



December, 2018

MLS X Brazilian Serie A

Sports Value

Sports Value specializes in sports marketing, branding, sponsorships, activations, brand valuation and sports properties valuation.

The company is born with the purpose of offering a new sports marketing vision to sponsors, clubs, leagues, athletes, federations and media groups.

Sports Value is guided by the search for adding positive values to its clients' projects, always with effective return, both in tangible and intangible terms.




Amir Somoggi, company founder, for 20 years dedicates his professional trajectory in the contribution to a more professional, transparent and creative sports marketing projects.

Sports Value brand represents 360 degrees vision of sports marketing and is also a target in the constant pursuit of return for its clients.

The company has the largest database in the market, with data from the last three decades of Brazilian and worldwide sports business.

The evaluations have their own solid methodology, thanks to this extensive database. All strategies for the clients are based on their business, using reliable, tested, and value-based assumptions of their brands and projects.

Methodology

-  **Sports Value** finished an analysis comparing MLS revenues and the data for Brazilian Serie A.
-  The analysis is based on recent financial data published by Forbes on the MLS, and the comparison with the data published by Sports Value on the teams of Brazilian Serie A.
-  The numbers showed that MLS, created after the 1994 World Cup in the United States, has been developing very rapidly in recent years. And can become the largest market outside Europe, whose position is traditionally Brazil.



MLS Revenues

According to data published by Forbes the current MLS teams generated **US\$ 778 million** in 2017.

This season joined the League, Atlanta United, Minnesota United and LA FC. Now MLS has 24 teams.

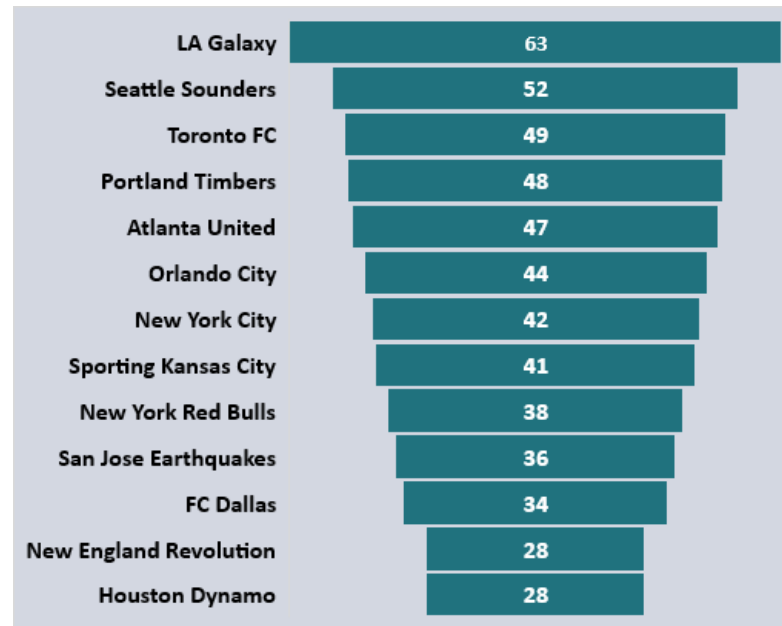
The goal is to end its expansion in 2020 with 28 teams.

According to Forbes, Atlanta United can already be considered the most valuable MLS team, worth **US\$ 330 million**.

That result outweighed the leaders of ever LA Galaxy and Seattle Sounders.

The league had already expanded recently with the arrival of NY City and Orlando City, which contributed greatly to the economic strengthening of the competition.

MLS biggest revenues -2017
US\$ million



The amount to buy a franchise today is US\$ 200 million.

A decade ago it was US\$ 40 million.

MLS Revenues

The league follows the pattern of other US sports professional leagues.

The model divides between teams the TV rights, global league sponsorship and licensing.

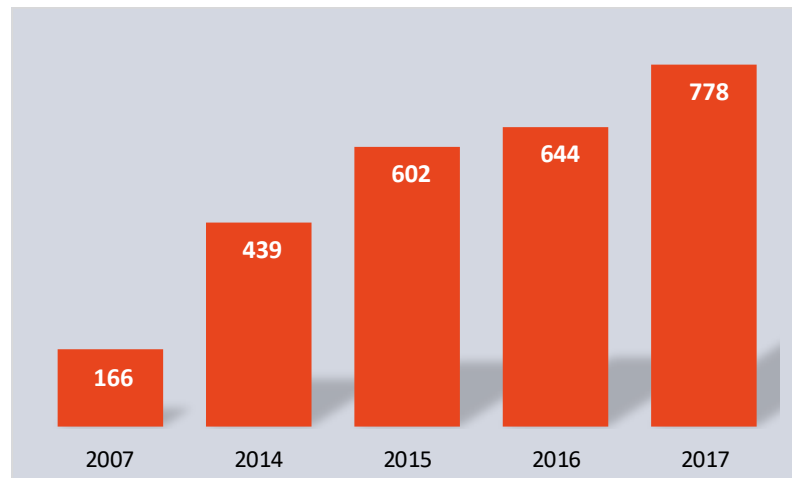
Adidas has a **US\$ 700 million** technical sponsors deal with MLS, for a six-year contract.

The broadcast contracts are still low, about **US\$ 100 million** per year to be divided among all the teams.

The local teams sponsors and gameday revenues are of each franchise.

MLS ended 2017 with the highest revenue in its history, with total revenue of **US\$ 778 million**.

MLS revenues
US\$ million



The main revenue source is gameday, which represented more than 50% of total revenue.

MLS X Brazilian Série A

In May 2018 **Sports Value** published its study on the finances of Brazilian soccer teams.

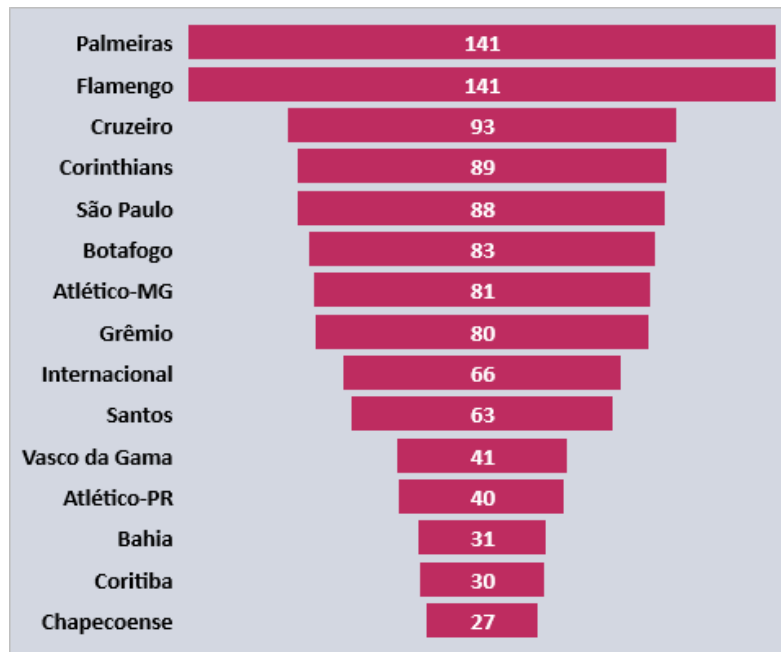
The 20 Serie A teams in 2017 generated US\$ 1.1 billion in operating revenues (without players' transfers)

Completely different from MLS, Brazilian market doesn't have a league that represents the teams.

Thus, each club individually negotiates its contracts, with huge discrepancies between the teams' revenues.

Only from 2019 part of TV revenues will be divided more evenly.

Brazilian Serie A biggest revenues -2017 US\$ million



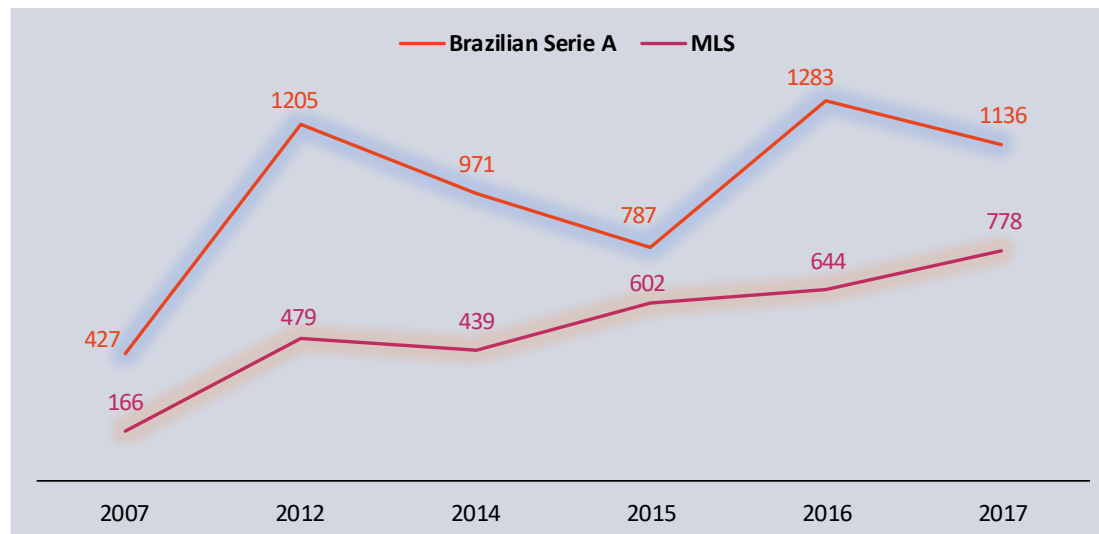
TV money is the main revenue source of Brazilian teams, 60% of revenues without transfers.

MLS X Brazilian Série A

Brazil has always been the largest market outside Europe, always behind France, as the sixth professional market in soccer world. MLS appears soon behind in the dispute with Russia and Turkey.

MLS X Brazilian Serie A revenues turnover gap has dropped dramatically in recent years. The growth of the US league is clear. The economic crisis in Brazil and its effects on the exchange rate also impacted the data.

Revenues Comparison
US\$ million



In 2007, Brazilian Serie A revenues were 2.6 times more than the MLS, the highest value in the historical data. By 2017 the difference was 1.6 and in 2015 it was 1.3.

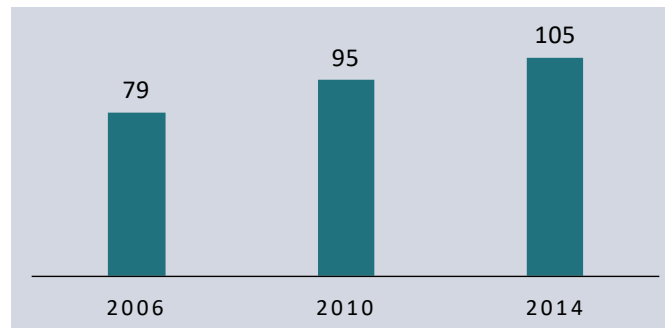
MLS X Brazilian Série A



MLS growth of more than 77% over four years is a result of good league management.

And also the soccer interest evolution in US and more teams participating in the competition.

FIFA World Cup Audience in US- Viewers millions



Soccer is the favorite sport of 11% of young Americans and 12% of children. It's behind American football.

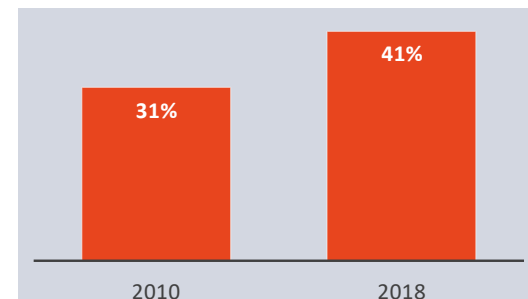
In general, soccer battles with baseball as America's third favorite sport. And it will grow much more until the 2026 World Cup and MLS expansion.



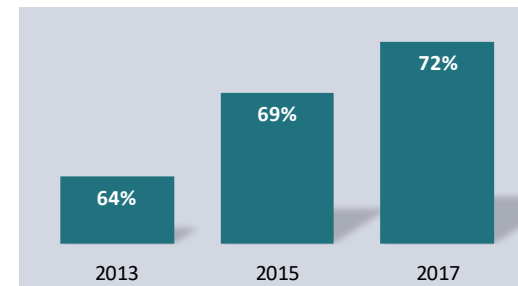
Brazilians have shown a drop in interest in football. (Datafolha and IBOPE pools).

Young Brazilians are increasingly interested in European teams brands.

Brazilians with no interest in soccer



Young Brazilians who have a European team



Contact



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Services

OUR SERVICES



Sports Marketing

Sport offers a unique platform for brands enhancement, engagement and consumer loyalty and effective sales expansion.



Sports Branding

In today's ever-changing world and with increasing consumer demand, branding or brand management becomes even more essential.



Sponsorships and activations

Sports sponsorship and its complementary activation actions are proven to be the best marketing tool for today.



Brand valuation

Branding is a fundamental discipline in the global business. Brands are constantly evolving and must be at the heart of every management.



Sports properties valuation

Sports Value is the first company in the Brazilian market to evaluate sports assets, with its own methodology and extremely consistent premises.



International Affairs

The rapidly evolving world demands that sports marketing projects have a global character today.

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