

## Sports & Betting Group Of The Year: Paul Weiss

By **Andrew Strickler**

*Law360 (March 3, 2023, 2:02 PM EST)* -- Paul Weiss Rifkind Wharton & Garrison LLP quarterbacked the acquisition of a storied English soccer team and ran defense for the National Football League in a sensitive concussion-related settlement, earning it a spot among Law360's 2022 Sports & Betting Groups of the Year.

Drawing on international and cross-practice expertise in the sports arena, Paul Weiss also led a \$2 billion sale of a major Canadian media and sports betting company, and fended off a federal lawsuit against FIFA that was brought by a Nigerian soccer coach.

Matthew Abbott, a global co-chair of Paul Weiss' mergers and acquisitions group, said this past year showed more evidence of a changing profile of potential sports property buyers. While the pool of would-be buyers still includes high-net-worth fans looking for "intergenerational assets," valuable media rights are generating increasing interest among private equity players.

Sports teams produce "really the last valuable live television content [and have] opened up a whole host of new buyers who are interested in these transactions for slightly different reasons — more financially driven reasons," he said. "I think you're seeing that ... in the reported prices for a lot of these franchises, which have gone up pretty significantly over the last five years."

A multidisciplinary team, led by Abbott, advised Clearlake Capital Group LP in backing a £4.25 billion (then-\$5.3 billion) acquisition of Chelsea Football Club, a Premier League team and one of the best-known names in soccer globally.

The deal, which was spurred by sanctions leveled at the club's former owner, Russian oligarch Roman Abramovich, following the invasion of Ukraine, was conducted under intense media and regulatory security in 2022.

Under the terms of the deal, £2.5 billion (\$3 billion) will be used to buy shares in Chelsea, with proceeds deposited into a frozen U.K. bank account and donated to charities. The remaining £1.75 billion goes to invest in the club's assets, including its West London stadium and to the club's charity foundation.

Ultimately, the United Kingdom government, the league and other authorities signed off on the deal



after determining that the proceeds would not benefit Abramovich or his associates.

Abbott said the successful deal was a joint effort between the London and New York teams, with a major assist from the firm's sanctions experts.

"It was a pretty fascinating transaction and, obviously, highly public, [with] dozens of potential buyers being reported on in the press daily because Chelsea is such a marquee franchise in the Premier League," he said.

Last year, Paul Weiss also led London-based investment firm Sport Republic Ltd. in its majority-stake purchase in Southampton Football Club, another Premier League team, as well as Turkish football club Göztepe S.K.

In yet another high-profile deal, Paul Weiss lawyers advised Toronto-based Score Media & Gaming Inc., also known as theScore, in a \$2 billion cash-and-stock sale to Penn National Gaming Inc. The Pennsylvania-based company owns and operates casinos and racetracks, and has an ownership interest in Barstool Sports.

The combination, completed in October 2021, created what Paul Weiss called "North America's leading digital sports content, gaming and technology company."

Paul Weiss litigators and investigations experts have also been hard at work in the sports and betting arena. Following the closely watched settlement in the NFL concussion litigation, Paul Weiss then defended the league in a putative class action alleging that the use of race-based norms in cognitive testing made it more difficult for Black athletes to qualify for awards.

In a deal that got final court approval last March, class members got retrospective "rescoring" for any claims that may have been impacted by the use of race norms, among other benefits.

Paul Weiss was also at the center of the first National Collegiate Athletic Association enforcement action under recently established rules for complex cases. Representing North Carolina State University, the firm responded to a set of allegations, including that a former basketball coach gave money and other benefits to a student-athlete or his family in exchange for him playing at the school.

Following the first hearing before an independent resolution panel in late 2021, NC State lost one scholarship, was fined and was put on one year's probation, among other penalties. But the school avoided the far more severe sanction of a postseason ban.

A Paul Weiss team also secured the dismissal of a federal civil rights case brought in New York against FIFA by Samson Siasia, a former Nigerian national team head coach and U.S. citizen. In 2019, Siasia was convicted by the league of participating in a conspiracy to fix hundreds of matches by paying off players and officials.

In his suit, Siasia alleged that soccer's governing body breached his constitutional rights by investigating and convicting him in Switzerland, where FIFA is based, instead of reporting the charges to U.S. authorities. The judge granted FIFA's request to toss the case on personal jurisdiction grounds.

The dismissal, which was recently affirmed by the Second Circuit, foreclosed the possibility of a legal precedent permitting claims to be brought against FIFA in the U.S. based upon private disciplinary

proceedings, the firm said.

"A key part of what we do as litigators is make sure that we're advising on the litigation strategy, but doing so mindful of the larger, shall we say, court of public opinion," said litigation partner H. Christopher Boehning, co-chair of the firm's international practice committee and Arsenal FC season ticket holder.

"I do think sports properties are particularly sensitive to that because of the scrutiny they face."

--Editing by Gemma Horowitz.

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