



ELEVATE SPORTS VENTURES BRINGS ON NEW EQUITY PARTNERS, INCLUDING LIVENATION AND TICKETMASTER

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Upstart agency Elevate Sports Ventures is adding industry heavyweights Oak View Group and Live Nation/Ticketmaster as equity partners while also signing its first client — Oak View's \$600 million planned Seattle NHL arena project.

The deal calls for Elevate to handle premium seating, suite sales and marketing for Oak View's renovation of KeyArena in Seattle, with Oak View's Chief Executive Officer Tim Leiweke becoming a co-managing partner of Elevate. In addition, Oak View and Live Nation/Ticketmaster have taken undisclosed, equal stakes in the agency that focuses on helping facilities and teams with suite and premium-seat sales.

"We are the premium sales and marketing agency for Oak View Group properties," confirmed Elevate CEO Al Guido, who is also president of the San Francisco 49ers.

The addition of Live Nation/Ticketmaster also is part of Elevate's strategy to compete against other established premium ticket and corporate hospitality agencies such as Legends, Van Wagner Sports & Entertainment and The Aspire Group, which specializes in the collegiate realm.

Guido said bringing in Live Nation/Ticketmaster not only brings a household name to Elevate's roster but they can offer technology, ticketing and analytics expertise to clients while helping scale new buildings with concerts and other live events in mind.

"We thought that would really set us apart," Guido said. "The ability to add Live Nation and Ticketmaster and their experience in technology and ticketing to our list of Elevate offerings is a huge differentiator."

With Oak View Group, Elevate will get access to the company's planned arena projects and have access to Oak View's Arena Alliance group that offers consulting services on ticketing, security, premium seating, labor negotiations and marketing. Twenty-six venues — including Madison Square Garden, the new Chase Center in San Francisco and the United Center in Chicago — are part of the network, though it will be up to the alliance partners whether they will retain Elevate.

Oak View's biggest and most tangible project is the downtown Seattle arena that is slated for a \$600 million modernization to serve as home for an expected NHL expansion team in 2020. Oak View is also part of the planned new arena for the New York Islanders at Belmont Park in Queens, and it is likely that Elevate would be involved in that effort.

The 49ers, CAA Sports and Harris Blitzer Sports & Entertainment, which owns the Philadelphia 76ers, the New Jersey Devils and the Prudential Center, launched Elevate in January. The deals with Oak View Group and Live Nation/Ticketmaster were done quickly, taking about a month after Guido first approached Live Nation/Ticketmaster, followed by Leiweke contacting Elevate.

Oak View's decision to partner with Elevate instead of other companies was driven by the equity stake component of the deal.

"We had other conversations with other people and companies, but the equity stake, with the right kind of partners helps maximize our revenue stream," Leiweke said.

The addition of Leiweke and Live Nation/Ticketmaster brings other big names to Elevate's ownership ranks that already includes HBSE Chief Executive Officer Scott O'Neil and CAA executives Paul Danforth, Howard Nuchow and Michael Levine, all of whom are managing partners at Elevate. All companies are equal partners in the venture.

Leiweke formed Oak View Group with music industry veteran Irving Azoff in 2015. In March, private equity firm Silver Lake invested \$100 million in Oak View.

He touted the Elevate deal as a way to better unlock what he believes is an \$8 billion premium-seat and suite marketplace.

Leiweke was looking for a group to help increase premium and suite revenue at Oak View's planned venues, which could account for 25 percent of its revenue stream. It's that potential that Leiweke said drove the strategy to partner with Elevate given that Oak View previously did not have a premium sales arm.

In pointing to Oak View's current projects in Seattle and New York, and any future projects, Leiweke said, "We have a need to find an entity to price, design, analyze and sell premium. Clearly, premium is part of the business we need to be in and offer our clients as well."

Guido — who recently spent a week in Spain talking to La Liga teams about the sales agency — said more deals and clients are in the works.

"We are now less than 150 days since our launch and have a pipeline full of projects based in every professional sports league, including esports," Guido said.

Original article available at:

<https://www.bizjournals.com/losangeles/news/2018/06/18/elevate-sports-ventures-brings-on-new-equity.html>