



GEORGE PYNE



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Former IMG chief Pyne on his acquisitive Bruin Sports Capital: It's fun to be building again

Bruin Sports Capital, the company founded in January this year by George Pyne, the former president of IMG Worldwide Sports and Entertainment, has its eye on several possible new investments, both in USA and beyond. Bruin is targeting sports, entertainment, media and branded lifestyle investments. The deals, if completed, will follow in the wake of Bruin's maiden deal, announced in March, to take over operational control of NFL On Location, NFL American football's hospitality business, jointly with RedBird Capital Partners.

Speaking exclusively to Sportcal on a visit to London, where he is pursuing possible new business, Pyne said: "We're not a fund, we're a capitalised operating company. The purpose of our business is to invest and operate, but really to operate. We're not about financial engineering, we're about operations. That makes us a little bit unique and confirms the long-term nature of what we're going to do. It's not, 'How do I get in and out?', it's 'How do I build?'"

In January, Bruin revealed that WPP, the UK-based advertising giant, was leading a syndicate that was investing \$250 million in the company. The investment, which was matched by private donors, provided Bruin Sports Capital with \$500 million in buying power, the company said. However, Pyne [today](#) insisted that Bruin is in no hurry to spend the cash, saying: "What we're trying to achieve is to build great companies with great people, to create a lasting legacy. One of the things I learnt at IMG was to be patient, take your time and look for assets that are undervalued, and perhaps help to create value by deploying capital."

As examples, Pyne cited Nascar, the US stock car racing series which as chief operating officer he helped build into a hugely successful national phenomenon, before joining IMG where he was credited with helping develop the agency's lucrative college sports business. Pyne said: "When I went to IMG in 2006 I would not have told you we were going to get into college sports. But I spent a year at the direction of Ted Forstmann [the former IMG owner] and went out and looked at a lot of things. We really established that this was a sports property that offered the opportunity for value creation. With that experience behind me I'm looking at opportunities with growth potential."

"Businesses [that Bruin invests in] might not all be inter-related. They could be different in terms of sport, geography and the services they offer. We want to be opportunistic, nimble and most importantly patient. We really don't want to make mistakes."

Bruin presently comprises about 10 staff in an office in White Plains, New York, including two of Pyne's trusted former colleagues from IMG: David Abrutyn, the former head of consulting at IMG, who was appointed executive vice president and principal of Bruin in March; and Tony Crispino, the former chief operating officer of IMG College, who is performing the same role at Bruin. The trio departed IMG in the wake of its takeover by William Morris Endeavor, the Hollywood talent agency. Pyne said: "Hypothetically, we know what we're doing. We grew up in the sports business

for 25 years, we worked in licensing, ticket sales, hospitality. There are very few functions we haven't done. We're from the industry. We're not a segment among other segments. We were born and bred in the sports industry."

Asked why he left IMG and whether Bruin could now find itself in direct competition with the sports agency behemoth, the 49-year-old Pyne was circumspect, saying: "I love IMG. That's 20 per cent of my life. It was a great experience and I would not have the opportunities I have now if it were not for my time at IMG. Bruin will have a much more narrow focus than what IMG is doing. I don't view it to be in conflict." So could Bruin actually find itself working together on projects with IMG? "Anything's possible," Pyne said. "I'm in the friends business, not in the rivals business."

Last month GroupM, the media investment management company owned by WPP, announced a major development in its engagement with sports rights-holders with the launch of a new global agency brand, ESP, and the acquisition of Two Circles, the UK-based data-driven sports agency. The move, it is thought, is set to bring GroupM into more direct competition with established international sports agencies such as IMG, Infront Sports & Media and MP & Silva.

The company aims to work with rights-holders such as federations, leagues, events, teams, publishers and venues, albeit it could yet also find itself collaborating with rights-holding sports agencies, according to John Kristick, the sports marketing industry veteran who counts Infront Sports & Media among his previous employers, and who was appointed as chief executive of GroupM four years ago. Could ESP's activities overlap with and even conflict with those of Bruin? Pyne played down such a risk, saying: "I see ESP as complementary to what we're doing. They're going to be offering people, as I understand it, the ability to tap into the vast resources of WPP. That's a good thing; I don't view it as competitive, but as complementary. "We have \$500 million to buy businesses, but we will be very specific. ESP is complementary to what we're doing with the NFL, for example. I don't see us working in the property representation sector. We want to own businesses. We might buy rights, but we will not represent them for commission. In fact, the NFL business is a rights business."

Under the terms of the NFL deal, a new company formed by Bruin and RedBird will have the exclusive rights to provide hospitality services for events which NFL OL operates. Pyne said: "For us it was a unique opportunity. It's unique for the NFL to sell a business. It's an experiential business that provides opportunities for fans and businesses to experience the Super Bowl, Pro Bowl, the draft, other league events and international games.

"A big part of its business is the Super Bowl. It's the only company that can sell premium hospitality experiences within the stadium. The other unique aspect is that 32 Equity, the investment vehicle funded by the NFL, still owns 20 per cent. For Bruin, as a first acquisition, we couldn't have a better partner or be involved with a better event." Asked why the NFL had chosen to sell NFL OL, Pyne said: "It sees this as a platform business. We think we can build it outside of NFL football. It could be in entertainment or music. They see that the NFL provides us with a platform to do that. I also think the NFL felt it was the most underdeveloped asset they had."

Other sectors in which Bruin would consider investing include commercial work on behalf of international sports federations, according to Pyne, who said: "We have a lot of experience in the rights business. If there are intelligent opportunities, we wouldn't rule it out. Our first business [NFL OL] essentially is a rights business." Likewise, Bruin could also target broadcasters, Pyne said, adding: "Certainly, media is well within our grasp." Asked what keeps him awake at night, Pyne said: "It's important to be patient, but I don't like being patient. We're in constant pursuit of good opportunities, but that brings its own set of challenges.

"It reminds me of my early days at Nascar; I was in early my early 30s and I had a lot of responsibility without a lot of restrictions. We barnstormed around believing anything was possible, and that's kind of what we're doing now. We're talking to people who are building things, and who have aspirations for building things. It's fun building again. With the NFL business, it's fun to be back building. We've just got to find a few more like it."

