

DFL Deutsche Fußball Liga

New Year Reception 2019

Frankfurt am Main, 15 January 2019

Speech by DFL CEO

Christian Seifert

Ladies and Gentlemen,

Dear colleagues from the Bundesliga and
Bundesliga 2 clubs,

Dear colleagues from the DFB, led by Reinhard
Grindel and Dr. Friedrich Curtius, together with
national coach Joachim Löw,

Welcome to the DFL Deutsche Fußball Liga New
Year Reception!

I would also like to welcome representatives of our
numerous partners:

- Sky Germany CEO Carsten Schmidt,
- from ARD, ARD Chairman and Director of
Bayerischer Rundfunk, Ulrich Wilhelm. We
are delighted that, for the first time, our

guests today also include the directors of almost all of the nine ARD institutions and Deutschlandfunk.

- We also extend our welcome to Susanne Aigner-Drews, Germany CEO of Eurosport-Discovery,
- ZDF Director Thomas Bellut,
- Manfred Loppe, Head of Sport at RTL,
- from DAZN, Chief Commercial Officer and Member of the Board of the Perform Group, John Gleasure,
- and from Amazon Prime Video, Managing Director Dr. Christoph Schneider.

Up until the summer, 2018 was not an easy year for German football. You saw the evidence with your own eyes.

In the second half of 2018, German professional football showed that it has bigger ambitions than embracing mediocrity as its new benchmark. New opportunities were sought out, created and seized, both on and off the pitch.

So far the new season is running positive, with both leagues featuring interesting and, in some cases,

extremely high-quality matches with some outstanding individual players and impressive team performances. This is being rewarded by viewers in the stadium and at home in equal measure.

Stadium attendances remain healthy and our media partners are enjoying strong viewing figures. ZDF ended the first half of the season with an outstanding success, attracting almost 7 million free TV viewers for the high-profile encounter between Dortmund and Mönchengladbach.

Like numerous German companies, we are facing the trend that people are increasingly paying closer attention to how and where they spend their leisure time and money.

Of course, when it comes to media in particular, a significant role is played by the growth in competition for linear television in recent years and the continuous introduction of new, on-demand and, above all, high-quality entertainment options. More is being invested in sport than ever before, but the same is also true for fictional content like films and television series.

The 90 minutes of a football match are limited. But the possibilities for spending these 90 minutes are increasingly unlimited. The best way for a sports

league to address this development in the long term is through high-quality sport, first-class media coverage and a consistent focus on providing positive experiences for each and every viewer, both in the stadium and at home.

This is why it is good that we not only have an exciting situation in every area of both league tables, but that five of seven German clubs have qualified for the next phase of their international competitions, four of them as group winners.

As in 2018, the Bundesliga still has the second-highest revenue of any football league in the world. And Bundesliga 2 still generates considerably higher revenue than most European leagues, and certainly more than most second divisions. As such, our ambition with regard to our viewers, our media partners, our sponsors, and especially to ourselves, must be to ensure that this is also reflected on the pitch. This is something we have achieved successfully in the season to date.

Another sporting highlight is the news that the EURO 2024 will be held in Germany. The DFB won UEFA's approval with an extremely strong bid. This was supported from the start by the DFL and the clubs, because it benefits German football as a whole. Mr.

Grindel, we would therefore like to extend our gratitude to the DFB. You and your team have done very well. What I would also like to point out: The bid was launched several years ago. And in many countries, the DFB enjoys great trust thanks to its reliable track record over the decades and the outstanding organisation of the 2006 World Cup. On behalf of the DFL, I would therefore also like to particularly thank Wolfgang Niersbach for his part in this success.

The DFL as an organisation has also seized opportunities and achieved important milestones for the future.

Last year, we broke new ground for a major football league with the launch of the “SportsInnovation”, an event for a specialist global audience that we arranged in partnership with Messe Düsseldorf. The “SportsInnovation” presented the latest developments in sport-related media technology in an international context. Many of you visited the event and took the opportunity to see it for yourselves.

Today, the DFL is one of Germany’s most innovative media companies and undoubtedly the most

international media company, regularly broadcasting to more than 200 countries. The DFL has established itself alongside the NBA as the leading sports league when it comes to media expertise. Accordingly, a few weeks ago we announced that a new edition of the “SportsInnovation” will take place in 2020. And we will continue to enhance this event.

We also took a new approach with our “DFL for Equity” programme, the aim of which is to assist promising start-up companies by providing them with the knowledge, the international networks and the data and image archives we have built up over many years.

The first participation under this programme is already in place. The Israeli start-up “Track 160” is working to combine the optical collection of match data with artificial intelligence in order to develop new applications for professional and amateur clubs and media companies alike. We are already in discussions on further investments and expect the next collaboration to be completed in the first half of 2019. I am happy to repeat myself here: While other leagues have ten kick-off times, I would far rather have ten participations in successful companies.

The DFL has been a pioneer in eFootball since 2012 and will continue to expand this position. The first German club championship will be held this year. Twenty-two clubs from the Bundesliga and Bundesliga 2 will take part. We are already seeing an extremely high level of interest among fans, players and the media. The parallel competition for private players, the “TAG Heuer Virtual Bundesliga”, attracted more than 150,000 players last year. eFootball is an established mass phenomenon for millions of people around the world. We should therefore shape this area before others do.

At the same time, the DFL has also significantly strengthened its international presence. Having become the first football league with an Asian office when we opened our doors in Singapore in 2012, from where we manage a dozen Asian markets, last October we opened a representative office in New York with responsibility for the whole American continent. We followed this up with an extensive marketing cooperation in India in December. And the DFL will open its next international office in Beijing this spring. Our hope is that this presence will bring us even closer to the relevant markets and local

partners. And, of course, it will also provide clubs with a first point of contact for their foreign activities.

Like every German SME, we will need to continue thinking beyond Germany in 2019. Like all German media companies, we need to understand that global players do not stop at national borders when it comes to competing for the time and attention of German sports fans, viewers and readers.

This also applies to our domestic market. Germany is an attractive market and many players want a bigger slice of the pie. FIFA and UEFA, the Premier League and La Liga, as well as the NFL and other US leagues – all of them want to come to Germany and are targeting the country with a view to attracting German sports fans to their leagues and competitions. It should be clear to everyone: If we do not take on our global and digital competitors, they will be only too happy to take us on.

We have been clearer than any other major league in stating that this will not involve holding official competitive fixtures abroad.

This is another reason why it is simply incorrect to claim that the DFL and the clubs do not take the concerns of football fans seriously enough.

It goes without saying that Bundesliga and Bundesliga 2 depend on their fans and viewers. Reaching and inspiring millions of people every week is one of the fundamental aims of professional football. In turn, sponsors and media companies invest in a league or a club because they want to gain the attention of those fans and viewers. This was, is, and remains the logic of professional sport.

When I say that we depend on fans and viewers, I mean all fans and all viewers. This includes the active fan scenes, the spectators in the opposite stand, the business seats and the family area, fee-paying viewers of “Sportschau” and “Sportstudio”, and subscribers of pay TV and OTT content. The DFL and the clubs always try to strike a balance between the interests of these groups. And to be honest: I think most times we succeed. In the rare occasions of really getting something wrong, we make the necessary corrections, just like any other reasonable company would.

We hope the international football associations will also continue to think and act with balance. Let me be clear: We are very critical of the idea of further expansion in international competitions. This applies in particular to the expansion of club competitions

between international associations to include dates that are currently reserved for regular national league fixtures, e.g. weekends. If this becomes a serious prospect, if this red line were to be crossed, then we would have to consider taking legal measures.

The weekend must belong to the national leagues. They are the heart and soul of professional football. It would be unacceptable for the very fabric of the national game to be fundamentally altered by any such plans.

The impact in terms of scheduling, fixtures, the league's media contracts, the clubs' sponsorship agreements and the resulting solidarity not only between Bundesliga and Bundesliga 2, but also between professional and amateur sport, would be huge - hugely negative.

I would also like to point out that the two leading German clubs have made an unequivocal commitment to their national league in the debate surrounding the alleged plans for a European super league. A clear statement the likes of which has not been heard from many of Europe's leading clubs.

I talked about ambition earlier. German professional football is ambitious. However, true ambition needs to

be focused, otherwise you end up with eager but inefficient actionism.

The ambition of the DFL as a whole should be clear: Together, we have created two of Europe's ten largest football leagues. Today, the Bundesliga is one of the world's biggest sports leagues.

Maintaining this level requires considerable effort on the part of the clubs and the league organisation alike. The league is responsible for providing the framework in which each club can employ its own individual strategy to realise its own ambitions.

This is precisely why the DFL has invested in the future fields I discussed earlier. Investments in global visibility, in proximity to the key markets of the future, in new business models and digital ideas. After all, the framework I mentioned is becoming increasingly complex, increasingly digital, and hence increasingly global. Simple answers to the question of what to do are easy enough to find and they often sound good – but most of them are not capable of creating individual solutions that are viable at least in the medium term.

We all need to be aware that societal, technological and media developments will make it increasingly

challenging to lead professional sport to a successful future.

And in this future await various new challenges: for example the growing national and international competition for fans, media and sponsors, conflicts of interest in both leagues, conflicts of interest between associations and leagues, the future of the 50+1 rule – to name just a few.

In discussing these and other topics and in our dealings with one another, a sense of proportion, hard facts, common sense and level-headedness will be needed more than ever.

In the midst of this complexity, Mr. Rauball, you have anchored the cooperation between all of the clubs outstandingly and with great diligence at all times over the past eleven years – while also giving the DFL, and hence me personally, the necessary scope to act entrepreneurially. You will not be standing for re-election in the summer. It is too early to say goodbye; after all, we still have a lot of plans. But I would like to take this opportunity today to thank you on behalf of all DFL employees.

We would be well advised to continue on the path we have adopted in recent years, a path of prudence and

togetherness. But we also need to remain ambitious. Top-level sport cannot be successful in the long term unless it is matched by top-level ambitions.

Let us adopt this path and pursue it consistently so that we can continue to successfully develop our sport and our competitions and excite people. Just like we have most years since 1963.

Thank you.