Multi-club Ownership

The Rise and Regulation of Sport's Portfolio Era

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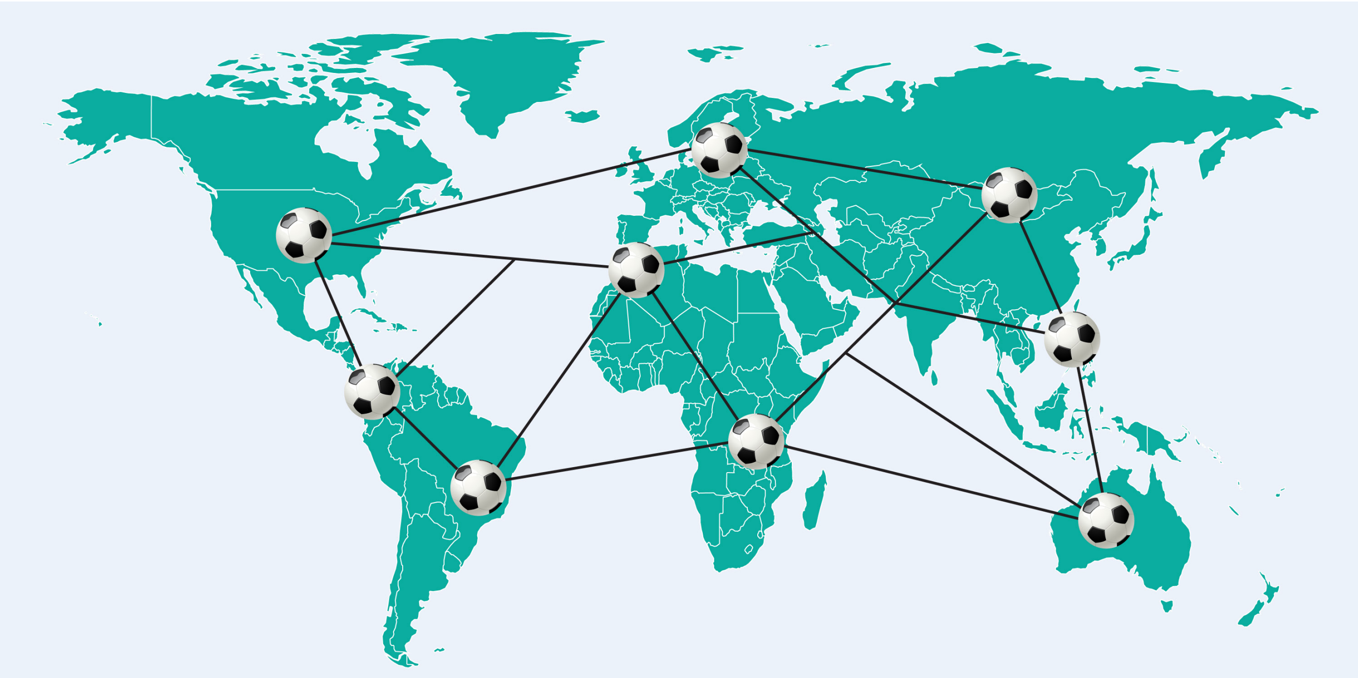

Introduction

Multi-club ownership (MCO) has exploded in sport, particularly in football, over the past decade. This trend has been fueled by the sport's transformation into a global asset class, attracting major investment from high-net-worth individuals, private equity firms and institutional funds. Clubs are increasingly prepared to turn to outside capital, including portfolio-style investment, in the post-pandemic era.[1]

While MCO is not exclusive to any one sport, football has proven most attractive to investors, especially from the US. Indeed, according to UEFA's European Club Finance and Investment Landscape Report 2024, 47% of multi-club investment groups originate from the US. Football is also the sport where the existing MCO regulatory framework, designed to safeguard the integrity of club competitions, has come under most scrutiny.

In this article, I examine:

- The differences between vertical and horizontal ownership models;
- The growth of MCO investment in football;
- Some of the perceived benefits and synergies to be harnessed through MCO structures;
- What can be learnt from the recently published Court of Arbitration for Sport (CAS) Decisions regarding UEFA's MCO Rules; and
- What the future may hold for MCO.

Vertical vs Horizontal Integration

Since the 1990s, there are various examples of North American conglomerates or individuals investing in franchises across different sports. The strategies extend beyond ownership of sports teams, integrating their investments across connected entertainment ventures, including stadia, ticketing services and media rights.[2] This is a form of "vertical integration,"[3] in which franchises function as content suppliers and media companies as distributors.[4]

[1] According to UEFA's European Club Finance and Investment Landscape Report 2024 (page 58): "38% of the 96 Big 5 league clubs have ties with private capital investors, either through private equity or venture capital investment, or via the backing of private debt firms."

[2] Quansah, T. K., & Breuer, C. (2025). Multi-club ownerships (MCOs): a critical analysis of transfer dynamics and sports integrity. European Sport Management Quarterly, 25(6), 1009–1032.

[3] Harrigan, K. R. (1985). Vertical integration and corporate strategy. Academy of Management Journal, 28(2), 397–425.

[4] Perry, M. K. (1989). Chapter 4 Vertical integration: Determinants and effects. In R. Schmalensee & R. Willig (Ed.), Handbook of Industrial Organization (Vol. 1, pp. 183–255).

Notable Examples of Vertical Ownership Structures in the US

- **Kroenke Sport & Entertainment** – LA Rams in the NFL, Denver Nuggets in the NBA, Colorado Avalanche in the NHL and Colorado Rapids in the MLS.[5]
- **Anschutz Entertainment Group** – LA Galaxy in the MLS, LA Kings in the NHL and LA Lakers in the NBA.
- **Jerry Reinsdorf** – Chicago Bulls in the NBA and Chicago White Sox in the MLB.

This side of the pond, the European approach has tended to be more "horizontal" in nature, whereby entities or individuals own multiple clubs within the same sport, notably MCO in football. The typical MCO structure is a hierarchical model, with a flagship club (usually the most popular and highest revenue-generating) and feeder" team(s), designed to optimize player transfers and development pathways across the ownership portfolio.[6]

One of the earliest examples of horizontal MCO is Paramalat S.p.A**.**, an Italian multinational food company, that owned Parma AC in Italy and Palmeiras in Brazil in the period 1992-2000. However, it was ENIC plc, an English investment company that acquired controlling stakes in SK Slavia Prague, AEK Athens, Vicenza Calcio and FC Basel in the 1990s, that put MCO in the regulatory spotlight. When three of those clubs subsequently qualified for the quarter finals of the (now defunct) UEFA Cup Winners' Cup in the 1997-1998 season, UEFA responded by enacting a rule that prohibited two or more clubs under common control participating in the same UEFA competition.[7] Since then, horizontal ownership structures have become more globalized, investment models more sophisticated and the legal framework more nuanced.

The Exponential Rise of MCO in Football

There has been a transformational shift in the football ownership landscape over the past decade. According to a 2023 SportBusiness Report[8], the number of clubs part of MCO structures rose from 62 to over 300 (of which two-thirds are based in Europe) between 2015 and 2023. In the same period, the number of MCO Groups increased by fivefold:

Year	MCO Groups	Clubs in MCO Groups
2012	18	40
2015	25	62
2018	58	128
2021	94	216
2023	124	301

Perhaps unsurprisingly, MCO operations are concentrated in the wealthiest leagues. Indeed, according to UEFA's 2024 analysis, "more than a third of all clubs [in the English Premier League, Spanish La Liga, Italian Serie A, French Ligue 1, Belgian Pro League and Liga Portugal] have at least one cross-investment relationship with another club as a result of a minority or majority stake." Between 2023 and 2024 alone, the number of UEFA top-division clubs with a cross-investment relationship with one or more other clubs has increased from 105 to 123 top-division clubs (a rise from 13% to 17% of all UEFA clubs).[9] There is also a growing appetite for clubs outside the traditional elite.[10]

Women's football has also become an increasingly significant segment of the overall M&A landscape, propelled by (i) growth in fanbases and engagement, (ii) increased media coverage, broadcast revenue and sponsorship deals, (iii) record-breaking stadium attendances, (iv) major tournament success and so on. There has also been an emergence of dedicated MCO groups targeting women's football, such as Mercury/13 (owners of Como Women and Bristol City Women) and Monarch Collective (which has invested in Angel City FC, San Diego Wave, Boston Legacy FC and Viktoria Berlin).

[5] Kroenke Sport & Entertainment have expanded their ownership portfolio to teams outside the US, including Arsenal FC in the English Premier League.

[6] Quansah, T. K., & Breuer, C. (2025). Multi-club ownerships (MCOs): a critical analysis of transfer dynamics and sports integrity. European Sport Management Quarterly, 25(6), 1009–1032.

[7] The UEFA rule, titled "Integrity of the UEFA Club Competitions: Independence of the Club" and adopted on 19 May 1998, is set out at pages 3-4 of the decision in CAS 98/200, AEK Athens and SK Slavia Prague / UEFA. Incidentally, the CAS ultimately rejected arguments by the excluded clubs that UEFA had violated EU competition law and principles of procedural fairness, in what was the first landmark jurisprudence regarding MCO in football.

[8] In collaboration with CEIS Intelligence Centre.

[9] Page 79 of UEFA's European Club Finance and Investment Landscape Report 2023; Page 63 of UEFA's European Club Finance and Investment Landscape Report 2024.

[10] For instance, see Jacob Espensen, 'Football M&A activity hits record high in 2025 as majority deals and US capital expand' (Off The Pitch, 7 January 2026)

What Do MCO Structures Seek to Exploit?

The formation and expansion of MCO networks are driven by a gamut of strategic and operational aims. Below are just some of the advantages that clubs operating semi-autonomously under the same umbrella may seek to exploit to improve on-the-pitch and/or off-the-pitch performance:

- **Pooling of resources/economies of scale** – By centralizing and sharing functions – such as finance, human resources, marketing, fan engagement, merchandising and scouting networks in underexploited markets – this can save costs and improve operational efficiency.
- **Data and technology** – Integrated data and technology systems (e.g. tactical and biometric analytics, performance data, GPS tracking and AI tools) can optimize performance, enable strategic coordination and ultimately provide a competitive edge.
- **Player development and trading** – Players (or, specifically, their registration rights) are key intangible assets. Being able to control these assets via internal transfers, loan deals and development pathways within a MCO network can help nurture young talent. This can aid their on-field development before transitioning from feeder to flagship club, or help maximize their transfer value for trading outside the group.
- **Shared philosophy** – Some MCO groups have a very distinct identity. A good example of this is Red Bull's identity-driven recruitment, where specific player traits (age range, athletic profile, mental attributes and tactical fit) are favored to fit a well-defined playing philosophy across their network of clubs, being "aggressive, vertical and relentlessly high-paced football." Another example is BlueCo's clear strategic focus on youth. RC Strasbourg and Chelsea, part of BueCo's group, reportedly have the youngest and fourth-youngest squads respectively in Europe's top five leagues.
- **Diversifying risk –** The ownership of clubs in different leagues, regions and competitive levels can reduce financial exposure by enabling an MCO group to offset poor performance in one market with success in another.
- **Brand expansion and commercial growth –** MCO networks can broaden the regional or global footprint of the group, thereby acting as a powerful engine for brand recognition, synergy and expansion. This, in turn, can increase clubs' bargaining power and sponsorship opportunities (e.g. offering group-level packages or attracting global partners). Flagship clubs can boost the profile of other clubs in their MCO family.
- **Cultural/political influence –** Football often transcends the sport itself, and, in many nations, it is deeply engrained in the culture. For club owners, that brings with it potential political, social and commercial influence, particularly in emerging markets, where business expansion and brand penetration may be targeted.

There are also, of course, various challenges and complexities that come with MCO models, particularly when operating across multiple jurisdictions with different regulatory requirements, legal systems, risk profiles and levels of transparency. Ensuring group-wide compliance standards and intercompany controls may not be straightforward.

UEFA's Strict Approach to MCO Enforcement

UEFA's Regulatory Framework

Any club that qualifies for UEFA's Champions League, Europa League and Conference League must comply with the relevant UEFA Club Competition Regulations. This includes UEFA's MCO Rules (Article 5), which essentially prohibits two clubs under common ownership, management, control or influence from competing in the same competition in the same season. Articles 5.01(b) and 5.01(c)(iv) of UEFA's MCO Rules have come under particular scrutiny before the CAS.

> **Article 5.01(b)**: "*No one may simultaneously be involved, either directly or indirectly, in any capacity whatsoever in the management, administration and/or sporting performance of more than one club participating in a UEFA club competition.*"
>
> **Article 5.01(c)**: "*No individual or legal entity may have control or influence over more than one club participating in a UEFA club competition, such control or influence being defined in this context as… (iv) being able to exercise by any means a decisive influence in the decision-making of the club.*"

There were two significant publications in 2024:

On 15 May 2024, UEFA's Club Financial Control Body (CFCB) issued a circular to Licensors to "provide clarifications on the interpretation of decisive influence," as referred to in Article 5.01(c) (May 2024 Circular). This guidance falls under four broad headings – decisive influence through (a) shareholders' or members' rights, (b) financial support, (c) governance and (d) player transfers.

On 7 October 2024, UEFA issued Circular 54/2024, notifying its member associations that the assessment date for compliance with its MCO Rules was being brought forward to 1 March for all its club competitions (October 2024 Circular). For the previous 2023/24 season, the assessment date had been 3 June 2024 and 1 July 2024 for UEFA men's and women's club competitions respectively.

Recent CAS Jurisprudence

UEFA's strict approach to MCO enforcement, particularly regarding the 1 March assessment date, was upheld by the CAS in three awards published in late 2025, relating to Crystal Palace FC[11], Drogheda United FC[12] and FK DAC 1904[13] respectively. I do not propose going into the factual details of those cases for the purposes of this article, but by quick way of summary:

Crystal Palace FC (CPFC) was demoted from the 2025/2026 Europa League to the Conference League on the basis that UEFA determined that one of CPFC's shareholders was "involved in" and able to exercise "decisive influence over" CPFC and French club Olympique Lyonnais (OL). OL, which had also qualified for the Europa League, retained its spot by virtue of finishing higher in its domestic league (Article 5.02(b)). See full Award [here](#).

Irish club Drogheda United FC (DUFC) was removed from the 2025/2026 Conference League because it and Danish club Silkeborg IF were both owned by US-based Trivela Group. See full Award [here](#).

Slovakian club CFK DAC 1904 (DAC) was disqualified from the 2025/2026 Conference League due to overlapping ownership and governance with Hungarian club Györi ETO FC through a common holding company. See full Award [here](#).

Incidentally, these decisions followed a similar approach of the CAS in rejecting appeals by Mexican clubs Club León and CF Pachuca, and Costa Rican club Liga Deportiva Alajuelense[14] in relation to Club León's exclusion from the FIFA Club World Cup for MCO reasons.[15]

Key Learnings From the 2025 CAS Rulings

- **Strict enforcement** – As mentioned above, the recent CAS Awards demonstrate that UEFA is committed to strictly enforcing its MCO Rules – something the CAS has been willing to endorse.
- **No latitude afforded on 1 March deadline –** The CAS panels have clarified that the assessment date for compliance (1 March) is a rigid deadline. In the DUFC and DAC decisions, the CAS panels stressed the clear wording in the October 2024 Circular and rejected the clubs' arguments that compliance by the relevant assessment date was contrary to "legitimate expectation," and/or constitutes "excessive formalism".
- **Precedent is no guarantee** – The fact certain structures (e.g., use of blind trusts) align with past frameworks accepted by UEFA does not guarantee these will be approved going forwards.[16]
- **The May 2024 Circular is the appropriate starting point for assessing "decisive influence" –** In the CPFC Award, the panel acknowledged (at para. 119) that the May 2024 Circular cannot modify the MCO Rules, but it is a "useful interpretative tool", and its criteria is "sufficient to prove (at least *prima facie*) the existence of decisive influence."
- **"Decisive influence" does not require proof of actual influence –** The mere possibility of decisive influence in decision-making, not just proof of actual influence, constitutes a breach of the UEFA MCO Rules.[17]

UEFA's MCO Rules do not violate EU competition law – Competition law arguments[18] were raised and dismissed in all three cases. The CJEU rulings in [*European Super League* (C-333/21)](#) and [*Diarra* (C-650/22)](#) may have eroded the notion of the "specificity of sport" being a shield for governing bodies in the application of EU competition law to sports regulations, but this has not led to a departure from the CAS approach in *ENIC*[19] over 25 years ago. The *ENIC* award had confirmed that UEFA's MCO rule was compatible with EU competition law as it: (i) pursued a legitimate aim, (ii) was applied objectively and (iii) was necessary to ensure competitive balance, sporting integrity, and public trust in European football. It was, and remains, the foundational precedent for MCO regulations – being expressly endorsed by the CAS panel in the CPFC Award (at para. 162).

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[11] CAS 2025/A/11604 *Crystal Palace FC v UEFA, Nottingham Forest FC & Olympique Lyonnais*

[12] CAS 2025/A/11495 *Drogheda United FC v UEFA*

[13] CAS 2025/A/11566 *FK DAC 1904 A.S. v UEFA*

[14] CAS 2025/A/11162 *Asociación Liga Deportiva Alajuelense v Club León, Club de Fútbol Pachuca & FIFA*

[15] The MCO rule in the Regulations for the FIFA Club World Cup 2025 (Article 10.1) mirrored the wording of Article 5.01(a) of UEFA's Club Competition Rules.

[16] For instance, in the DAC Award, the CAS panel held (at para. 129) that: "The mere fact that certain clubs may have implemented blind trust arrangements, regardless of their form, does not alter the reality that the CFCB has not assessed or approved any such arrangements."

[17] For example, in the DAC Award (at para. 160), the CAS panel held that they "would not expect UEFA to have to assess whether every single director at every club that was being assessed for the UCCs was doing their job properly." In that case, DAC had argued that Jan Van Daele was not, at the relevant time, fulfilling the role of managing director of Györi.

[18] For example, in the DAC Award (at para. 120), the CAS panel rejected the suggestion that UEFA's change to, and strict application of, the 1 March assessment deadline amounted to a breach of its "dominant position", nor was it deemed discriminatory.

[19] CAS 98/200, AEK Athens and SK Slavia Prague / UEFA.

Looking to the Future

There is no suggestion that MCO, once an investment buzzword, is a fad or flash in pan. Sport is big business and the potential benefits of MCO (and cross-sport) networks are well-documented. US capital continues to be at the heart of this; a trend that shows no sign of abating.[20] Moreover, accordingly to Tifosy Capital & Advisory, the hosting of the 2026 FIFA Men's World Cup in the US has "added another layer to the investment case, with expectations of increased domestic interest in football and stronger global commercial momentum."[21]

There had been speculation in October 2025 that UEFA was going to relax its MCO Rules, whereby clubs would still be required to flag any ownership changes to UEFA by 1 March, but would have until early June to resolve them. However, on 8 December 2025, UEFA issued Circular 69/2025 to its member associations that underlined that there would be "no substantial changes to Article 5" and 1 March would remain "a strict deadline for compliance." With no special dispensation to be afforded, that deadline looms large.

Eyes will also be on the Independent Football Regulator (IFR), established in July 2025 "to protect and promote the sustainability of English football, for the benefit of fans and the local communities that football clubs serve." In particular, it will be interesting to see if the IFR takes an interventionist approach to MCO at any point, especially if there is any indication that the identity or heritage of a club in the top five tiers of English football is being jeopardized. Club ownership is of the issues that the IFR intends to review in its State of the Game report, set to be published in 2027.

Notwithstanding the focus of this article, it would be naive to think that MCO sits in a football silo. In cricket, for instance, MCO has been led Indian Premier League (IPL) owners buying stakes in multiple franchises across different global competitions, such as SA20, ILT20, MLC CPL and, most recently, The Hundred. Four of The Hundred franchises are now owned or co-owned by IPL owners.

Meanwhile, the major North American professional leagues have also encouraged passive investment in recent years by relaxing restrictions in private equity firms and institutional funds acquiring minority stakes in multiple franchises in the same league.[22] The NFL, the wealthiest sports league globally by revenue, was the last of the professional leagues to permit private equity investment, when it announced in August 2024 that it was taking "a measured first dip into the pool" by allowing certain "vetted" funds to invest in up to six franchises (capped at 10% per team).[23] Within the NBA, following a rule change on 3 December 2025, investment firms are now reportedly allowed to "purchase equity [up to 20%] in as many as eight franchises… elevating the previous league limit of five."

Given the existing direction of travel, regulators will want to ensure that competitive fairness (both actual and perceived) is maintained. There is a tricky balance to strike – one hand, ensuring long-term competitive balance and sporting integrity, and on the other, not wanting to discourage or stifle investment through over-regulation. For organizations that are concurrently responsible for both the regulatory and commercial functions of the sport, that balance can be trickier still.

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[20] US investors were reportedly involved in 40 of the 78 completed M&A football deals during 2025: Jacob Espensen, 'Football M&A activity hits record high in 2025 as majority deals and US capital expand' (Off The Pitch, 7 January 2026).

[21] Tommy Aylmer, Managing Director at Tifosy Capital & Advisory, cited by Jacob Espensen, 'Football M&A activity hits record high in 2025 as majority deals and US capital expand' (Off The Pitch, 7 January 2026).

[22] For example, following a rule change on 3 December 2025, "the NBA is allowing investment firms to purchase equity [up to 20% in any one team] in as many as eight franchises… elevating the previous league limit of five." See Tom Friend, 'NBA increases private equity limit, enables Arctos stakes in Grizzlies, Wizards' (Sports Business Journal, 18 December 2025). This follows the NBA's decision, back in 2022, to allow other institutional funds (e.g. university endowments, pension funds and sovereign wealth funds) to buy small stakes in NBA franchises. See Brendan Coffett, 'NBA Private Equity Ownership Rules: Can PE own stakes in teams?' (Sportico, 21 June 2024).

[23] By contrast, the NBA, MLB and NHL cap total private equity investment at 30% per franchise, with 15-20% permitted by a single fund.

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