

EU Conference on Licensing Systems for Club Competitions

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INTRODUCTION

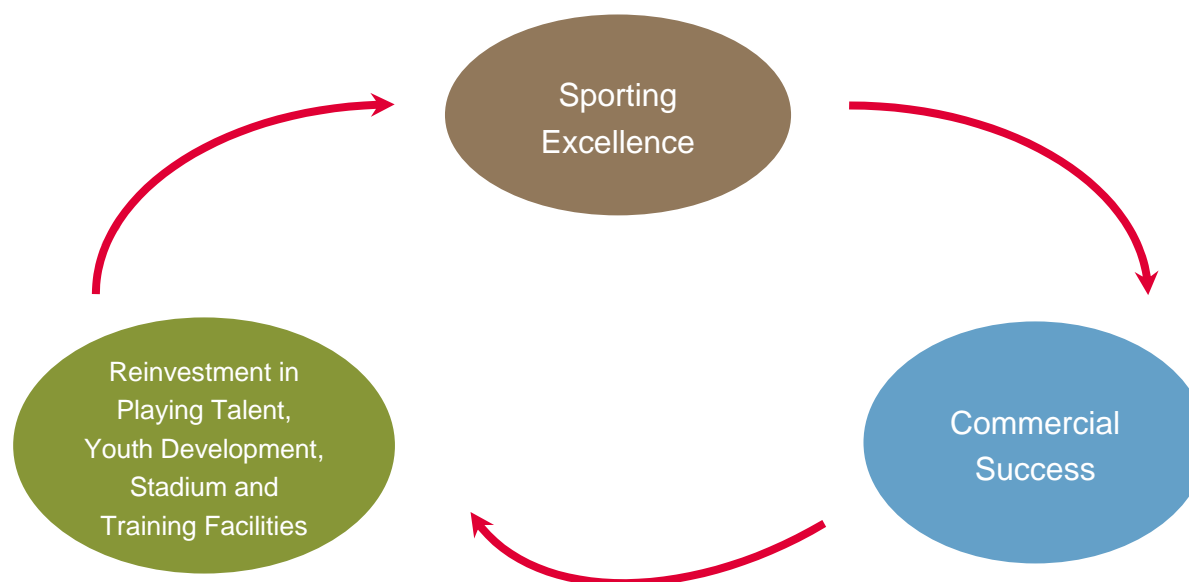
Our Sporting and Business Model

- **Core Values**

Football First

Maximising revenues for reinvestment

Virtuous Circle



Premier League Structure

- **Primary Roles and Objectives**

Set up as a separate legal entity under the FA to administer the Competition, and carry out central commercial activities

- **Distinct features**

Commercial success and quality football through reinvestment

Revenue sharing

Solidarity and good cause payments

Investment in Youth Development and Stadia

Governance and integrity of competition

Governance and integrity of competition

- **Free enterprise model, tightly regulated – corporate and insolvency laws overlaid with regulations to ensure better governance**
- **Sporting sanctions for events of insolvency**
- **Power to deduct and pay overdue Club debts**
- **Fit and proper person test**
- **Material Transactions report**
- **Implementation of UEFA licensing**
- **Financial Criteria**

Role of Licensing and Further Development

- Premier League aligned to current UEFA philosophy
- Future development must always be proportionate, measured and follow due consultation
- Overregulation difficult to police
- Self regulation = By in by consent
- European football landscape
 - Social, economic and regulatory differences
- Approach to debt – should be part of sound capital structure, sustainable and part of long term strategy
- Salary control mechanisms
- Controlling spending as a proportion requires regulating all turnover

Conclusion

- **Benefits of Good Financial discipline are obvious**
- **Profitable clubs and good cash flows**
- **Global financial crisis had led to contraction of finance and exacerbated the pain for some**
- **Sound ideas should be evaluated and considered**
- **Future development of licensing should follow full consultation, be proportionate and appropriate and not seek to inhibit investment or business talent**
- **Quest for competitive balance but not mediocrity**

THANK YOU