

SPORTSTECH

SUMMER 2024

WELCOME TO

COMPETITIVE EDGE

Insights into the Emerging Landscape of Sports
Innovation through Venture Capital

Marcus McGrigor

CONTENTS

1. About
2. Executive Summary
3. Industry Introduction
4. Trends
5. Segmentation
6. Problems & Opportunities
7. Investment Criteria
8. Selected Companies
9. Key Takeaways
10. Sources

ABOUT ME



Experience: Cross-functional experience in early stage investment, digital marketing and consulting. A resourceful, driven and analytical individual with strong interpersonal skills and the ability to build trusted client relationships.

Education: 1) MA - Geography & Social Anthropology, University of Edinburgh. 2) Venture Partner at GoingVC Partners.

Interests: Sports, Geo-politics, Start-ups, Writing, Technology

Why VC? I'm fascinated by start-ups with profound missions and disruptive potential. I'm also committed to creating genuine growth and long-term value by investing in businesses that will fundamentally change how we live our lives and have a long term impact on the world around us.

Contact: If you'd like to get in touch or have any opportunities to discuss, feel free to send me a message on [LinkedIn](#) OR email at marcus.mcgrigor@gmail.com

EXECUTIVE SUMMARY

WHY SPORTS?

Sport is one of life's great joys. Whether you are watching from home, in the stadium or playing it yourself, sport continues to capture our hearts and minds. It is a love of mine and billions of others - no wonder it is catching the eyes of investors almost everywhere.

WHY THIS THESIS?

Technology is transforming the world, including the deeply physical and emotional world of competitive sports. Given its immense scale, the sports industry has drawn the attention of entrepreneurs and venture capitalists eager for substantial returns on investment (ROI).

Today, sports is as reliant on technology as any other sector, and this tech-driven innovation is precisely what is capturing the eyes of VCs. Additionally, a growing social consciousness within sports is creating a new level of opportunity for investors, as there is increasing demand for ethical, inclusive, and sustainable practices. The integration of technology in sports is so pervasive that many fail to recognize just how extensively it has influenced the industry and the investment opportunities it presents.

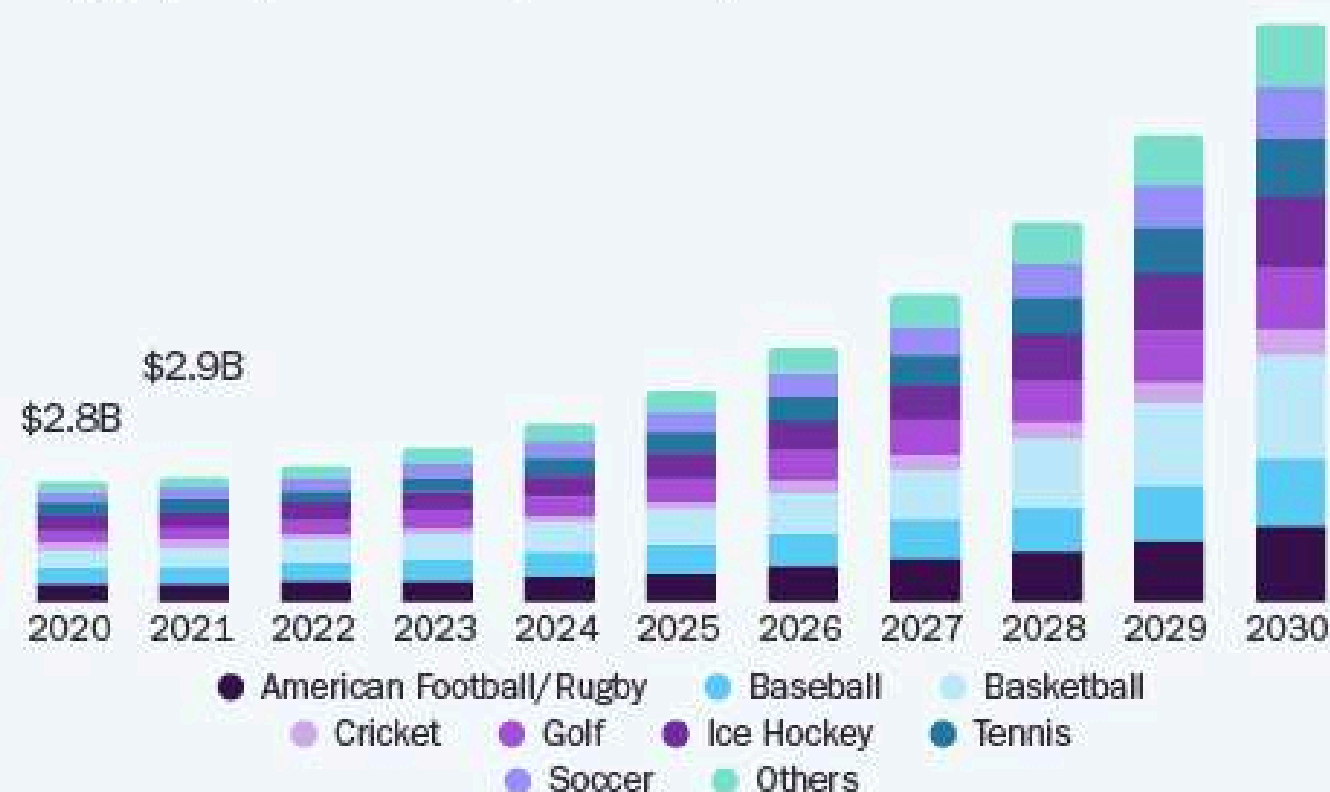
INDUSTRY INTRODUCTION

What is sports-tech?

Technologies created to further human interests and goals related to sport. Sports-tech combines the best aspects of engineering, measurement, analysis and sports science. Most importantly, new technologies are supercharging investment in sports.

U.S. Sports Technology Market

Size, by Sports, 2020 - 2030 (USD Billion)



GRAND VIEW RESEARCH

20.5%

U.S. Market CAGR,
2023 - 2030

Source:
www.grandviewresearch.com

INDUSTRY CLIPS

68% of venture funding and **98%** M&A took place in the US

Forecast growth from **\$17.93BN** in 2023 to **\$21.17BN** in 2024 at a CAGR of **18.1%**

From 2023 to 2030, SportsTech is expected to grow at a CAGR of **20.8%**, reaching **\$41.8BN** by 2027

28% of funding went towards hardware fitness startups in 2023

34 new funds investing in sports ventures - **\$4BN** of dry powder to be invested in 2024

2023 was the lowest year since 2015 in total funding, but the highest in M&A with **\$31BN** in announced deal value

38 sportstech unicorns in total as of EOY 2023

\$2B in global funding & 6 new unicorns in sport emerged in 2023

23 deals with **\$60.4M** in total VC funding and **\$406.6M** in M&A deals in Jan, 2024

SPORTS-TECH MARKET MAP



B2B



B2C

RIGHTS OWNERS



DIGITAL MEDIA PLATFORMS / CONTENT



SPORTS OTT CONTENT PROVIDERS



SPONSORSHIP MEASUREMENTS



SPORTS SERVICE PROVIDERS



FAN ENGAGEMENT CONTENT PROVIDERS



FAN ENGAGEMENT SERVICE PROVIDERS



SPORTS-TECH MARKET MAP



B2B



B2C

VENUE / CRM / ORGANISATIONAL SOFTWARE



PERFORMANCE ANALYTICS



ESPORTS / FANTASY SPORTS



DIGITAL SPORTS AGENCIES



DATA / ANALYTICS



WEARABLES



COMMERCE




















































CONSUMER SPORTS



GLOBAL SPORTS TECH INVESTOR ECO-SYSTEM

Investors: North America

Lalotte Ventures  MONTREAL	LangLeven Group  MONTREAL	Maple Leaf Sport & Entertainment  TORONTO	Relay Ventures  TORONTO	Beyond the Game Network  ATLANTA	Hawks Ventures  ATLANTA	Phoenix capital ventures  ATLANTA	LivWell Ventures  AUSTIN	Next Ventures  AUSTIN	TXV Partners  AUSTIN						
DRIVE by Draftkings  BOSTON	The Player's Impact  BOSTON	Will Ventures  BOSTON	Causeway Media Partners  CAMBRIDGE	Phoenix Sports Partner  CHICAGO	Ryan Sports Venture  CHICAGO	SeventySix Capital  CHICAGO	Arctos Partners  DALLAS	Konvoy Ventures  DENVER	Old Tom Venture  DENVER						
Titletown Tech  GREEN BAY	KB Partners  HIGHLAND PARK	The Collectiv  HOUSTON	Elysian Park Ventures  LOS ANGELES	Ludis Capital  LOS ANGELES	Monarch Collective  LOS ANGELES	Pulsar VC  LOS ANGELES	Acies Investments  MANHATTAN BEACH	Bluestone Equity  NEW YORK CITY	Courtside Ventures  NEW YORK CITY						
Dynasty Equity  NEW YORK CITY	HBSE Ventures  NEW YORK CITY	JDS Sports  NEW YORK CITY	MSP Capital  NEW YORK CITY	Investors: Asia-Oceania											
Backswing Ventures  ORLANDO	Sapphire Sport  PALO ALTO	Velocity Capital Management  PALO ALTO	Fitt Insider  PITTSBURGH							Wildcard Ventures  MELBOURNE	Athletic Ventures  SYDNEY	XT Ventures  SYDNEY	XV Capital  SYDNEY	Centre Court Capital  MUMBAI	Dream Sports Investments  MUMBAI
Play Time HoldCo  SAN FRANCISCO	Scrum Ventures  SAN FRANCISCO	Stadia Ventures  ST LOUIS	Bruin Sports Capital  WHITE PLAINS							Swing Capital  DUBAI	Investors: Europe				

Investors: Europe

Trust Esport Ventures BORDEAUX	Athletico Ventures PARIS	Inspiring Sport Capital PARIS	Seventure PARIS	Sparring Sport Group PARIS	BITKRAFT Esport Ventures BERLIN	leAD Sports BERLIN	ADvantage SportsTech Fund JERUSALEM	Remagine Ventures TEL-AVIV	Match Ventures LUXEMBOURG CITY
Apex Capital CASCAIS	CrowdSport BARCELONA	Gaint Venture Capital MALAGA	Shorai VALENCIA	Alima Sport VC AMSTERDAM	Ve2Fund AMSTERDAM	Venturerock AMSTERDAM	Aser Ventures LONDON	Dopamine Sports Ventures LONDON	Guinness Ventures LONDON
Hiro Capital LONDON	Mercuri LONDON	Mercury 13 LONDON	Players Fund LONDON	Skin in the game LONDON	Sport Republic LONDON	Sports Investment Partners LONDON	Tekkorp Capital Partners LONDON	Alumni Ventures MANCHESTER	Ruta VC UKRAINE

Investors: South America

Go4it BRAZIL	Sports angels BRAZIL
-----------------	-------------------------

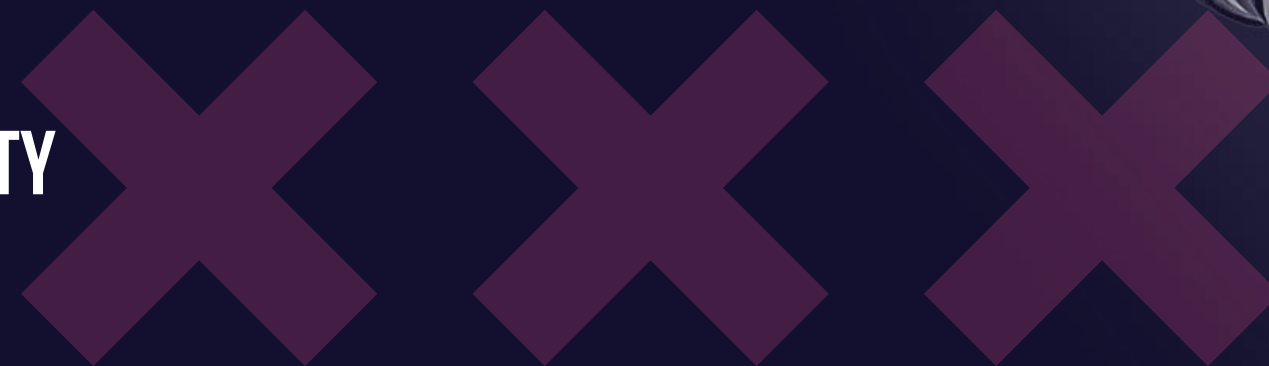
INDUSTRY TRENDS & THESIS OUTLINE

The global sports technology market is growing year-on-year. Valued at **\$14.7BN** in 2023 and projected to grow to **\$55BN** by 2030, SportsTech poses a significant opportunity for Venture Capital firms to receive a significant return on investment (ROI).

The purpose of this thesis is to showcase the vast potential of start-ups in this space and to identify where they can be found.

KEY MARKET TRENDS

- EVOLVING GLOBAL SPORTS MARKET
- NEXT GENERATION OF FANS
- PACE OF DIGITAL
- WOMEN'S SPORT
- HEALTH & WELLBEING
- CLIMATE CHANGE & SUSTAINABILITY



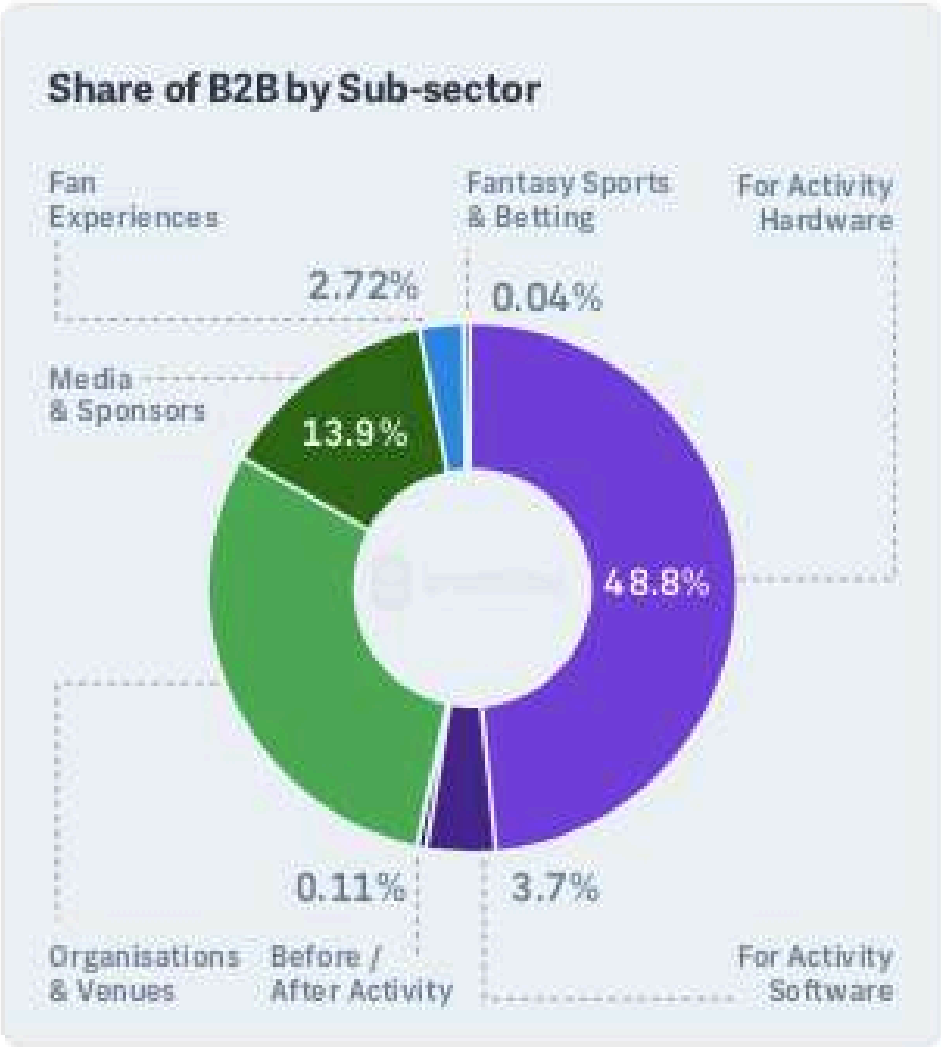
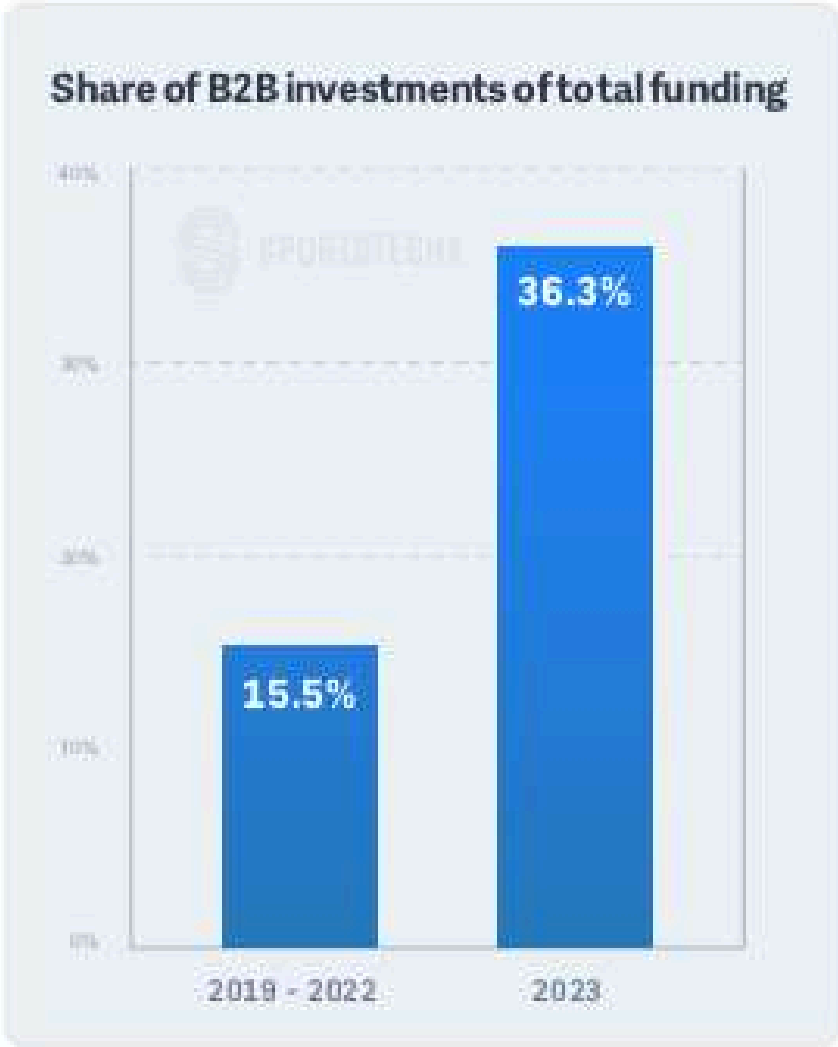
● EVOLVING GLOBAL SPORTS MARKET

The appetite and popularity of sport has grown exponentially due to increased accessibility and creative new ways to consume sport. E.g. streaming, OTT services, Web3 and more. The coming years will see intense competition to acquire and gain equity in sports assets. Over the next decade, we will see:

- Portfolios that share centralised services and technologies, enabling a greater proportion of revenue to be diverted “on-field”. E.g. City Football Group. Start-ups can be acquired into these portfolios.
- The most sophisticated investors will acquire complimentary tech and entertainment assets - huge potential for start-ups who have differentiated tech and entertainment profiles.
- A growing focus on B2B solutions, whose share of total investment is higher than ever before.
- Stricter regulations and tests to balance financial and operational viability will be implemented to drive sustainable investment models.
- Fitness tech continues to thrive, with new segments attracting investor interest. In 2023 it was GymTech.
- BigTech (Apple, Amazon, Google, Meta & others) are heavily investing in sports and in various ways. From wearables to live streaming to tech partnerships, they are all in.

INTEREST IN B2B SOLUTIONS RAMPING UP

Share of total investment increases 36%



Top 5 Most Funded B2B Companies in Global SportsTech 2023
























Name	City	Country	Amount (\$m)
eGym	Munich	Germany	225.0
Technogym	Cesena	Italy	122.1
Sport Alliance	Hamburg	Germany	100.0
Teamworks	Durham	USA	65.0
Veloce Media Group	London	UK	50.0

As the sports market grows and team values increase, so does the need for more professional operations. This is reflected in the rising demand for and investment in B2B solutions for the sports industry. The increase from **16%** to **36%** is a clear indication of this shift in mindset. Nearly half of that investment (**49%**) has gone into hardware solutions

related to B2B fitness, including companies providing ‘smart gym’ equipment. Organisations and venues (**31%**) and media and sponsors (**14%**) make up most of the other half. The growing importance of operational efficiency and better commercialisation is likely to continue.

BIG TECH DIVES DEEP INTO SPORT

Multiple players are looking to establish a presence across numerous categories in sport

Name	Wearables	Live Sports	Innovation Initiative / Partnerships	Fan Experiences
amazon		      	Digital Athlete  x 	AWS Broadcasting Data for Bundesliga, NFL, F1 AI Game for NFL
Apple	Watch, Vision Pro		 innovation	VR broadcasting with NBA, MLB, PGA Tour New Sports App
Google	Pixel Watch		     	
Meta	Oculus			VR broadcasting on Xtadium (NBA, NASCAR, UFC, DAZN)
Others	Samsung - Watch	  	        	 — Infinity screens at multiple stadiums  — Web 3 Fan Loyalty Program for Sail GP Match insights for Premier League  — AI Commentary (WatsonX) for Wimbledon, PGA Masters

Interest in sport is coming from many places, and no more so than BigTech. Live sports streaming is drawing significant attention, starting with the NFL, which is now available on platforms like Amazon Prime, YouTube, and more recently, Netflix. Other leagues are likely to follow suit. Headsets, however, may offer the most intriguing opportunities by enhancing fan experiences through immersive broadcasting.

Some companies have focused on specific sports (Infosys & Tennis), some with specific, innovative technologies (IBM & AI commentary), while others have deployed key, long-term partnerships with multiple offerings (Microsoft & LaLiga). Wherever you look, the appetite for sport is growing, and VCs should look to ride this trend.

● NEXT GENERATION OF FANS

Younger generations (Gen Z and Gen Alpha) are consuming sports differently. This is forcing sports organisations to work harder to attract and retain fan interest.

- Gen Z will soon surpass Millennials as the most populous generation on earth (perhaps in history), with more than one third of the world's current population classed as Gen Z.
- A teenager's daily average screen time is 8 hours 39 minutes (Financial Times), including 10.5 hours per week of gaming.
- Enhanced XR, AR, and VR technologies are creating blended experiences, enabling remote fans to feel as if they are 'in-stadium', and in-stadium fans to enjoy broadcast-quality data as if they were at home. Startups are emerging to offer the best of both worlds.
- The popularity of new sports and formats with younger audiences will likely come at the expense of traditional sports that do not innovate. Surfing and skateboarding were in the top five sports watched in Brazil at the Tokyo 2020 Olympic Games (Reuters). The Paris 2024 Olympic Games had a record 20 mixed-gender events. Also see the success of Spike Ball and Padel Tennis etc.
- The '**voice of the fan**' will be central to decision making for investors. This is where values play a huge part and companies will have to work hard to retain fans beyond just generational support.

● THE PACE OF DIGITAL

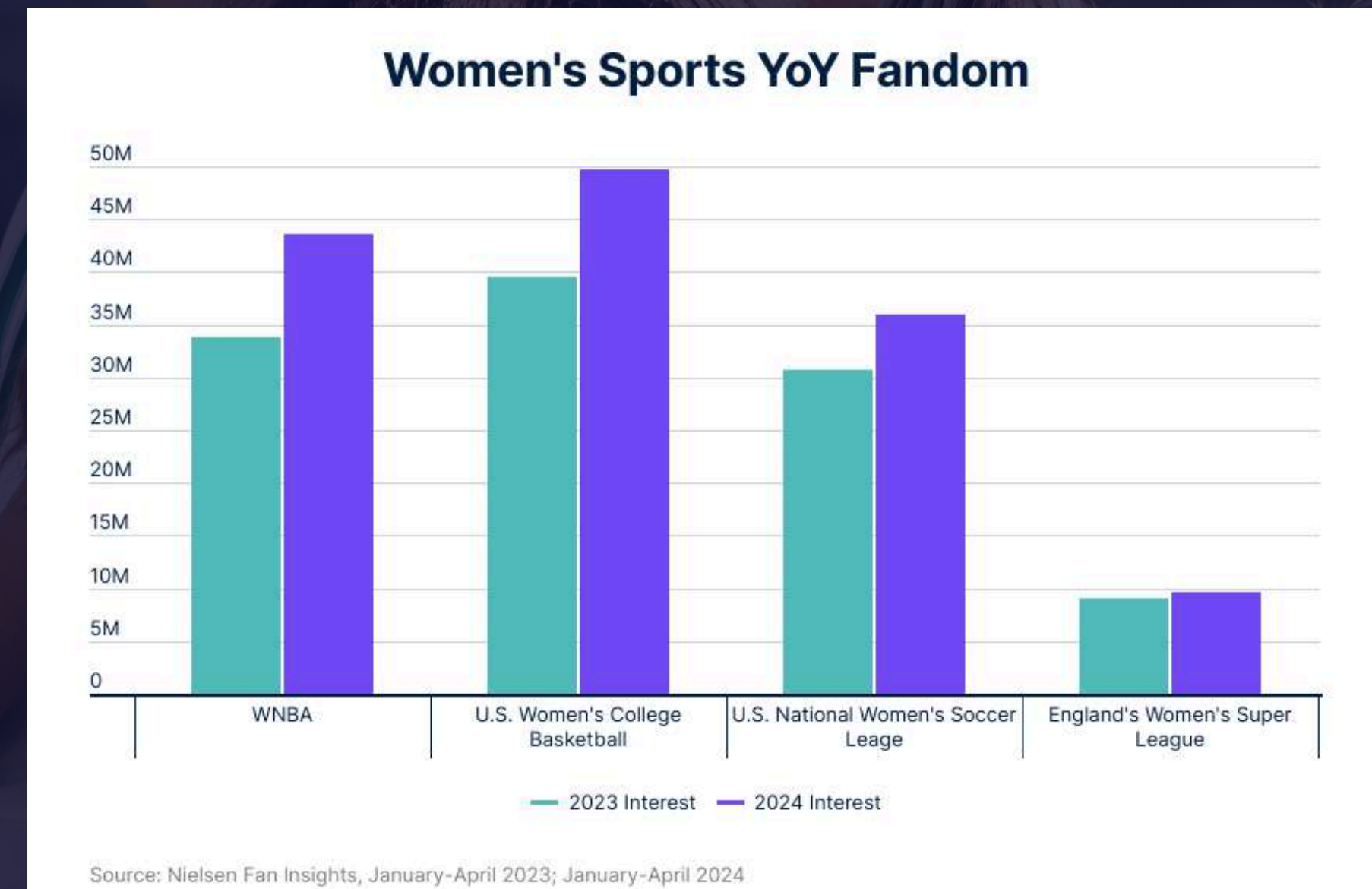
Sports organisations have recognised the power of digital to deliver on and off-field performance improvements, and are investing to create robust digital foundations and experiment with emerging technologies.

- Investment in digital capabilities and first-party data to better engage audiences and deliver sophisticated insights to partners that are being challenged to justify sponsorship spend.
- Sport is partnering with third parties to experiment with emerging technologies, such as NTFs. In 2022, between 4-5M fans purchased or were gifted a sports NFT collectible.
- Big data, the Internet of Things (IoT), and XR/AR/VR are revolutionising performance; enabling real-time decision-making and tactical changes, recruitment, training, competitor analysis and injury management.
- Digital touchpoints provide potential for a 360° view of fan journeys and behaviours enhancing commercial intakes.
- Digital innovation will drive the emergence of new business models, creating a myriad of revenue-generation opportunities.
- Artificial Intelligence (AI) in the sports industry is forecast to be worth over **\$19BN** in 2030. Chatbots and virtual assistants will be core use cases as organisations transform their customer service functions.
- Over the next decade, the Metaverse will no longer feel like a novel experience, instead providing a seamless user journey.

WOMEN'S SPORT

- 2024 is predicted to be the year that the global women's sports market breaks the **\$1BN** barrier, a **300%** increase from 2021. It is projected to be a **\$200BN** global industry in the next 10 years.
- The 2024 WNBA Draft audience increased **511%** and was up **668%** with female viewers ages 2-17. Interest in England's Women's Super League jumped **52%** after England won the 2022 European Championships.
- Sponsorship has always been a crucial revenue driver for women's sports and when broadcast distribution increases and makes it easier for fans to watch games, the value delivered to sponsoring brands naturally increases as a result.
- Women's sport fans are statistically much more likely to engage with a brands online and actually make purchases. In the WNBA, fans are **18%** more likely to discuss brands with family and friends.
- Accessibility of women's sports content has been a problem to date. Platforms that solve this problem can succeed by creating more content for fans to consume and providing an easier pathway to women's sports.

For years, investment decisions around women's sports have largely been rooted in DE&I aims. This mindset is important, but also be limiting. That's because investments in women's sports make intrinsic business sense. Maintaining this momentum is key.



● HEALTH & WELLBEING

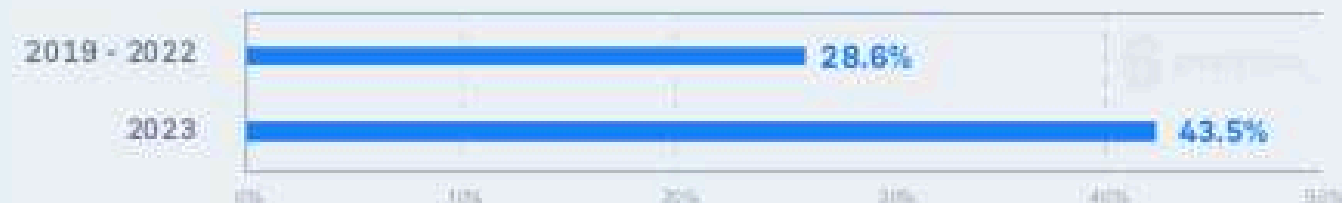
Player welfare is driving positive safety developments across multiple sports, whilst an increased societal focus on mental and physical health is leading organisations to focus on the impact and accessibility of sport.

- **Strategic Health Promoters:** Sports organizations will drive health and wellbeing initiatives, creating equitable opportunities and expanding market reach.
- **Innovative Contact Sports:** Adapting rules to reduce injuries, offering diverse formats, and ensuring trust will sustain and grow participation.
- **Athletes as Influencers:** Leading athletes will inspire grassroots movements and promote health, driving brand engagement and consumer loyalty.
- **Tech-Driven Performance:** Advanced data-driven tools will revolutionize decision-making and performance, presenting lucrative investment opportunities.
- **Inclusive and Digital Access:** Modified formats and instant digital access to elite resources will democratize sports, expanding user base and engagement.
- **Seamless Fitness Experience:** By 2030, a seamless omnichannel fitness experience will dominate, merging traditional and digital fitness for maximum market penetration.
- **Future-Focused Trends:** Increased collaboration in mental health, the 15-minute neighbourhood concept, and focus on holistic health education will drive sustainable growth and innovation.
- **Fitness tech and wearables** are maintaining a strong position (28% of total VC funding in 2023) and biometrics will continue to transform sports, tracking sleep, hydration, recovery and much more.




FITNESS-TECH IS HERE TO STAY

Share of total investment increases to nearly 42%

Share of FitnessTech of total funding

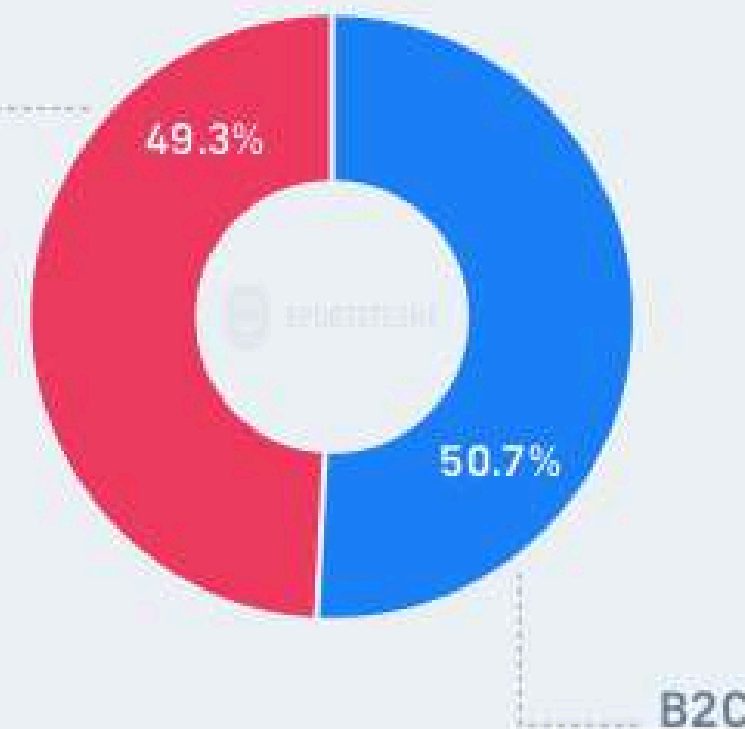


Top 3 Most Funded Countries in FitnessTech 2023

Name	City	Amount (\$m)
 Germany	Munich	429.5
 USA	San Francisco	176.1
 Italy	Cesena	122.1

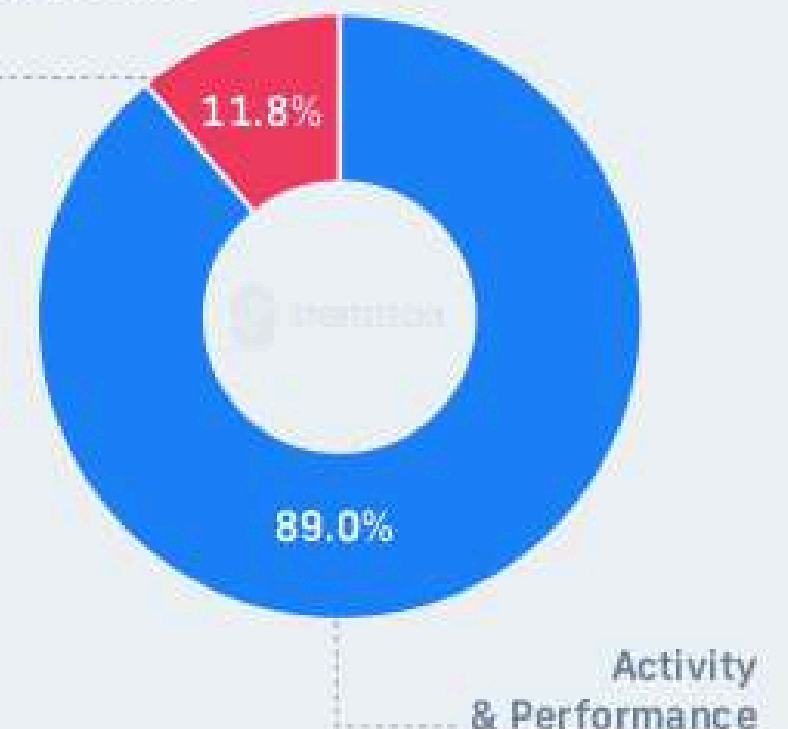
B2B vs B2C

B2B



Share by Sector

Management & Organisation



Like a relentless personal trainer, FitnessTech continues to push. This segment consistently delivers, year-on year. Impossible to ignore, share of funding for FitnessTech jumped from an average of **26%** in 2022 to **42%** in 2023. Interestingly, there was an even split between B2B and B2C solutions, a segment that is traditionally consumer-focused.

Solutions for athletes dominate in FitnessTech, which is not surprising. Germany tops this list with three companies raising significant rounds over the last year: EGym, Urban Sports Club, and Sports Alliance.

CLIMATE & SUSTAINABILITY

Climate change will have a drastic impact on how sport is played professionally and recreationally. The sports industry is expected to play a leading role in combating climate change and demonstrating environmental sustainability by 2030. Some organisations are exploring how to gain an edge through sustainability.

- **Electric-powered sports:** (Formula E, eSkootr, E1 Powerboat Series) will increase in popularity, reflecting the preferences of Gen Z and Alpha, growing up in a more environmentally conscious world.
- **Climate Impact on Sports:** Climate change will reshape the sports industry, creating opportunities for innovative, sustainable solutions.
- **Sustainable Operations Mandate:** Environmental metrics in competition licensing will drive demand for sustainable technologies and services.
- **Sustainable Event Hosting:** Focus on existing infrastructure and clean energy will open up investment in sustainable event solutions.
- **Rising Athlete Activism:** Increasing numbers of climate-conscious athletes will drive market demand for eco-friendly sports brands and events, e.g. Reflo.
- **Sustainability Incentives:** Competitions rewarding sustainable practices, like SailGP's 'Impact League,' will create new sponsorship and investment opportunities.
- **Leadership in Carbon Negativity:** Sports organizations striving for carbon-negative and nature-positive outcomes will seek innovative green technologies and partnerships.
- **Extreme Weather Adaptations:** Investments in solutions to mitigate extreme weather risks for athletes and sports venues will become increasingly critical - By 2050, rising sea levels may damage **1/3** of British Open golf courses.

INDUSTRY SEGMENTATION

1

Fans & Content

***Received 47% of VC funding in 2023**

- **Content Platforms**
 - News, media & entertainment
 - Streaming
- **Fan Experiences**
 - Gaming & VR
 - Ticketing & merchandise
- **Fantasy Sports & Betting**

2

Activity & Performance

***Received 42% of VC funding in 2023**

- **Hardware**
 - Wearables
 - Equipment
 - Infrastructure
- **Software**
 - Tracking & Analytics
 - Education & Training

3

Management & Organisation

***Received 11% of VC funding in 2023**

- **Organisation & venue**
 - Events, stadium, internal operations
- **Media & sponsorship**

FANS & CONTENT ACCOUNTS FOR OVER 50% OF INVESTMENT

Funding per Sector



Solutions for Athletes top in 2023 with 47%

The sector wise split varies quite a bit between regions. Solutions for Athletes were top in North America & Europe, while Fans & Content leads in APAC. Solutions for Executives, which are mostly B2B solutions, have seen their share rise to **20%** in North America & Europe, nearly double its typical recorded share of **10-12%**.

FITNESS & E-SPORTS LEAD IN 2023



Top Companies All-Time by Region & Funding

#	Name	Location	Amount (\$m)
North America			
1	Fanatics	Jacksonville	5,240.0
2	Disney Streaming	New York City	1,000.0
3	Peloton	New York City	994.7

Europe			
1	Socome	Paris	739.0
2	Onefootball	Berlin	497.0
3	eGym	Munich	374.0

APAC			
1	Dream11	Mumbai	1,625.0
2	Douyu TV	Wuhan	1,128.0
3	Huya	Guangzhou	863.6

Top Companies in 2023 by Region & Funding

#	Name	Location	Amount (\$m)
North America			
1	Tonal	San Francisco	130.0
2	Teamworks	Durham	65.0
3	Candy	New York City	38.4

Europe			
1	eGym	Munich	225.0
2	Technogym	Cesena	122.1
3	Urban Sports Club	Berlin	104.5

APAC			
1	VSP0	Shanghai	265.0
2	Animoca Brands	Hong Kong SAR	120.0
3	VideoVerse	Mumbai	45.0

● For Athletes ● For Fans ● For Executives

B2B companies attract investor interest

Shanghai based VSP0 topped the funding charts in 2023, representing the Esports/ Gaming industry. Europe was dominated by fitness-focussed solutions, especially those operating in the B2B gym & fitness centre space: eGym & Technogym. Multiple B2B operators also made the lists in North America (Teamworks & Candy Digital) and APAC (Animoca Brands and Video Verse), showing the clear growth of B2B solutions.

EXIT LANDSCAPE

It is so important to consider and understand the exit landscape and strategies for startups/VCs in any industry. Sports-tech is no different. In 2030, I expect to see institutions that have invested in sport begin to explore exit options having achieved growth and profit. This may take the form of an Initial Public Offering (IPO), Mergers and Acquisitions (M&A) or a Management Buy-Out (MBO).

01 2023 saw a poor year for investment in sports ventures. Although, this is reflective of wider macro trends and venture investment as a whole. On the other hand, 2023 was the largest year for M&A since 2015, showcasing that capital was present, though focused elsewhere.

02 2023 was the 'Year of Consolidation' in SportsTech given the amount of Merger & Acquisition deals seen. APAC accounted for **44%** of all M&A deals, North America came in second with **33%** and Europe third with **23%**. Interestingly, looking solely at investment deals, Europe topped the list in 2023 with **37%**, a big shift from previous years.

Funding + Mergers & Acquisitions Activity 2019 - 2023 in Global SportsTech



6 NEW UNICORNS IN SPORTS-TECH IN 2023

Unicorns in Global SportsTech



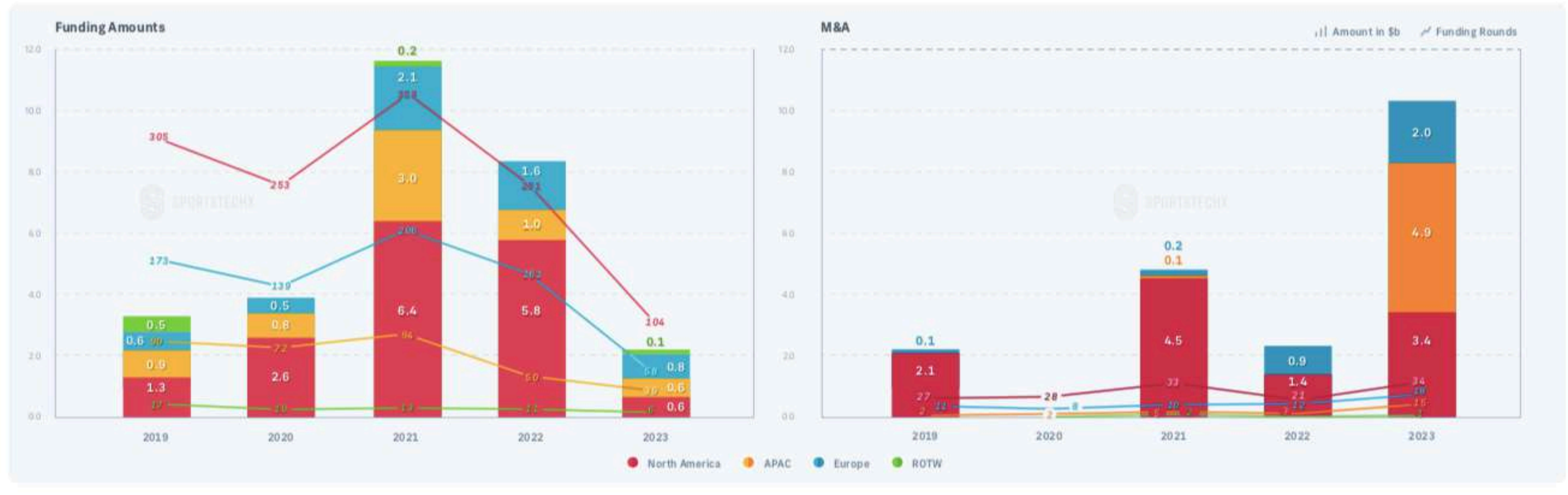
32 companies across 9 countries

Providing reasons for optimism are the new names added to this list. *iFit*, *Clear*, *VSPD* and *SeatGeek* have had their valuations marked up to join the 'Three Comma Club', while *Flutter Entertainment* is also in.

Here is a list of '**Soon-icorns**' to look out for in 2024: *eGym*, *AllTrails*, *Pixellot* and *Overtime* are just some of the names to keep an eye on.

NORTH AMERICA DOMINATES GLOBAL DEALFLOW

Nearly \$50BN in dealflow over the last 5 years.



A total of **\$49BN** has been invested in over **2600** reported deals over the last five years in SportsTech. However, it is estimated that only **50%** of all deals get publicly reported. And, that number may be as low as **33%** in the last 12-18 months. That implies that the actual number could be nearer **\$100BN**.

APAC accounted for **44%** of all deals, with North America second at **33%** and Europe third at **23%**. Interestingly, looking specifically at investment deals, Europe topped the list with **37%** in 2023, a big shift from previous years.

BRAZIL - THE NEXT BIG SPORTSTECH MARKET

Funding Amounts & Number of Rounds in "Rest of World" SportsTech



Top 3 Most Funded Countries in "Rest of World" SportsTech 2019 - 2023

#	Country	Amount (\$m)	Top City
1	Brazil	894.3	Sao Paulo
2	Egypt	4.5	Cairo
3	Argentina	1.9	Buenos Aires

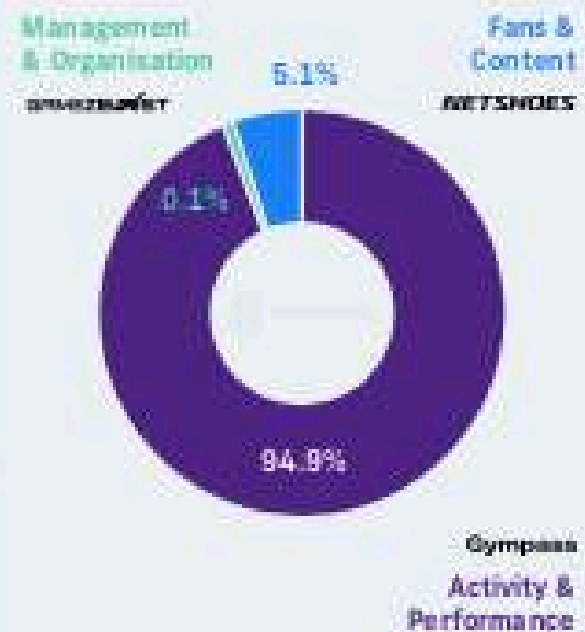
Top 3 Most Funded Companies in "Rest of World" SportsTech 2019 - 2023

#	Name	Amount (\$m)	Top City
1	Gympass	605.0	Sao Paulo
2	smartfit	229.1	Sao Paulo
3	NETSHOES	215.0	Sao Paulo

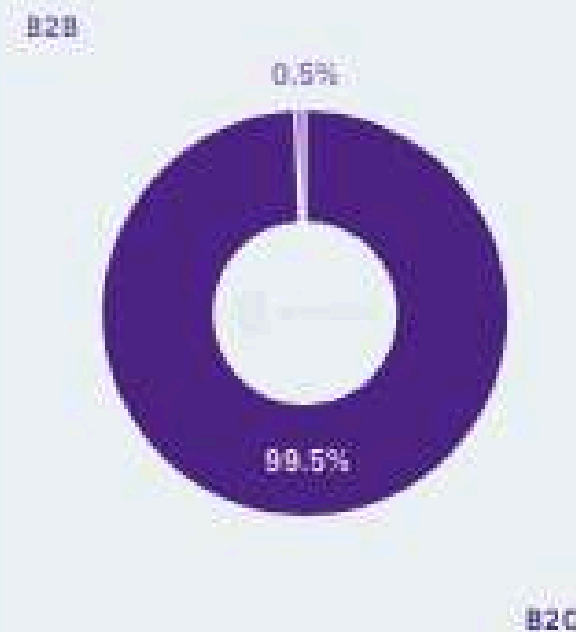
Top 3 Most Funded Companies in "Rest of World" SportsTech 2023

#	Name	Amount (\$m)	Top City
1	Gympass	85.0	Sao Paulo
2	ZIYOU	4.0	Sao Paulo
3	radarfit	1.0	Belo Horizonte

Sectors



B2B vs B2C



FitnessTech driving growth

The rise of SportsTech in Samba-land is mostly down to investments made in FitnessTech, a trend that persists across other jurisdictions in 2023.

Sao Paulo is the SportsTech capital of South America, with a focus on the end consumer, accounting for nearly **100%** of all SportsTech investments in the 'Rest of World' category.

INVESTMENT CRITERIA & SELECTED COMPANIES

I have chosen to focus on companies raising at the earliest stages of investment: Pre-seed, Seed and Series A. In my view, this is the most dynamic area within SportsTech because...

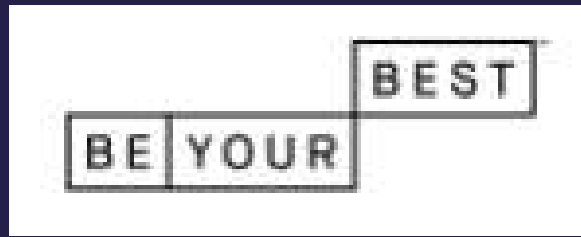
- **High Growth Potential:** Opportunities to invest in disruptive technologies with scalable models.
- **Innovation:** Early access to cutting-edge solutions like AI, VR/AR, and IoT in sports.
- **Influence:** Ability to shape the company's direction and forge strategic industry partnerships.
- **Passion:** Combine personal interest in sports with professional investment, contributing to industry evolution.
- **Valuation:** Lower entry valuations with potential for significant returns.
- **Network:** Engage with passionate entrepreneurs in sports-tech.
- **Opportunity:** Capitalise on shifts in consumer behaviour and the growing importance of data in sports.

INVESTMENT CRITERIA

Companies will have to demonstrate a distinct competitive advantage, encouraging and consistent growth, and great customer traction. In other words, the product is a must-have, not a nice to have. Selected companies include:

- VerseUS
- Be Your Best
- Bucket Golf
- Recharge Health
- Challenger Mode
- Versus
- Luscid





Description: [BYB](#) provides VR training software that enhances the cognitive performance of football players.

Founded: 2018

HQ: Oslo, Norway

Fundraising History: Previously raised \$2M in Nov 2019.

Highlights: Strong management team. Founded by serial entrepreneur, Odd Skarheim incl. [Attensi](#), Board members consist of Ex-Spotify product lead. Impressive growth (**\$1M ARR**). Large social media presence and solid GTM strategy. Player endorsements and co-investors. CEO has extensive experience having been a previous founder, working in product development and as an investor at New Mark Capital. Clients: Bayern Munich etc.

Potential Investment: Seeking **\$2-3M** from lead investor(s) to capitalise on impressive growth. Raising at a post-money valuation of **\$20M**.

Investment Outlook: Continue company due diligence and understand business at a more granular level. Get to the crux of the financials and valuation through further discussions with the management team.

STARTUP SPOTLIGHT



Description: [BucketGolf](#) is a portable par-3 golf game that combines the excitement of golf with the ease of backyard games.

Founded: 2016

HQ: Emeryville, CA, United States

Fundraising History: N/a - patent approval pending

Highlights: With over **40,000** players globally and a 4.8/5 star product rating (Amazon), BucketGolf has cultivated a loyal and highly satisfied customer base. Given the recent success and growth of games like Padel Tennis and Spike Ball, BucketGolf has the potential to win big.

Potential Investment: Pending conversations with the team, I suspect the company could be looking to raise a Seed investment to build out the team and scale the business further.

Investment Outlook: Reach out to founder, Tyler Simmons. Delve deeper into the market, tractions, metrics, GTM strategy and financials to understand investment prospects.



Description: [VERSUS](#) is a media platform and fan community championing the future of football and its impact on culture and society. Contemporary football is hyper-connected and culturally fluid – interacting with fashion, gaming, music and activism.

Founded: 2017

HQ: Brighton, UK

Fundraising History: N/a

Highlights: Social media following is impressive and is the main GTM strategy. With **285K** followers on Instagram, Versus is a growing voice with huge potential in a major market.

Potential Investment: Without a conversation with the founder and no available information on Pitchbook, Crunchbase etc, It is hard to know where Versus is on its journey. I suspect they may be looking to raise cash at the Seed stage

Investment Outlook: Initiate conversations with Founder, Corey Pelat, to confirm investment outlook and conduct further due diligence.

Source: PitchBook



Description: [VerseUS Games](#) leverages XR technology, full-body tracking, AI, and scalable healthcare solutions to create engaging health-focused gaming experiences that transform and motivate users to improve their well-being.

Founded: 2019

HQ: Drenthe, Netherlands

Fundraising History: They have secured approximately **£850k** in investment to develop several highly rated games since inception, such as FitnessOne.

Highlights: Experienced founding team, strong immersive technology, broad customer appeal, strong partnerships (Meta, Byte Dance etc.) and proven retention (**46%**).

Potential Investment: VerseUS is seeking to raise an additional **£250k** to develop a new Football/Soccer game. They have agreements with current Premier League stars to use their avatars in-game.

Investment Outlook: Further due diligence to better understand user metrics, financials and growth profile.



Description: [Recharge Health](#) specialises in the development and distribution of FlexBeam, a wearable infrared therapy device designed to support recovery and wellness. The company offers a unique approach by combining the benefits of red light therapy with the convenience of a portable device.

Founded: 2019

HQ: Oslo, Norway

Fundraising History: Joined TheFactory as part of its SportsTech Fund program at an unknown date.

Highlights: With a focus on innovation in the field of non-invasive therapy, Recharge Health caters to a wide audience, including top athletes and individuals seeking to enhance their overall health and recovery processes. Accelerator/Incubator Backed. A high gross margin of **58%** is evidence of durable economics and strong pricing power.

Potential Investment: Currently unknown if they are raising capital to compound early growth.

Investment Outlook: Suspect they will be looking to raise in the near future, capitalising on strong revenue growth of **26.51%** (2022). Initial conversation to be scheduled to confirm alignment.



Description: [Luscid](#) is the most comprehensive sponsorship data platform that maps out the entire sponsorship ecosystem, delivering new levels of insight, accountability, transparency, and efficiency for the sports and entertainment partnerships space.

Founded: 2022

HQ: London, UK

Fundraising History: Recently (July 2024) raised **\$1.2M** in Seed funding from the likes of Apple alumnus Craig Pollard, manufacturing entrepreneur Paul Stepanek, consultant Stuart Martin and others from the worlds of sport, entertainment and technology.

Highlights: Uses proprietary software to guide brands and agencies towards the right partnership deals based on their particular demands, values and budget. Already counts Santander, Accor and Binance among its clients.

Potential Investment: Having recently raised at the Seed level, Luscid is unlikely to be seeking further VC funding until specific KPIs are met and growth becomes consistent.

Investment Outlook: Keep tabs on company success. Reach out ahead of further Seed or Series A raises.

Source: PitchBook

KEY TAKEAWAYS

- 
- The sports industry will play a leading role in helping to combat climate change, proliferating innovative, green technologies
 - Sports organisations will assume a more influential societal role in promoting health and wellbeing whilst seeking improvements on-pitch.
 - Companies will begin to operate naturally according to DE&I aims, benefitting from diversity of thought and equitable impacts.
 - In the future, sports organisations will be agile digital natives, harnessing powerful technologies in all aspects of their operations. Digital innovation will drive the emergence of new business models, creating a myriad of revenue-generation opportunities.
 - As younger fans become core audiences, they will dictate how existing sports need to evolve and which new concepts will become mainstream.
 - Private investment will drive enhanced commercialisation and professionalisation in sport, leading to the emergence of powerful entertainment ownership conglomerates that spark growth and innovation.

THANK YOU

For any questions or enquires please contact me at:
marcus.mcgrigor@gmail.com OR via [LinkedIn](#)



SOURCES & EXPERTS

Deloitte

[The Future of Sport](#)

Just Women's Sports

[Numerous articles](#)

Start-up Daily

[A VC unpacks the why and process of deciding to invest in a sports tech startup](#)

Venture Capital Journal

[Womens' sport is primed for venture investment](#)

Alwaleed Alkeaid: The Sports Strategist

[The future of sports management: technology to watch in 2024.](#)

DrakeStar

[Global Sports Tech Report Q3 2023](#)

SportsTechX

[Global SportsTech Ecosystem Report 2024](#)

Neilsen

[What's next for women's sports: Fueling growth by proving value](#)

GoingVC

[Unlocking Opportunities: Venture Capital in the Sportstech Boom](#)