

CVC



PRIVATE WEALTH

# Why Sport Is An Attractive Private Markets Opportunity

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Sport sits in a special place in society. It is emotional, unifying, and instantly understood across borders and cultures.

It cuts through politics and geography. For billions of people, sport is identity, community, and aspiration, creating moments of shared meaning that endure for generations.

Behind that emotion lies a sophisticated global industry.

Stadiums must be filled, media rights negotiated, commercial partnerships built, and clubs and leagues governed well.

Passion alone cannot fund world class performance or sustain long term success. At every level, great sport relies on great management.

In this paper, we consider the following three things:

- i) the opportunity set in sport,
- ii) how private equity strengthens sport, and
- iii) what makes the asset class attractive to investors.



# What does the opportunity set in sport look like today?

It is often assumed that investing in sport simply means buying a team. In reality, the opportunity set is far broader. Sport today is a global ecosystem with multiple ways for private capital to participate.

Leagues and federations are modernising and increasingly seeking partners who understand how to grow competitions sustainably.

Clubs and franchises have loyal fanbases and strong brands, but many still have significant untapped digital and international potential, with opportunities to give fans greater access and more ways to engage.

Alongside this, the ecosystem includes media platforms, streaming services, event organisers, new competition formats, and a wide landscape of related businesses spanning technology, data, ticketing, hospitality, and real estate.

**What makes sport especially compelling is the loyalty it inspires. Fans rarely change allegiance, creating long term stability that few sectors can match.**

While the industry remains fragmented, the greatest acceleration occurs when these components are brought together into a stronger, more globally connected ecosystem.



# How can private equity create value in a way that genuinely strengthens sport?

Sport is not a typical industry, and traditional private equity playbooks do not always apply.

Successful investment must respect the emotional and community-based nature of sport, while introducing long-term strategic discipline and operational excellence.

## **Governance comes first.**

Many sport organisations have historically lacked the management structures common in mature global industries. Improving clarity, accountability, and decision-making enables better performance and allows leaders to plan beyond the next season.

## **Global growth is the next priority.**

Sport has extraordinary international potential, but unlocking it requires investment in brand narrative, digital platforms and opportunities for fans to engage. Done well, this allows competitions to reach new audiences and develop consistent global profiles while preserving their authenticity.

## **Digital modernisation is reshaping the industry.**

Streaming, data insights, and personalised fan experiences are transforming how people engage with sport and opening new and diversified revenue streams.

## **Commercial rights also need modern structures.**

Media cycles, sponsorship models, licensing frameworks, and event formats must evolve to reflect how audiences consume sport today.

## **Finally, long term infrastructure investment is essential.**

Stadiums, training facilities, youth development systems, and technology platforms all require capital and careful planning.

The objective is not to impose generic tactics, but to apply informed, patient investment that enables sport to thrive for decades.



### Case Study:

## Formula One



**Starting point:** When CVC acquired control of Formula One in 2006, the sport was Europe-focused and had an underdeveloped commercial model. Rights were fragmented, governance was inconsistent, and teams were under-rewarded relative to their contribution.

**What changed:** CVC consolidated the commercial rights, strengthened governance, and evolved the calendar into high-growth markets while modernising media, sponsorship, and hospitality.

**Impact:** Revenue increased from **\$1 billion to \$1.8 billion**, and the prize fund paid to teams increased 4x from about **\$250 million to nearly \$1 billion**. The sport expanded significantly across the Americas, Asia, and the Middle East, attracting a new generation of fans.

**Outcome:** CVC exited in 2016 through a sale to Liberty Media. Formula One is now recognised as one of the most valuable sports properties in the world.

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# What makes sport attractive for investors?

Sport offers a rare combination of emotional resonance, resilient demand, and long-term structural growth.

**It can provide diversification, with revenues often supported by stable fan engagement or contracted media rights, alongside high margins and cashflow conversion. This may result in lower correlation with traditional financial markets.**

The growth outlook is clear. Expanding global fanbases, digital consumption, rising media values, and the rapid development of women's sport are reshaping the industry.

Many competitions remain at an early stage of their globalisation journey.

Access has also improved significantly. Investors no longer need to acquire an entire club or league to gain exposure.

Opportunities now include well-governed funds, co-investments, minority stakes, and specialist platforms offering diversified exposure across sports and geographies.

Beyond financial returns, sport offers purpose. Investment can support participation, youth development, community engagement, and the long-term health of each sport.

For many end investors, that combination of impact and performance is especially compelling.

Sport is emotionally powerful, commercially resilient, and becoming more professionally managed each year.

## Estimated annual global revenues for women's sport



Source: Sports Industry Group & Nielsen Research – The Sports Industry Report 2025

### Current Investment:

#### Women's Tennis Association

**WTA**

**Starting point:** Women's tennis is one of the most popular global sports, with a large and engaged fanbase, but with significant untapped commercial potential.

**What changed:** In 2023, CVC partnered with the WTA to create WTA Ventures, centralising media, data and sponsorship rights, while investing in digital platforms and fan engagement.

**Impact:** The transformation has strengthened commercial infrastructure and unlocked new growth, driving **~2.4x growth in the fan database, +45% social engagement**, and more than **doubling EBITDA since 2023**.

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## A Long-Term View

Sport combines global reach, stable demand, and a long runway for growth, but its full potential is realised only when it is managed well.

As governance standards strengthen and connections across the ecosystem deepen, the opportunity becomes increasingly compelling.

With the right partners and long-term alignment, sport can generate enduring value that is financially sustainable, culturally authentic, and beneficial to the communities that give it meaning.



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