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Summary of Discussion of the Roundtable on Competition and Professional Sports

Annex to the Summary Record of the 76th Meeting of Working Party No. 2

4 December 2023

This document prepared by the OECD Secretariat is a detailed summary of discussion of the roundtable on Competition and Professional Sports, held by Working Party 2 on 4 December 2023.

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Summary of Discussion of the Roundtable on Competition and Professional Sports

On 4 December 2023, Working Party 2 held a roundtable discussion on competition and professional sports chaired by Professor Alberto Heimler.

The **Chair** introduced the topic by comparing sports activities and economic competition. On the one hand, sports are driven by healthy competition that integrates athletes and teams, although not always fans. On the other hand, economic competition is an instrument to promote efficient and effective vertical relations among firms.

The Chair explained that the discussion would take place in three parts. The first part would focus on competition restrictions that make it difficult for different leagues or teams to enter the market. The second part would cover antitrust issues in the sports industry. The third part would discuss the sale of broadcasting rights.

The Chair then asked the Secretariat to present its background note.

The **Secretariat** provided a brief overview of the paper, starting by highlighting that the sports sector has some characteristics that differentiate it from other economic activities. These include, for instance, specific economics and the need for a certain degree of co-operation between participants of sports competition; a particular governance structure, with governing bodies carrying out executive, regulatory and judicial functions; and the increase of investors gaining ownership and control of leagues and teams.

The Secretariat also underlined that competition law applies to the professional sports industry, with its particularities being considered by competition authorities and courts. Indeed, apart from very specific behaviours in the labour markets, conducts are examined under the rule of reason, meaning that restrictions on competition can be justified when necessary to achieve sports legitimate objectives where there is no less restrictive way to do so.

The Secretariat concluded by explaining that the background note addressed two main competition issues that have emerged in recent years: (i) whether there is room for competition in the organisation of sports leagues and (ii) anti-competitive practices in the sports labour market.

The **Chair** introduced the three expert speakers who took part in the discussion:

- **Oliver Budzinski**, Professor of Economic Theory at Ilmenau University of Technology;
- **Moya Dodd**, Partner at Gilbert and Tobin Lawyers and Former Vice Captain of the Australian Football Team Matildas; and
- **Francisco Schertel Mendes**, Member of the FIFA Disciplinary Committee.

1. Competition within and among leagues

The **Chair** stressed that several contributions mentioned examples of federations blocking the organisation of sports events outside the federation itself. For example, in Bulgaria, an advocacy report of the competition authority indicated that sports clubs that are not member of the licensed federation cannot participate in sports events. In Costa Rica, only members

of the official federation are allowed to organise tournaments. Ecuador also showed that a trade restriction on imported sports shoes made access to sports more expensive and thus less attractive. The same happened in Indonesia with sports clothing.

The Chair asked Sweden to elaborate on the case of the Swedish Bodybuilding and Fitness Federation, which prevented its members from participating in non-authorised competitions. The Chair also acknowledged that a similar case was reported in the submission of India related to chess.

Sweden recalled that the related complaint against the federation was filed by a competitor, who alleged that the rule against participation in non-authorised events was put in place to protect the federation's revenues. The respondent argued that the rules had been inspired by the International Federation and by the Swedish umbrella organisation for all different sports federations. In addition, the reason for the rules was a legitimate objective to fight against doping, so the federation would not authorise other competitions without proper testing procedures in place. Nevertheless, the investigations concluded that the restriction could be replaced by less restrictive measures. Therefore, the federation removed the total ban against participation in other competitions, while putting in place an obligation for athletes to provide a negative doping test proving that they were not doping before competing again in the competitions organised by the federation.

The **Chair** then asked the Japanese delegation to explain the practice by sports federations of holding conferences between all teams in a federation to collectively decide on the transfers of players.

Japan shared the Japan Fair Trade Commission's (JFTC) guidelines recommending that sports federations revise their transfer rules to ensure that they are well motivated and that potential restrictions are proportionate and respect competition law. With regard to the conferences between teams, Japan's negotiation rules provide that if one player is selected by two teams at such a conference, a random draw is made to determine which team the player will join. The JFTC examines the legitimacy of each rule on a case-by-case basis, and according to the authority the conferences themselves do not seem to be problematic.

The **Chair** affirmed that in France the national collective agreement for sports has implemented minimum conventional salaries for all players. He asked the French delegation if it considers this measure to be necessary and proportional, and whether the competition authority has provided its views on this measure.

France explained that the national collective agreement for sports covers all sports federations and businesses, regardless of their size or whether they are for-profit or non-profit entities. The goal of this agreement is to ensure that all professional sportspeople have legal and economic protections. It clarified that the French competition authority has not made an official decision on the minimum salary requirement as set out in the collective agreement. However, there was a decision in 2019 with respect to a specific football club in Nice, in which the authority concluded that there was competition between clubs, based on players' net salaries, football clubs' reputation, the length of contracts, and the level of competitiveness of each club at national and international levels.

The **Chair** turned to the United States, referring to a competition case involving a football promoter that tried to organise official football games in the United States with teams from Europe and South America but was prevented from doing so by the US Soccer Federation and FIFA. The Chair asked the United States if the case could result in FIFA's rule being considered anti-competitive by US courts.

The **United States** started by describing the American Needle case from 2010, in which the Supreme Court decided that agreements among competing teams are considered subject

to Section 1 of the Sherman Act. The US added that the case mentioned by the Chair involved again the discussion on whether there was an agreement among competing teams. In addition, the delegation explained that the football promoter sued the US Soccer Federation and FIFA against a rule that prohibited all national associations from allowing official games to be played outside the clubs' home territory. The District Court dismissed the case, arguing that FIFA's rule alone could not be evidence of a conspiracy since the applicable standard was that an actual agreement amongst various teams had to be demonstrated. This decision was appealed, and the Department of Justice filed an *amicus curiae* brief. The Second Circuit Court of Appeals then ruled that there was no need to demonstrate an actual agreement in order to prove that FIFA's policy itself is evidence of an agreement or conspiracy. Nevertheless, the decision on whether the policy violated competition law was still pending, with a petition for review by the Supreme Court.

Lastly, the United States noted that the United States Department of Justice, the Canadian Competition Bureau and COFECE from Mexico launched a joint initiative for the 2026 World Cup, which will be hosted by all three countries. The United States emphasised that possible anti-competitive conduct leading up to that event would be closely monitored.

The **Chair** then referred to the Super League proposal, an initiative to create a closed league between major football teams in Europe, differing from the open leagues that exist in the region, based on a system of promotion and relegation. The Chair referred to Spain's contribution, which explained that the case was still ongoing before the court, and asked whether the Spanish Competition Authority was involved in the case or had been asked to intervene in court.

Spain explained that the European Super League is a Spanish company, as well as the two remaining clubs that have not left the project, Real Madrid and Barcelona. The Spanish delegate mentioned that the Super League pursued legal action against FIFA and UEFA in April 2021, alleging that the need for clubs to require authorisation to organise or participate in alternative championships violated Articles 101 and 102 of the Treaty on the Functioning of the European Union.

The delegation explained that interim measures preventing FIFA and UEFA from punishing the remaining clubs in the project were granted by a Spanish court, which asked for a preliminary ruling by the European Court of Justice, still pending at the time of the roundtable.

Spain also commented on a case related to basketball, in which clubs were charged an entry fee to be promoted from the second to the first division. The Spanish competition authority issued a decision in 2017 finding that there was an infringement of Article 101 of the Treaty on the Functioning of the European Union and national law, since the entry fee was not intended to improve competition or achieve other legitimate objective but rather to be distributed among the other clubs. The entry fee was also considered discriminatory since the founding clubs of the first division were never required to pay it. Spain concluded by indicating that the decision of the competition authority was recently upheld by the Spanish Supreme Court.

The **Chair** then gave the floor to the first guest speaker, Mr. Francisco Schertel Mendes.

Mr. Schertel Mendes began with a disclaimer that the views presented were his own and not those of FIFA, and that he had not been involved in any of the cases mentioned in the discussion.

Mr. Schertel Mendes stressed two important issues with regard to the application of competition law to the sports industry. First, the notion of uncertainty and openness of sports competitions, which has implications on the organisation of the sports industry and

requires a level playing field and competitive balance among competitors. Second, the fact that despite being a multi-billion-dollar industry sports reflect a strong expression of culture, tradition and citizenship. He also introduced the concept of the European sports model, which is based on promotion and relegation and is an important feature of the governance and structure of football.

Mr. Schertel Mendes closed his remarks with two questions. The first was about the competitive impacts of establishing alternative football leagues, which directly relates to the European Super League case. The second question was whether federations like FIFA should be able to prevent official games from being played outside the territory of the participants, which is connected to the case discussed by the United States.

The **Chair** thanked the speaker and gave the floor to Germany.

Germany provided a different perspective on the governance of sports and the enhancement of the quality of the game, focusing on restrictions against investor ownership. The German Football League imposes strict restrictions against investor ownership, essentially preventing a single investor from taking control of a football club that plays in one of highest two leagues. The German delegate noted that this explains why German football competitions have not taken place abroad and German teams have not been interested in taking part in new competitions like the Super League. Germany also referred to an ongoing case where the German competition authority issued a provisional ruling that the abovementioned rule of the German Football Association is in line with European competition law.

The **Chair** gave the floor to Australia.

Australia presented the formation of a breakaway rugby league in response to the fact that News Corporation, a major media conglomerate, did not obtain broadcast rights. News Corporation entered into contracts with clubs to take them away from the organised league. The incumbent league then brought the case to courts seeking the enforcement of its exclusive agreements with the clubs that had left. At first instance, the court held that the conduct did not violate competition law, since the agreements were vertical between each club and the league, and not between competitors. On appeal, however, the court ruled that the agreements were between competing leagues and therefore constituted a boycott in breach of competition law, confirming that clubs could choose to move into alternative leagues. Some of the competitive impacts of the establishment of a breakaway league included increased players and referees' salaries, as well as innovation in broadcasts and commentary. A negative impact was the fragmentation of the league, as well as the reduction of sponsorship fees. Ultimately, News Corporation reached an agreement with the holder of the incumbent league, requiring the former to pay television rights, while the free-to-air broadcaster maintained its rights without payment. The case also led to the introduction of anti-syphoning regulations, ensuring that most rugby games, including finals, are played on free-to-air television.

The **Chair** gave the floor to Professor Budzinski.

Professor Budzinski made two remarks on the previous presentations. First, he highlighted that there are clubs that are exempted from the rule of the German Football League that restricts investor ownership, which would distort the level playing field. Second, he stressed that unlike other markets, the effects and the empirical evidence are not considered when assessing breakaway leagues in football. He mentioned the existence of empirical sports economic literature showing that the majority of fans would like to see the top clubs playing more often against each other.

The **Chair** gave the floor to Spain.

Spain added that in the Super League proposal, the relevant clubs would always participate regardless of their performance in any other competition, with only a few clubs having the possibility to play against them. This means that there would be a fixed list of clubs that would always take part in the competition, with the other clubs competing on the merits. Spain shared that the analysis considered barriers to entry, the economies of scale of replicating a competition and the possible impact of not having some clubs playing in the current championship, including whether it would be possible to determine which of them make up the best clubs in Europe.

The **Chair** gave the floor to Professor Budzinski.

Professor Budzinski agreed with the Spanish delegation, voicing the need to delve deeper into conceptual questions, such as whether leagues should be open or closed and whether it is desirable to have the best clubs playing against each other or to have a broad regional representation on the top level (which would not be happening at the moment, since the best clubs are not equally allocated across Europe). He also questioned whether European and national leagues should be kept separate, pointing out that many national leagues are currently dominated by a single club. He concluded by stressing the need for more clear and transparent rules to decide how competitions are organised.

2. Antitrust issues in the sports industry

The **Chair** opened the second part of the discussion, focusing on antitrust issues in the sports industry. He asked Chile to elaborate on a case where the football federation imposed an incorporation fee on teams that were promoted from the third to the second division.

Chile explained that one of the central aspects of the case was whether the fee had a reasonable justification. In the federation's view the fee worked as a compensation for the teams that were relegated to the third division and was necessary to cover the federation's administrative and management expenses, as well as the development of young players. Moreover, the federation argued that the fee was a payment for television rights revenue that the team would receive when participating in the second division and would also ensure the seriousness of the participation of the promoted team.

The Competition Tribunal, in accordance with the conclusions of the investigation carried out by the National Economic Prosecutor's Office, decided that there were no legitimate justifications for imposing the fee. First, there was no economic rationale for compensating the relegated team by charging promoted teams. Second, there was no evidence that such funds were used for administrative and management expenses or developing young footballers. Third, the argument of future television rights revenue did not make economic sense, since the promoted team would have to sell its future incomes to pay the fee. Fourth, the fee could harm the promoted teams' financial situation without guaranteeing the seriousness of their participation. According to the court, the federation's decision to charge the fee aimed at protecting the teams that regularly participate in second division championships. The court concluded that the practice violated competition law by creating an artificial barrier to entry and ordered the federation to stop the behaviour, in addition to a fine of USD 2.3 million. The decision was later confirmed by the Supreme Court.

The **Chair** then turned to the discussion on salary caps, highlighting two similar cases by Mexico and Colombia. While the former involved a cap on women's football salary, the latter comprised a set of restrictions on the way women's football players were employed by their teams. The Chair asked Mexico to explain the case, in particular the reason for the salary cap despite the fact that the salaries of women players are much lower than those of men's footballers.

Mexico pointed out that the investigation began in relation to an alleged collusion in the transfer market of professional male football players but was then extended to a wage-fixing agreement involving women's football. The Mexican delegation explained that the Mexican Football Federation and the clubs that agreed on low caps for female players' salaries argued that this would allow clubs to invest in developing a league for women football. Another argument was that the cap was intended to ensure that players would be hired by the clubs based on sporting merit and not only on economic merit. Mexico explained that in reality the salary cap was the result of an agreement between economic agents to fix prices that seriously affected the professional female football players, including by preventing clubs from competing for players by offering them higher salaries. Mexico noted that the high gender-based salary gap still persists, with the best male player in the country earning 23 times more than the best paid female player. The delegation concluded by presenting an initiative in the Mexican Congress to establish a minimum wage for women across all professional sports leagues.

The **Chair** gave the floor to Ms. Moya Dodd to share some inputs on competition issues related to sports governance and women sports.

Ms. Moya Dodd started with a disclaimer that she had a consulting role with the World Leagues Forum and the Women's Super League Legal Advisory Group, but noting that she was presenting her own views.

Ms. Dodd highlighted the dual roles of sports governing bodies (e.g. FIFA) who also operate competitions, in particular regarding the setting of the international match calendar, which determines the commercial opportunities for those bodies and other entities to operate competitions and generate revenues.

Ms. Dodd pointed out that FIFA is a Swiss association of members and must act in the interests of its own members. Nevertheless, there are relatively low levels of transparency and accountability as to how it operates. For instance, FIFA has large unilateral power to determine when (e.g. summer or winter) and how (e.g. how many teams and matches) the World Cup will be played, which has serious implications for the entire industry, such as national leagues and clubs, including as regards their revenue. Likewise, national governing bodies have an important role in determining competitions at lower levels, which can also lead to market distortions and social harms, including on player's health.

Ms. Dodd also discussed how the women's football market is distorted, as a result of historic bans and underdevelopment. For example, she mentioned the lower salaries for women players and restricted employment opportunities. In addition, the way the international match calendar is set (i.e. only two years in advance while the men's calendar is set for a much greater period) prevents the further development of the women's football market, for instance by making the sale of broadcasting rights more difficult. There is also no training compensation system in place for women.

Furthermore, she argued that these failures are difficult to be corrected within the existing governance structure of FIFA and its member federations. This is because women are barely represented in these governance structures. However, if distortions are removed and competitions are promoted at the same levels as it is in men's football, women's football would be able to break many records.

Ms. Dodd concluded by stressing challenges in the enforcement and remedy processes within the sports industry, particularly given a lack of accountability and transparency. For instance, she questioned who governs the governing bodies, who holds them accountable, by what laws they must run their business and how market distortions can be corrected.

The **Chair** asked Italy to elaborate on a case investigated by the competition authority related to restrictions imposed by the Italian Football Federation on certain professionals, such as talent scouts, match analysts and football assistant managers.

Italy described the case as exemplifying an attempt of the Football Federation to extend its regulatory powers to purely economic activities. The Federation did so by introducing regulations that imposed quantitative limits on the number of professionals eligible to offer certain services to football teams, as well as mandatory training courses to be run and organised only by the Football Federation.

During the investigation, the authority concluded that these professions were not regulated by FIFA or UEFA. In some countries, like Germany and the UK, they were also not regulated, while in others, such as Spain, there were only some non-mandatory training courses for some of these activities. According to Italy, the Italian regulation resulted from the lobby of the association of certain of these categories that aimed at closing the market, preventing the entry of new professionals. The Football Federation was sanctioned by the Italian competition authority for infringing Article 101 TFEU. The decision was subsequently upheld by the courts.

The **Chair** turned to the United States and asked the delegation to explain a case involving an agreement by which ski producers had agreed not to compete against each other to secure endorsements by professional skiers.

The **United States** highlighted that in the US there has been an increasing focus on the potential for concerted practices or mergers among competitors with effects of depressing wages for workers, especially through the use of non-compete and non-solicitation agreements. The delegate pointed out that in the case referred to by the Chair the ski producers agreed not to solicit, recruit or contact any skier previously endorsed by their competitors. The Federal Trade Commission determined that there were no pro-competitive benefits to these agreements. The case was ultimately resolved with an agreement that banned such practices.

The **Chair** gave the floor to Germany to elaborate on a ruling from the Bundeskartellamt concerning the Olympic Charter's prohibition on athletes participating in the Olympics from engaging in advertising a few days before and after the event.

Germany stressed that the case involved the organisation and marketing of the Olympic Games from the perspective of athletes, in particular those for whom the Olympics are the only opportunity to gain reputation and monetise their sports achievements. German athletes were required by contract with the National Olympic Committee to abide by the rules of the Olympic Charter, including the risk to be excluded from the Olympic Games if they engaged in advertising activities in violation to the rules. The Bundeskartellamt concluded that the International Olympic Committee and the German Olympic Committee acted as a collective body and abused their joint dominant position in this market. The scope of the case was limited to the enforcement mechanisms of this rule with regard to German athletes. Germany also noted that the commitments adopted in the case included that disputes between athletes and the National Olympic Committee should be adjudicated by ordinary German civil courts rather than by sports arbitration courts.

The **Chair** raised an issue brought up by Lithuania and Poland, where basketball teams collectively decided not to pay the players due to the cancellation of games during the COVID-19 pandemic. The Chair asked Lithuania to explain why the Lithuanian Competition Council considered this practice to be an anti-competitive agreement and why this decision was later annulled by a court.

Lithuania explained that in this case the Competition Council decided that competition was distorted because in the absence of the agreement all basketball clubs would have individually negotiated compensation terms with their players, potentially resulting in different agreements and influencing the clubs' respective positions and reputations with the players. The agreement also led to financial losses for the players. However, the National Court of first instance concluded that the agreement among clubs was not an infringement by object and that its effects should be evaluated. The court also expressed doubts about the existence of an agreement, since some clubs had deviated from it and entered into individual negotiations with their players. Moreover, the court ruled that such an agreement did not constitute price fixing, as the service prices were determined at the beginning of each basketball season, and there was no link between the refusal to pay compensation for the ending season and the negotiations for the subsequent season.

The **Chair** then invited Professor Budzinski to present his views on market power and competition restrictions in sports.

Professor Budzinski referred to the rules of market entry for premium championships. He stated that although there may be a legitimate objective for imposing restrictions on participants, they are often not proportionate to their goals. He mentioned the example of the number of participants that are allowed into top competitions, which may be overly restrictive. He asked whether relevant sports governing bodies allow as many participants as possible, whether their restrictions are based on sporting merits, or whether there is an artificial quantity reduction for the purpose of generating more income for the governing bodies in question.

Professor Budzinski shared two examples involving individual sports to illustrate his point. The first related to the Formula One motor racing, in which the governing body remained inactive for a long period to replace teams that had dropped out due to financial reasons, despite significant interest from other teams to join the competition. One of the relevant criteria to select a team was whether it would bring a significant commercial contribution to the tournament. This means that teams were not selected based on sporting merit, which in Professor Budzinski's view was unlikely to be pro-competitive.

Professor Budzinski also mentioned the case of Judo at the Olympics. He explained that the Olympic Committee only allows the participation of one judoka per nation, per sex and per weight class, in order to ensure broad access for athletes from different countries. However, this may lead to the exclusion of top athletes in favour of less successful athletes at a global level. He asked whether this should be considered pro-competitive or anti-competitive, stressing that defining a legitimate objective that can justify a restriction may not be an easy task.

3. Sale of broadcasting rights

The **Chair** turned to the third part of the roundtable, mentioning that in many sports industries broadcasting rights are a very important source of income for athletes, teams and leagues, and therefore the ownership of such rights is key. He referred, for instance, to Argentina, where the issue of broadcasting rights emerged in merger cases. The Chair then asked Brazil to discuss whether and how the competition authority (CADE) is involved in the sale of broadcasting rights.

Brazil started by mentioning that a law enacted in 2021 significantly changed the behaviour of football clubs in Brazil, allowing them to become for-profit corporations. This corporate transformation may lead to mergers that must be notified to CADE, which can review ex ante potential concerns related to broadcasting rights. For instance, this was the case of a

merger assessed in 2023, where the competition authority concluded that there were no evidence of anti-competitive effects arising from the transaction. Moreover, Brazil noted that CADE was currently conducting two investigations related to alleged competition violations concerning broadcasting rights. The first case related to negotiations between football clubs and broadcasters in the Brazilian market for football media rights, while the second involved the market of international football competitions. Finally, Brazil indicated that CADE can also engage in advocacy initiatives, such as the case of a bill that resulted in a change of the ownership of broadcasting rights.

The **Chair** asked Portugal to comment on an advocacy report issued by its competition authority suggesting that broadcasting rights should be sold collectively, which was also highlighted by BIAC.

Portugal stressed that the discussion on broadcasting rights has been ongoing at least since the mid-1990s, when Portugal began privatising free-to-air television. In this context, the delegation noted that the Portuguese Competition Authority had extensive experience with the topic, including in merger control and antitrust.

Portugal referred to an abuse of dominance case related to the sale of broadcasting rights for football competitions, which were acquired by a single company and then resold to a sports channel, in which the acquirer was the main shareholder. The case was opened following a complaint by the Portuguese Football League, which supported a centralised model, arguing that having different purchasers would provide better opportunities to negotiate the rights. The case was closed in 2015 with the adoption of commitments. The company agreed to give the clubs the right to terminate their contracts without penalties and committed not to acquire broadcasting rights on an exclusive basis for period longer than three football seasons.

Nevertheless, following this decision, telecommunications companies began to acquire media rights directly from football clubs (especially the larger ones) and eventually agreed to share these rights among themselves to share the costs of the contracts and to cross licence them to one another. As the acquisition of broadcasting rights by telecommunications operators were not covered by the commitments, the Portuguese Competition Authority concluded that a centralised negotiating scheme was necessary for an effective intervention.

Following the competition authorities' recommendation, Portugal adopted a centralised negotiation through the league or another organiser of these events, starting from the 2027/2028 season. Marketing conditions will need to be approved by the Portuguese Competition Authority, and in the absence of an agreement they will be defined by law after a hearing of the Portuguese Competition Authority.

The **Chair** highlighted that another relevant discussion was how to distribute the proceeds from the centralised sale of broadcasting rights, which was addressed in the contributions of the Czech Republic, Indonesia and Romania. The Chair asked Denmark about the distribution of broadcasting proceeds and the recent reduction in the length of exclusivity to four years.

Denmark explained that the proceeds are distributed across three categories. First, there is a solidarity payment, in which all clubs receive the same amount regardless of their performance. The second is a payment based on each club's performance in the league. The third is a market payment, where the proceeds are allocated based on how often the clubs are selected by the rights holders.

Additionally, Denmark explained that the reduction in the length of exclusivity should be viewed as part of a new system. Under the previous model, media rights were sold in

packages for six years with a no-single-buyer clause, meaning that the rights had to be sold to at least two buyers, each having exclusivity to their purchased package. In 2022, the Danish Competition Council granted a temporary and partial dispensation, allowing media rights to be sold exclusively to one buyer for a four-year period. Denmark noted that while a longer exclusivity period could increase incentives for investments and development of the rights, it also imposed a significant financial obligation that could deter other potential bidders. The four-year period was set to enable the competition authority to evaluate the new model.

The **Chair** gave the floor to Professor Budzinski.

Professor Budzinski raised the point of whether the distribution system indeed ensures solidarity. Based on previous research, he pointed out that in the major leagues clubs with better performance receive significantly more than the others, regardless of solidarity payments. Professor Budzinski mentioned that there has been a trend towards more complex rules, such as market value adjustments, which provide more room for negotiations according to bargaining power within the organisation and can lead to skewed distributions. He also questioned the necessity of maintaining exclusivity, arguing that it results in extremely high prices, which could distort competition in the media market.

The **Chair** asked how the system could be changed, given that both larger and smaller teams have equal voting rights.

Professor Budzinski responded that any correction would require either allowing anti-competitive bundling only under the condition of a truly balancing internal distribution scheme or, alternatively, implementing regulation, as described by Portugal.

The **Chair** thanked participants and concluded the roundtable.