

Spotlight on Illegal Sports Streaming

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Over the past year, beIN Sports has been the subject of significant press attention as a result of repeated 'black outs' in its coverage of English Premier League football matches due to online piracy of its live transmissions. This article gives an overview of illegal sports streaming and also highlights some of the key issues faced by broadcasters in the Middle East in their battle against piracy.

beIN Sports example

beIN Sports, the Qatar-based channel group, has exclusive live rights to English Premier League matches across multiple countries within the MENA region. The network is the subject of ongoing press attention because over the course of the last year it has blocked a number of games to which it has the live rights. This has resulted in complaints from disgruntled fans who have paid subscriptions to access channels in good faith, in the expectation that certain matches will be made available.

Reportedly, the key issue behind beIN Sports blocking such matches is that broadcasts were being illegally re-broadcast into other territories, such as the UK, where beIN Sports does not hold the rights. The Saturday 3pm English Premier League games are particularly popular for illegal re-distribution because Sky and BT in the UK are restricted from broadcasting those matches domestically (a historical decision taken to preserve ground attendance at lower league fixtures).

The scale of the problem

The beIN Sports case is merely one example of a much broader problem. A large number of popular peer-to-peer and unicast website services enable users to view pirated streams of live sports, including football, for free. To give a sense of the scale of the problem, it has been reported that the English Premier League has detected and removed more than 45,000 illegal internet streams of its matches during the 2013 - 2014 football season. Following a recent arrest in the UK, it was estimated that the series of offending sites contributed to a loss across the relevant subscription services of more than £10 million.

The film and music industries experience similar problems with illegal file downloads. However, unlike downloading, when you stream the information is essentially broken down into packets of data that are then sent across the internet and reassembled on receipt. This means that live streams play near-instantly. Illegal streaming of sports therefore significantly undermines the economic value of broadcasting rights in the live coverage. If live coverage is available via the internet for free, then the rights holder will not be able to generate as much revenue from selling the live broadcast rights on an exclusive basis.

Arguably the effect of such economic loss is not just felt by the rights holder and licensees. The football industry is a good example of where revenue generated from the sale of broadcast rights is, in part, put back into the clubs.

With the wide availability of fast internet connections in the Middle East and a multi-cultural population with varied sports interests, these sites are popular. It is unfortunate that the disruption to beIN Sport's football coverage (as a result of illegal viewing overseas) is reportedly driving usage of such sites by consumers in the region in order to access those matches that are deliberately not being shown.

Broader television piracy issues in the Middle East

Whilst illegal file sharing of premium movies, television series and sports content remains a serious problem in the region, broadcasters tend to be focused on the fight against satellite piracy. In particular, broadcasters are clamping down on (i) pirate satellite channels (airing premium content without licences from the content owners) and (ii) the importation of set-top boxes and other hardware components from overseas, which can be utilised to give customers access to hundreds of legitimate channels at a lower price point than the incumbent offerings. It has been reported that in excess of one million set-top boxes capable of allowing illegal access to pay TV channels are imported into the GCC every year.

Although copyright legislation exists across the region, illegitimate services seek to exploit the difficulties of enforcement in particular jurisdictions. UAE copyright law, for example, states that a “broadcast authority” has the “Right to cease any communication of its records or programmes to the public in any manner, without [its] authorisation”. The provision goes on to clarify that “Recording, copying, reproducing, renting out, broadcasting or re-broadcasting or presenting the same to the public in any medium shall be deemed as illegal exploitation”. A “broadcast authority” means any authority which “carries out any radio audio, visual or audio-visual transmission”. This therefore gives UAE broadcasters a degree of legislative protection. However, in practice it can be very difficult to identify the companies that are responsible for infringing the broadcasters’ rights. Infringing entities may hide behind shell companies and broadcast into the UAE from other jurisdictions or via the internet.

The cost and difficulty of taking legal action (which is a common theme across many jurisdictions) is leading stakeholders to consider other options. For instance, when it comes to addressing online piracy (whether through illegal streaming or downloading), some governments are working directly with the ISPs to restrict access to offending sites. Another option is to target advertisers and agencies in an attempt to cut a key source of funding for such websites. For example, the City of London specialist intellectual property unit has created a list of illegal websites which advertisers and agencies can reference to ensure their clients’ brands do not appear on those sites. The police and other regulatory authorities have a key role to play when it comes to enforcement in the context of satellite piracy.

Other options include pay-TV companies making value-for-money services more easily available. Increasingly we are seeing regional broadcasters buying the rights to make premium television series available on or shortly after the date the shows are broadcast in their countries of origin and video-on-demand offerings are ever improving. Another tack is to invest in monitoring systems, improved encryption and set-top box technology.

Education of consumers is also key. It is important for consumers to understand that ultimately, piracy affects consumers because it damages the industries that create the content they enjoy. The case in point of beIN Sports is evidence of piracy having a direct negative effect on fans.

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