

Cardiff Rugby has new owners with ambitions to return the club to the top of the game

The takeover of Cardiff Rugby has been confirmed with new owners looking to return the club to top of the game.

The deal sees Helford Capital taking a majority equity stake in the business, with a remaining minority interest for [Cardiff](#) Athletic Club, which owns Cardiff Arms Park. Helford is an investment group headed by Welshman and entrepreneur Phil Kempe and financier Neal Griffith. As part of the deal Sir Gareth Edwards has been appointed the club's new president.

A general meeting of the club unanimously backing the deal. The relevant changes to the company's share structure and constitution to allow the acquisition received 99.99% majority approval. Other amendments to the articles were also approved, including changing the company's name to Cardiff Rugby Limited and the introduction of additional heritage rights.

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The takeover already had majority shareholder backing from the likes of Martyn Ryan, Paul Bailey, the Smart family and the family of the club's late benefactor and president Peter Thomas.

The outgoing investors will only receive a nominal amount for their shares, but could potentially offset losses against tax liabilities.

Before his death Mr Thomas, agreed to be its principal investor – fulfilling a requirement of the new funding deal that the four regions struck with the WRU.

That liability now falls to the new owners, so lifting the commitment on the Thomas family. What amount all regional principal investors across the regions will have to commit financially over the next six years will be dependent on commercial performances. However, based on historical trading losses within the regional game, it could run into millions of pounds.

The new owners have already committed new funding for this season. However, from next season – 2024-25 – the four regions have agreed to player budgets of just £4.5m outside of two marquee signings.

If the new owners of Cardiff want to exceed agreed player squad budgets in the coming years, they would require approval from the other regions and the WRU through the Professional Rugby Board. However, this condition is being viewed as very much as a ‘nice headache to have’ and something that could be negotiated positively. The cap doesn’t preclude the club investing more in its business operational team or in rugby related infrastructure.

As well as becoming the regional principal investors of the club – which each of the four Welsh regions had to provide under a new six-year funding deal with the Welsh Rugby Union – the new owners will look to leverage additional finance via their global business interests and networks, particularly in the Middle East.

Mr Kempe, a former Formula 3 racing driver, began his entrepreneurial career running the first McDonald’s franchise outlets in the UK. Mr Griffith is a former investment banker with numerous global business interests as both an investor and director.

The new owners are understood to have identified a number of brands that could be interested in striking long-term commercial sponsorship deals with the club, including opportunities around stadium and other naming rights.

They view Cardiff as very much a 'sleeping giant' and one that needs to re-establish its historic status of being one of the world's best-known clubs.

Mr Kempe has had a long association with figures at the Arms Park going back around 20 years. He was also involved in plans around six years ago to redevelop the Arms Park with a new indoor arena, designed to allow it to stage rugby matches, as well as hosting concerts.

However, a deal couldn't be struck with the owner of the ground, Cardiff Athletic Club, for the tenant rugby club to enter into a new long-term lease with property development rights.

Cardiff Rugby chair Alun Jones, said: "This represents a huge moment in the history of Cardiff Rugby and gives us a bright, secure and exciting future.

"Following the sad passing of Peter Thomas, it was essential that we found new investment to safeguard the club and drive us forward.

"We remain indebted to Peter, the Thomas family and the other shareholders who have moved on but we now have new owners who can help us fulfil Peter's vision and ambitions for the club with renewed passion.

"Phil and Neal have a genuine appetite to restore Cardiff as a European force and have already begun stabilising the foundations.

"With Helford Capital at the helm, we want to deliver exceptional rugby experiences whether you are a player, a

member of staff, a supporter or sponsor.

“Helford have the resource and ambition to deliver that and we will now begin an inclusive process with all key stakeholders to build a new long-term strategy.”

The investment group had already secured approval from the Welsh Rugby Union, which carried out due diligence on the deal

Cardiff Rugby Limited now look forward to working closely with all stakeholders including the new leadership of the WRU to deliver a stable and successful future for the Blue and Blacks and whole professional game in Wales.

While not a condition of the takeover deal, the new owners are understood to be keen to explore ways they could support the ground’s landlord to redevelop the ageing ground. CAC last year set up a special purpose venture, Cardiff Arms Park Redevelopment Company Ltd, to work up plans to redevelop the ground.

This could see a hotel with banqueting facilities integrated into a new stand replacing the existing smaller north stand. There is also potential for residential development at the River Taff end of the ground.

However, the immediate focus of Mr Kempe and Mr Griffith will be on extending the current short-term lease with CAC which expires next year.

WRU chief executive Abi Tierney said: “Congratulations to Cardiff Rugby and everyone involved in the negotiations and process to seek new investment, which today has reached a hugely successful conclusion.

“We welcome Helford Capital wholeheartedly to Welsh rugby with a sense of excitement and optimism about what the future holds.”

Malcolm Wall, Chairman of the WRU Professional Rugby Board,

welcomed the news of investment in Cardiff and said:

“Firstly it is important to recognise and thank the Thomas family for their long-standing support of Cardiff and Welsh professional rugby as the club enters a new era under new ownership.

“The investment has been subject to a thorough process, and having met Neal and Phil, I am optimistic and excited about the future for Cardiff.’

“Cardiff supporters should also be very excited about the future and I look forward to working with their new owners to help implement their vision.”

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