



Cosmos ambassador Pelé - Getty Images Sport

## NEW YORK, NEW YORK, NEW YORK

This month the New York Cosmos return to competitive action. **Rob Ridley** speaks to chief operating officer Erik Stover about whether competition from the newly-formed Major League Soccer (MLS) team New York City FC - the third major soccer team in the city - will impact the Cosmos' long-term ambitions.

**PELE, FRANZ BECKENBAUER** and Carlos Alberto - names that roll off the tongue of any soccer fan, and superstars that played an indelible part in establishing the New York Cosmos as an iconic sports brand in the 1970s and 1980s.

Fast forward four decades and the Cosmos are preparing for their second coming when the team returns to the North American Soccer League (NASL), taking on the Fort Lauderdale Strikers on August 3.

While the Cosmos' roots lie in the NASL, the decision by the club to return to the league of its birth came with Major League Soccer (MLS) actively seeking a second New York franchise to compete with the New York Red Bulls. That gap has subsequently been filled by May's foundation of New York City FC, however Cosmos chief operating officer Erik Stover believes the NASL is a better fit for the club's business model.

"We looked at MLS, and we looked at it closely, but the structure of MLS, the expansion fee required, and the stadium requirements - from a business sense and a practical sense of being successful it just didn't make sense," he told *Sport-Business International*. "So [chairman] Seamus [O'Brien] looked at the other alternatives. NASL was there and its structure is more like the other big leagues around the world.

"There's more freedom in player transactions, salary budgets and commercial opportunities so it made the most sense to have the freedom required to maximise the opportunities."

The Cosmos have already been making commercial waves - most notably with June's announcement of a sponsorship deal with Emirates. The Dubai-based airline agreed a three-year deal, from 2013/14 to 2015/16, to become a founding partner of the club, along with its front-of-shirt sponsor.

The deal is worth around \$1.5 million per season, a valuation that Stover says is on a par with shirt sponsorship agreements enjoyed by top MLS clubs, and includes an option to extend. The Emirates deal, along with a kit partnership with Nike for the 2013 NASL fall season, is part of a distinct commercial strategy.

"For us, having big global partners like Emirates and Nike help us accomplish our goals of being a global club," says Stover. "But also we need the smaller local partners to help us connect with the community and build our market."

Broadcast exposure will also be key for the Cosmos and to this end US cable TV channel One World Sports will show the team's home games during the 2013 NASL fall season. The agreement marks the network's first entry into the

domestic sports rights market, having previously specialised in broadcasting global sporting events, and also presents great opportunities for the Cosmos, according to Stover.

"For us to be part of their rebrand, and for the Cosmos to be put at the centre of their organisation, I think is going to be very important," he says. "Who knows how the organisations will grow together, but I think the opportunity is huge and takes us more national here in the United States, with the potential to go international too."

The Cosmos will kick-off their return at Hofstra Stadium, a 15,000-seat venue on the campus of Hofstra University in Hempstead, New York. However, plans are already progressing for a home of their own, and in January the club submitted an eye-catching proposal to develop a privately-funded \$400 million stadium complex.

Along with a 25,000-seater stadium, the development at Belmont Park racecourse, east of New York City, would also include a 'Restaurant Row' of nine new eateries, nearly 250,000-square-feet of retail space, a 175-room hotel and the development of a brand-new 4.3-acre public park.

The Cosmos' proposal is just one option being considered for the site by the State of New York, but Stover believes its multi-use proposition is crucial: "We feel that not only are we bringing professional sports back to Long Island, but we are also providing it with an economic engine that lasts throughout the year.

"Architecturally, the stadium will be every bit

as nice as the Red Bull Arena, which is arguably the best soccer facility in this country. However, it will take us to a new level in terms of how it will interact with the site, with the shopping district and with the public park.

"There are discussions that we will have a museum, offices, and a mini pitch for youth organisations to use on the property so we think it's heading in a true multi-use direction."

If approved, ground breaking is scheduled for 2014, and the stadium is expected to be completed by the end of 2015, with the field being installed and stadium opening set for spring 2016.

"For us, we're confident we've put the best bid in that we possibly can," says Stover. "We're not asking for any taxpayer money, we're paying rent on the land and there's also real estate taxes. So instead of being a drain on the general fund of taxpayer money, it's going to fill it up."

The arrival of New York City FC, and its heavyweight ownership group, can be seen as an elephant in the room for the Cosmos' ambitions. English Premier League club Manchester City has acquired New York's MLS expansion franchise, with Major League Baseball giant New York Yankees also forming part of the ownership group.

New York City FC expects to begin playing in 2015, creating three New York teams, and potentially, three stadia.

Stover believes the New York market can sustain this state of affairs, with the Cosmos welcoming the extra competition.

"We believe it's sustainable. For us we just want to build a good club - a club that people can be proud of and support," he says. "A true club that's run the way that the best teams are run in the world. We think we can do that better and faster in the NASL."

"We're solely focused on that...we welcome the competition and want the opportunity to play the Red Bulls and New York City FC."

"We don't view the NASL as second division. We think there's an opportunity for our league to be as good as MLS. From that point of view, building a good club and wanting to compete, we welcome as many teams as New York can handle."

A lot has changed in the US soccer market since the Cosmos played their last NASL game in 1984. But as the club's iconic white jerseys return to the league this month, Stover says the Cosmos are keeping their future options, including MLS, well and truly open.

"Our long-term vision is to become the best club in the United States, to win the US Open Cup and compete in the CONCACAF (Confederation of North, Central American and Caribbean Association Football) Champions League," he adds. "We don't know how either the NASL or MLS will develop over the next five years."

"Both leagues are young with NASL in its third season and MLS in its 18th, but what we do look at down the road is to be prepared to have options."

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