

Soccer Investor



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Main News

Liverpool earn a fortune in Champions League success

Newly crowned European Cup holders Liverpool is set to earn £30 million from their 3-2 penalty win in Istanbul on Wednesday night according to sports consultancy group *Deloitte*. This is composed of a number of sources: the Barclays Premiership club will receive a £4.5m winning bonus from UEFA, the European governing body. Liverpool had already boosted its funds by earning £20.2m in performance money and its share of the media revenues from taking part in the competition up to the final. Liverpool's share of Champions League TV money amounted to £9.2m as reported by *The Times*, which is significantly higher than the sum that would have been earned by last years winners Porto coming from a smaller television market. The remaining £5.5m of the £30m would have come from sponsorship bonuses and gate receipts. However the sweetest prize to the Reds might be a successful entry into the competition next year, at present still uncertain, and then winning the trophy for a sixth time. The club has had many other spin-offs from its victory. Carlsberg, the Danish brewery that has a 13-year sponsorship history with the club has renewed its £5m contract with the champions for a further three years. The substantial sum of money the club has accumulated from the competition could help manage negotiate a favourable contract for their star player/captain Steven Gerrard. Improved finances could also help with the new 60,000 seater stadium at Stanley Park due to open at the start of 2007/08 season that has been plagued by spiralling costs. Liverpool's return to the Champions League is expected to attract new investment that will recoup the clubs pre-tax loss of £22m last season with the 11% fall in turnover to £91.6m.

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UEFA

ENGLAND

FA to fight on for extra CL spot

England's Football Association (FA) will continue to fight to get UEFA Champions League winners Liverpool a place in next season's competition, according to FA chief executive Brian Barwick. Liverpool beat AC Milan to lift the European Cup for the fifth time on Wednesday but finished only fifth in the Premier League, so failing to qualify for Europe's top club competition. UEFA has said it would not change the rules to allow Liverpool to defend the trophy but the FA hopes to get European soccer's ruling body to change its mind. "We'll be keeping up a dialogue with UEFA which we have been for the last couple of months," Barwick told the FA website. "We spotted this potential scenario a fair while ago and so have been in touch with them both verbally and in written form and we'll continue to talk. What UEFA have, and I sympathise with them, is a situation where they are faced with not having their own champions in their own competition, which is called the Champions League. I think in its own way that tells its own story. We are more in a situation now of how do we, for good sporting reasons, find a way to persuade UEFA that they should find room for Liverpool." Champions Chelsea, Arsenal and Manchester United were the other three English clubs to qualify for next season's Champions League, the first two entering it automatically and United joining Everton in the third qualifying round. No country has a quota of more than four participating clubs in the Champions League.

Further delays possible at Wembley

The margins on the construction of Wembley stadium will see further erosion according to a report placed today on the website of Australian construction company Multiplex. This suggests that there may be further delays in the opening of the Wembley project of which hints have already been made in discussions held between the FA and the Millennium Stadium in Cardiff about next year's FA Cup final. Multiplex has announced that it is carrying out a thorough review of operations for the prospects for earnings in 2005 and 2006, but that it has "an internal report that indicates that the margin position on the Wembley project may have deteriorated significantly." A report in the London *Standard* reports that one of the subcontractors on the project, PC Harrington, has been forced to take out and replace blocks in the western section of the stadium. As a result of its problems the company has requested to the Australian exchange that a halt is made in the trading of its shares while it carries out the review. There have also been top managerial changes. Mr John Roberts has resigned as Executive Chairman, but will remain as a director. The board has also accepted the resignation from the Board of one of the executive directors, Mr Noel Henderson, in charge of UK operations. The Board has elected the Deputy Chairman, Mr Allan McDonald, as non-executive Chairman, effective immediately.

United tell shareholders to accept Glazer offer

The Manchester United board is officially advising shareholders to accept US tycoon Malcolm Glazer's takeover bid. Glazer currently owns around 76.2% of Manchester United's shares and is offering 300p a share for the rest. In a letter to shareholders, Man United Chairman, Sir Roy Gardner announced his impending resignation, along with that of non-execs Ian Much and Jim O'Neill. Glazer is expected to delist the club's shares by 30 June. Such a move would end United's 14-year presence on the London Stock Exchange. In a statement, Man United's board said unless shareholders had "strong non-financial reasons" for holding onto shares, they should accept the offer. The board indicated it planned to sell its own shares to Glazer and encouraged other investors to do the same. Many of the club's fans, including small shareholders, have been vehemently opposed to the US takeover on the grounds that the deal is based too heavily on loans and will saddle the club in debt, resulting in higher ticket prices. More than one-third of Mr Glazer's £790 million offer for the club is debt secured against United's assets, such as its Old Trafford stadium, while a further £275m comes from loans from three US hedge funds. In total, members of fan group Shareholders United (SU) say they own about 15% of the club. Mr Glazer hopes to secure 90% of the shares he does not yet own, so that the remaining shareholders can be legally compelled to sell. Nevertheless, fans are determined to fight on and Shareholders United has already been in talks with lawyers about a "possible strategic sale" of a number of shares to Glazer for the 300p offer price. It plans to put that money in a high interest account – the Phoenix fund. If the campaign to put a stranglehold on Manchester United's income is successful and Mr Glazer is forced out of the club, SU said it hopes to be in a position to buy back a sizeable share of the club. Shareholders United's latest move to hit the club's sponsors and plug Manchester United's revenue stream is to urge fans to terminate their mobile phone contracts with shirt sponsors Vodafone, and sign up to other networks. SU says it has struck a deal with two corporate communications firms which will net SU's campaign around £60 for each completed switch. "It's a win-win offer. United fans can put the squeeze on the parasitic Glazer whilst at the same time doing something positive by raising money for the 'Phoenix Fund'," said SU's vice-chairman Oliver Houston. Meanwhile, lawyers are also being consulted on the legality of Glazer transferring his debt onto the club's books, SU said. Manchester United's legal status will have to be changed before Glazer can use the club's assets as security for the money he is borrowing.

Luton reaches out to Internet fans

Newly promoted Championship club Luton Town has extended its online communication via the launch of an eProgramme that enables fans to keep up to speed with team news. Jeff McCarthy, managing director of Interactive Marketing, said: "Fans can download the eProgramme the instant it is launched online. This is ideal for ex-pats and fans unable to get to Kenilworth Stadium for whatever reason. Now they won't miss out as they can read their eProgramme while listening live to the action on Hatters World." Interactive Marketing, working alongside Uptonaway Media Development, Luton Town's media consultants, produced the offering. The club is considering whether to make the service available on a subscription basis.

Northampton reveal stadium plans

League Two club Northampton has unveiled plans to redevelop its Sixfields Stadium and almost double the seating capacity. The £10 million project will see the West Stand increase in size and include conference facilities, a new club shop, ticket office, bar and restaurant. Sixfields will seat 15,000 people when finished

and chairman David Cardoza said: "We need other income streams. "The aim is for the club to be playing in the Championship in a redeveloped Stadium generating its own income."

Boro ready to start work on new ground

Nationwide Conference club Scarborough chairman Malcolm Reynolds says work on the club's new ground at Eastfields could begin in September. The final stages of the planning applications could be submitted next month, allowing work to start on the new site by the end of the year. Reynolds told *BBC Radio York*: "Probably in June the detailed planning applications can go in to the council. "That take us towards probably September or October to start building down the road if everything goes well."

Soccer Kit undergoes change of ownership

Wirral sportswear company Soccer Kit has been the subject of a £1.6 million management-buy-in (MBI) only months after its entire stock and premises were destroyed in a fire. The Soccer Kit Company supplies team wear and accessories to amateur football teams across the UK, Europe and worldwide. Jane Lennon joined Bondvend, trading as The Soccer Kit Company, on a full time consultancy basis and now she has bought the company with backing from Merseyside Special Investment Fund (MSIF), The Royal Bank of Scotland and directors' own investment. The MSIF investment included a combination of mezzanine and venture finance totalling £1.1m. The company also has a contract with Coca Cola supplying kits to schools and provided the team strip for the recent celebrity Tsunami Appeal legends charity game at Anfield. Lennon, a chartered accountant, takes over the business from brother and sister team Paul and Dee Kelly who had successfully built up a turnover of £2.2m since setting up in 1990. Kelly is continuing to work for the company as a consultant. Currently 12 staff are employed.

SCOTLAND

Hamilton break new ground in shirt sponsorship

First Division club Hamilton Academicals is to make history in Scotland by having the names of sponsors on both the front and back of its shirts next season after the Scottish League management committee approved the proposal yesterday. The decision also means that the sponsor on the back of the strip can be different from the sponsor displayed on the front. Hamilton secretary Scott Struthers said: "We asked the league and the Scottish Football Association (SFA) to consider altering their rules to allow this." League official David Thomson confirmed: "We are writing to all of our clubs today to tell them of the new ruling."

SPAIN

Espanyol stadium to run on solar energy

Fecsa Endesa will provide solar panels for Espanyol's new Cornellà stadium after reaching a groundbreaking deal with the Primera Liga club. The agreement is worth €20 million a season and the vice-president of the Catalan club José Luis Perelló, said: "Apart from being a state-of-the art stadium, the new ground will have the defining characteristic of a solar powered roof which will be the most important in the world. The stadium will be a reference point, which puts us on the map." The initial contract signed is for four years and means that Endesa is the club's second biggest sponsor. José Luis Marín, Endesa general director, said: "The panels will provide a million kilo watts of energy a year." José Luis Morlanes, another Espanyol director, added: "We are investing in sustainable energy. We have a stadium that will be well respected by environmentalists."

FRANCE

France-Argentina friendly given the shove

A friendly international between France and Argentina scheduled for 17 August at the Stade de France in Paris has been called off, the French Football Federation (FFF) said. The FFF said it had been informed by the Argentine Federation that Argentina would not play the game because France could not guarantee it would then play a friendly in Argentina in the near future. The French federation said it was looking for a replacement rival for the August friendly but would not confirm media reports that France would play Senegal instead. Meanwhile, the trial where Sedan president Pascal Urano is accused of corruption has been adjourned while investigations continue.

SWEDEN

Success reaps €25,000 bonus for Goteborg players

IFK Goteborg players are set to make a hefty profit from the club's success in the inaugural Royal League, newspaper *Sportbladet* has revealed. The players will get up to 50% of the west coast club's profit from the Scandinavian tournament. "The numbers you are talking about are not far from the truth," said IFK chairman Bengt Halse. "This is a win-win situation for everyone, for the club and the players. If we are doing well it is not wrong to let the players share the profit." The size of the individual player's bonus will depend on how many games he has played but some players are set to make €25,000, the biggest bonus ever paid out to a team which hasn't reached the UEFA Champions League group stage. The club has made €0.85m from the tournament. The club lost the final against FC Copenhagen on Thursday night.

RUSSIA

Alania given back its license

Russian Premier League club Alania Vladikavkaz was reunited with its license after the Russian Football Union (RFU) revoked it due to outstanding debts to players. Former Alania players Khalid Fukhami from Morocco and Serbian Ivan Vukomanovic complained to UEFA that the club had failed to pay them their whole salary. Alania, the 1995 League champions, was backed by the Republic of North Ossetia's finance minister Konstantin Urtayev, who is also a member of a board of trustees of the club. Urtayev promised to issue a letter of guarantee for the US\$330,000 payment. Alania currently lie in 14th position in the domestic standings.

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CONMEBOL

PERU

Brewery to fund countrywide stadium development

Brewery AmBevPerú has signed a three-year agreement with the Peruvian Institute of Sports (IPD) to modernise the country's stadia. The firm belongs to an investment syndicate - Canasta de Inversion - that has already raised US\$2 million for the project. The Estadio Nacional in Lima, the Mansiche in Trujillo, the Elías Aguirre in Chiclayo and the Miguel Grau in Piura are all set to benefit. The plan is that each of the grounds will boast a third generation artificial pitch, which will allow football to be played all year round. The Estadio Nacional, for example, only uses 8% of its hourly annual capacity for use; this quota set to be significantly increased. AmBevPerú is the official sponsor First Division clubs Alianza Lima and Sport Boys. The syndicate's monies come from FIFA, funds from gambling rulings and local government.

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CONCACAF

USA

Nike and Michigan seal shirt deal

Nike has agreed a contract to provide Big Ten Conference club Michigan with new football shirts that are lighter and tighter. The sports kit manufacturer cut the weight of the old jerseys by a third by replacing heavy knit fabrics with new, lightweight stretch woven materials to improve airflow and keep athletes cooler. Michigan and then Georgia will wear the new kind of uniforms this year, joining Miami and Virginia Tech, the teams that inaugurated the product line last season. The home kit makes its debut on 3 September, when the Wolverines host Northern Illinois. The new away jerseys will be worn for the first time on 24 September in the Big Ten Conference opener at Wisconsin.

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AFC

UNITED ARAB EMIRATES

Metsu fined for renegeing on contract

French coach Bruno Metsu has been charged with breach of contract and ordered to pay a €900,500 penalty, according to an official of top United Arab Emirates club al-Ain. Hamad al-Amri, a member of al-Ain's executive committee, said world body FIFA had ruled Metsu was in breach of contract when he left al-Ain to join Qatar's al-Gharafa last season "Our claim was for €1.5 million but we are delighted that FIFA has taken stern action against Metsu for breach of contract," said Amri. The Frenchman, who steered Senegal to the quarterfinals of the FIFA 2002 World Cup and is now being linked with Olympique Marseille in his homeland, initially signed a one-year contract with al-Ain. His contract was extended until 2006 after he led the club to the domestic league championship and victory in Asia's inaugural AFC Champions League in the 2002-03 season. Metsu, who pushed al-Gharafa to the Qatari league crown, has become a front-runner for the job at Marseille if former Japan coach Philippe Troussier is not kept on.

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CAF

NIGERIA

Police cost problems upset Nigeria boss

Nigeria coach Christian Chukwu is unhappy that his preparations for two forthcoming FIFA World Cup qualifiers have been upset by the postponement of the Unity Cup in London. The tournament, which also features Ghana, Trinidad and Tobago and Jamaica, was due to be held between 30 May and 2 June but will now start on 11 June. The Super Eagles had hoped to use the event to prepare for their 2006 World Cup qualifier against Rwanda in Kigali on 5 June. The delay arose because the organisers have been locked in negotiations with the British police over the cost of policing the event. "We have resolved our differences with the police and hopefully we will be able to have a blissful competition next month," said Lyndon Robert, one of the event's organisers. Despite the setback, Nigeria will still head to London to prepare for the Group Four encounter against Rwanda.

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Soccer Investor Investment Opportunity

Soccer Investor, publisher of Soccer Investor Daily, Soccer Investor Weekly, Football Business International and Rugby Business World is planning a major geographical expansion of its titles and is seeking investors/partners. Already the group's titles service clubs, federations and competitions and other B2B clients in both soccer and rugby in over 30 countries worldwide with its English language publications. The group is looking initially to license foreign language editions of Football Business International and Soccer Investor Weekly in Spanish, Portuguese, Italian, French, Chinese and Japanese. Interested parties should contact Brian Sturgess at admin@soccerinvestor.com or call him on +44 (0) 207 934 9159.

Soccer Investor Job Opportunity

Soccer Investor, publisher of Soccer Investor Daily, Soccer Investor Weekly, Football Business International, Centre Circle and Rugby Business World is looking for someone to help with administration: subscription and database management, bookkeeping and cash flow management. The appointment will be for 2 to 3 days a week and should suit a person who seeks flexible hours. Ideally a knowledge of Microsoft Access, excel and Quickbooks should be part of the person's skills base. Interested parties should contact Brian Sturgess at admin@soccerinvestor.com or call him on +44 (0) 207 934 9178.

Industry Moves

Ashley Lewis is leaving the Board of Premier League club Manchester City after serving as a director for the past 11 years. Lewis said: "I have been privileged to serve the side during some exciting years and have witnessed significant progress on all fronts in the past few seasons and will now concentrate my efforts in the business sector."

Manchester City boss Stuart Pearce has given a backroom role to former Southampton manager Steve Wigley after ending Asa Hartford's long stay at the club. Hartford will step down as reserve-team boss after spells as player, coach and caretaker manager totalling 18 years. Wigley, 43, will replace him after leaving his youth-team role Southampton earlier this week.

Ex-Limavady boss Tommy Wright has been officially appointed as the new Irish League club Ballymena United manager after Kenny Shiels was sacked earlier this month. Wright, who resigned as Limavady boss on Monday, has been given a two-year contract at the Showgrounds.

Horace Reid, executive director of the Caribbean Football Union (CFU) Marketing Division and former general secretary of the Jamaica Football Federation (JFF), is the new chairman of the CONCACAF Administration Committee and will serve a two-year term. Before that, Reid was appointed secretary and a member of the Appeals Committee of CONCACAF in November of last year.

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Shares

COMPANY	Closing	Day's Change	
	Price	Price	%
England			
Arsenal Holdings	£4,375	£0.0	0.0
Aston Villa	369.50	0.0	0.0
Birmingham City	21.50	0.0	0.0
Charlton Athletic	27.00	0.0	0.0
Manchester City	15.00	0.0	0.0
Manchester United	300.50	0.0	0.0
Millwall Holdings	0.6	0.0	0.0
Newcastle United	44.00	0.0	0.0
Preston North End	132.50	0.0	0.0
Sheffield United	7.75	0.0	0.0
Southampton Leisure	28.00	0.0	0.0
Tottenham Hotspur	31.00	0.0	0.0
Watford Leisure	47.50	0.0	0.0

Formation Grp.	7.90	0.0	0.0
Scotland			
Celtic	56.00	0.0	0.0
Heart of Midlothian	33.00	0.0	0.0
Rangers	78.50	0.0	0.0
Italy			
AS Roma	€0.519	€0.002	0.5
Juventus	€1.371	-€0.013	-0.9
SS Lazio	€0.400	€0.010	2.0
Germany			
Borussia Dortmund	€2.33	-€0.08	-3.3
Netherlands			
AFC Ajax	€9.20	€0.10	1.1

Denmark			
Aab Aalborg	Kr 38.00	-kr1.50	-3.8
AGF Kontraktfodbold	Kr2.75	-kr0.01	-0.4
Akademisk Boldklub	Kr4.00	Kr0.00	0.0
Brøndbyernes IF FO	Kr62.00	Kr0.00	0.0
Parken Sport & Ent. (FCK)	Kr336.00	Kr1.50	0.4
Portugal			
FC Porto	€2.59	€0.00	0.0

Sporting Lisbon	€2.40	-€0.10	-4.0
Turkey			
Besiktas	L.43.75	-L.0.25	-0.6
Fenerbahce	L.12.50	-L.0.20	-1.6
Galatasaray	L.72.00	L.0.50	0.7

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Transfers

Completed Transfers

Player	Age	Pos	Selling Club	Buying Club	Estimated Value	Length of Deal
Stefan Oakes	26	MF	Nott County	Wycombe Wanderers	N/A	June 2007
Daniel Bierofka	26	MF	Bayern Leverkusen	VfB Stuttgart	£344.4k	June 2008
Jermaine Palmer	19	ST	Boston United	Stockport County	N/A	N/A
John Maisano	26	MF	Greenock Morton	Ayr United	N/A	June 2006
Terrell Forbes	23	DF	Grimsby Town	Oldham Athletic	Free	June 2007
Sam Tillen	20	MF	Chelsea	Brentford	N/A	June 2006

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