Multi-club ownership (Part III)

Football spotlight: MCO types, trends and compliance

September 2026 | UK

Introduction

Sport has been described as the "new frontier" for private capital, of which football has been front and centre. There has been a palpable shift from "passion-led" to "returns-oriented" investment. Rather than "trophy assets", football clubs are increasingly viewed as yield-generating, diversified asset vehicles.

In Part III of our multi-club ownership (MCO) series, we examine:

- The three core types of MCO group
- The latest investment trends in football, including recently published statistics, the role of private equity (PE) and the rise in minority investments
- The regulations (current and impending) that shape MCO decision-making

Categorisation of MCO Groups

There is a tendency for all MCO groups to be lumped together for statistical purposes, but the strategic aims and levels of sporting integration can differ tremendously. According to an April 2026 research paper by Quansah, Lang & Frick,[1] MCO groups can be divided into three core categories: (i) PE-owned groups, (ii) football holding companies and (iii) state-backed groups. Acknowledging and understanding these distinctions is important when assessing the impact of MCO on competitive balance, financial sustainability and governance.

It is worth noting that these are not rigid categories. Some MCO groups do not fall neatly into any single model, while others may straddle more than one. The overarching network structure may also be different, depending on how horizontal and/or vertical integration (discussed in Part 1 of the MCO series) is applied, including on a cross-sport basis.

1 Quansah, T. K., Lang, M., & Frick, B., "Multi-club ownership and sporting success: myth, expectation, and evidence". *European Sport Management Quarterly*, 1–24, 2026.

	PE-driven MCO groups	Football groups/holding companies	State-backed MCO groups
Typical focus	Asset appreciation and financial returns	Sporting integration and operational efficiency by bringing clubs under a centralised network.	Geopolitical influence and economic diversification
General strategies/ characteristics	Acquiring undervalued clubs, improving financial efficiency and maximising resale value, while also maintaining an exit strategy focused on capital gains. Affiliated clubs tend to operate independently, with financial efficiency dictating decision-making. The pursuit of short/mid-term financial gain can lead to cost-cutting measures, wage reductions and managerial changes.	Pyramid structure: setting up flagship-feeder systems, in which their smaller clubs function as talent development hubs for their top-tier club(s). Optimising player progression, enhancing scouting efficiency, and reducing external transfer costs, thereby aiding competitive advantages across the group. Underpinned by a resource-based view (RBV), seeking to leverage shared infrastructure, centralised analytics and coordinated tactical structures to create a sustainable sporting advantage. Integrated MCO networks may benefit from lower talent acquisition costs/inefficiencies, higher youth retention rates and greater consistency in coaching philosophies.	Funded by sovereign wealth funds or government-affiliated investment vehicles. Can act as an instrument of soft power, with an emphasis on nation-branding, international diplomacy and strengthening cultural/economic ties.
Example	RedBird Capital	Red Bull GmbH	Saudi Arabia's Public Investment Fund

Source: Quansah, Lang & Frick (2026), "Multi-club ownership and sporting success: myth, expectation, and evidence"

MCO in football: Moving to a period of consolidation?

We previously outlined the exponential rise in the number of MCO groups and football clubs that are part of MCO structures over the past decade, which increased about fivefold in the period 2015-2023.[2] Nevertheless, according to subsequent figures published by Off The Pitch in April 2026, the number of clubs within MCO structures linked to the top 25 football leagues has "increased by less than 1.5% since the end of the 2024/25 season, down from peak growth of 30% in 2022/23."[3] What, if anything, can be gleaned from these statistics?

On the face of it, these figures might suggest a period of stagnation or consolidation, but it is too early to jump to any firm conclusions. Statistics can be distorted by clubs within MCO structures being relegated in any given season (i.e. dropping out of the sample pool), or the collapse of prominent MCO groups (e.g. 777 Partners, Pacific Media Group).

Further, the granularity in which data is analysed can support alternate hypotheses. On one level, the figures may suggest a plateau in the expansion of MCO, but the number of new investments in clubs already connected to more than one MCO group reportedly rose by 20% between the 2024/25 and 2025/26 seasons. It will be interesting to see if the apparent concentration of investments towards clubs already linked to MCO structures becomes a wider trend.

Ultimately, it will be impossible for MCO expansion to continue at the rate it has been when there are a finite number of clubs in the top leagues, of which many are already part of MCO structures.[4] Headline figures should be construed against a broader context, and it is important not to conflate the volume of majority stake transactions with the level of investment interest.

In the "afterglow of the World Cup", with football such a hit with US audiences, owners may feel the market conditions are ripe to do deals. As outlined below, the nature of deals has also changed, with a sharp increase in the proportion of minority stake transactions in the past three to four years.

2 As per the 2023 SportBusiness Report

3 Christoper Fodgaard & Magnus Holmark Andersen, "Transfer Activity within MCO groups declines as multi-club ownership loses momentum", *Off The Pitch*, 14 April 2026.

4 According to The European Club Finance and Investment Landscape Report 2025 (p. 66), "345 clubs worldwide are now part of a multi-club investment structure, compared with fewer than 60 ten years ago."

Private equity fuelling multi-club investment

Historically, the ownership of a football club was very much viewed as a trophy asset, on which financial return was not a key measure of success. On-field results and recognition for running a successful club (particularly as many owners were fans of the club or had strong ties to the local community) were often the drivers, not profitability. There was a presumption that football clubs could be money pits for owners, a world where the heart ruled the head. Indeed, notwithstanding Wrexham AFC's meteoric rise up the English pyramid, its Hollywood co-owner Ryan Reynolds quipped that it was "financially foolish" to own a football club.

> "Football is a legal poison and an infernal journey. Owning a club is emotionally draining, financially foolish and completely addictive."
>
> Ryan Reynolds, Co-owner, Wrexham AFC, December 2024

This all raises the question, if owning a club is often loss-making and inherently unpredictable, why has private capital investment flooded into European football, particularly PE from North America?[5] The short answer is a combination of opportunity and volatility. A core tenet of the PE is "buying to sell": purchase a company, streamline or restructure operations to maximise efficiency and value, and exit within five to seven years to generate substantial profits. The period of rising operational losses and widespread financial mismanagement, exacerbated by the COVID-19 pandemic, presented fertile ground for PE investment.[6] Indeed, many financially distressed clubs found themselves open to an injection of capital, as part of an MCO structure or otherwise.

Elite European club valuations have grown rapidly over the last decade, outpacing many traditional stock indices and making them an attractive asset class. According to the latest Football Benchmark 2026 Report, the aggregate enterprise value of the top 32 European clubs reached a record €72.6 billion in 2026, marking a 12% increase compared to 2025 and almost three times what it was in 2016. The recently published Brand Finance Football 50 Report 2026 has also shown the strongest year of growth in brand value, with the world's 50 most valuable football clubs reaching a combined brand value of €23.9 billion. But it is not just the elite clubs that present an opportunity for return on investment.

As outlined in the Deloitte Annual Review of Football Finance 2026, the movement beyond a traditional single-asset ownership model towards a diversified portfolio approach is reflective of a "maturing investment landscape". MCO models can pursue different strategies and priorities. Not every PE-backed MCO group will pursue maximum operational or sporting integration, but the business logic of PE and MCO are closely aligned, making them natural bedfellows.

PE business logic	Alignment with MCO in football
Portfolio diversification	Clubs compete in different leagues, countries, competition cycles/calendars, reducing dependence on the success of a single club.
Buy-and-build strategy	An initial club can operate as a platform around which further clubs are acquired and integrated into a wider network.
Acquiring undervalued assets	Investors can target clubs where they perceive a disconnect between current valuation and long-term commercial potential.
Operational efficiencies	Shared or centralised scouting, analytics, legal, finance, medical services, sports science, IT and executive management across clubs.
Economies of scale	Costs of technology, data, expertise and group services can be spread across a larger asset base.
Scalability	Once the central infrastructure and investment model have been established, additional assets can be added to the platform.
Revenue growth	Negotiate group sponsorships, commercial partnerships, merchandising and fan engagement across multiple clubs. Using stadia and real estate projects to create lucrative mixed-use returns, alongside football revenues.
Asset appreciation	Rise in enterprise and brand value of clubs across the portfolio.
Exit optionality	Sell individual clubs, regional portfolios, minority stakes or an entire holding company, depending on market conditions.

5 "At the start of the 2025/26 season, over 36% of the 'big five' leagues' clubs had financial backing from private equity, venture capital, or private debt firms." Deloitte Annual Review of Football Finance 2026, July 2026.

6 "Private Equity in Football Explained: Why are Firms Investing Billions?", Global Institute of Sport, 6 March 2026.

Minority multi-club investments on the rise

A rise of minority investment in football (and sport generally) reflects the convergence of two trends: (i) growing demand by private and institutional capital for exposure to sports assets, and (ii) an increasing willingness among existing owners to monetise part of their holdings or raise growth capital without relinquishing control. As enterprise valuations have risen, and outright ownership of premium assets have become harder to acquire, minority investment has emerged as an attractive middle ground.

In an MCO context, the proportion of minority multi-club investments increased from 22% to 36% in the period 2022 to 2025.[7] "Minority" investment can nevertheless be misleading when used as a catch-all term for anything that is not a "majority" stake. Practically and legally, it can differ tremendously, depending on the objectives and retained/acquired rights of the parties involved. There is a stark distinction between, for instance, (i) a significant minority stake (e.g. 25%-49%) with meaningful rights[8] and decision-making influence (including potential operational control[9]) and (ii) a passive investor holding a small percentage with little-to-no observer or voting rights. The latter has proven increasingly popular with high-profile athletes or former athletes. A small (e.g. 1%-5%) stake by an athlete may have limited formal governance rights but potentially significant strategic and commercial value through their personal brand, following and sporting expertise.

Prospective minority investors should always be mindful of the regulatory framework they are entering, including any relevant owners' and directors' test (OADT) or equivalent that they need to comply with. For example, anyone acquiring 25% or more of the total voting rights in a Premier League or EFL club will meet the threshold of "control" and be required to submit an OADT declaration.[10] Further, under the new Owners, Directors and Senior Executives (ODSE) regime administered by the Independent Football Regulator (IFR), clubs, owners and senior managers across the top five tiers of men's English football must all navigate new statutory processes.

An "owner" of a regulated club is, in broad terms, someone who (directly or indirectly) owns or controls at least 25% of the shares or voting powers in the club, can exercise significant influence over its affairs, or is able to appoint or remove its officers.[11]

Again, minority investors caught by this expanded definition will need to ensure full compliance with any approval and reporting obligations.

Compliance with UEFA's MCO Rules

Some of the very synergies that make MCO attractive can generate regulatory risk. Article 5 of UEFA's club competition regulations (MCO Rules) prohibit the simultaneous participation of clubs within the same MCO structure where there is even the slightest risk that the integrity, or the perception of integrity, of the competition could be compromised.[12] UEFA's strict approach to enforcing its MCO Rules was plain to see in a flurry of Court of Arbitration for Sport (CAS) decisions published in late 2025.[13] Deadlines are deemed an essential component for ensuring the proper administration of competitions, so clubs cannot reinterpret these or rely on expectations derived from previous scenarios.[14] As outlined in our previous article, the hardline MCO framework seemingly affords little to no latitude to clubs that are noncompliant as of the annual 1 March assessment date. Proactive compliance means owners must act based on hypothetical risk of qualification several months before the end of the season, with no post-deadline steps permitted to retroactively cure breaches once qualification is officially confirmed.

The UEFA Club Financial Control Body (CFCB) has adopted a "substance over form" approach to what constitutes "decisive influence", as captured in its May 2024 circular and emphasised by the CAS without reservation.[15] Notwithstanding the blunt nature in which the MCO Rules operate, there have been no documented MCO breaches (or alleged breaches) resulting in bans or demotions from the 2026/27 UEFA club competitions. This would suggest MCO groups/investors are getting more acclimatised to the MCO regulatory regime and getting their houses in order at an early stage.

7 "Multi-Club Ownership – Is The Model Viable?", The Swiss Ramble Substack, 16 March 2026, citing The European Club Finance and Investment Landscape Report 2025.

8 For example: board appointment rights, reserved matters and consent rights, tag-along rights (entitling minority shareholders to participate in a sale initiated by the majority shareholders), change of control rights, put options (requiring the majority shareholder to purchase the minority stake), preemption rights on new shares (to protect against further dilution), short or no lock-in periods, etc.

9 The most notable example is Sir Jim Ratcliffe, who acquired a circa 27.7% minority stake in Manchester United via INEOS in February 2024. Despite holding a clear minority of the overall equity (with the Glazer family retaining the majority), the structural agreement delegated absolute operational and sporting control of the club's footballing operations to INEOS, including recruitment, management appointments and sporting strategy.

10 See rules A.1.80, A.1.92 and F.5 of the PL Rules; and Appendix 3, Regulation 2 of the EFL Regulations 2026/27.

11 See Schedule 1 of the Football Governance Act 2025.

12 Miguel Cardenal Carro and Emilio Garcia Silvero, "Multi-Club Ownership in Football: A Legal Approach to an Increasingly Complex Phenomenon" (p. 60), CAS Bulletin 2026/2.

13 CAS 2025/A/11604 *Crystal Palace FC v. UEFA, Nottingham Forest FC & Olympique Lyonnais*; CAS 2025/A/11495 *Drogheda United FC v. UEFA*; CAS 2025/A/11566 *FK DAC 1904 A.S. v. UEFA*

14 Miguel Cardenal Carro and Emilio Garcia Silvero, "Multi-Club Ownership in Football: A Legal Approach to an Increasingly Complex Phenomenon' (p. 54), CAS Bulletin 2026/2.

15 Ibid.

Each club is assessed on a case-by-case basis as part of the admissions procedure. Measures put in place to comply with the MCO Rules will differ in each instance, but these may have included:

- **Equity dilution or divestment** – Reducing an investor's stake in one of the affected clubs below the threshold of presumptive control.
- **Blind trusts** – Transferring voting rights, decision-making power and effective control of a club to a legally independent trustee.[16]
- **Board restructuring** – Ensuring that no individual, director or executive sits on the management or administrative boards of more than one club within the MCO structure.
- **Other forms of governance "siloing"** – Removal of statutory rights to appoint/remove directors; terminating cooperation memorandums of understanding (MoUs) or interclub commercial agreements.
- **Operational** – Disbanding or "uncoupling" shared scouting and player performance databases; separating HR, legal and other back-office functionality.
- **Player trading restrictions** – Self-imposed transfer moratoriums or undertakings to prevent players moving between clubs that are part of same MCO group.
- **Financial independence** – Each club in the same MCO group to be financially self-sufficient and/or have standalone credit facilities (e.g. without cross-guarantees from other clubs within the MCO group).

It is important to note that identical MCO Rules apply in UEFA women's club competitions as in the men's game, particularly given the establishment and expansion of women-focused MCO groups such as Kynsica Sports International, Mercury 13, Crux Football and Monarch Collective. In April 2026, UEFA warned investors that "when it comes to playing in one football competition, there will be no different approach and no exceptions when it comes to the women's game." Advocates of the MCO model argue that it is vital for scaling the women's game, particularly Michelle Kang, the founder and CEO of Kynsica Sports International. It is not impossible that two clubs owned by Kang – OL Lyonnes and London City Lionesses – could qualify for the same European competition, so it will be interesting to see how she seeks to navigate such eventuality in light of UEFA's recent comments about strict enforcement.

> "I will submit to you that multi-club ownership is a necessity, not a luxury or greed, on the women's side because we need to invest to the level that the players deserve to deliver on the potential of the women's game."
>
> Michelle Kang, June 2024[17]

Other regulatory considerations for MCO groups

Increased scrutiny on "associated party transactions"

Even where clubs in the same portfolio are not competing against each other in the same competition, the potential for anticompetitive behaviour still exists. One area that regulators keep a close eye is cross-network sponsorships and player trading. The Premier League, for instance, requires all related-party deals above certain thresholds, including transfers and loans, to undergo a "fair market value" (FMV) assessment.[18] Under the UEFA Club Licensing and Financial Sustainability Regulations, if a club reports income that exceeds fair market value, UEFA requires a downward fair value adjustment to the calculated football earnings, regardless of whether the transaction involves a related party.[19]

The requirement to assess or adjust the value of a transaction, as if it was between willing parties on an arm's length basis, should (in theory) ensure "sweetheart" deals with owner-connected entities cannot game the system or circumvent the applicable financial control rules. Indeed, if owners were able to inflate sponsorships or shift funds between affiliated teams, it could artificially drive up a club's revenue and enable more on-pitch spending. The Premier League's new squad cost ratio (SCR) rules for the 2026/27 season, which have replaced the profitability and sustainability rules, limit clubs' on-pitch spending to 85% of their football-related revenue and net profit/loss from player sales.[20] UEFA's SCR rules limits a club's on-pitch spending to a maximum of 70% of its total revenue,[21] so Premier League clubs competing in European competitions have to adhere to this lower threshold.

16 Note, the CAS Panels in the *Crystal Palace FC* and *FK DAC* cases noted that UEFA/CFCB did not officially approve blind trust arrangements for blanket ongoing compliance, so there is no guarantee they will be approved by UEFA, and caution should be exercised by clubs/owners. A key element will be demonstrating that, through such an alternative legal structure, only one participating club remains under their director control or influence.

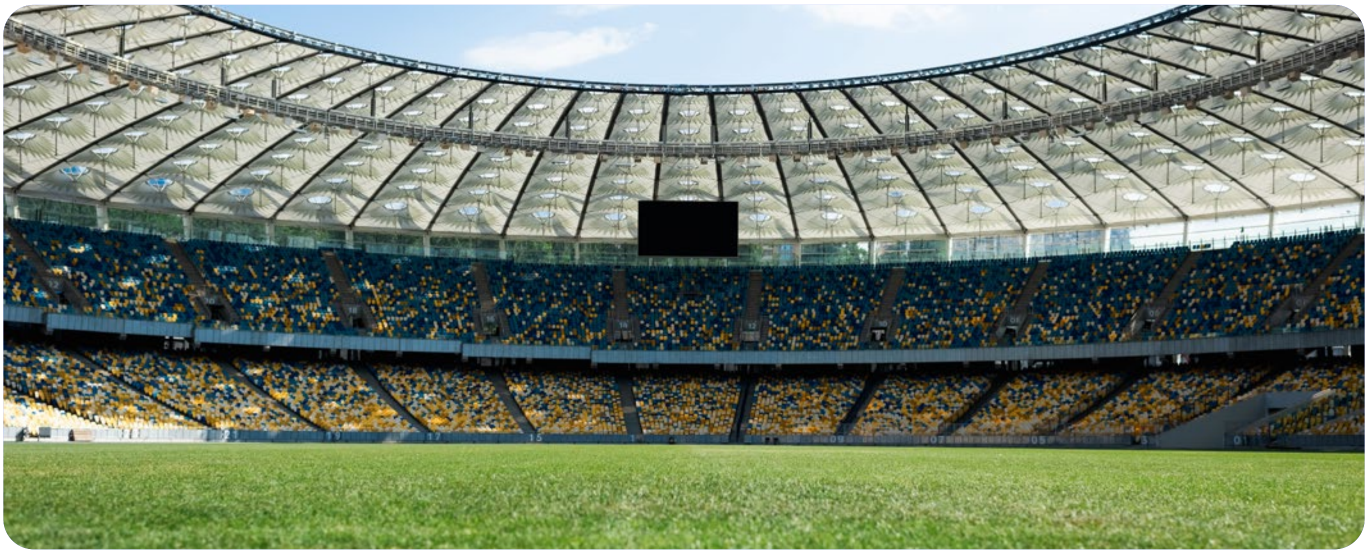
17 As cited by Suzanne Wrack, "Multi-club ownership is spreading in women's football – but is it good news?", *The Guardian*, 18 December 2025.

18 See rules A.1.113, A.1.114 and E.49-E.67 of the PL Rules.

19 Annex J of the UEFA Club Licensing and Financial Sustainability Regulations.

20 Appendix 2 of the PL Rules. Clubs have additional headroom available to exceed the 85% threshold under the SCR system.

21 Article 94 of the UEFA Club Licensing and Financial Sustainability Regulations



Loan restrictions

It is common for players to move between clubs within the same MCO group. Intergroup loan deals are regularly utilised to rebalance squads and aid on-field development (e.g. to increase playing time for younger players before transitioning from feeder to flagship clubs) but this is not unfettered. Under FIFA's Regulations on the Status and Transfer of Players (RSTP), which were tightened in July 2022 as regards international loans:

- The number of loans in and out during each season is restricted to a maximum of six players (Article 10.6)[22], excluding players aged 21 and under and club-trained players (Article 10.7).
- Irrespective of age or club-trained status, a maximum of three players may be loaned out and three loaned in from a single club during a season (Article 10.8)[23].
- Sub loans are prohibited (Article 10.1(f)).[24]

Clubs will also need to abide by domestic rules for loans between English clubs. For example, the Premier League Rules 2026/27 (PL Rules) provide for a maximum of four loans in per season with no more than two registered at any one time (PL Rules V.7.5 and V.7.6), and a maximum of one player from the same parent club at any one time (PL Rule V.7.5). Fewer restrictions apply under the EFL Regulations 2026/27. EFL clubs can register an unlimited number of players on loan across a season, but only a maximum of four from the same parent club (of which no more than two may be over the age of 23) (EFL Regulation 55.4.2).

Aligning centralised strategy with domestic compliance

For clubs operating within MCO structures, a key challenge is balancing groupwide strategic objectives with the need to preserve domestic compliance. By way of example, directors of English clubs remain subject to their fiduciary duties under ss. 170–177 of the UK Companies Act 2006,[25] irrespective of whether strategic direction is set by an overseas parent company. The potential tension between those duties and the wider interests of the ownership group should therefore be carefully anticipated and, if necessary, addressed in the underlying corporate documents.

Further, the full operational launch of the IFR brings an added layer of reporting complexity for English clubs within MCO structures. One of the three primary objectives of the IFR is "to protect and promote the financial soundness of regulated clubs".[26] As part of the new IFR licensing regime, each regulated club will submit a strategic business plan with a financial forecasting template detailing funding, revenues and risk mitigations, as well as a personnel statement identifying who makes key decisions. English clubs must prove their standalone financial sustainability and resilience, rather than relying on systemic cross-club risk across the MCO group.

22 Prior to July 2022, when phased-in restrictions came into effect, FIFA had not stipulated a maximum number of international loans in or out.

23 Prior to July 2022, FIFA had not prescribed a cap – however, some leagues did have one in place for domestic loans.

24 Prior to July 2022, sub-loans had been permitted as long as the player and the player's 'home' club provided written authorisation. FIFA's subsequent ban on sub-loans was aimed at improving transparency and contractual stability in the loan market.

25 The essence of the duties is that the powers of the company are to be exercised by the director in good faith and for the benefit of the company as a whole. Under ss 171-177 of the Companies Act 2006, directors shall act within their powers, promote the success of the club, exercise independent judgment, exercise reasonable care, skill and diligence, not accept benefits from a third party, and declare an interest in a proposed transaction or arrangement with the club.

26 Section 6(a) of the Football Governance Act 2025

What is coming down the track? FIFA's overhaul of the global transfer system

On 10 June 2026, FIFA approved a new regulatory framework for the global transfer system,[27] including an updated version of the RSTP.[28] Prompted in part by the European Court of Justice's (ECJ) *Diarra* judgment of 4 October 2024, the principal changes will take effect on 1 January 2027 and could have implications for investors and MCO groups, indirect or otherwise.

I do not propose to go into the details of "Transfer System 2027" (summarised by FIFA) for the purposes of this article, but key reforms include:

- Changes to the rules regarding contractual termination, guaranteeing both players and clubs a minimum compensation equal to the remaining value of a deal.
- Certain lower-paid players will have a direct economic right to receive a percentage (mandatory 5% minimum) of the transfer fee when they are sold.
- Minors will be allowed to sign longer contracts (an increase from three to five years) provided they have been registered at a club for 20 months or more.

It is difficult to predict the impact on MCO at this point. Nevertheless, MCO groups (which often rely on the fluidity of player movement between clubs) will no doubt consider how these changes impact contractual control, stability and compensation, as well as player-trading models involving lower-paid players and/or minors. MCO networks operating across multiple jurisdictions may also need to map out where certain reforms (e.g. Article 18.2 of the RSTP 2027) are expressly conditioned by local labour/employment laws and valid collective bargaining agreements. Time will tell.

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27 The new framework was approved by the FIFA's Bureau of the Council following an agreement with FIFPRO, European Football Clubs and the World Leagues Association, as well as the participation of CONMEBOL and UEFA.

28 There are also related amendments to the FIFA Disciplinary Code, the FIFA Governance Regulations, and the procedural rules governing the FIFA Football Tribunal.

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