

SPORTS BROADCASTING RIGHTS IN THE DIGITAL ERA: LEGAL AND ECONOMIC CHALLENGES

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Keywords: sports broadcasting rights, sports media, digitalisation, streaming platforms, sports economics.

Abstract: Broadcast rights have become a key element of the modern sports industry and an important revenue stream for professional clubs, leagues and federations. The advent of digital technologies, streaming platforms, and new models of distribution has changed the traditional broadcasting market and increased the commercial value and regulatory complexity of sports media rights. This paper discusses the legal, economic and media aspects of sports broadcasting rights. Special attention is given to the development from traditional television broadcasting to digital platforms, their legal nature and regulation, and their economic importance for professional sport. The paper also deals with key issues including exclusivity, collective selling, territorial licensing, competition law and public access to major sporting events. The analysis indicates that digitalization has not reduced the importance of sports broadcasting rights, but has reinforced their role in the sports economy and also brought new challenges for rights holders, broadcasters, regulators and consumers. The paper concludes that the future development of sports broadcasting rights requires a balanced regulatory approach that can protect commercial interests, whilst preserving competition, accessibility and the long-term financial sustainability of sport

PRAVA NA EMITOVANJE SPORTSKIH SADRŽAJA U DIGITALNOJ ERI: PRAVNI I EKONOMSKI IZAZOVI

Ključne riječi: prava na sportsko emitovanje, sportski mediji, digitalizacija, streaming platforme, ekonomija sporta.

Sažetak: Prava na emitovanje sportskih sadržaja postala su ključni element savremene sportske industrije i značajan izvor prihoda za profesionalne klubove, lige i sportske federacije. Razvoj digitalnih tehnologija, streaming platformi i novih modela distribucije promijenio je tradicionalno tržište emitovanja i povećao komercijalnu vrijednost, ali i regulatornu složenost prava na sportske medijske sadržaje. U radu se razmatraju pravni, ekonomski i medijski aspekti prava na emitovanje sportskih sadržaja. Posebna pažnja posvećena je razvoju od tradicionalnog televizijskog emitovanja ka digitalnim platformama, pravnoj prirodi i regulisanju ovih prava, kao i njihovom ekonomskom značaju za profesionalni sport. Rad se takođe bavi ključnim pitanjima, uključujući ekskluzivnost, kolektivnu prodaju prava, teritorijalno licenciranje, pravo

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konkurencije i javni pristup značajnim sportskim događajima. Analiza pokazuje da digitalizacija nije umanjila značaj prava na emitovanje sportskih sadržaja, već je dodatno ojačala njihovu ulogu u ekonomiji sporta, istovremeno stvarajući nove izazove za nosioce prava, emitere, regulatorna tijela i potrošače. U radu se zaključuje da budući razvoj prava na emitovanje sportskih sadržaja zahtijeva uravnotežen regulatorni pristup kojim se mogu zaštititi komercijalni interesi, uz istovremeno očuvanje konkurencije, dostupnosti sportskih sadržaja i dugoročne finansijske održivosti sporta.

1. Introduction

Broadcast rights for sporting events are an increasing component of the modern sports industry. The advent of television, digital technologies and online platforms has revolutionized the distribution, consumption and commercialization of sporting events. Simultaneously, the sale of broadcasting rights has become an important source of financing for sports clubs, leagues and federations.

The increasing commercial value of sports media rights has also created a number of legal and economic problems. These include the legal nature of broadcasting rights, contractual assignment and exclusivity, competition law, territorial limitations and public access to major sporting events. The digitalization of the industry has added another layer of complexity to these issues with new market players (especially streaming platforms and technology companies) entering the space.

This paper discusses of the legal, economic and media aspects of sport broadcasting rights. Special attention is paid to their evolution, their legal regulation, economic importance and the challenges brought by the digital transformation of the media environment.

2. The evolution of sports broadcasting rights

The changing nature of sports broadcasting rights is indicative of the wider shift in media from a relatively stable, TV-centric model to a progressively fragmented and platform-centric digital environment. For much of the twentieth century the relationship between sport and broadcasting was dominated by free-to-air television, where broadcasters viewed major sporting events as content that could attract large audiences and enhance the public profile of television networks. This model began to change dramatically with the proliferation of cable and satellite television in the 1980s and 1990s. The advent of subscription-based broadcasters has turned premium sports content into a strategic commercial asset and contributed to the economic value of the broadcasting rights. The market for sports broadcasting rights grew rapidly in the 1990s, driven by the expansion of cable and satellite broadcasting, which both stimulated and was stimulated by competition for attractive sports content (Cowie and Williams, 1997). As the value of live sport in driving subscriber acquisition and retention increased, exclusive broadcasting rights became one of the most valuable assets in the media business. At the same time, the sale of media rights became an increasingly important source of revenue for professional sports organizations, especially football leagues and clubs. In the European context the European Commission has acknowledged that the sale of media rights constitute one of the main sources of revenue for professional sport and thus have a major impact not only on media markets but also on the organization and financing of sport itself (European Commission, 2022).

Yet another transformation of this relationship has been brought about by the advent of digital technologies. The traditional model of broadcasting was characterized by scarcity. There were only a limited number of television channels, and these channels decided who could access premium sports content. Technological and economic barriers limited the number of organizations that could distribute live sporting events. Digitalization and internet distribution slowly reduced some of these barriers and opened up new possibilities for the production, distribution and consumption of sports content. This development is described by Hutchins and Rowe (2009) as a transition from “broadcast scarcity” to “digital plenitude”, where sports content can be distributed through a much wider range of technological channels. The emergence of online video services, mobile applications, social media and over-the-top (OTT) platforms has therefore challenged the traditional dominance of terrestrial, cable and satellite broadcasters. According to López-González et al. (2017), contemporary sports broadcasting lies at the crossroads of the traditional analog broadcasting paradigm and an emerging digital market with new and more flexible players. Consequently, the notion of broadcasting rights has gradually been subsumed into the wider term media rights covering television, online streaming, mobile distribution, highlights, clips, social-media content and other forms of digital exploitation.

The most recent phase in this process is the increasing platformisation of sports media. Streaming services and technology companies, which have entered markets traditionally dominated by television broadcasters, have created new competition for premium sports rights. Companies like DAZN and Amazon have demonstrated that live sport can be a vital instrument for TV programming and for attracting subscribers to digital ecosystems. Evens and Smith (2024) claim that the ongoing transformation is still best seen as an evolution of the traditional sports broadcasting market, rather than a complete replacement. At the same time, traditional pay-TV and public-service broadcasters continue to compete for major sporting events, while developing their own streaming services. Increasing convergence between broadcasting and digital distribution. More recent research has characterized this process as a simultaneous “streamification” and “broadcastification”: streaming platforms are taking on more characteristics traditionally associated with television broadcasters, while established broadcasters are adopting platform-based distribution strategies (Evens & Smith, 2026).

These developments have changed the economic and legal significance of sports broadcasting rights in a fundamental way. The digital distribution has resulted in more potential market participants and has provided rights holders with the opportunity to reach audiences directly but has also contributed to fragmentation, increased competition for premium content and increased complexity in licensing arrangements. Rights are now often split by territory, platform, content type, transmission technology and exploitation period, which creates a number of commercial products out of a single sporting event. Exclusivity is economically important also because the value of live sport is largely a function of its immediacy and, therefore, the limited substitutable content available. This combination of scarcity, exclusivity and technological change accounts for the persistent serious concerns about competition, market concentration and consumer access raised by sports media rights. The evolution of sports broadcasting rights should not be viewed solely as a technological evolution from television to streaming. It is, rather, a structural shift in the relationship between sport, media and markets. Digital platforms are reshaping traditional

commercial models and the commercial value of live sport continues to be a core element of the contemporary sports economy.

3. Legal nature and regulation of sports broadcasting rights

The legal nature of sports broadcasting rights is complex because sporting events are generally not regarded as copyright works, while their broadcasts may still benefit from related-rights protection. Under Serbian law, sporting events are not treated as copyright works but as subject matter connected with related rights, particularly the rights of the producer of the broadcast (Lukinović et al., 2021). The protection does not derive from the intellectual creativity of the sporting event itself, but from the industrial activity and investment involved in creating and broadcasting the programme. Accordingly, the protected subject matter is the broadcast rather than the sporting event as such (Lukinović et al., 2021). In Football Association Premier League, the *CJEU* held that contractual restrictions designed to create absolute territorial exclusivity by preventing broadcasters from supplying decoder cards for use outside their licensed territories were incompatible with EU law. (Court of Justice of the European Union (CJEU), 2011).

Sports broadcasting rights allocation and protection vary widely between national legal systems. In certain jurisdictions, protection is predominantly based on copyright and related rights law, whereas in other legal systems the organizers of sporting events are granted specific statutory exploitation rights. France represents an important example, since Article L333-1 of the *Code du sport* grants sports federations and organisers of sporting events the right to exploit the events or competitions they organise (Lukinović et al., 2021). Lukinović et al. (2021) based the Serbian framework they analyzed on the Law on Copyright and Related Rights, the Law on Sports and legislation governing electronic media. A sports club, association, league or federation which has the authority to do so may contract with a broadcaster for the broadcasting rights. Lukinović et al. (2021) state that the licence usually specifies the sporting event covered by the contract, the length of the right, the permitted forms of exploitation and the territory in which the broadcaster may broadcast the event. The rights may be exclusive or non-exclusive. Territorial licences may be for one state, for several states or for a wider geographical area.

Competition law has a particular impact on the commercial exploitation of sports broadcasting rights at the level of the European Union. EU law applies to professional sport whenever it is an economic activity, a principle that has been developed gradually by the case law of the Court of Justice, including the cases of Walrave and Koch, Bosman and Meca-Medina (Lukinović et al., 2021). Article 101 TFEU is particularly relevant to collective selling arrangements in sports media markets. By centralising the sale of broadcasting rights, such arrangements may restrict competition between individual clubs that would otherwise negotiate independently with broadcasters. They may therefore fall within Article 101(1) TFEU, although they may qualify for an exemption under Article 101(3) TFEU where they generate efficiencies and provide consumers with a fair share of the resulting benefits (European Commission, 2003; Lukinović et al., 2021). The European Commission's decisions concerning the UEFA Champions League, the Bundesliga and the FA Premier League have played an important role in defining the conditions under which collective selling and exclusive licensing may be compatible with EU competition law.

Exclusivity is closely connected with the economic value of sports broadcasting rights, as exclusive arrangements may increase revenues from subscriptions and advertising (Lukinović et al., 2021). At the same time, broad exclusivity may contribute to media concentration and restrict competition between broadcasters (European Commission, 2003). Territorial licensing is another characteristic feature of sports media markets. Rights are commonly sold on a national basis because of differences in regulatory regimes, language and cultural preferences (European Commission, 2003; Lukinović et al., 2021). In *Football Association Premier League* the CJEU ruled that contractual arrangements designed to ensure absolute territorial exclusivity by prohibiting the use of foreign decoder cards were contrary to EU law (CJEU, 2011).

There are also restrictions in the public interest on the commercial exploitation of sports broadcasting rights. Article 14 of Directive 2010/13/EU on audiovisual media services allows Member States to declare certain events as events of major importance to society and to ensure that a substantial proportion of the public has the possibility to follow such events on free television (Directive 2010/13/EU). This provision is particularly relevant to major sporting events as it seeks to balance the commercial value of exclusive media rights with the wider social importance of access to sport. Lukinović et al. (2021) also stress on the fact that the regulation of broadcasting rights should not only consider the proprietary interests of the rights holders and broadcasters but also consider the public importance of sporting events.

In Serbia, the legal framework governing sports broadcasting rights is primarily based on the Law on Copyright and Related Rights ("Official Gazette of the Republic of Serbia", Nos. 104/2009, 99/2011, 119/2012, 29/2016 – Constitutional Court decision, and 66/2019), the Law on Sports ("Official Gazette of the Republic of Serbia", No. 10/2016), and the Law on Electronic Media ("Official Gazette of the Republic of Serbia", Nos. 92/2023 i 51/2025). In addition, the protection of public access to sporting events of major importance is regulated by the Rulebook on the manner of forming the list of the most important events of special significance for all citizens and exercising the right of access to events of major public interest.

Sports broadcasting rights therefore have a special status at the intersection of intellectual property law, contract law, competition law, media law and sports law. The legal regulation of sports broadcasting rights should strike a balance between the economic interests of sports organizations and broadcasters, the requirements of effective competition, the functioning of the internal market of the EU and the public interest in access to major sporting events. As the commercial value of live sport grows and new digital distribution methods are developed, this balance is becoming more important, as traditional legal concepts of broadcasting, exclusivity and territorial licensing are increasingly being applied in a technologically changing media environment.

4. The economics of sports broadcasting rights

Sports broadcasting rights, one of the most important sources of revenue in professional sport and a central element of the contemporary sports economy. The commercialization of sport, together with the development of mass media and communication technologies, has significantly increased the financial importance of broadcasting rights for sports clubs,

leagues and federations. For many successful professional clubs, revenue from the transfer of broadcasting rights and related marketing activities represents a major source of income (Lukinović et al., 2021). This change reflects the broader development of sport from a predominantly social and recreational activity to an increasingly commercialized industry where media exposure is significant in establishing economic value.

The economic significance of sports broadcasting rights is closely linked to the specific attributes of live sports content. Sporting events are time sensitive, unpredictable and highly attractive to large audiences and are therefore especially valuable to broadcasters and advertisers. As Evens et al. (2013) state, the battle for premium sports content has become a defining feature of the sports media market, with broadcasters using exclusive rights to attract and retain subscribers and advertisers. The commercial value of a live sport is therefore intimately connected to immediacy: once the result of a game is known, its market value as a live spectacle diminishes considerably. Similarly, Cowie and Williams (1997) argue that the growth of cable and satellite television resulted in far greater competition for premium sports rights, which in turn caused a rapid rise in the market value of these rights.

The economic value of broadcasting rights is based on exclusivity. Broadcasters with exclusive rights to a major sporting competition can use this to differentiate their services from their competitors, strengthen their position in the market and increase subscription and advertising revenues. Lukinović et al. (2021) find that exclusivity usually increases the value of media rights and therefore may significantly increase the revenues of sports organizations. At the same time, however, exclusivity may also reinforce market concentration, particularly where only a limited number of broadcasters have the financial resources to acquire the most commercially attractive rights. Evens et al. (2013) observe that this dynamic can raise the bargaining power of dominant broadcasters and disadvantage smaller market players competitively.

Another key economic instrument in sports broadcasting markets is collective selling. Leagues or national federations may sell broadcasting rights collectively, and distribute the income among the clubs involved, rather than individual clubs negotiating with broadcasters. Parlasca (2006) argues that collective selling can increase bargaining power and help package rights in a more commercially attractive way. It can also reduce transaction costs and provide clubs with a more predictable revenue stream.

This solidarity mechanism has a visible economic impact, especially in European football. According to Lukinović et al. (2021), 84.9% of UEFA's total revenues in the 2019/2020 fiscal year came from media rights, and a large portion of these resources was then redistributed through various sports programs and national associations. This validates the dual economic role of the broadcasting rights for sports. On one hand, they generate significant revenues for elite professional competitions, on the other they have the potential to contribute to the wider financing of sport through the mechanisms of vertical and horizontal solidarity. In a similar vein, Laskowski (2019) emphasizes the significance of solidarity redistribution in football for fostering competitive balance and advancing the development of lower levels in the sport.

But the economic benefits of sports broadcast rights are not shared equally among countries and competitions. In bigger sports markets where there are more fans, there is more ability to spend and more competition between broadcasters, and the market value of the media rights is far higher. Clubs in smaller national markets usually earn far less in

terms of revenue from broadcasting rights. This difference is illustrated by Lukinović et al. (2021) in their study of the Serbian market, where income from domestic television rights is still relatively small in comparison to the income of clubs from more commercially developed European leagues. This implies that the value of broadcasting rights depends on a number of structural factors including audience size, attractiveness of competition, number of competing broadcasters, advertising potential and the overall purchasing power of the market.

Thus, sports broadcasting rights should be considered an important economic link between sport, media and commercial markets. Direct sources of income include licensing, subscription and advertising, but they also increase the visibility and commercial value of sports organizations, athletes and sponsors. At the same time, their growing importance raises broader economic concerns about market concentration, competitive balance and equitable distribution of revenues. As Evens et al. (2013) and Lukinović et al. (2021) show, the economics of sports broadcasting rights is therefore not only about maximizing revenue but also about the long-term sustainability and financial structure of professional and grassroots sport.

5. Conclusion

Broadcasting rights for sport events have become one of the key elements of the modern sport industry and this reflects the growing interaction between sport, media, law and economics. However, the shift from traditional television broadcasts to digital and platform-based distribution has dramatically increased the commercial value of sports content, while at the same time creating new legal and market challenges.

From a legal standpoint, sports broadcasting rights are in a complex area where intellectual property law, contract law, competition law, media law and sports law meet. Issues such as exclusivity, collective selling, territorial licensing and public access to major sporting events need to be carefully balanced between the commercial interests of rights holders and broadcasters, and the wider objectives of competition, consumer protection and public interest.

Broadcasting rights are a very important source of income for professional clubs, leagues and federations from an economic perspective. However, the distribution of revenues is not equal, especially between big and small markets, which makes solidarity mechanisms and fair sharing of revenues more and more important for the sustainable development of sport.

The importance of sports broadcasting rights has not diminished through digitalization; indeed, they have become more economically significant and more complex to regulate. The future development of this field will depend therefore on the capacity of legal and market frameworks to adapt to new technologies, new distribution models and changing consumer habits, while preserving competition, accessibility and the financial sustainability of sport.

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