

Private Equity In Sports And Entertainment

A Conversation with Greenberg Traurig's Leaders

FIRM BRIEF Greenberg Traurig, LLP (gtlaw.com) has more than 3,000 attorneys in 51 locations in the United States, Europe and the Middle East, Latin America, and Asia. The firm is a 2024 BTI "Leading Edge Law Firm" for delivering on client expectations for the future and is consistently among the top firms on the Am Law Global 100 and NLJ 500.



**Richard A. Rosenbaum,
Executive Chairman,
Greenberg Traurig, LLP**

In just a few years, the sports and entertainment landscapes have seen a seismic shift and evolved into multi-billion-dollar ecosystems where private equity, technology, and global strategy converge. Institutional investors and HNWIs are racing to secure stakes in media rights, stadium real estate, emerging leagues, and cutting-edge fan engagement platforms. One key example is how ownership rules that once kept outside capital at arm's length have begun to open their doors to private equity. U.S. leagues like the NFL, NBA, and MLB now permit minority private equity stakes. These deals create liquidity options for owners while preserving their control. The deal structures allow franchises to fund massive stadium projects, manage cost overruns, and invest in talent without relying on public financing or taking on debt.

Globally, the trend is just as pronounced. European football clubs are embracing multi-club ownership models, Formula 1 is expanding into mixed-use developments, and women's sports are attracting record-breaking valuations and investment. Esports, once niche, is now a mainstream fan favorite that generates billions of dollars.

We anticipated these transformations years ago and positioned our firm to best guide clients through this new gold rush. With 51 locations around the world, three of which are in the booming MENA region, we've put together a global multidisciplinary team that brings together some of the finest legal minds in private equity, sports, entertainment, real estate, corporate, environmental, compliance, labor and employment. It is essential for clients seeking to take advantage of these opportunities to have counsel that possesses deep experience in navigating each of these arenas.



Barbara Meili, Vice Chair of the Global Entertainment and Media Practice, Co-Chair of the Sports Business Industry Group, and Chair of the New York Entertainment and Media Practice, Greenberg Traurig, LLP

A major area of business growth in the United States is investment in college sports. Private equity interest in it is surging, driven by the massive growth in the valuation of college sports due to new revenue opportunities, the escalation in the value of college sports media rights and the need for capital investment to recruit and retain athletes, produce content and expand and improve infrastructure.

The House v. NCAA settlement has resulted in new business models for monetizing the publicity rights of college athletes, but these new models require capital investment by the schools. In addition, college sports content is commanding ever-increasing rights fees and issues relating to exploitation of media rights which is having an impact on conference governance and potential realignment. Due to advancements in technology

and changing consumer preferences, there are new sports content business models beyond linear TV deals - digital content production and distribution, including monetizing athlete NIL content and archival content.

Colleges and universities need capital for stadium and arena development as well as for building and upgrading training facilities. An additional trend that requires significant capital investment is the interest in real estate development of areas surrounding colleges and universities - these locations attract alumni and retirees for residential use. The explosive growth in women's sports also presents opportunities for investment. There are also significant opportunities for investment at the conference level - conferences are media rights and licensing entities for the monetization of television and digital content, as well as athlete sponsorship and school merchandise.

These new business models are not without controversy due to the potential blurring of the lines between education and commerce. There are challenges affecting schools as well as prospective private equity investors. These parties must navigate regulatory changes, NCAA and conference regulation and governance, long-term versus shorter-term financial goals and strategies and have an ability to anticipate and respond to political scrutiny.

"With 51 locations around the world, three of which are in the booming MENA region, we've put together a global multidisciplinary team that brings together some of the finest legal minds in private equity, sports, entertainment, real estate, corporate, environmental, compliance, labor and employment."

Richard Rosenbaum

Investment in college sports requires experienced legal counsel to address these challenges. Not only is there a continuing legal and regulatory focus on athlete-related issues, but there are aspects of conference and college/university composition and governance that are not typical at the public and private company level. Many of these schools are public institutions, which may involve nonprofit governance constraints. Generally, these educational institutions are non-hierarchical and negotiating an investment arrangement involves many layers of engagement and oversight, as well as an understanding of university culture and structure. An interesting recent example of the challenges of private equity investment is the situation involving the proposed \$2.4 billion pension fund investment in Big Ten athletics which has been paused due to diverging approaches and concerns as to the long-term impact on the individual conference members.



Franklin D.R. Jones Jr., Co-Chair of the Public Finance Practice, Co-Chair of the Infrastructure Group, and Co-Chair of the Sports Business Industry Group, Greenberg Traurig, LLP

The economics and regulations surrounding professional sports are evolving at breakneck speed. Franchise valuations have skyrocketed into the billions, creating unprecedented pressure on owners to privately fund massive stadium and arena projects and enhanced fan experiences. Even with public financing contributions, gaps remain. Private equity has stepped in as a bridge, and it is drastically changing the playing field. This year, the NFL embraced a major policy shift, allowing minority PE stakes of up to 10 percent. For owners, this unlocks liquidity without surrendering control while ensuring projects stay on track when cost overruns threaten timelines. For investors, it means gaining footholds in revered organizations that continue rising in value.

GT has been at the center of these developments, advising on complex stadium financing projects including representing Erie County in the Buffalo Bills' new stadium deal and also guiding investors on team-side transactions. Similar dynamics are playing out with the Chicago Bears' \$5 billion plan to replace Soldier Field, where private capital could enhance state and league funding to help the family owners further stabilize the franchise and secure team value.

The trend isn't limited to men's leagues. Women's sports are seeing record-breaking expansion fees, with new franchises commanding valuations of over \$150 million. Owners are betting on popular player branding, increased viewership and long-term crossover opportunities: integrating stadium ownership with mixed-use developments including retail, hospitality, and entertainment spaces.

Formula 1 offers a glimpse of what's next as well. GT advises on projects like Yas Island in Abu Dhabi, where luxury condos, fan zones, and potentially even amusement parks are redefining venues. Similar mixed-use concepts are emerging in U.S. markets like Nashville, San Antonio, and Atlanta, creating impressive revenue-generating districts around major stadiums and arenas.

In the Middle East, GT is supporting Saudi Arabia's ambitious plans for new stadiums and infrastructure ahead of the 2034 World Cup. While other firms previously cornered this multi-billion-dollar arena, our deep regional roots and ability to step in when others are conflicted out has enabled us to showcase our holistic approach while earning the trust of major players worldwide.



David Bintliff is a Shareholder of Greenberg Traurig and is recognized for his experience in the media and entertainment and technology sectors, having advised on a number of the largest media, entertainment and technology projects in the Middle East.

The Middle East has evolved to a major architect of global sports transformation, driven by three converging forces: substantial financial capacity, unwavering governmental commitment, and a young, digitally native population hungry for participatory sports experiences. This shift is evident in groundbreaking initiatives like LIV Golf, Saudi Arabia's new ATP Masters 1000 tournament, and the ambitious Qiddiya Gaming & Esports District. These events and more signal the region's emergence as an industry leader in addition to being a host venue provider.

What distinguishes this transformation is the region's systematic approach to creating investment-ready regulatory frameworks. Countries are moving beyond ad-hoc governance toward mature structures encompassing club ownership rules, athlete welfare protections, and robust IP safeguards. Long-term national strategies like Saudi Vision 2030 and Dubai's Sports Economy Strategy provide the commercial certainty that private equity and rights-holders rarely encounter in emerging markets, anchoring sports development in decades-long policy commitments.

The rapid corporatization of major Saudi and Emirati sports clubs exemplifies an innovative hybrid model where government stewardship coexists with private capital and professional management. This creates structured entry routes into previously inaccessible assets while maintaining sovereign oversight. Meanwhile, massive infrastructure investments in smart stadiums, training complexes, and esports hubs are being financed through bespoke public-private partnerships that blend global best practices with civil-law and Sharia-compliant requirements.

As competitions from F1 to the 2034 FIFA World Cup establish footholds in the region, sports have become central to sovereign economic diversification strategies. The region's pioneering esports regulation, including visa pathways and tournament licensing, positions it among the few jurisdictions offering clear legal frameworks for this rapidly growing sector, attracting global IP owners and innovative companies seeking regulatory clarity.



Khalid A. Al-Thebity is Greenberg Traurig's Middle East Regional Chair (KSA/UAE) and the Managing Shareholder of the Riyadh office.

Saudi Arabia's transformation has been carefully considered to extend beyond infrastructure to comprehensive legal reform. The Kingdom has implemented significant regulatory changes, most recently promulgating the Sports Law to create robust governance frameworks for sports entities, clubs, and federations while enhancing sector investment. These reforms address the entire sports ecosystem regulating stakeholders like clubs and players, protecting intellectual property and broadcasting rights, governing sponsorship deals, and establishing the Saudi Sports Arbitration Centre. These were essential to give private equity investors from outside the Kingdom the confidence needed to invest far more substantially within.

The drive for private capital is evident in virtually every aspect of sports and entertainment throughout the country. One significant example is how football club privatization, including the first full foreign ownership of a Saudi club, was completed this year. These cross-border transactions have completely changed the landscape for investors. The Kingdom has rapidly positioned itself as a global sporting hub, hosting premier events like the Esports World Cup, which launched in Riyadh in 2024, and created significant private sector opportunities in joint ventures, broadcasting rights, sponsorship deals, and infrastructure development.

What makes this private equity scenario so compelling are the multidisciplinary approaches law firms must take to protect their clients engaged in matters that touch on entertainment, sports, real estate, private equity, and more. That is why GT maintains the largest specialized sports and entertainment team throughout the region. Our lawyers are supported by the firm's global network, which possesses combined decades of experience advising governments and clients across the entire arena. At the same time, our strong local presence is deeply familiar with the nuances essential to navigate each regulatory body, while helping to protect and empower clients every step of the way. ●