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BUSINESS DAY

England Bans Betting in Soccer, but Not for 'The Lizard'

By DANNY HAKIM AUG. 11, 2017

LONDON — They call Tony Bloom “The Lizard” in poker circles. But the Lizard is more than just a gambler.

For the first time in more than three decades, the soccer club Mr. Bloom owns, Brighton & Hove Albion, has been elevated to the Premier League. That means one of the best-known leagues in soccer now counts one of the most prominent soccer gamblers among its owners.

Star Lizard Consulting, which was set up by Mr. Bloom’s associates to provide support for his betting syndicate, operates like a quantitative hedge fund. About 200 employees — traders, software engineers and analysts — focus on helping Mr. Bloom’s syndicate make data-driven bets on soccer and other sports. He did well enough to purchase a controlling stake in Brighton for nearly \$130 million in 2009, back when the struggling club was in League One, two notches below the Premier League.

Betting is ostensibly banned by the Football Association, the governing body of soccer in England, which recently banished a Premier League player for 18 months for gambling.

But the association told The New York Times it also has a set of unpublished rules for Mr. Bloom and other owners involved in betting.

Louisa Fyans, an F.A. spokeswoman, said in an email that when the association updated its rules in 2014, it took into account that some owners had significant gambling interests.

“These clubs would be materially impaired by the F.A.’s position on betting,” she said, so the association created “provisions whereby those individuals could continue to have both an interest in football clubs and in betting companies/entities but subject to very stringent rules and reporting obligations.”

The association declined to share those provisions. The Premier League did not respond to requests for comment.

In the United States, a man like Mr. Bloom, a hybrid of high-rolling gambler and sports team owner, is unheard-of, and would run afoul of the typical sports league bylaws. The appetite for mixing sports and gambling waned nearly a century ago, after eight baseball players were accused of trying to fix the World Series. Even allowing a major sports team, the Oakland Raiders, to move to Las Vegas represents a cultural shift in America.

But the blending of gambling and sport is accepted practice in Britain, where winnings aren’t taxed. Mr. Bloom’s ascension has caused barely a ripple, even though his soccer gambling and poker playing career has been well chronicled.

Part of the reason is that Mr. Bloom is not alone. Dozens of clubs are sponsored by betting firms. The family that owns a betting platform called Bet365 also owns the Stoke City football club, which plays in the Premier League. Matthew Benham, who runs a similar operation to Star Lizard called Smartodds, owns the Brentford football club, which plays in a league between League One and the Premier League.

Both Mr. Bloom and Mr. Benham are known for bringing a data-driven approach to their pursuits.

“Tony is a hugely mathematical and analytical type of person, so clearly he looks at numbers as a means of gaining confidence in decision-making,” said Paul Barber,

Brighton's chief executive, adding that his team had its own data and scouts apart from Star Lizard.

While his team's players "are aware that Tony is a professional gambler," they are more interested in his poker skills, Mr. Barber said, adding, "Some of them like to play cards."

Chris Bonett, an integrity officer at U.E.F.A., European soccer's governing body, described Mr. Bloom as an ally.

"I know there is an ethical argument, should betting companies be in sports, but we are in a free market," he said.

Star Lizard and other organizations have provided information to the European governing body for years to help it detect fixed matches, and have formal agreements in place to do so.

"I think they are on our side, because a fixed match defrauds the betting company first and foremost," Mr. Bonett said. "With Star Lizard, we have a relationship that has been going on quite some time."

In a statement, Star Lizard said, "Tony's betting is beyond reproach in terms of integrity," adding that their knowledge "of how the betting markets should play out before and during the match are incredibly valuable to the anti-match-fixing work carried out by numerous football authorities."

A representative of Star Lizard also said that Mr. Bloom did not bet on Brighton.

Sam Tomlinson, a partner at the London office of PricewaterhouseCoopers, said the firm had audited Star Lizard "to confirm their compliance with the applicable F.A. regulation" and filed those audits with the association. "That's probably as much as I can say."

Mr. Bloom, 47, grew up with the team. His late grandfather Harry Bloom served as its vice chairman in the 1970s.

“He also had a big love of gambling and betting,” Mr. Bloom said last year, at the opening of a stadium restaurant he named in his grandfather’s honor, adding, “Through the blood it came into me, and I was fortunate enough to be successful at that.”

Mr. Bloom, who is known as the lizard “because ice-cold blood allegedly flows through his veins,” as one article about him put it, has thrown himself into the club, even drinking with merrily chanting fans on a train after a match.

His gambling business is far less visible. Star Lizard operates like a hedge fund, but is not based in a stately Mayfair townhouse. Instead, Star Lizard can be found in the Camden Locks, in a bohemian neighborhood known for drug raids, food hawkers, throngs of tourists and a devotion to Amy Winehouse.

Mr. Bloom’s name doesn’t even appear in Star Lizard’s business filings. It does show up on an affiliated company, Blue Lizard Consulting, which he gave a nearly \$30 million interest-free loan last year, records show.

Inside Star Lizard’s headquarters, there is a cafeteria that provides three meals a day, a gym, pool tables, a dart board and a library. There are traders and analysts, but the real focus is on data. A recent posting by the company’s recruitment manager suggests how much Star Lizard outguns normal bettors: “We are currently expanding and need a number of software developers and support staff with skills in C# / F# / Java / Python / Full Stack Development / DevOps,” it read.

Star Lizard also has eyes and ears scattered around the world.

“Working for the betting companies is a good job; it’s a lot of money,” said Paolo Arenas Vásquez, a journalist in Colombia who wrote prematch scouting reports for Star Lizard until the end of last year. “I covered my hometown team — I just give the preview of the matches, what will be the starting lineup, what players are injured,” he added.

Kamil Skwarski said he was an intern for a soccer club in Poland in 2009 when he was paid to write similar reports for his team there.

“It was mainly about the squad and if something unpredictable or something different happened in the last week,” he said, adding that injuries were a particular focus.

Betting strategies are closely held, and only a few somewhat similar ventures have tried to be more mainstream. A London-based fund called Centaur Global collapsed in 2012, not long after it was started.

A more recent entry is Stratagem, a London-based firm that operates a sports hedge fund.

“We take in lots of data,” said Charles McGarraugh, Stratagem’s chief executive and an ex-Goldman Sachs trader, from the prices on various betting lines to data from games underway to “less structured data from sports journalism or social media.”

“It’s like a fire hose, and at the other end what you want to get out is a one or a zero for a buy or a sell.”

Much of the action for such bettors comes as odds shift even after a game has begun.

Mr. Bloom speaks very little about his betting strategy. His soccer team is another matter. While he said he now had to “make some tough decisions” in his ownership role, watching the games is “the same as when I was watching 40 years ago.”

“In those 90 minutes,” he said, “I just love it like any other fan.”

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