;
- 23.2 Broadcasting and sponsorship revenue have enabled Netball SA to cover the total cost of the Netball Premier League in the amount of R7 200 000-00 [Seven Million Two Hundred Thousand Rand] during the 2018 financial year;
- 23.3 National players are now able to be contracted by Netball SA, receiving a monthly income of R5 000-00 for the first time ever. This has enabled players to have a longer playing career;
- 23.4 Spectators are allowed free entry at netball tournaments throughout South Africa, making netball accessible to everyone. Gate fees are therefore not a revenue stream for Netball South Africa. This is in direct contrast to sporting codes such as rugby and cricket where gates fees are an important revenue stream.

24.

This clearly illustrates Netball SA's dependence on broadcasting rights revenue. Without this revenue, Netball SA would not be able to achieve its objectives. The ability of Netball SA to generate sufficient revenue through the sale of its various rights is therefore critical to the development of netball in South Africa.

#### **G THE SALE OF NETBALL SA'S BROADCASTING RIGHTS**

25.

Netball SA and the SABC entered into a broadcasting agreement which terminated in 2008.

26.

The SABC had exclusive rights to all of Netball SA's content prior to 2008. Netball SA was then informed by the SABC that they are only willing to renew the broadcasting agreement without offering any monetary value at all for Netball SA's broadcasting rights. This situation was most certainly wholly unsatisfactory for Netball SA. In fact, the SABC did not broadcast matches during the period that they held the rights. They only had a weekly magazine programme on SABC. For a period of time, Netball SA was without a broadcast partner after the SABC was no longer willing to pay for the broadcast rights.

27.

It was only in 2012 when a new era dawned for Netball SA with regard to their broadcast rights. With the facilitation of the former Minister of Sport and Recreation, Mr Fikile Mbalula, Netball SA secured SuperSport as its broadcast partner. This led to the formation of the Netball Premier League in 2013.

28.

In terms of the agreement, Netball SA granted to SuperSport the exclusive broadcasting rights in relation to netball in South Africa.

29.

Specific performance requirements were set out in the broadcasting agreement with SuperSport. These related, *inter alia*, to production and broadcasting quality requirements and investment in the development, promotion and marketing of Netball SA brands and its competitions.

30.

This agreement has resulted in netball matches being broadcast live on SuperSport throughout sub-Saharan Africa. For the first time since the formation of Netball SA, the sport had domestic matches broadcast live on television.

31.

For the first time, netball now had more than 800 hours of significant coverage of the sport.

32.

One of the outcomes of the broadcast partnership with SuperSport was the launch of the Netball Premier League in 2013, making it the first-ever semi-professional netball league in South Africa and Africa. The Spar Test Series, the Brutal Fruit Netball Premier League, the Quad Series and the Spar Netball Championship were broadcast during 2017/2018, and a magazine show, "Everything Netball" was produced by SuperSport. This created content for followers throughout the year.

33.

SuperSport's coverage of netball has led to a significant increase in sponsors because of greater visibility and exposure for the sponsors. Spar was the only sponsor of Netball SA when the SABC had the broadcasting rights. The greater exposure provided by SuperSport through increased broadcasting and quality of coverage, has resulted in a significant number of new sponsorship agreements being entered into by Netball SA since 2013. These sponsors include Brutal Fruit, Canterbury, Gilbert, Tsogo Sun, Energade, Asics and SA Breweries.

34.

Netball SA has also attracted an African audience to its content because of its broadcasting by SuperSport in its entire broadcast footprint of sub-Saharan Africa and the adjacent islands.

35.

Netball now ranks 4<sup>th</sup> overall in South Africa in terms of generating branded media exposure for its sponsors. The media exposure is valued at R438 051 600-00.<sup>5</sup>

36.

In addition to the commercial benefits, the increased broadcasting revenues led to immeasurable improvements and benefits for spectators, netball players, provinces, districts, clubs and netball as a whole. In essence, the sport of netball has grown and become stronger even though there has not been coverage from free-to-air broadcasters.

## **H. FINAL SUBMISSIONS**

37.

The proposed amendments to the Sports Broadcasting Services Regulations of 2010 will have unanticipated consequences that will undoubtedly have a negative and disastrous impact on the revenue streams of Netball SA as illustrated above. It is untenable for netball to be forced to only deal with free-to-air broadcasters in the first instance. It is also wholly inappropriate that pay-TV broadcasters may only purchase rights to netball if free-to-air broadcasters do not and then only on a non-exclusive basis.

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<sup>5</sup> BMi SportTrack 2017/2018



38.

Selling rights non-exclusively, seriously devalues these rights, which will cripple Netball SA. The proposed amendments are essentially trying to determine on behalf of Netball SA who its broadcast partners should be. This must be for Netball SA to decide.

39.

Netball SA as the rights holder must decide how to sell their broadcasting rights to sports properties they own and are best-placed to do so. This involves Netball SA balancing its need for income versus exposure of its sport.

40.

Most activities of Netball SA are not profit-making and require revenue from commercial activities such as broadcasting rights and sponsorship. The revenue Netball SA derives from the sale of its broadcasting rights is critical to develop and maintain comprehensive grass roots programmes to address past inequalities.

41.

Netball SA's broadcasting rights are its most valuable asset. If these rights are not optimised economically, Netball SA will not be able to compete at the highest level and will not survive. There will be reduced investment in developing netball as Government is unlikely to be able to fund netball totally, given its other priorities.

42.

Netball SA can only earn the highest possible revenue if it's broadcasting rights are able to be sold on an exclusive basis and if it is free to decide who to sell its rights to. If the value of the broadcasting rights are reduced through non-exclusivity agreements as proposed in the Draft Sports Broadcasting Services Amendment Regulations of 2018, the financial viability of Netball SA will be threatened and Netball SA's ability to meet its obligations will also be adversely affected.

43.

The Draft Sports Broadcasting Services Amendment Regulations of 2018 will have a devastating impact on netball and its ability to decide for itself what is in the best interests of netball. Netball SA has systematically built the international and national profile of South African netball and has built wide support for the sport.

44.

As illustrated above, Netball SA has cemented its growing reputation over the past six years with the launch of not only the first semi-professional women's league, but also the quad series featuring New Zealand, Australia, England and South Africa. This will culminate in the hosting of the 2023 Netball World Cup in Cape Town for the first time ever on the African continent. Netball SA has worked for many years to develop netball into the South African success story it is today. Netball SA is particularly concerned that the Draft Sports Broadcasting Services Amendment Regulations, 2018, have been published for comment at a



time when Netball SA's efforts have begun to bear fruit. Hosting the 2023 Netball World Cup has numerous medium- and long-term benefits. Netball SA urges ICASA not to clip its wings, just as it is about to take to the skies.

45.

The continuous support and growth of netball in South Africa are of paramount importance. The success and development of netball in South Africa can, however, only be achieved if netball is removed from the proposed Group A list. Netball SA will take the opportunity to make oral presentations.

**BLANCHE DE LA GUERRE**

**CEO: NETBALL SA**