

Game set and match as CVC clinches \$150m stake in women's tennis tour

The buyout firm which has struck major investments in football, rugby and motor racing is to unveil a stake in the body behind women's professional tennis, paving the way for a shake-up of the sport's commercial activities.

Sky News has learnt that the Women's Tennis Association (WTA) will confirm as early as Tuesday the sale of a 20% stake to CVC Capital Partners in a deal that values the organisation at \$750m (£624m).

The strategic partnership, which has been under discussion for close to two years, will involve the establishment of a new company overseeing broadcasting and marketing operations.

CVC's \$150m (£125m) investment will aim to accelerate the commercial opportunities for a sport which boasts a global audience of 900m and which claims to be the world's most-watched and most valuable women's professional sport.

Women's tennis is at the moment dominated by the world number one, Iga Swiatek, from Poland, and features stars including Britain's Emma Raducanu, Coco Gauff of the US and Tunisia's Ons Jabeur.



Image:

Emma Raducanu

Sources close to the deal with CVC said Steve Simon, the WTA's chairman and chief executive, would become chairman of the new commercial entity, provisionally named WTA Ventures, with a CEO appointed in the coming months.

The transaction has been approved by the WTA's various councils, as well as its board.

Founded in 1973 by Billie Jean King, the WTA organises 70 annual events open to 1,600 professional players from more than 80 countries.

Like many other sports, its finances were hit by the pandemic.

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CVC is expected to examine potential revisions to the WTA calendar and focus on innovations which make the ranking points system easier for fans to follow.

Players and officials have long-complained that the four Grand Slams – which the WTA does not organise – and the remainder of the men's and women's tours are not sufficiently aligned.

The four Slams are held in Melbourne, Paris, Wimbledon and New York.

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The men's game, which is awash with far more prize money than its female counterpart, is estimated to be three times larger in terms of its commercial revenue.

It will also invest in marketing the sport's top players more effectively, as well as new digital platforms.

CVC has become the world's most prolific private equity investor in elite sport, having realised a multibillion dollar return from its ownership of Formula One motor racing.

It now holds stakes in Six Nations Rugby, Premiership Rugby, Spanish football's top flight and international volleyball's commercial rights.

The buyout firm has also examined an investment in the Association of Tennis Professionals (ATP), which is responsible for organising the men's tennis tour.

The deal between CVC and the WTA represents one of the most significant investments in elite women's sport to date.

In football, the Women's Super League in England has been examining the possibility of securing external investment, while women's cricket franchises in India have also seen their valuations soar.

The investment bank Allen & Company has advised the WTA on the deal.

CVC declined to comment on Tuesday.