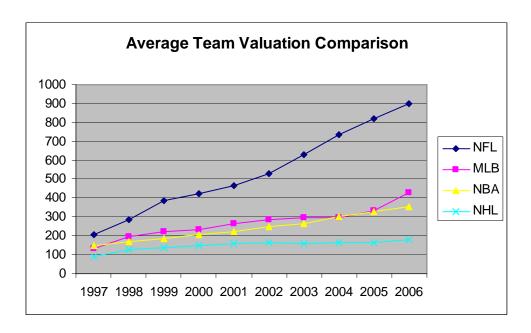# Sports Facility Reports

A Comparison of Team Values in Professional Team Sports - 2 Year Update

The following charts, tables, and report are intended to provide some insight into the changes in team values among the four major professional sports leagues based in the United States. The report analyzes the values for the teams of the National Football League (NFL), Major League Baseball (MLB), National Basketball Association (NBA), and the National Hockey League (NHL) over the past 10 years. The report beings with an overall comparison among the leagues, and then consists of information related to each individual league. This **2 Year Update** provides updated information to a similar report that originally appeared in **Sports Facility Reports**, Volume 6 (Summer 2005).
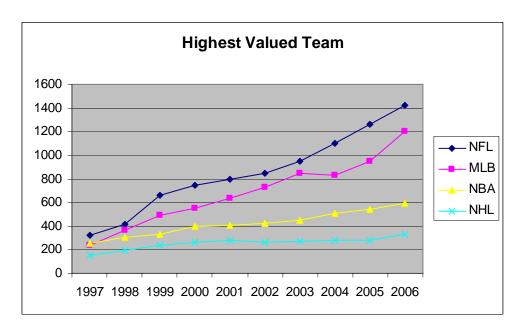
All information was obtained from *Forbes Magazine* and past issues of *Sports Facility Reports*. Due to the NHL's cancelled 2004-2005 season, there is no 2005 data available for the NHL. Therefore, the numbers used are the same as those for 2004. Unless otherwise noted, all numbers are in millions of dollars.

Comparing the Leagues (1997 through 2006)

As is clear from the above chart, the NFL's average team value rose at a rate much higher than the other leagues. Over the ten-year span, the NFL's average team value

went from $205 million in 1997 to $898 million in 2007, an increase of $693 million, or 338%. The other leagues all experienced growth over the ten-year period, but none at a level comparable to the NFL. MLB's average team value increased by $297 million (222%), the NBA's average team value increased by $205 million (139%), and the NHL's average team increased by $90 million (100%).
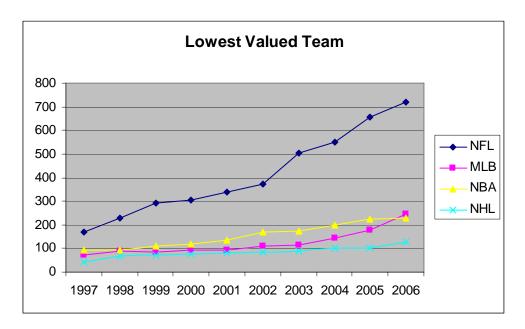

Highest Valued Team

When comparing the highest valued teams in each league, MLB and the NFL have both increased at a very substantial rate. In 1997, the highest valued team in professional sports was the Dallas Cowboys ($320 million). The highest valued team in the NBA was the New York Knicks ($250 million), the highest valued team in MLB was the New York Yankees ($241 million), and the highest valued NHL team was the New York Rangers ($147 million).

By 2002, the Washington Redskins had overtaken the Dallas Cowboys as the most valuable team in the NFL, and throughout the four leagues, at $845 million. While MLB kept pace with the growth of the NFL, MLB's highest valued team, the New York Yankees, was valued at $730 million, over $100 million less than the Redskins. The NBA and NHL saw growth, but at a much lower rate than the other two leagues. By 2002, the highest valued team in the NBA (the Los Angeles Lakers at $403 million) was worth less than half as much as the Redskins and the highest valued NHL team (the Detroit Red Wings at $266 million) was worth less than one-third the value of the Redskins.

By 2006, when the value of the Washington Redskins had increased to more than $1.4 billion, the value of the New York Yankees had increased to $1.2 billion, an increase of 397% over the ten-year span. The disparities between the NFL and MLB, and the NBA and NHL continued to grow. While in 1997, the highest valued NBA team was worth $70 million less than the highest valued NFL team, by 2006 that disparity had grown to

$893 million. Additionally, the disparity between the Redskins and the Toronto Maple Leafs (the highest valued NHL team in 2006) had grown to almost $1.1 billion.

Lowest Valued Team

Though the New York Yankees have been able to keep pace with the Washington Redskins as the highest valued teams in their respective sport that is not the case when looking at the lowest valued team in each league, where there is a substantial gap in value. While the NFL has seen substantial growth, the other three leagues have not.
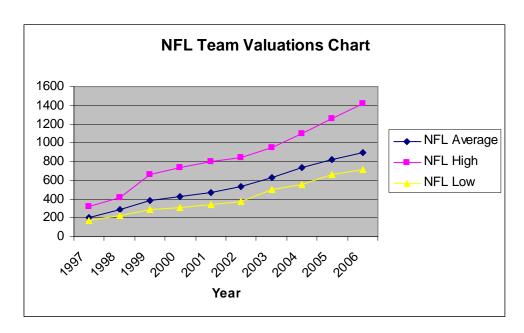
Over the past decade, the NFL's lowest valued team has gone from a value of $170 million (Indianapolis Colts) in 1997 to $720 million (Minnesota Vikings) in 2006. MLB has seen more growth in recent years, but overall the lowest valued team only increased from $71 million (Pittsburgh Pirates) in 1997 to $244 million (Florida Marlins) in 2006. Neither the NBA nor the NHL has seen much growth with the lowest valued team rising $135 million (the Los Angeles Clippers $95 million in 1997 to the Portland Trail Blazers $230 million in 2006) for the NBA and $84 million for the NHL (the Phoenix Coyotes $43 million in 1997 to the Washington Capitals $127 million in 2006).

When looking at the high and low values, it is easy to see why the NFL is known as the most successful league. While MLB was able to keep pace at the high end, due to the increasing value of the New York Yankees, it was not able to keep pace at the low end. In addition, the NBA and the NHL were not able to keep pace with the NFL at either the low or high end. This is especially striking when looking at the NHL. Though the NHL has seen growth in the league's average, low and high values, the increases have been minimal when compared to other leagues, especially the NFL. Today the highest valued team in the NHL is worth less than half as much as the lowest valued team in the NFL.

In addition to these general comparisons, the following provide information specific to each league.

National Football League

The following chart represents the growth in value of the highest and lowest valued teams, along with the average annual value, for teams in the NFL over the past 10 years. The exact values can be found in the table below the chart.
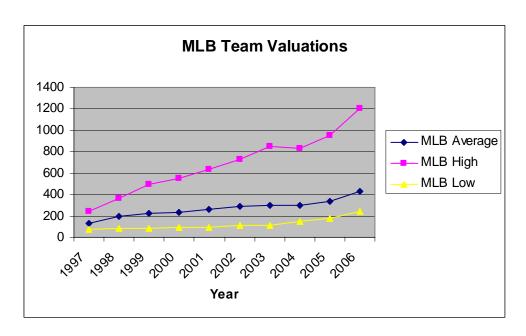
NFL Team Valuations Chart

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Average	$205	$288	$385	$423	$466	$531	$628	$733	$819	$898
High	$320 (DAL)	$413 (DAL)	$663 (DAL)	$741 (WAS)	$796 (WAS)	$845 (WAS)	$952 (WAS)	$1104 (WAS)	$1264 (WAS)	$1423 (WAS)
Low	$170 (IND)	$227 (IND)	$293 (DET)	$305 (AZ)	$338 (ATL)	$374 (AZ)	$505 (AZ)	$552 (AZ)	$658 (MIN)	$720 (MIN)

- AVERAGE: In 1997, the average value of an NFL team was $205 million. As of 2006, the average value of an NFL team was $898 million, which is an increase of $693 million (338%).

- HIGH: In 1997, the highest valued team in the NFL, the Dallas Cowboys, was worth $320 million. As of 2006, the NFL's highest valued team, the Washington Redskins, was worth over $1.4 billion, which is an increase of $1.1 billion (345%).

- LOW: In 1997, the lowest valued team in the NFL, the Indianapolis Colts, was worth $170 million. As of 2006, the lowest valued team, the Minnesota Vikings, was worth $720 million, which is an increase of $550 million (324%).

Although the NFL has seen tremendous growth at each level, the highest valued team saw the greatest increase, with the lowest valued team seeing the lowest increase; however, the increases at each level were substantial and relatively close in percentage of growth.

Major League Baseball

The following chart represents the growth in value of the highest and lowest valued teams, along with the average annual value, for MLB teams over the past 10 years. The exact values can be found in the table below the chart.

MLB Team Valuations

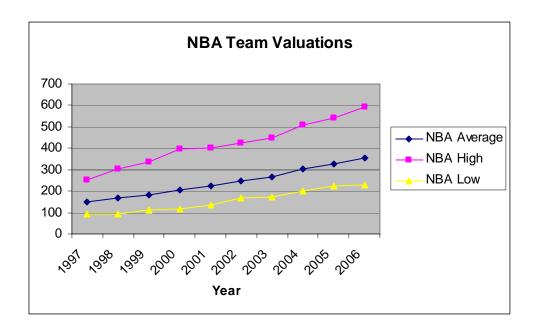|	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Average	$134	$194	$220	$233	$263	$286	$295	$295	$332	$431
High	$241 (NYY)	$362 (NYY)	$491 (NYY)	$548 (NYY)	$635 (NYY)	$730 (NYY)	$849 (NYY)	$832 (NYY)	$950 (NYY)	$1200 (NYY)
Low	$71 (PIT)	$87 (MTL)	$84 (MTL)	$92 (MTL)	$92 (MTL)	$108 (MTL)	$113 (MTL)	$145 (MTL)	$176 (TB)	$244 (FL)

- AVERAGE: In 1997, the average value for a MLB team was $134 million. As of 2006, the average value for a MLB team was $431 million, an increase of $297 million (222%).

- HIGH: In 1995, the highest valued team in MLB, the New York Yankees, was worth $241 million. As of 2006, the Yankees were still the highest valued team with a worth of $1.2 billion, which is an increase of $959 million (398%).

- LOW: In 1997, the team with the lowest value in MLB was the Pittsburgh Penguins with a worth of $71 million. In 2006, MLB's lowest valued team, the

Florida Marlins, was worth $244 million, which is an increase of $173 million (244%).

Similar to the NFL, MLB has seen growth at every level. However, the growth rates among the highest valued team, lowest valued team, and league average are much more spread out. The highest valued team, the New York Yankees, has seen much more growth than the lowest valued team. Interestingly, the Yankees are the only team in any league to remain as the highest valued team over the entire period.

National Basketball Association

The following chart represents the growth in value of the highest and lowest valued teams, along with the average annual value, for the NBA teams over the past 10 years. The exact values can be found in the table below the chart.

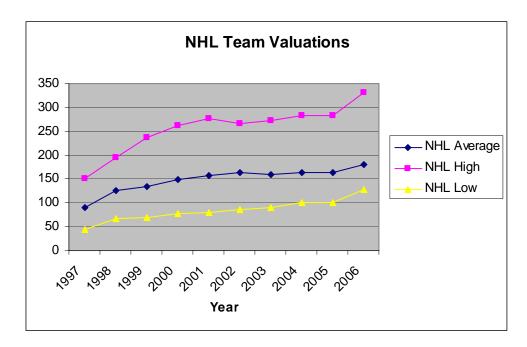|	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Average	$148	$167	$183	$207	$223	$248	$265	$302	$326	$353
High	$250 (NYK)	$303 (CHI)	$334 (NYK)	$395 (NYK)	$403 (LAL)	$426 (LAL)	$447 (LAL)	$510 (LAL)	$543 (NYK)	$592 (NYK)
Low	$95 (LAC)	$94 (MIL)	$111 (MIL)	$118 (VAN)	$135 (CHA)	$168 (MIL)	$174 (MIL)	$199 (MIL)	$225 (NO)	$230 (POR)

- AVERAGE: In 1997, the average value for an NBA team was $148 million. In 2006, the average value for an NBA team was $353 million, an increase of $205 million (139%).

- HIGH: In 1997, the highest valued team in the NBA, the New York Knicks, was worth $250 million. In 2006, the highest valued team, again the New York Knicks, was worth $592 million, an increase of $342 million (137%).

- LOW: In 1997, the team with the lowest value in the NBA was the Los Angeles Clippers with a worth of $95 million. In 2006, the lowest valued team in the NBA, the Portland Trail Blazers, was worth $230 million, an increase of $135 million (142%).

Similar to the NFL, the NBA has seen relatively consistent growth at each level. However, the NBA's lowest valued team has increased at a higher rate than its highest valued team, which is different than the NFL and MLB.

National Hockey League

The following chart represents the growth in value of the highest and lowest valued teams, along with the average annual value, for the NHL teams over the past 10 years. However, no data was available for 2005 due to the cancelled 2004-2005 season. Therefore the numbers used to create the graph are the same as the numbers for the 2004 season. The exact values can be found in the table below the chart.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Average	$90	$125	$135	$148	$157	$164	$159	$163	n/a	$180
High	$151 (CHI)	$195 (NYR)	$236 (NYR)	$263 (NYR)	$277 (NYR)	$266 (DET)	$272 (NYR)	$282 (NYR)	n/a	$332 (TOR)
Low	$43 (PHX)	$67 (EDM)	$70 (CAR)	$77 (EDM)	$79 (PHX)	$86 (EDM)	$91 (EDM)	$100 (CAR)	n/a	$127 (WAS)

- AVERAGE: In 1997, the average value for an NHL team was $90 million. In 2006, the average value was $180 million, an increase of $90 million (100%).

- HIGH: In 1997, the highest valued team in the NHL, the Chicago Blackhawks, was worth $151 million. In 2006, the highest valued team was the Toronto Maple Leafs with a worth of $332 million, which is an increase of $181 million (120%).

- LOW: In 1997, the lowest valued team in the NHL, the Phoenix Coyotes, was worth $43 million. In 2006, the Washington Capitals were the lowest valued NHL team with a worth of $127 million, which is an increase of $84 million (195%).

Although the NHL has seen the least growth in team values over the past 10 years, its lowest valued team has seen a growth rate higher than that of the NBA. However, even after seeing a 195% growth rate, the NHL's lowest valued team is still only worth $127 million, which is over $100 million less than the lowest valued NBA and MLB team, and is nearly $600 million less than the lowest valued NFL team. When comparing the highest valued teams in each league, the NHL is even further behind the NBA, MLB, and NFL.

Conclusion

While all four sports leagues have seen growth, the amount seen has varied greatly. While the NFL continues to grow at a high rate, in average team value as well as lowest and highest valued team value, the other leagues have not been able to keep up. MLB's highest valued team has seen substantial growth and its value is comparable to the highest valued NFL teams; however, MLB has not seen nearly as much growth on the lower end. The NBA and NHL have seen growth, but it is well below the growth experienced by the NFL. Therefore, from a growth perspective, the NFL has clearly been the most successful league.