



MLS IN SEATTLE

December 2007



HISTORY OF SOCCER IN SEATTLE



- **1974** Seattle Sounders start playing at Memorial Stadium
- **1980** Sounders move to Kingdome
- **1983** Sounder final season in the NASL
- **1984-1990** Seattle Storm begin playing in the APSL
- **1994** Seattle Sounders begin play in USL 1st Division
- **1995, 1996, 2005, 2007** Sounders win 4 championships
- **1997** Referendum 48 is passed to build a new stadium, Qwest Field
- **2002** Sounders vs Whitecaps in first ever event at Qwest Field
- **2007** November 12th - 15th MLS franchise is awarded to Seattle for 2009

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MLS TODAY AND TOMORROW

MLS Markets and the potential expansion markets



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Why MLS in Seattle?

1. STRONG OWNERSHIP

MLS owners also own



5 International Soccer Teams:

Arsenal (England), Chivas de Guadalajara (Mexico), Hammarby IF (Sweden), Red Bull Salzburg (Austria), Saprissa (Costa Rica)

2 MLB Teams:

Oakland Athletics, San Francisco Giants

4 NFL Teams:

Kansas City Chiefs, New England Patriots, St. Louis Rams, Seattle Seahawks

5 NBA Teams:

Chicago Bulls, Denver Nuggets, Los Angeles Lakers, Portland Trailblazers, Toronto Raptors

4 NHL Teams:

Colorado Avalanche, Los Angeles Kings, St. Louis Blues, Toronto Maple Leafs

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Why MLS in Seattle?

2. LONG-TERM TV CONTRACTS



2007 – 2014



2007 – 2014



2007 – 2010



2007 – 2008

3. EXPANSION

- Toronto FC joined as the 13th team in 2007
- San Jose joins as the 14th team in 2008
- Seattle joins as the 15th team in 2009
- Goal of 16 teams by 2010: 18 teams by 2012



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Why MLS in Seattle?

4. CHANGING NORTH AMERICAN DEMOGRAPHICS



5. CONNECTION WITH GLOBAL MARKETPLACE



International Stars



SuperLiga Tournament Summer 2007



MLS All-Stars v. Celtic FC July 2007

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PLAYERS

- The MLS Board approves League player budget and the League Office signs all player contracts centrally
- 18 Senior roster, 10 Development roster players.
 - Annual SuperDraft
 - Designated Player Rule (one player signed outside of the salary cap – e.g. David Beckham)
 - Discovery Rule
 - Trades
 - Allocations (a special fund provided by the League budget to acquire veteran players playing outside the US)
- Expansion teams initially receive three allocations and participate in an expansion draft.
- MLS has a favorable Collective Bargaining Agreement with the players
 - Expires January 31, 2010
 - Minimum increase in player expenditures over the term
 - MLS retains broad “management rights”
 - Strong, yet progressive, Substance Abuse Policy

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SOCCER UNITED MARKETING (SUM)

One Sport. One Company.

Established in 2002 to create a centralized business entity committed to the continued growth of soccer in the U.S.

PROPERTIES



TOURNAMENTS



TEAMS



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MLS UPSIDE

MLS has made significant strides on several fronts...

Television Ratings on the rise:

- Regular season ratings on espn2 have are up 25%
- Playoff ratings on ESPN/ABC are up 74%
- MLS ratings on Telefutera are up 43% since the advent of SuperLiga
- Beckham v. Blanco (Chicago Fire vs. LA Galaxy) on Telefutera delivered a US HH rating of .45, which outperformed a Mexican 1st Division game the previous night featuring Chivas de Guadalajara

Attendance is on the rise

- Overall league-wide attendance is up 8% to 16,770
- Since Blanco's arrival, attendance in Chicago has averaged 21,144 (an increase of 38%)

Fan Base

- We have the youngest fan base in sports – 26 years old
- #1 sport among U.S. Hispanics
- Since 1987, soccer is the only major participatory sport to have a positive increase in participation levels (up 10.4%)*

* SGMA – 2006 Sports participation in America

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THE SPORTS INDUSTRY IS CONFIDENT

Major League Soccer was voted the property/organization with the most growth potential for the 2nd straight year by U.S. sports executives.

STREET & SMITH'S SportsBusiness JOURNAL[®]

November 26-December 2, 2007



Property/organization with the most growth potential:

Property/Organization	Percentage
MLS	19.9%
NHL	12.5%
UFC	9.9%
X Games	7.9%
NCAA	5.5%
MLB	4.8%
AST Dew Tour	4.6%
AFL	4.1%
NASCAR	4.0%

Responses: 1,622

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PRO SPORTS VALUATIONS

Arsenal Football Club, \$1.80 Billion

Real Madrid, \$1.60 Billion

Manchester United, \$1.60 Billion

Dallas Cowboys, \$1.5 Billion

New York Yankees, \$1.2 Billion

Bayern Munich, \$900 Million

AC Milan, \$900 Million

New York Knicks, \$600 Million

Toronto Maple Leafs, \$400 Million

Los Angeles Galaxy, \$125 Million

