



E-COMMERCE AT CHAMPIONS LEAGUE LEVEL

Which Clubs comply with consumer law?

Does Europe perform better than Bundesliga?

A LEGAL ANALYSIS OF THE ONLINE SHOPS OF EUROPE'S
TOP FOOTBALL CLUBS

- **Germany is not the internet shopping World Champion yet.**

That was the result of HÄRTING Rechtsanwälte's Bundesliga Study, in which a close look at the online shops of all 36 first and second division football clubs was taken. Not one single club had an online fan shop that was 100% compliant with the law.

- **We have taken the study a step further.**

HÄRTING Rechtsanwälte examined the online shops of the top European clubs on the basis of eight criteria.

- **The results**

Not one shop was completely compliant. The Bundesliga teams were at least slightly ahead of the other top European teams, who breached significantly more regulations. The returns policies, forms, textile descriptions and pricing were particularly problematic.

- **The consequences**

Any mail-order clothing retailer worth its salt would be able to issue warnings to the big clubs in respect of their obligations, as indeed would consumer rights organisations. Particularly problematic are the erroneous returns policies – many fans were be able to cancel orders long after a reasonable period had elapsed.

LINE UP



We checked the online shops of 16 Champions League participants + two other top European clubs.

THE ONLINE SHOPS WERE CHECKED FOR EIGHT OF THE MOST FREQUENT PROBLEMS:

● Return forms

● Textile labelling

● Legal notices

● Returns policy

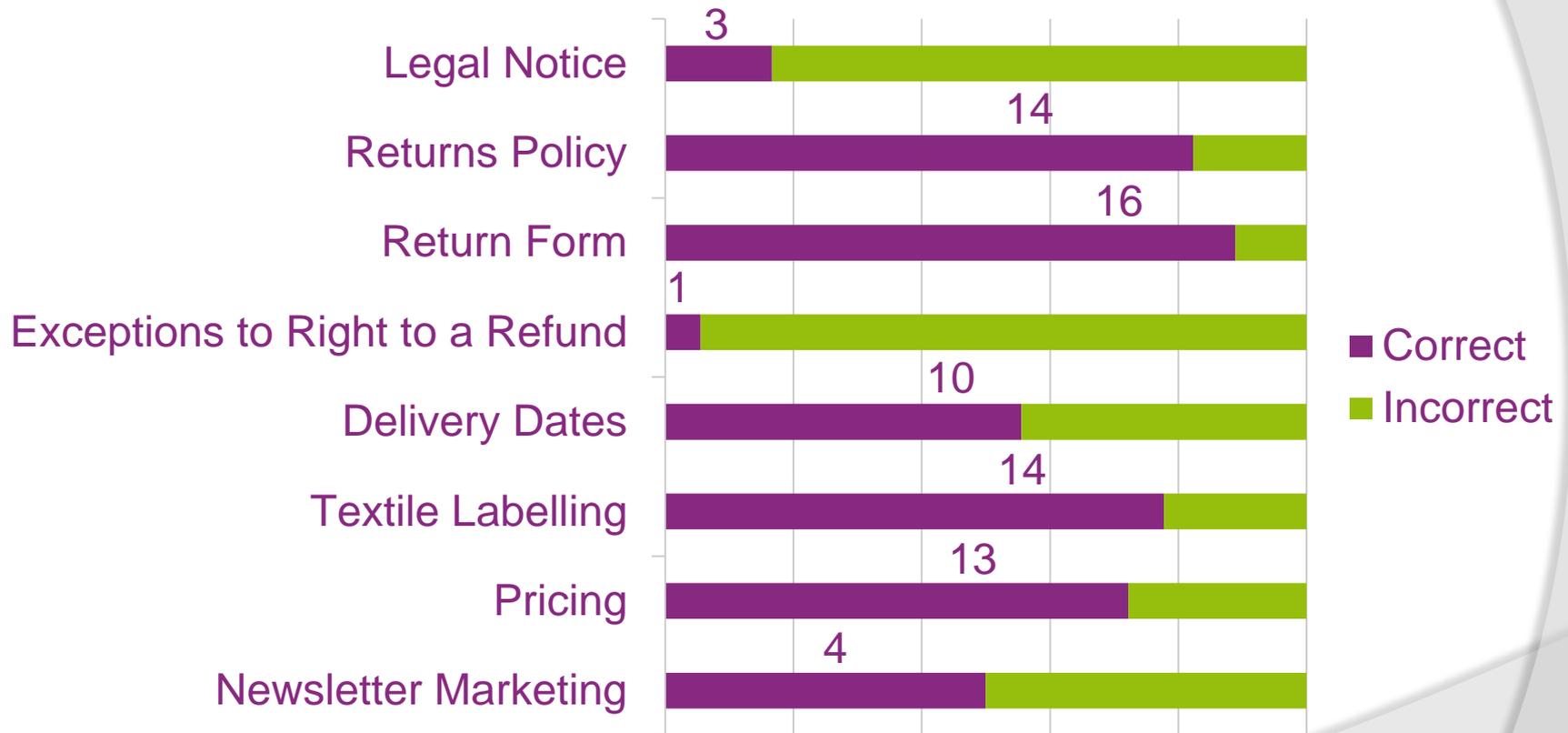
● refund exclusion

● Information about **delivery dates** ● Pricing

● Email **newsletter** marketing

- NO SINGLE CLUB SATISFIES ALL CRITERIA OF CONSUMER LAW
- SERIOUS MISTAKES IN PARTICULAR IN RESPECT OF:
 - Returns policy and return forms
 - Textile labelling
 - Pricing
- BUNDESLIGA CLUBS DID BEST COMPARED TO OTHER EUROPEAN CLUBS
- CROSS BORDER SHOPS DO NOT COMPLY WITH SPECIFIC GERMAN REGULATIONS ON CONSUMER PROTECTION
- POSSIBLE CONSEQUENCES:
 - Warnings / claims for cease and desist of competitors or Competition Associations
 - Unnecessary extension of return period – fans may return items after the end of the a season

NUMBER OF LEGAL INFRINGEMENTS COMMITTED BY THE TOP EUROPEAN CLUBS

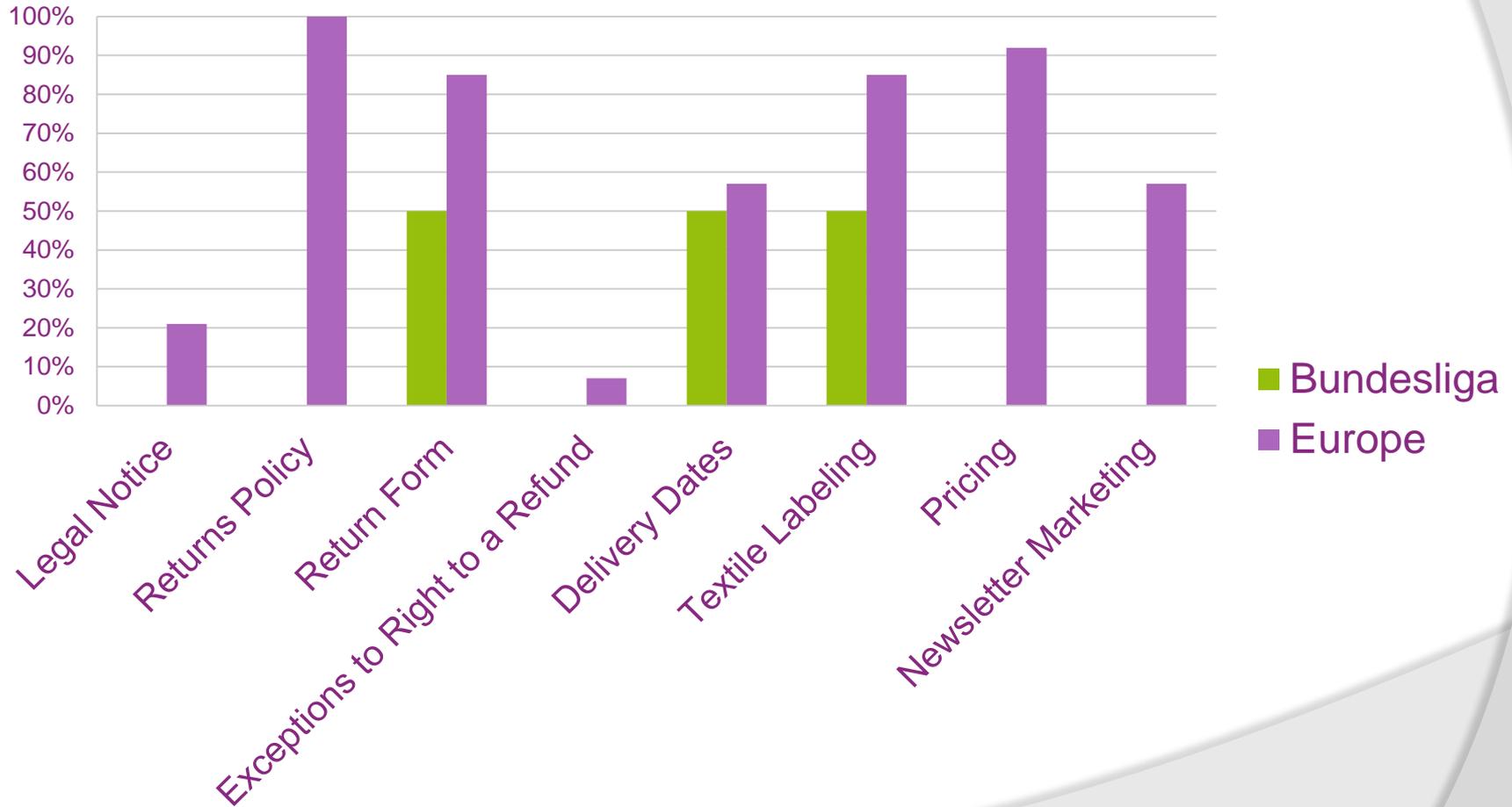




Main problems

- Returns policy
- Return form
- Textile labelling
- Pricing

BUNDESLIGA V EUROPEAN CLUBS – ERROR RATIOS COMPARED

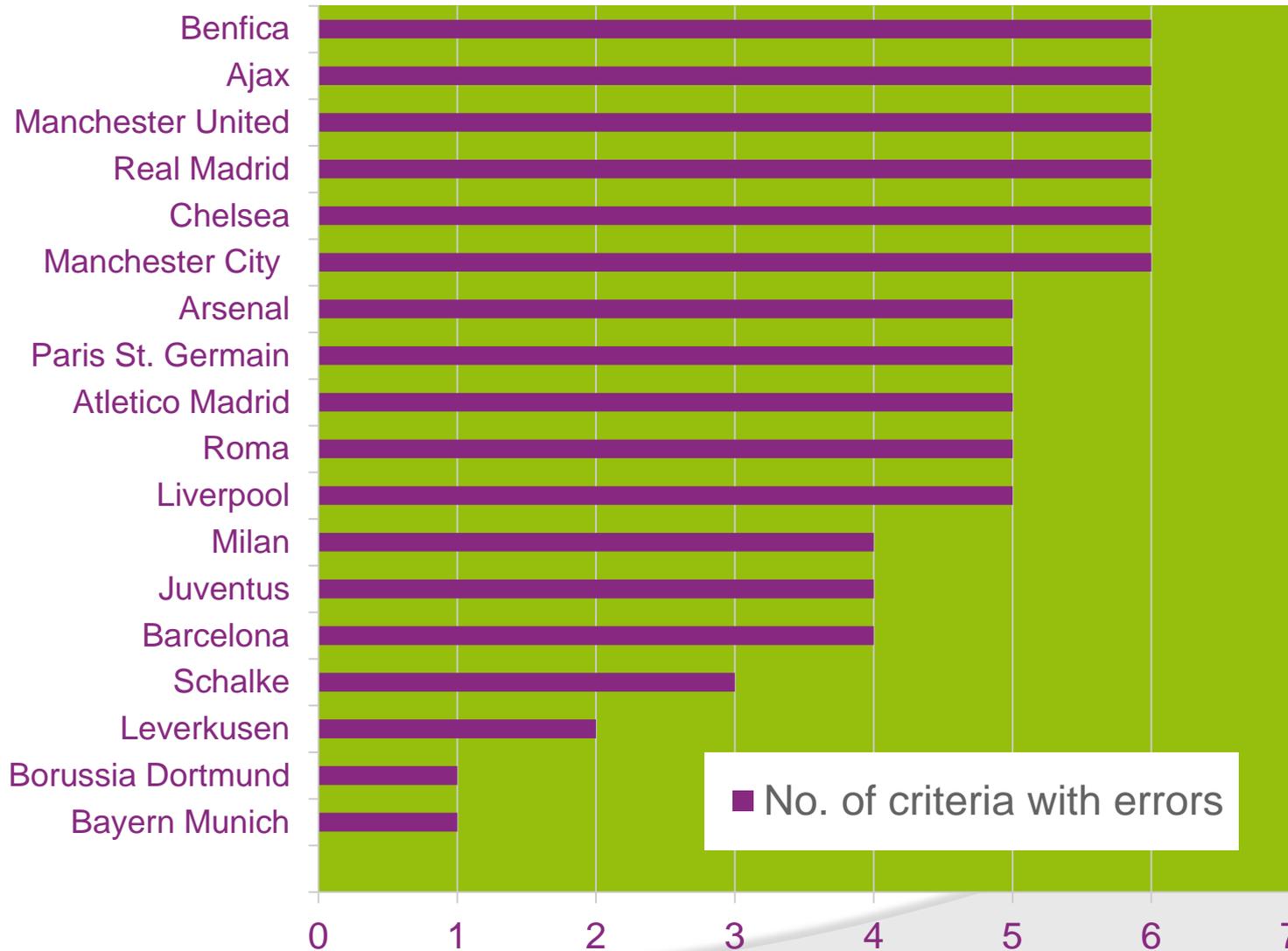




Bundesliga v other European clubs

- First division clubs did better on all points
- European clubs need to make significant improvements to catch up
- Major differences in particular in return policies and pricing

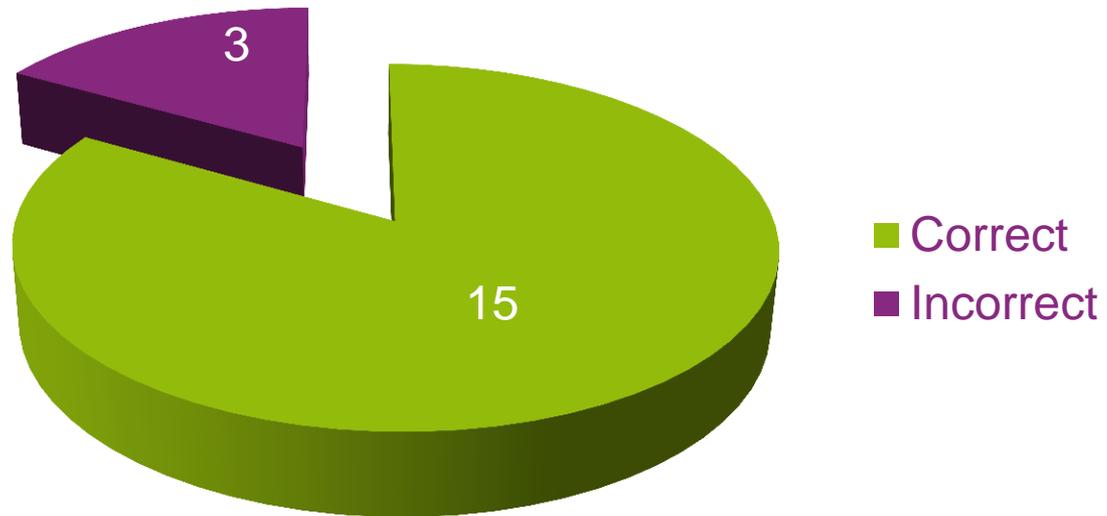
SCORES ACHIEVED BY CHAMPIONS LEAGUE PARTICIPANTS





Individual Criteria

Legal Notice



Ratio of top clubs with correct and incorrect legal notices

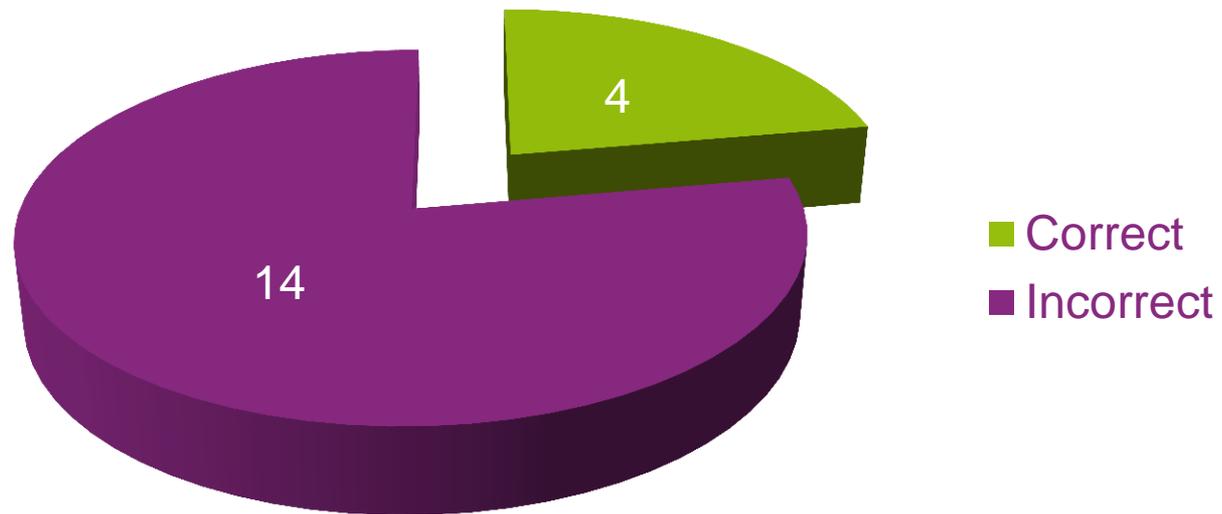
● REQUIREMENTS

All commercial websites require a legal notice giving a large amount of specific information. This applies equally to football clubs' online shops. The required information includes the exact legal name of the club including the legal form and registration details. The address, an email address and at least one additional means of contact must also be given. This information must be easy to find, directly contactable and must be permanently available.

● IMPLEMENTATION

Most of the Champions League participants fulfil these requirements. The information provided is only occasionally incomplete. Here and there a telephone number has not been provided or the only means of contact given is an email address. Occasionally it is unclear who exactly is responsible for the online shop.

Returns Policy



Ratio of top clubs with correct and incorrect returns policies

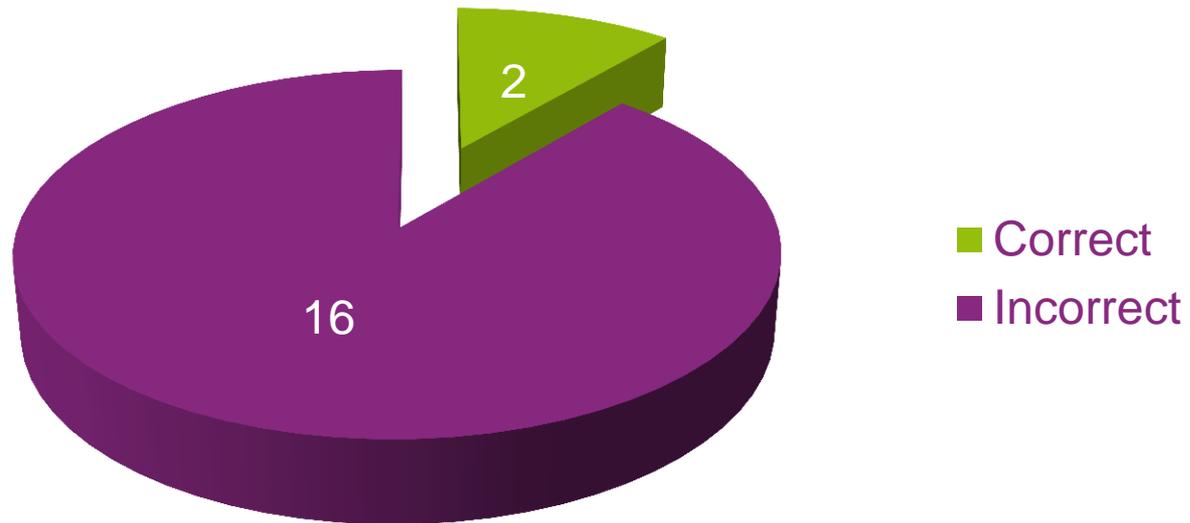
● REQUIREMENTS

For every order that is placed at an online shop, the customer must have the right of return. The customer must be informed of this right prior to placing his order and again after he has placed his order either by email or on paper. Very often important details were omitted and the information given was incorrect. The statutory returns policy template was significantly changed in June this year following extensive amendments to consumer rights. Anyone still using the old template is at risk of receiving a written warning.

● IMPLEMENTATION

Only the four Bundesliga clubs have so far incorporated the new return policy template. The remaining European clubs all have a return policy but in terms of legal conformity, they have a long way to go before they are acceptable. The spectrum of errors stretches from over-extensive formal requirements of the return to insufficiently long return periods.

Return Forms



Ratio of top clubs with correct and incorrect return forms.

● REQUIREMENTS

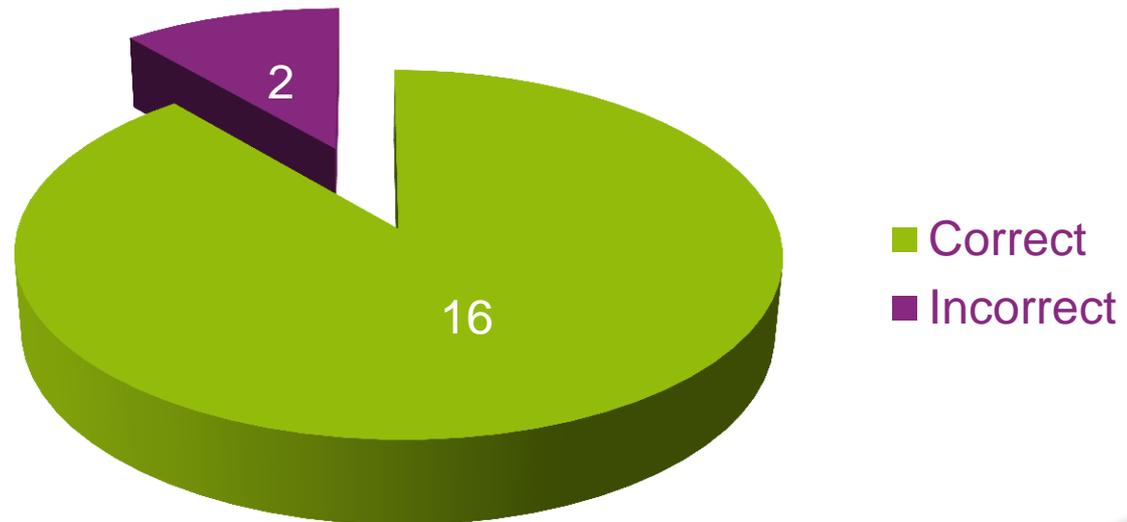
A new returns form template was introduced as part of the new consumer protection legislation in June 2014, in order to simplify the return procedure for customers. Customers must be made aware of this form each time an order is placed, he must be informed in clear, comprehensible terms about the availability of such a form and the template is to be made available. Consumers are not, however, required to use this form; they can continue to cancel an order by email.

Doubts about the sense of such a template are justified; items ordered on online fan shops may only be returned using the form.

● IMPLEMENTATION

Only approx. 10% of the clubs in the study complied with the new legal requirements. The majority did not even provide a form. Others did not include the template in their returns policy as required by law, instead only providing a link. It is not at all clear if this is sufficient. The form may not be altered in any way – no even in an attempt to make it more customer-friendly i.e. additional fields for customer reference or order numbers may not be included. Some clubs do not adhere to this rule either.

Exceptions to the Right to a Refund



Ratio of top clubs with and without faults in the exceptions to the right to a refund.

● Requirements

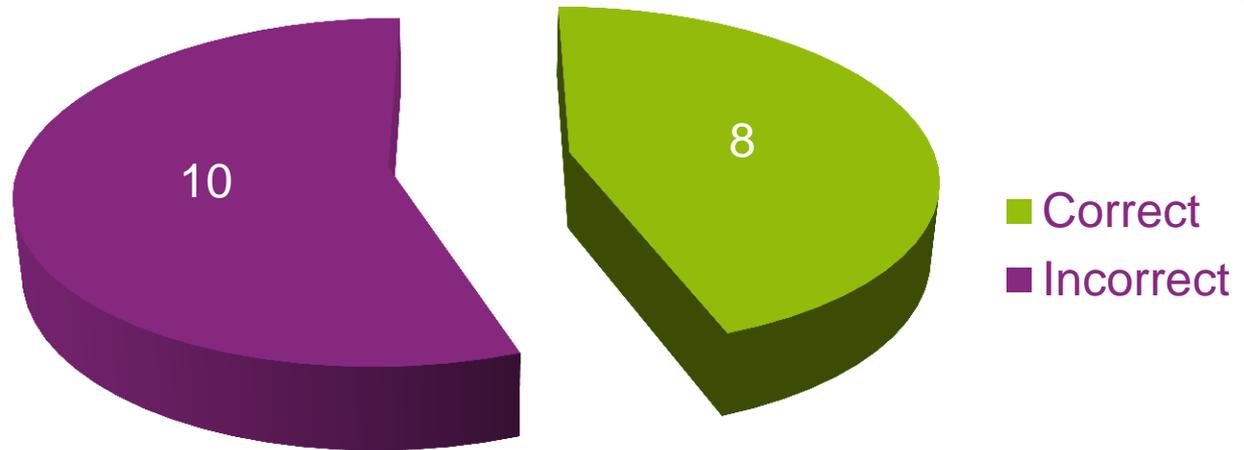
The law specifies a number of exceptions to the right to a refund. In particular, in cases where the goods cannot reasonably be refunded because the retailer would not be able to re-sell the goods easily or at all, there is no obligation to refund. Personalised goods, e.g. a shirt that has been printed with a number and a player's name, are excluded from the right to a refund. Customers must be informed in advance about this exception to the right to cancel an order. Where this is not done, the customer can return the item without stating a reason and must receive a full refund.

The right to cancel is, however, not excluded if the customer uses an article prior to returning it; in this case, the only penalty the customer has to fear is a deduction for wear and tear.

● Implementation

Only one of the online shops failed to inform customers that personalised kit would not be refunded – a costly error. One other club had an ineffective clause in its terms and conditions that excluded worn or washed items from the right to refund.

Delivery Date



Ratio of clubs with and without errors in delivery dates stated.

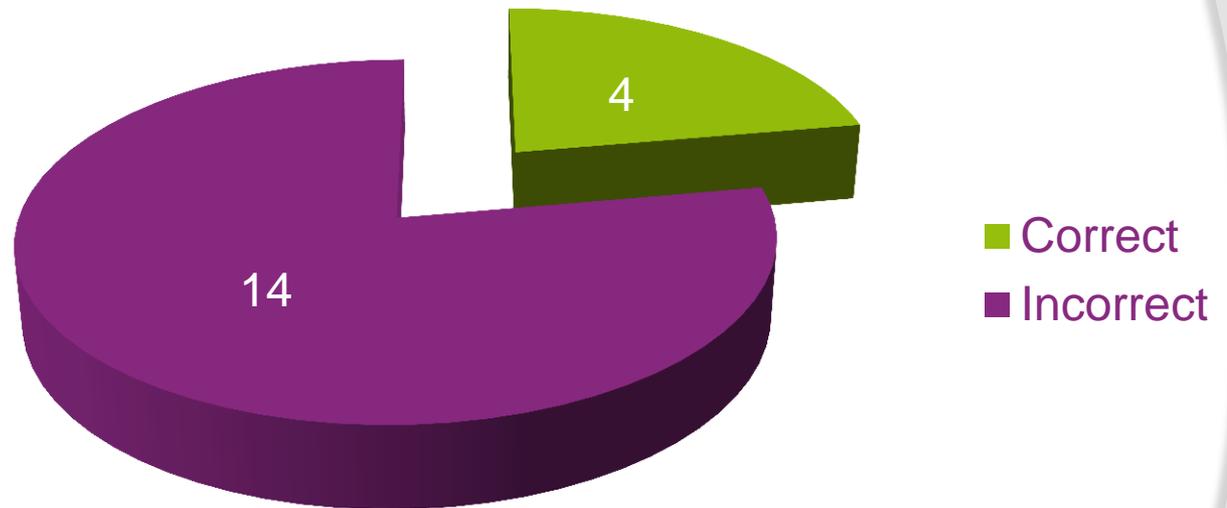
● REQUIREMENTS

Consumer protection legislation specifies a variety of information that must be given to the customer both before and after an order has been placed. A delivery date is one of these pieces of information. This does not mean that a concrete date or time must be stated, rather that a clear timeframe must be defined, in which delivery of the ordered item can be expected e.g. approx. 3-5 days. Conditions such as “normally” or “probably” are not permitted. Quoting and adhering to these delivery dates is a logistical challenge for any online merchant. Inadequate information regarding delivery dates is one of the errors committed most often by the clubs in their online shops.

● IMPLEMENTATION

More than half of the clubs quoted imprecise delivery dates. Often only the time required to process the order and to release the item from the warehouse was stated. Here delivery dates are stated, these are often too vague. In addition to this, delivery times stated are often at odds with those in the terms and conditions.

Textile Labelling



Ratio of top clubs with and without textile labelling errors.

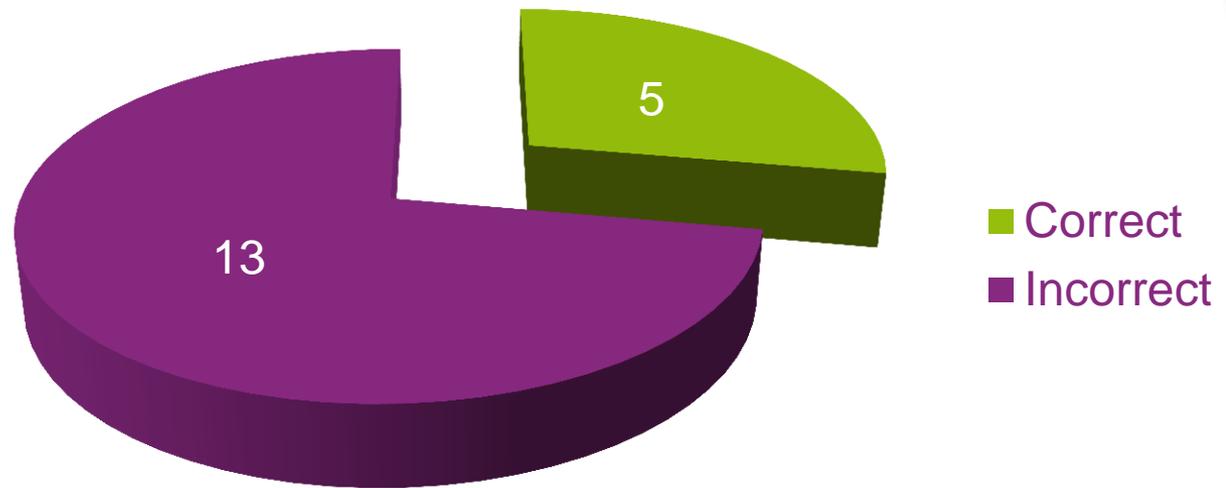
● REQUIREMENTS

Shirts, scarves and other textiles sold online must each be clearly labelled with detailed information regarding the fibres used and in which percentage, using the denominations set out in the pertinent regulations.

● IMPLEMENTATION

Although most clubs stated the materials used in their shirts, very often the information given was incomplete or non-compliant. The percentages of fibres used or the denominations of these fibres for example, were either not given or not in accordance with the requirements. Many clubs also failed to realise that these rules apply not just to the shirts but also to all other textiles offered for sale i.e. scarves, hats and socks.

Pricing



Ratio of top clubs with and without pricing errors.

● REQUIREMENTS

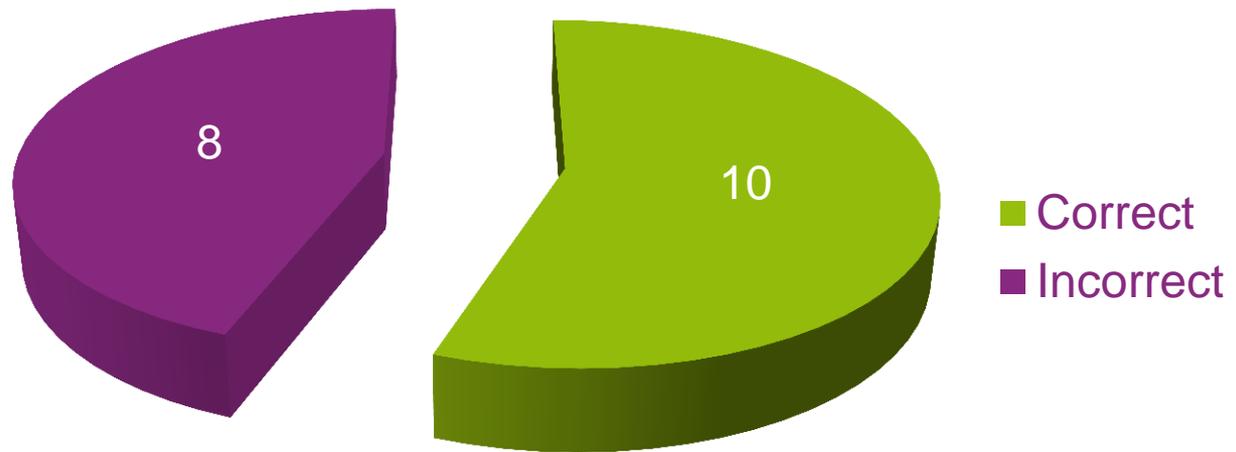
Where goods are offered for sale online, the price quoted must be the final price, i.e. the price that the customer will have to pay including VAT and other price components. The customer must also be informed that the final price includes VAT and whether or not shipping charges will apply.

It has become standard in online shops to quote prices as “incl. VAT plus postage and packaging” and to provide a link to the postage and packaging costs that are set out on a separate page.

● IMPLEMENTATION

The majority of the clubs' shops that we checked do not comply with the pricing regulations. They often make reference to VAT in the terms and conditions but this is contrary to the statutory requirements of transparent pricing. A few clubs do not even state that VAT is included in the price.

Newsletters



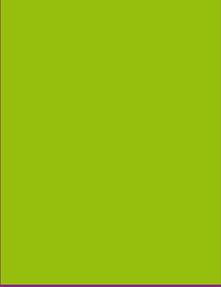
Ratio of top clubs with and without errors in their newsletter policy.

● REQUIREMENTS

Advertisements distributed by email i.e. newsletters, must be specifically requested by the recipient. There are only a very few exceptions to this rule. The double opt-in procedure is recommended in order to be able to show proof of this specific request, should it become necessary. This is where a confirmatory email is sent to the address given and only when the recipient reacts to this email, e.g. by clicking on the link included, will the address be saved to the newsletter directory. Confirmatory emails must be clearly labelled as such and may not include any advertisements.

● IMPLEMENTATION

Although more than half of the clubs use the double opt-in procedure, the rest do not.

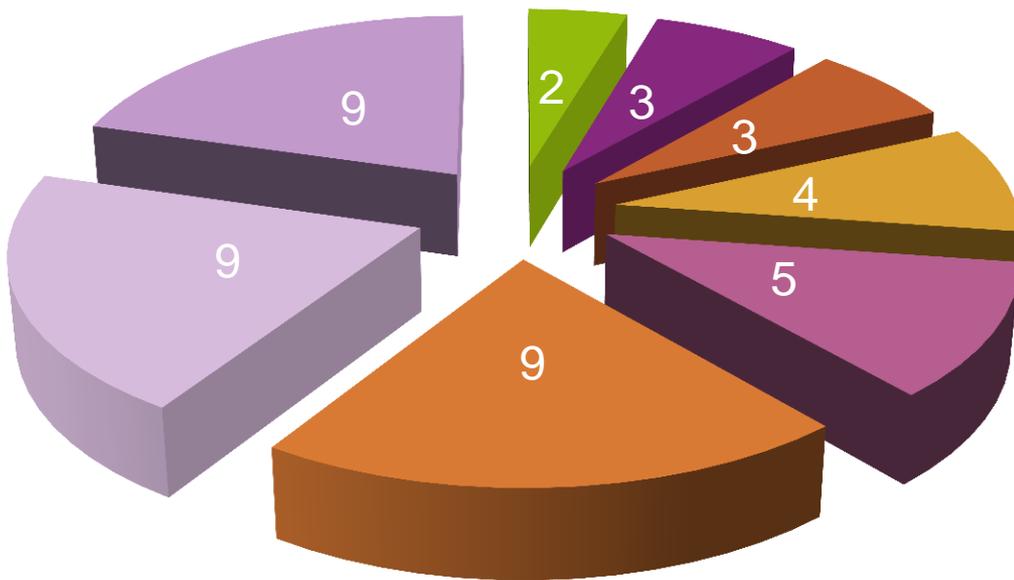


2.

Additional Checks carried out
on Online Shops selling to
Customers in Germany

- Online shops that are specifically aimed at overseas markets must adhere to the prevailing legal requirements. In addition to the 4 German teams, 4 top European teams have a German language version of their fan shop and aim at selling to customers in Germany.
- These are Real Madrid, Barcelona, Chelsea and Manchester United.
- As a result, stricter legal requirements apply to these clubs' shops than if they were only focussing on their home market e.g. where the legal notice is concerned. They must also include a privacy statement and two additional requirements apply to the inclusion of social media buttons.
- Surprisingly, even the German clubs need to up their game in correctly implementing these requirements.

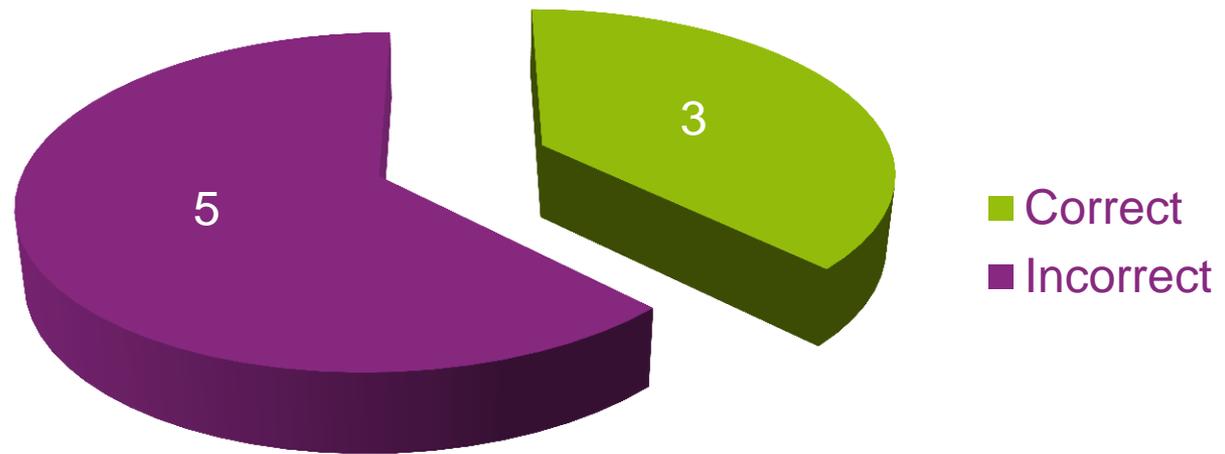
Total number of infringements



- Dortmund
- Bayern Munich
- Leverkusen
- Barcelona
- Schalke
- Chelsea
- Real Madrid
- Manchester United

Total number of infringements against German law.

Privacy Statement



Ratio of errors in privacy statement of 8 top European clubs with shops selling to customers in Germany.

- Every online shop operator collects personal information and must therefore include a privacy statement, in which his customers are informed in detail of the type of data collected, the scope of this data and the use to which it will be put. Visitors to the site must also be informed as to their rights to information regarding this data, how effect changes to it and how to achieve it's removal. It is sufficient, but imperative, that this information be clearly and easily available at the place where the data is collected.
- It is not always easy to set out all relevant processes that occur in the shop, and to provide transparent information about them in the privacy statement. Some clubs do not include important information. Often, statements regarding the use of social plug-ins is not provided and as such, the customer is not informed of his rights in this regard.
- Many clubs tuck their privacy statements away. As far as Germany's stringent regulations are concerned, it is a very risky practise simply to refer to the privacy statement at the foot of the website and not (also) to link to it at the point of collection.

Social Media Plug-Ins



Ratio of errors in social media plug-ins of top 8 European clubs with shops selling to customers in Germany.

● REQUIREMENTS

Most clubs use social plug-ins such as Facebook’s “like” or “share” buttons. As personal data is sent to social media platforms by the simple act of visiting the website, data protection authorities require that users be directly informed of this, preferably in the privacy statement.

According to the law on data protection, the transmission of personal data requires the permission of the user and for this reason, the two-click method is recommended in order to make the use of these plug-ins conform with the law. This is where the plug-ins are embedded in a non-active manner such that no contact is created with the servers of the social media sites simply by visiting the shop. The user has to click on the button in order to activate the plug-in and thereby agree to the communication with the social media site, the user has to click on the button a second time in order to actually use the button and “like” or “share”.

● IMPLEMENTATION

Only one of eight teams does not use the two-click method. This is understandable as it significantly lowers the level of interaction required, but the German authorities view this with criticism.



These breaches do not just constitute a foul against the user. They also say that: If not even these football clubs that are worth millions can set up compliant fan shops, there must be something wrong with the law. The increasing complexity of the regulations governing online retailing is simply too much for these clubs and by extension, for the entirety of European internet retailers.

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HÄRTING Rechtsanwälte have been advising clients in the media, technology, sport and events sectors since 1996.

Our key areas of expertise include all aspects of e-commerce law.

We advise major online retailers and internet platform operators as well as traditional retailers and manufacturers.

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