

DRAFT

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A collage of four images related to St. Louis, Missouri, arranged in a triangular shape on the left side of the slide. The top-left image shows the NFL shield logo on a football. The top-right image is an aerial view of the downtown St. Louis skyline and the Gateway Arch. The middle image shows the Gateway Arch and the downtown skyline at dusk. The bottom image shows a close-up of a football field with a large American flag painted on the grass.

New St. Louis Open-Air Stadium Market Feasibility Analysis

May 13, 2015



Executive Summary

Market Conclusions

1. The St. Louis Rams were not rated as the most important team in its market. Respondents rated the Cardinals as the most important, with the Rams the second-most important.
2. The St. Louis Rams rank 29th in the NFL in terms of percent of total seating capacity sold seasonally and 30th in total annual ticket revenue.
3. Current support of the Cardinals and past support of the Rams (1995 to 2005) indicates that the St. Louis market can and will commit to a successful team playing in a venue that offers quality fan amenities.
4. Fans that previously purchased a PSL felt that they received proper value for their purchase and indicated that the purchase of another PSL in a new stadium is “the cost of doing business.”
5. Survey respondents selected lower level club seats, mezzanine level club seats, upper level sideline season tickets, and lower level corner season tickets as the top four most preferred seat locations in a new open-air stadium.
6. When pricing was introduced, approximately 72 percent of current premium buyers, 71 percent of season ticket holders and 37 percent of occasional buyers would follow through with their purchase intent.
7. Focus group participants indicated that while keeping the Rams in St. Louis was preferred, remaining a NFL city was of the utmost importance. The vast majority of participants would support a new NFL team if it came to the market.
8. Potential plans for a new riverfront stadium in downtown St. Louis have been discussed publicly.

Executive Summary

Projected Season Ticket and PSL Revenue

Based on the market-specific information collected throughout the research process, as well as the real-world, NFL-specific experience of Legends Global Sales, estimates were made regarding the potential to generate revenue from the sale of PSLs, season tickets, and premium seating in a new stadium. The following presents a summary of the considerations utilized to develop revenue estimates in the St. Louis market.

Although the email and telephone surveys indicated demand for \$189 million in PSL revenue, it is not anticipated that there is the potential to generate significantly more revenue in the marketplace beyond the survey results. Several factors contributed to this determination, including, but not limited to:

1. Although the market generated enough PSL revenue to bring the franchise to St. Louis, that level of support was not sustained once the team's on-field success waned.
2. The Rams rank in the bottom third of the NFL in terms of average season ticket price (22nd) and average club seat price (28th), and have the fourth-lowest average attendance in the NFL over the past five (5) years.
3. Respondents exhibited low levels of intent to follow through with their purchase after the introduction of pricing.
4. The Rams share a market with the Cardinals, which are one of the most successful teams in MLB, play in a new ballpark, and are viewed by respondents as the most important sports team in St. Louis.
5. The market lacks a robust regional area from which to draw individuals and corporations that are not already attending games and purchasing tickets.

Executive Summary

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St. Louis Rams Projected Season Ticket & PSL Revenue				
	Total Inventory	Seats For Sale	PSL Price	Ticket Price
Club Seats				
Home VVIP (45-50)	250	238	\$40,000	\$325
Vis VVIP (45-50)	250	238	\$30,000	\$325
Home Club 1 (40-45)	1,000	950	\$20,000	\$275
Vis Club 1 (40-45)	1,000	950	\$17,500	\$275
Home Club 2 (15-30)	1,000	950	\$12,500	\$250
Vis Club 2 (15-30)	1,000	950	\$10,000	\$250
Mezz Club	3,000	2,850	\$7,500	\$225
Total	7,500	7,125	\$95,000,000	\$1,793,125
Lower Level				
LL GL-15	8,000	7,400	\$4,000	\$125
LL Corner	7,000	6,475	\$3,000	\$100
LL EZ	8,000	7,400	\$2,000	\$90
Total	23,000	21,275	\$63,825,000	\$2,238,500
Mezzanine Level				
Mezz Sideline	3,000	2,775	\$3,000	\$125
Mezz Corner-EZ	3,000	2,775	\$2,000	\$85
Mezz Corner/EZ	3,000	2,775	\$2,000	\$75
Total	9,000	8,325	\$19,425,000	\$790,875
Upper Level				
Upper Sideline	7,000	6,475	\$1,750	\$80
Upper Corner	8,000	7,400	\$1,250	\$60
Upper Corner	4,000	3,700	\$1,000	\$60
Upper EZ	2,500	2,313	\$500	\$50
Upper EZ	1,500	1,388	\$500	\$50
Total	23,000	21,275	\$26,131,250	\$1,369,000
Total	62,500	58,000	\$204,381,000	\$6,192,000