
07

**Tennis Australia:
Submission to the
Independent
Review Panel**

**Independent
Review
of Integrity
in Tennis**

APPENDIX

TENNIS AUSTRALIA'S SUBMISSION TO THE INDEPENDENT REVIEW PANEL

1. INTRODUCTION AND BACKGROUND

Tennis Australia Limited (**TA**) is the governing body of tennis in Australia. It also owns and/or operates the Australian Open, the Hopman Cup, Brisbane International, Sydney International, Hobart International, 9 ATP Challenger events and 17 ITF and Women's Pro Circuit events.

We are grateful for the opportunity to provide a submission to the Independent Review Panel (**IRP**). The IRP is in a unique and privileged position to independently transcend the many levels of governance in international tennis to work towards a genuine solution to integrity in the sport. We look forward to the IRP's recommendations.

We note that several TA staff members were interviewed by the IRP at the commencement of this process. We have worked with those staff members and others in our organisation to enable us to put forward a collective organisational response.

2. CURRENT STATE OF PLAY

We consider that the state of play as it relates to tennis integrity is far from optimal. From our perspective, these are the fundamental problems:

- There is too much betting: Betting and integrity problems are increasing and appear to be at the lower levels of the game (from the Challenger level down). These problems have been exacerbated by the proliferation of events at these lower levels, technology advances in scoring and data transmission, in game spot betting and the growth in sports betting globally. In essence, these developments have made it much easier for outsiders to influence players, and for players to impact a result and get a financial return.
- The state of professional tennis: The current state of professional tennis does not provide enough players with the opportunity to earn a sustainable living. While compensation is not strictly relevant to the integrity debate, the levels of prize money can be incentive for players to fix a match. It is undeniable that the most risk to the integrity of the sport is where the prize money and operational rigour and monitoring is the lowest.
- Public perception: Much of the negative media commentary around tennis criticises it for trying to police itself, and its apparent inability to do so. This is combined with a perceived lack of transparency about its integrity investigations and activities. These issues were catapulted into the public realm on the morning of the first day of the 2016 Australian Open when BuzzFeed and the BBC released the outcomes of an investigation into corruption and match-fixing in tennis. Despite the story being heavy on opinion, comment and innuendo, it still raised many questions about the governance of the issue and tennis in general, and created a major perception problem for the sport, ie that not enough was being done to ensure the integrity of professional tennis across the globe.

- Challenges of the Investigation Process: We have experienced a number of challenges across the investigatory process. These include:
 - Delays: It can take up to six months for a matter to be referred to an Anti-Corruption Hearing Officer (AHO) (as it first requires approval by the Professional Tennis Integrity Officers);
 - Provisional Suspensions: Once a player is charged with an offence under the current TADP the imposing of a provisional suspension process is cumbersome. What this means is that a player who has been charged with an offence is able to enter a tournament until notified of the provisional suspension. This is problematic.
 - Inadequate notification procedures: Notification of the results of a hearing are currently only sent to a player (or player's representative) by email. A National Association is not formally advised of the outcome of hearing until a player has been notified (and must make a formal submission to be provided with full determinations). This can lead to significant issues. By way of example, in the Puttergill matter, Puttergill was emailed the outcome of his hearing directly (as he did not have a lawyer). He did not open his emails and TA was not made aware of the hearing results. Consequently he was accredited for the Australian Open. We were subsequently faced with the embarrassing situation of having to instruct TIU investigators to advise Puttergill of the outcome of the hearing, escort him from the AO and remove his accreditation. Also in this instance the WTA were required to notify a player that she no longer had a hitting partner.
 - Delineation of responsibility: There is often confusion as to who is responsible (and at what point in the process) for information gathering and sharing, investigation, public relations and notification etc. between all relevant bodies. This includes the relationship between the TIU, the National Association and local law enforcement.. This is particularly complex in Australia as we have laws governing sports betting. Law enforcement have indicated to us that they are challenged by the manner in which the TIU conduct their investigations and consider that there could be a more thorough approach to interviewing of alleged offenders and witnesses.

3. OUR RECOMMENDATIONS

To assist the panel we have set out our list of key recommendations for the panel's consideration:

3.1 A new global tennis integrity body with a new name and a new brand

We consider that the first step of the process would be dismantling the TIU and creating a new integrity unit with a new name and brand. This will give the perception of starting over with a clean deck and a new way forward. For the purposes of this submission we have named this body the "Global Tennis Integrity Body" (**GTIB**).

3.2 A combined global tennis integrity body

The first and most critical step which needs to be taken to improve the integrity of tennis globally is the establishment of an all-encompassing, comprehensive and powerful tennis integrity body: the GTIB.

The GTIB should encompass all aspects that are confronting the global sporting matrix including corruption (match fixing, illegal betting), anti-doping (illicit drugs, supplement use), governance (corruption of officials including directors and staff) and the conduct of players, officials and other key stakeholders. This would include the management and enforcement of the global Anti-Corruption Program and the Anti-Doping Program.

3.3 An independent GTIB

A critical component to the success of the GTIB is that it must operate with complete independence and transparency, which begins at the top with the governance, structure and composition of the GTIB.

This would be a significant departure from the current structure of the Tennis Integrity Unit (**TIU**) who reports into the Tennis Integrity Board (**TIB**), which is made up of tennis governing body representatives with administrative support from a previous, long-term ITF staff member. Further to this, the responsibility for the examining and assessing evidence brought forward by the TIU to determine if there is a case to answer is within the remit of Professional Tennis Integrity Officers (**PTIOs**). The current appointed PTIOs are not independent of tennis, specifically they are representatives from the sport's governing bodies, including the Director of the Grand Slam Board and a Grand Slam representative. Regardless of the fact that these individuals are acting in good faith, this leads to perceived, and the possibility of actual, conflicts of interest.

The body that addresses issues relating to the integrity of the sport should be unfettered by influences from the governing bodies of the sport or at least have independent involvement. Specifically, to be truly independent, all those involved in the administration of the GTIB must be free of any other business or relationships which could materially interfere with, or be perceived to interfere with, the independent exercise of their judgment in a matter.

The operational structure of the TIU needs to be reviewed with an objective to appoint an independent Director with a reporting hierarchy to an independent board –thus removing the current perceived lack of transparency. This person should have excellent management and organisational skills, as well as a sound knowledge of investigation, intelligence analysis, prosecution experience (approval of investigations leading to prosecution), knowledge of anti-doping and an understanding of betting agencies and operations.

Its funding should also be independently assessed to ensure funding cannot be used as a means of influence.

3.4 Regional arms of the GTIB

The new organisation should also have a strong multi-regional presence (rather than be centralised in a single location). Regionalisation will enable the new authority to utilise local knowledge, improve relationships with government and law enforcement as well as improve efficiencies in investigation and prosecutions.

For similar reasons there should also be an increase in the Anti-Corruption Hearing Officer (AHO) pool. This would be achieved by appointing AHOs in each region, similar to the Court of Arbitration for Sport model (Europe, North America, and Oceania).

3.5 A clear linear definition of professional tennis and the ambit of the GTIB

The current scope of where integrity measures start and stop is unclear and far too broad. In an ideal world, the scope and realm of the integrity remit would align with where professional tennis begins, which in our view would be the point at which a player’s earnings equal or exceed their expenses (the breakeven point). Unfortunately this is not realistic as the current breakeven point is too low.

In its 2013 Pro Circuit Review, the ITF calculated the breakeven point as 336 for men and 253 for women. When you run the calculations based on current prize money and adjust the costs of playing for inflation, the 2016 breakeven point decreases to 269 for men and 226 for women.

Critically, the ITF’s calculations did not take into account coaching and training expenses or doubles players and therefore it is difficult to say that this is a realistic portrayal of the state of tennis. Once those expenses are included a far bleaker picture emerges. The breakeven point drops to 215 for men and 175 for women. If income tax was deducted, these breakeven numbers would be even lower.

Gender	ITF 2016 Cost of Playing	ITF 2016 Breakeven	Scaled coaching expenses	Cost of Playing including coaching	Actual Breakeven
Male	\$40,261	269	Top 50: \$200,000USD, 51-100: \$120,000USD, 101-150: \$80,000USD, 151-250: \$50,000USD and 250+: \$25,000USD	\$113,941	215
Female	\$41,693	226		\$119,349	175

We have done significant analysis in this space and the reality is that unless there is a significant increase in compensation around the sport, the breakeven point will not move.

As it is not practical to limit professional tennis to 200 or so players, we have considered what other line could be drawn in the tennis ‘sand’ to delineate the point at which a wall of security, education, monitoring and support could be drawn. The critical point is that this line is drawn around a smaller pool of better paid players. This may lead to players being less motivated to cheat and we can also make it extremely difficult for corrupt individuals to get to them and attempt to influence them. Also having a smaller pool of players to control will make it more feasible to control those within our realm.

While it is difficult to have a sliding ranking cut off, we consider that an appropriate starting point of professional tennis would be events offering \$50K prize money or more. This will make the professional tennis ranks exclusive enough to enable substantial increases in player compensation to ensure players can make a living.

What this would mean is that any events with current prize money under \$50K would need to be raised in order for them to be within the parameters of the definition of professional tennis.

Further, those playing events below the \$50k level will not be competing in professional tennis ranks. There will be no betting allowed outside of professional tennis, nor will betting sponsorship be permitted. There will also be no live streaming or official data feeds. Some effort will be required to discourage illegal markets being framed on these events and to prevent court-siding.

Tennis authorities will need to come together to establish an agreeable pathway into professional tennis ranks for junior athletes as well as a rigorously scrutinised pathway back into the ranks for players recovering from injury. There will also need to be some measures to offset the resultant fewer number of tournaments which will inherently increase the travel costs for players. National Federations can play a role here. In addition, the loss of revenue for governing bodies will need to be addressed in the transition process.

3.6 The role of the National Federations

In the current integrity structure, the role and responsibilities of National Associations (**NAs**) in implementing integrity measures is unclear. For example, the current Tennis Anti-Corruption Program specifies the roles and responsibilities of the ATP, ITF, WTA, the Grand Slam Board, a Player, a Related Person and Tournament Support Personnel, but not the roles and responsibilities of NAs.

Expanding on the current model, all NAs affiliated with the ITF should be required to adhere to a clear set of roles and responsibilities, which provide for local law requirements. Those roles and responsibilities would need to be developed and monitored by the GTIB. Importantly, if permitted by law in a NAs territory, NAs should be encouraged and/or required to have legitimate contractual arrangements with reputable and licensed betting companies to enable information sharing, data and marketing arrangements. Co-operation and information sharing with betting companies is essential in identifying suspicious betting patterns. In our experience, the stronger those local relationships are, the more likely it is that match fixing will be identified and investigated. In addition as highlighted above, the interaction between the GTIB and local law enforcement needs to be addressed.

There should also be an enforcement mechanism. For example, GTIB could inform the ITF of identified breaches by NAs. In turn, the ITF would issue a written concerns notice to the relevant NA specifying the breach and the corrective action that needs to be taken. If any NA receives three concerns notice in any 10 year period, their affiliation with the ITF could be suspended for a period of time.

3.7 Clarity around betting and data companies

Betting is a legal practice in Australia. It is TA's view that betting on tennis, and the NAs having relationships with betting companies, should be permitted if such betting is conducted responsibly within the legal framework of the NAs territory, and that agreements with the betting companies do not exacerbate the risk of match-fixing and other corrupt behaviour by requiring the betting companies to provide the NA with stringent monitoring and analysis of suspicious betting activity.

For example, TA has arrangements with SportsRadar, which provides TA with a sophisticated security service, including a technical solution to reduce the risk of frauds committed by chair umpires (known as the Fraud Detection System or FDS). FDS uses odds data provided by third parties, and the system uses sophisticated, computerised data analysis to flag suspicious betting patterns. Any flagged betting patterns are analysed and interpreted in detail by SportRadar's experts using an intelligent-designed database.

Additionally, TA is provided access to SportRadar's Fraud Intelligence Unit, which provides up to 100 hours per year of investigative and intelligence services, various education tools to help prevent fraud, and the development of an umpire score validation system, which converts the umpires score input into an audio file with real time scores announced to players and spectators. The FDS is regularly upgraded to ensure the system continues to utilise cutting edge technology, and adheres to the expectations of TA. These types of arrangements help eliminate court-siding at major events, and although TA is benefitting from indirect betting revenue as a result of these arrangements, they are helping TA reduce the risk of fraud at its events.

We also have a partnership arrangement with William Hill (a reputable global betting company). As part of this arrangement, William Hill has agreed to share certain betting information from TA events to assist TA investigate suspicious conduct. This information includes material that William Hill is not required to report to regulators, but relates to activities where it has reasonable suspicion that an offence/breach may have occurred. William Hill has shared information with TA in recent months that has been extremely thorough and helpful in a number of ongoing investigations.

TA also has a number of Product Fee and Integrity Agreements with licensed betting companies based in Australia. These agreements are required under Australian law. The agreements ensure that the sport has control over the bet types offered by these betting companies, and creates obligations for the betting companies to share betting information with TA.

TA views all of the types of agreements noted above as protecting the integrity of the sport, rather than negatively impacting on it. We firmly believe that the sport must keep abreast of all betting company activity, and that deep, information-sharing relationships with reputable wagering companies are critical to the monitoring and analysis of illegal activity. To sever all relationships, and ban all betting on tennis would, in TA's view, only serve to drive the practice underground and cause even greater integrity problems for the sport. By way of example, we note the situation in India where sports betting is illegal.

The reality is that a lot of tennis revenue comes from betting. This revenue includes:

- direct payments from data/live stream purchasers who on-sell that data/live stream to betting companies;
- indirect revenue from the sale of media rights to a broadcaster who sells air time to betting companies; and
- sponsorship fees from betting companies to tennis events.

To say any one source of revenue is worse than the other is not entirely correct. All result in the promotion of betting and revenue for tennis in some form or the other. At best, removing overt sponsorship may have a small impact on the perception problem at best,

but even that is debatable given the prevalence of betting advertising on many official tennis broadcasts. Betting is a legal pastime in Australia, and in many countries across the world, and the question tennis must grapple with is at what point does the benefit to the sport from betting cease to outweigh the risk to the sport's integrity? As pointed out by MLB Commissioner Manfred, *"Sports betting happens, whether it's legalised here or not, it's happening out there. So I think the question for sports is really, 'Are we better off in a world where we have a nice, strong uniform, federal regulation of gambling that protects the integrity of sports, provides sports with the tools to ensure that there is integrity in the competition... or are we better off closing our eyes to that and letting it go on as illegal gambling. And that's the debatable point"*.

Betting on sport will continue to grow, and it cannot be ignored. Therefore, every effort to have systems and arrangements in place to protect the integrity of sport must be the ultimate objective of the governors of each sport. The engagement of betting providers is essential to this.

3.8 Truth and reconciliation

The sport has experienced reputational damage as a result of the BuzzFeed coverage in January 2016. The past handling of integrity issues has been called into question. TA believes great strides have been made in this area in the last 12 months as a result of the IRP, and the ongoing review and the strong co-ordination among the various governing bodies. However, it is TA's view that there is still great public confusion about integrity processes, including a lack of transparency in regards to the explanations around hearings, sanctions, judgments and even the timing of prosecutions and decisions.

We recommend that the sport take this opportunity to reset and create an environment which will allow the successful management of integrity issues moving forward.

This would involve:

- acknowledgement and ownership of past mistakes;
- potentially allowing an amnesty period to create the opportunity for a clean slate;
- closing old investigations and publically announcing the outcomes;
- announcing the brand new structure, complete with a new name and new branding as noted previously ; and
- allowing a transition period to facilitate the roll out of the new arrangements.

Any links to governing bodies in any part of the process need to be removed and the independence well publicised. From then on, any delays in hearings must be explained and reasons behind decisions also need to be published as soon as possible (if necessary with some information redacted if it affects ongoing investigations). The excuse not to publish decisions because of their impact on ongoing judgments seems out of step with the modern day judicial system in many countries (it is also inconsistent with the policy around publishing anti-doping judgments).

Given that much of the public controversy in this issue stemmed from allegations of corruption in tennis before the creation of the TIU, it is our view that these must also be very thoroughly addressed, and for the IRP to draw its own well-researched conclusions on what transpired. TA is fully supportive of the IRP's endeavours to do so, and conscious of the fact that any knowledge it has of events of that time is limited to third-party hearsay which may or may not be accurate and would be of limited value compared to interviewing those directly involved at the time.

Further to this, we have noted our challenges with the process around investigations in section 2 of this submission and recommend that the new body have clear and concise procedures put in place around investigative timelines, notification requirements and provisional suspensions. In addition, we think it is necessary to clarify the roles and responsibilities of all bodies involved in the investigatory process to ensure understanding and clarity.

3.9 Best efforts

The concept of 'best effort' needs to be reconsidered. Currently the rule is too broad and not properly understood. It is also applied inconsistently.

Due to the subjective nature of what a 'best effort' constitutes we consider that an appropriate way forward would be to construct a 'Best Effort Register.' This would be a centralised database which would identify players that have (in the opinion of the official/referee/umpire) not given their best efforts in a match. This list should be periodically reviewed/analysed by the GTIB for consideration of both match fixing possibilities as well as player behaviour issues.

In addition to this, we consider that some of the regulations within tennis and the international tennis calendar need to be altered to remove the unintentional consequence of "tanking" in matches or not giving best effort. These playing conditions largely relate to scheduling of doubles and singles matches, entry cut-off times for tournaments (particularly as they relate to lead-in events to the Slams) and notifications around "lucky losers" and wildcards. Any existing rule that inadvertently increases the enticement for a player to lose must be urgently reviewed, regardless of links to betting or match-fixing. If a player is happily prepared to lose a match to either save their energy for another match (in the singles or doubles draw), or to get out of the tournament to get to their next tournament in time to prepare, the message for spectators is one of incredible disrespect. The stain on the sport of tennis is that not every match counts.

To create playing conditions that go as far as possible to ensure that every player gives their best effort will require substantial review and co-ordination between governing bodies and events, and will likely need to be an ongoing body of work from multiple stakeholders. This should also include more examination of the rules around playing injured, mid-match withdrawals because of existing injuries, and the compensation arrangements for first round losses.

Also related to best efforts are the issues of player retirements and playing while injured. We consider that these instances should also be documented in the Best Efforts Register' for ongoing monitoring. The sport should also consider a change in the rules as the ATP are currently trialling.

3.10 Natural Justice

Lastly, we thought it was important to raise the issue of natural justice. It is critical that we ensure a fair and equitable process for all those involved in our sport. Therefore, if an individual is alleged to have committed an offence of any sort they must be notified of the charge and nature of the allegations made against them and have an opportunity to respond to the allegations. Lastly, the decision making process needs to be independent

and free of bias. There should not be any preconceived opinions, vested interests or conflicts (or perceived conflicts) with those who make determinations on any allegations.

4. CONCLUSION

We are confident of a very thorough list of recommendations, with hope that many of the issues we have raised will be addressed.

In light of the sport's commitment to fully funding the implementation of every IRP recommendation, it is TA's view that there will need to be a major project plan and the establishment of a well-represented transition team to ensure that the changes are managed effectively.

With potential major funding and structural implications for some organisations, there will need to be deep communication, consultation and strategising to ensure the most efficient transition into the new international tennis world. TA recommends the establishment of a comprehensive working group within the sport with a workable timeframe at an executive level consisting of CEOs and a broad range of operational staff.

The IRP could establish the key milestones and potentially review the progress of the group, with policy and adherence to the true spirit of the recommendations guided by the CEO group. TA is happy to put forward a recommended structure for this working group in a separate document if the IRP requires it.