

26 January 2024

F.A.O. Llew Williams

Clerk

Culture, Communications, Welsh Language, Sport, International Relations Committee

Welsh Parliament

Via email: SeneddCulture@senedd.wales

Dear Llew Williams

With gratitude for the opportunity to consult on this subject, we can confirm our continued belief that the current listed sports regime is the one most suitable for Welsh rugby.

We would strongly guard against moving Six Nations Rugby Championship broadcast rights from Group B to the Group A list of sporting events of “national interest” as nominated by the Secretary of State for Culture, Media and Sport.

Our primary motivation for making this recommendation is to maintain the balance which currently exists in the broadcasting ecosystem. One which currently retains the interest of all potential broadcast partners in a competitive process.

Put simply, the negative financial implications of moving international rugby matches in the Six Nations Rugby Championship to the protected list could have a devastating impact on the whole of the game in Wales in the medium and long term.

Of course, Welsh rugby holds a unique and special place in our national culture. We are the governing body for the game, and we know its true ownership lies throughout the nation. This is a great strength and it brings with it a keenly felt responsibility to ensure that the game remains accessible to its people.

But we also have responsibility to ensure that both the professional and community games in Wales are sustainable.

As illustrated in our latest Annual Report for the year ending 2023 (which can be found here <https://community.wru.wales/cy/the-wru/reports/>), 65% of the annual turnover of the Welsh Rugby Union Group is derived from staging international matches at Principality Stadium featuring Wales teams and the commercial activities associated with these teams. Coverage of our matches and the corresponding profile of our teams obviously directly influences this commercial activity.

More directly, international broadcast turnover last year amounted to £17.3m in a year when the WRU Group’s turnover, excluding URC/ECPR income, was £93.6m. Over the last five years 26% of the Union’s income has been provided by broadcast rights.

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It is vitally important to understand how delicately balanced the Welsh rugby ecosystem is and how reliant it is on the commercial value associated with the fixtures the Committee is discussing.

All the profits made by the WRU Group are fed back into the game in Wales. We have a stated policy of maximum reinvestment into the game annually, rather than retaining profits. We have been able to increase our investment in Welsh rugby by £2.4m, up to £65.3m this year.

The health of Welsh rugby relies heavily upon the income generated by its media rights. This funding fuels the investment in the development and grassroots areas of the game and therefore its long-term sustainability.

Our position is **not that** Six Nations Championship rugby should be moved away from free-to-air television channels. **It is that** to place this restriction on rugby would artificially restrict the market for our media rights and significantly diminish our earning potential to devastating effect on our game.

We need to retain the option to broadcast on subscription services, in order to keep the existing tension in the market. Of course, we do not wish to diminish the reach of our game. To the contrary, we need and want to be seen, but there is a balance to be struck.

The Six Nations Championship has remained on domestic television screens since its inception, not because the unions involved have been compelled to do so but because the tension in the market has resulted in the market delivering a fair price.

There is obviously a balance, for our partners and sponsors and also for us as a governing body intent on driving increased participation in our game, between visibility and access to our senior international matches and the direct value attributable to their broadcast.

The point to emphasise is that it is the WRU and Six Nations Rugby which is best placed to strike this balance and that it is, self-evidently, in our own best interests to do so.

We have already significantly diversified the way in which we communicate with our supporters, in accordance with the fast-changing ways in which they consume their media. We are already changing and we are doing so in the best interests of our game, with all factors considered, so that we remain both accessible and relevant.

The provision of Welsh language broadcast is also a central part of the WRU's contribution to media rights negotiations and always will be. The Welsh language is part of the cultural identity of the game in Wales and its provision is important to our brand, our commercial success and our heritage as the governing body of our game. We will continue to do our utmost to ensure there is Welsh Language coverage of our matches.

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In conclusion, we ask the Committee to consider that the position of the WRU Group on this subject is closely aligned to that of Six Nations Rugby: that an open and competitive process is critical to driving fair market value, which in turn enables us to make a balanced decision and deliver the best combination of audience reach to grow the sport, to maintain high quality coverage to engage rugby fans and to create a fair financial return to reinvest into the game.

A broadcast invitation to tender will be issued in the UK later this year for our competitions from the 2026 season onwards, by Six Nations Rugby. It will ensure, as with previous Six Nations Rugby tender processes, that all principal broadcasters (Free To Air and Pay) will have the opportunity to respond. For the benefit of doubt, the opportunity will be made available to UK FTA broadcasters through this process to acquire all or some of the Six Nations Rugby Championships (Men's and Women's).

An open and competitive process is critical to driving fair market value, which in turn enables a balanced decision to deliver the best combination of audience reach to grow the sport, high quality coverage to engage rugby fans and fair financial return to reinvest into the game.

Yours sincerely



Abi Tierney
WRU Group CEO