

February 11, 2008

## Via email at FR0606@ustr.eop.gov

Ms. Jennifer Choe Groves
Director for Intellectual Property and Innovation and
Chair of the Special 301 Committee
Office of the United States Trade Representative
600 17th Street, NW
Washington, D.C. 20508

Re:

Special 301 Review

Dear Ms. Groves:

On behalf of the Sports Coalition, we respectfully submit this response to the United States Trade Representative's request for comments regarding its upcoming 2008 Special 301 Report.

The Sports Coalition consists of the following amateur and professional sports leagues, associations and related entities: Major League Baseball; Major League Baseball Advanced Media, L.P. (Major League Baseball's Internet and interactive media company); National Basketball Association; National Collegiate Athletic Association; National Football League; and NHL Enterprises, L.P. (the licensing arm of the National Hockey League).

Pursuant to existing treaties, existing laws and privately negotiated contracts, sports organizations, including members of the Sports Coalition, typically own all rights, including intellectual property rights such as copyrights and related rights, in telecasts of their live sports events. They license the rights to telecasts and retransmit telecasts of thousands of live sports events each year, as well as highlights of those events. They derive significant revenue from and make significant investments in live telecast distribution at the local, national and international levels, and across media including over-the-air, cable and satellite television and the Internet. Third party telecast rights holders, including many leading television networks in the United States, similarly derive significant revenue from and make significant investments in these commercial relationships.

Sports organizations, including Sports Coalition members, are heavily affected by live sports telecast piracy, including the unauthorized live retransmission of sports telecasts over the Internet. Internet piracy of live sports telecasts is a growing problem, occurring primarily by means of unicast streaming and streaming over peer-to-peer ("SOP") networks. Whereas unicast streaming has been the primary way that video content has been distributed on the Internet, SOP is an emerging technology for the online piracy of live television programming of all types, including live sports telecasts.

The Internet piracy of live sports telecasts is not only a growing problem, but it is a global problem, often involving bad actors in more than one nation. Pirate services and those complicit with them are believed to be located in nations including Canada, the Netherlands, People's Republic China, Republic of Korea, Sweden, United States and the United Kingdom.

Sports programming is an important part of the global media business sector. Most nations are simultaneously exporters and importers of sports programming, many with significant investment-backed expectations involving their respective presenting sports organizations, telecast rights holders and pay television and Internet services. There are also extraordinary investments that nations themselves make to host sports events, like the upcoming 2008 Beijing and 2010 Vancouver Olympic games. Clearly, there is common ground – both in terms of shared economic interests and legal obligations to protect and enforce intellectual property and related rights – for the United States and the nations with which it engages in international trade to work cooperatively to stop Internet piracy of sports programming.

Sports Coalition members are devoting significant resources to curb this emerging – and particularly egregious – variant of digital piracy. Important outreach and rights enforcement initiatives are occurring. However, because of the worldwide scope and complexity of the problem, these initiatives need to be supported by public sector action. We therefore respectfully recommend that resolution of this problem be a stated goal of United States global trade policy, and accordingly USTR consider this matter in its formulation of the 2008 Special 301 Report. The members of the Sports Coalition look forward to working in partnership with USTR to achieve this goal.

Respectfully submitted,

Tichal Hellis / nos

Michael J. Mellis Senior Vice President

and General Counsel

cc: Scott Bearby, Esq. – National Collegiate Athletic Association Anastasia Danias, Esq. – National Football League Ayala Deutsch, Esq. – National Basketball Association Gary Gertzog, Esq. – National Football League Michael Gold, Esq. – NHL Enterprises
Nikki Hart, Esq. – National Football League Paul Jackson, Esq. – National Football League Thomas Ostertag, Esq. – Major League Baseball Thomas Prochnow, Esq. – NHL Enterprises Mitchell Schwartz, Esq. – MLB Advanced Media