INTERVIEW



Gary R. Stevenson

EDITORS' NOTE Gary Stevenson was named President and Managing Director of MLS Business Ventures in August 2013. Stevenson oversees the domestic and international commercial business of MLS which includes Soccer United Marketing (SUM), media and broadcasting, digital, club services, marketing, consumer products, special events and content creation and distribution. Prior to coming to MLS, Stevenson was President of Pac-12 Enterprises, where he was the first employee and successfully launched a diversified and integrated media company, including the Pac-12 Networks, the Pac-12 Digital Network, and Pac-12 Properties. After just one year in existence and having televised and streamed 550 live events, the Pac-12 Networks were named as a finalist for the SportsBusiness Journal's "Best in Sports Television" award in 2013. Stevenson bolds a B.A. from Duke University and an M.B.A. from The George Washington University.

ORGANIZATION BRIEF Major League Soccer (mlssoccer.com) is a premier soccer league with 26 clubs throughout the United States and Canada, including future expansion teams in Nashville,

Miami and Cincinnati. The League has 20 soccer-specific stadiums, including two state-of-the-art facilities that opened in 2018 – LAFC's Banc of California Stadium and D.C. United's Audi Field. Minnesota United's Allianz Field will open in 2019. As MLS has quickly become one of the world's top soccer leagues, it has become a league of choice for dynamic players in the prime of their careers. These players combine with a passionate, millennial-fueled supporter culture to provide an exhilarating live experience at every match. With players from more than 70 different countries competing, MLS is the most diverse sports league in North America.

What has been the key to the Soccer has achieved?

The New Sport of North America

An Interview with Gary R. Stevenson, President and Managing Director, MLS Business Ventures, Major League Soccer

The key to success is the strength of our owners who sit around the table with Commissioner Garber and MLS President and Deputy Commissioner, Mark Abbott, who wrote the league's business plan and deserves a lot of credit. They created a plan and have stuck with it and never wavered.

There were moments in time that were difficult, but they had a long-term vision and continued to invest. Now, we're in a position where this is the new sport of North America with great horizons ahead.

Is the message about MLS' strength and leadership well understood?

In our view, growing a sports league is about momentum. Every single day, we get better and bigger and louder and noisier both on the pitch and in the media. We don't worry a lot about whether everyone knows or not. We'd like everyone to know, but our job is just to make sure that momentum continues every single day.

Will you highlight the focus of MLS **Business Ventures**?

On my side of the business, our responsibility is to grow the fan base - we just need to be bigger from a scale standpoint. A bigger fan base results in higher revenues, and we take those revenues and reinvest them in the product.

The most fascinating thing here is that we have owners who are not here to just take profits and walk away. Whatever we earn as a league, and I mean as an entire enterprise both at the local and national level, is reinvested in the sport - in on-field product, in stadiums, in academies and in all the ancillary things that help a sport become bigger.

We make sure that our corporate partners and our other partners know this. It's a matter of us all investing in this sport together.

How important has it been to have a young fan base and how do you describe the MLS fan?

If we look at our fan base, we're clearly the youngest fan base in North America. In the 1980s, when the sports marketing boom took off, that was based on 80 million Baby Boomers - there were a number of companies who felt those consumers were interested in sports, so they had to draft on the value of sports to build their enterprise.

Today, we still have a group that is about 80 million strong so it's very attractive, but the main difference today is the millennials are more diverse, they're a disparate group, and there are a vast number of different communication messages that are targeting them from a lot of different places via a lot of different vehicles. It's a lot harder to aggregate 80 million millennials than it was to aggregate 80 million Baby Boomers.

The sport of soccer is one of the things that is attractive to this group; music is another. Some of the other sports are also big, but clearly soccer is in the DNA of the millennial generation.

How critical are MLS' corporate partners and would you highlight the deep relationships you have been able to build?

> We take a lot of pride in the relationships we have with corporate partners. We take pride in trying to find marketing solutions through our sport and through our clubs and through our different technologies that help our corporate clients reach the audiences they want to reach.

We also put a lot of effort into making sure that we're delivering value. We have set a target to renew 80 percent of our corporate partners every single time those contracts come up.

When we start looking at corporations like Heineken, Audi and Coca-Cola, we are proud of those partners and they help us grow our fan base and, if we're doing our jobs, we're helping them grow their businesses as well.



strong growth Major League LAFC unveiled its \$350 million soccer specific, state-of-the-art Banc of California Stadium in front of a sellout crowd of 22,000 people for its inaugural home match.

Will you discuss MLS' partnership with R/GA?

We admired the work that the Dodgers and R/GA did in their accelerator program. We think they're one of the more forward-thinking organizations in sports. When we dug into that program, we felt like it was one we should be doing in Major League Soccer as well.

In essence, we have three different priorities – growing the fan base, providing a more interesting way to distribute our content, and enhancing the in-stadium experience. We have posed these issues to R/GA and asked them to scour the world for start-up businesses that can help us solve those three challenges.

Is it difficult to manage growth when it has come so quickly?

It's just the opposite. Expansion allows us to reach a broader fan base than we could almost any other way.

We think our point of difference is the relationship that we can build with consumers, market by market, so that it becomes their team and they believe in it.

In our ad campaign, we call it, "Our Soccer." What we really mean by that is consumers in the various markets we're in can call those clubs theirs. They feel like it is part of them – it's that rabid relationship that a human being has with a sports club.

Expansion allows us to do that in more markets. Atlanta has been very successful. We don't hear much about the wonderful things that are going on in Minneapolis/St. Paul, but what they have in that market is remarkable. When they open their new stadium next year, that new market will open up for Major League Soccer. It's a great sports town, they have adopted the team, the team is playing well on the pitch and that stadium is going to be a real showstopper.

If we take a look at what happened in Los Angeles this year, there is an immediate rivalry that developed between the Los Angeles Galaxy and the new kid on the block, LAFC. This is already a coveted ticket to get and they have only played three games. People can say we're making up rivalries, but we didn't have to make that one up – there is a real spirit in Los Angeles that didn't exist 12 months ago.

There is a new stadium in D.C., Audi Field, that is adjacent to the Nationals Park and, as Cincinnati came onboard, it already has 19,000 fans coming to every single game. Then there is Nashville and Miami, and the upgrades that our owners are committed to there.

We are building this relevant story in every market and, as we look in on it, we realize we've done a really good job.

With all of the investment our owners are making both on the pitch and in the products and the stadiums and, hopefully, with some of the innovation we're adding, we can put all this in a blender and make a very interesting story.

What has been the key to the successful relationship that MLS has built with the owners?

The key is our structure. We're a single entity structure and this ensures that our owners are all



MLS Commissioner Don Garber addresses hundreds of attendees from across the sports and entertainment landscape at the inaugural Innovation Showcase in collaboration with R/GA Ventures at the 2018 MLS All-Star Game presented by Target in Atlanta.

working together as our partners, except for the three hours a week when their teams play against each other. For the rest of the year, they are partners and they make decisions together on how we can grow this enterprise.

That, in my view, is a masterful stroke that Commissioner Garber has been able to accomplish over the years to keep our group of owners committed to the same goal.

As we grow, we have disparate thoughts and we have spirited conversations around the table, as we should, but that unity and the way we're building this sport is pretty unique in sports.

What impact do you hope that the 2026 World Cup will have for the game?

It's an amazing tailwind for all of us. The idea of it being a partnership between Canada, Mexico and the United States was a brilliant stroke. We have great relationships with our friends in Canada and Mexico. We have a great competition with Mexico. We announced a partnership with Liga MX six months ago that will include a number of initiatives, including competitions. Our first manifestation of that will be the inaugural Campeones Cup game – a match between the champions of MLS and Liga MX clubs.

The idea of building the sport together across the continent is good for us; if the sport grows in Canada, it is good for us; it is good for us if the sport grows in Mexico; and it's good for them if the sport grows in the U.S.

This really is a unified effort. It's just not for the World Cup - this is a unified effort over eight years and we have an opportunity to continue to grow the world's largest sport on this continent.

How important is it for MLS to be engaged within the communities in which it has franchises?

This is more than a responsibility – it's the fabric of the league. One of the points of differentiation is with our supportive culture with MLS WORKS, and we need to do a better job telling that story on a local basis.

What our athletes do in their communities is one of the best untold stories. We create a lot of video content around it.

Our entire future is reliant on the fact that our clubs are seamlessly built into the fabric of the communities in which they exist. This is a very important component of what we do.

Will you highlight the talented team that you have assembled at MLS?

The success of any business is in the people we hire. Even though we're a younger league and perhaps less established, I would put the staff we have built here up against any league domestically or globally.

We have recruited a smart, thoughtful, experienced, diverse staff. The one thing I'm most proud of here is the culture that our commissioner has created and that we have all built together.

What excited you about the opportunity to join MLS?

I've always been drawn to growth opportunities, things that have some runway. I've always been fascinated by what has happened here. I do believe that in 30 years, this sport and

this league will be one of the dominant players in the sports landscape. To have an opportunity to be a part of that at this point in my career was something I wanted to do.

Do you take time to enjoy the wins when you look at the success of MLS?

To have an opportunity to work in an industry that I have loved since I got out of college is a tremendous gift. I spend more time being grateful than reflecting on what we have accomplished.

At some point, maybe while I'm walking or hiking, I may look back and note that this was a fun run, but it's more of a gift for me.

The flip side of it is that when I'm in the middle of it, I have to think about the next play. I don't have a lot of time to look at the scoreboard. This may sound a little insincere, but I really don't think about it.

I do enjoy telling stories about the business with my family because they like to hear them.

What is your vision for the future of sports content?

For a long time, there have been pundits that have predicted that the value of sports content would go down. I don't believe that the value of sports content is going to go down in my lifetime because, as the world gets flatter and becomes more of a global economy, there are fewer unifying opportunities that are global and sports will always serve as one.

We can watch reruns but it's not the same as live sports. The beauty of sports is that the ball doesn't lie - it is the great unifier of race, religion, sexual preference, etc.

In my view, soccer and football will always be at the top of that. Basketball will as well.

The value of sports content will continue to rise. It will be distributed differently than it has before. When ESPN and Fox and the Internet came along, that changed the game. At its core, sports content is still incredibly valuable and that will continue to grow.

The way we can build content and events around it will get better. If I was going to double down on something, it would be sports content and music content, and the convergence of those two things; that isn't going to go away. \bullet