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Manchester United, the world's most valuable franchise
By Jeff Harrington, Times Staff Writer
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Manchester United's Wayne Rooney, right, scores against Everton during a match at Old Trafford in Manchester, England.
[Associated Press]

A decade ago, British soccer fans roundly booed Bucs owner Malcolm Glazer as he took control of the venerable club Manchester United.

Critics quickly derided the debt-heavy deal as financially unwise, too.

"I can't see from my point of view why it is such a good business deal," Sir Alan Sugar, prominent businessman and host of BBC television's *The Apprentice*, said in 2005, adding that Glazer had paid a "very full price."

No one is questioning Glazer's financial acumen lately.

Manchester United's worth soared 20 percent this year to a stunning \$2.24 billion, according to the latest valuations by *Forbes*. That solidifies its status as the most valuable sports franchise on the globe, leaving American wannabes like the New York Yankees and Dallas Cowboys in the dust (about \$385 million behind by last count).

According to a *Forbes*' analysis, when Glazer gradually took over the team between 2003 and 2005, Man U was valued at \$1.4 billion.

"Hindsight is 20-20 (but) in terms of being a smart business investment, I think it's exceptional," said Kathleen Davis, sports economist and CEO of the Sport Management Research Institute in southern California. "They're a premier team in a premier league, and that exclusivity and global brand continues to carry their valuation each year."

Glazer's other major sports investment, the Bucs, has been a solid, growing performer until the recession took its toll the past two years. It peaked at a valuation of \$1.09 billion in 2009 and slumped slightly to \$981 million as of 2011.

In a broader sense, many professional sports teams have been solid investments, Davis said. She cited Major League Baseball, as an example. The Los Angeles Dodgers franchise was widely expected to fetch \$1.2 billion and instead recently sold for about \$2.1 billion.

"Sports are not recession-proof, but I think they can be recession-resistant," Davis said. "(A team) is a passionate, emotional attachment that becomes part of the fans' identity — what they wear, their consumption patterns, their viewing habits. ... Exponentially, it can be a great investment."

Thanks to Man U's rising valuation, the Glazer family net worth has risen about \$420 million so far after taking out the huge debt load, Forbes calculates. Just a few months ago, Glazer had a net worth of \$2.7 billion in Forbes' annual look at the world's billionaires. The latest surge pushes him well over \$3 billion.

Manchester United's estimated 330 million fans around the world certainly help it stay in the upper crust of sports franchises. But Forbes points out a few other key reasons for its 20 percent jump in a single year:

- The U.S. dollar has fallen sharply versus the British pound, which inflates the value of the soccer team when measured in dollars.
- The Man U Red Devils took in \$192 million in broadcast revenue over the 2010-11 season, 22 percent more than the prior season.
- Nothing beats winning. By making it to the final of the UEFA Champions League, Man U received an \$80 million payout. Consistently finishing high in their league also translates into more direct revenue plus more sponsorships. The club is in the running to secure another English Premier League title this year.

Soccer aside, Tampa Bay fans of the American version of football may have a more pressing question: What impact does a sports mogul's financial success overseas have on the fortunes of a professional football team some 4,500 miles away?

Bucs officials have declined to make any connection between Man U's finances and whatever happens at One Buc Place. The two organizations operate independently of each other.

Regardless, there are some encouraging signs of financial largesse. After a disappointing 4-12 record last season, Bucs co-chairman Joel Glazer vowed in January to spend "whatever it takes to win."

He backed it up with the Glazer family spending handsomely on free agency this spring. The team picked up wide receiver Vincent Jackson, cornerback Eric Wright and guard Carl Nicks, giving first-year coach Greg Schiano a few more weapons in the arsenal.

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