

The CNMC initiates disciplinary proceedings against Telefónica for the agreement with Dazn regarding the exclusive rights to Formula 1

- Telefónica allegedly failed to comply with certain commitments it made when acquiring DTS (formerly Sogecable) in 2015.
- Telefónica's wholesale supply of its own premium channels was to be provided under fair, reasonable, objective, transparent and non-discriminatory conditions.

Madrid, 4 May 2023.- The National Commission on Markets and Competition has initiated disciplinary proceedings ([SNC/DC/010/23](#)) against Telefónica de España S.A.U. for the agreement reached with Dazn regarding the exclusive rights to Formula 1 for 2021, 2022 and 2023.

This decision is part of the [surveillance work](#) carried out to verify that Telefónica complies with the commitments and obligations the company assumed in order to preserve competition in the markets affected by this merger.

Acquisition of DTS in 2015

On 22 April 2015, the CNMC authorised the [merger operation](#), subject to Telefónica's compliance with a number of commitments ([C/0612/14 TELEFÓNICA/DTS](#)). These commitments were extended for an additional three years by a [decision issued on 9 July 2020](#).

Telefónica undertook to make available to other pay-TV operators in Spain a wholesale supply of its own premium channels under fair, reasonable, objective, transparent and non-discriminatory conditions and not to acquire or exploit exclusive broadcasting rights in Spain of television channels produced by third parties.

Telefónica-Dazn agreement

In July 2021, the CNMC [found evidence of non-compliance](#) in the following agreement between Telefónica and Dazn of 7 January 2021:

- **Telefónica sublicensed to Dazn** the exclusive broadcasting rights (previously acquired by Telefónica on an exclusive basis) to Formula 1 competitions for the seasons 2021, 2022 and 2023.

- **Telefonica and Dazn** agreed on the conditions under which Dazn allowed Telefónica non-exclusive access to Dazn content, and set out limitations on third parties acquiring these rights.
- **The contract** also determined how customers contracting Telefónica's bundles that access Dazn content are counted (counted as Dazn customers for the purpose of calculating the guaranteed minimum cost paid for the acquisition of Telefónica's channels with premium sports content).

The initiation of these proceedings does not prejudice the final outcome of the investigation. The CNMC now has a time limit of three months to investigate and decide on the case.

[SNC/DC/010/23](#)