

# **The stadium legacy of mega events**

**Bright future or future burden?**

# Method – how to hunt a white elephant

## Selection

*We identified 75 main stadia in 23 countries, which were constructed or underwent major upgrades **because of the hosting** of one of the chosen mega events in the period 1996-2011. The data below is based on information available on 65 of these venues in 20 countries.*

## Quantative/factual data

- Capacity
- Construction price
- Number of events (2008-2010)
- Major events since opening

## Qualitative data

- Debate in the local/national media
- Financial issues and status
- Type of events

## Methodological problems

Difficulties in finding information about certain venues, and difficulties to obtain satisfactory answers from other venues about figures and numbers. The level of transparency among the venue business is generally low.

# Mega events stadiums are expensive

## Average construction price of the 65 stadia built for mega events

Total	\$13.1	billion
Average	\$201.5	million
Highest	\$600.0	million (Cape Town, South Africa)
Lowest	\$25.9	million (Baba Yara Stadium, Ghana)

The total sum covers only the main stadia of the mega events. Other venues built for the mega events in question are not counted, neither are new venues constructed for smaller international, regional events

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# Sapporo Dome, Japan

**Multipurpose venue with two anchor tenants**

**Construction price: \$551.9 million**

**Capacity: Football - 42.041, Baseball – 42.328**

**Three FIFA 2002 World Cup games**

**Average 128 events per year 2008-2010**

**2.087.855 spectators in 72 baseball and 11 soccer games in 2008.**

**2.155.150 spectators in 72 baseball and three soccer games in 2009**

**2.079.857 spectators in 72 baseball and nine soccer games in 2010**



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# Estádio do Dragão, Portugal

## High profile anchor tenant (FC Porto)

Construction price: \$152.6 million

Capacity: 52.000

Five UEFA Euro 2004 games

### Season 2009/10

Spectators	769.495
Events	25
Revenue	\$9.33 million
Expenses	\$9.11 million
Profit	\$213,000



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# Turner Field (Centennial Olympic Stadium), USA

Modified olympic venue with a high profile anchor tenant

Construction price: \$209 million

Capacity: 48.000

Opening and closing ceremony and  
athletics during the Olympics in Atlanta  
1996

Season	Games	Spectators
2008	82	2.535.834
2009	82	2.373.631
2010	84	2.510.119



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# Ecopa Stadium, Japan

**Competing venues in the region and no anchor tenant**

**Construction price: \$389.4 million**

**Capacity 51.349**

**Three FIFA 2002 World Cup games**

## Season 2010

<b>Events</b>	<b>85</b>
<b>Spectators</b>	<b>184.296</b>
<b>Average</b>	<b>2.168</b>

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# Cape Town Stadium, South Africa

**High maintenance and operating costs and no high profile anchor tenant**

**Construction price: \$600 million**

**Capacity: 55.000**

**Eight FIFA 2010 World Cup games**

**Annual expenses**

**\$ 7 million**

**Annual incomes**

**\$ 1.5 million**

**Annual deficit**

**\$ 5.5 million**





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# Estádio Dr. Magalhães Pessoa, Portugal

**High maintenance and mortgage costs and no high profile anchor tenant**

**Construction price: \$119.8 million**

**(Official price: \$ 64.2 million)**

**Capacity: 23.835**

**Two UEFA Euro 2004 games**

The municipality of Leiria has tried to sell the stadium without success

For the season 2011/12 the anchor tenant moved to another stadium

The municipality of Leiria pays \$6.650 per day in maintenance costs

# The 1st Play the Game stadium index 2010

Name	Capacity	Spectators	Utilization ratio	Events	Average	Location
<b>Turner Field</b>	<b>48.000</b>	<b>2.510.119</b>	<b>52.3</b>	<b>84</b>	<b>29.882</b>	<b>Atlanta</b>
Sapporo Dome	42.328	1.965.944	46.4	72	27.305	Sapporo
Stade de Suisse	32.000	509.994	15.9	30	16.999	Bern
Estádio da Luz	65.647	1.030.766	15.7	23	44.815	Lisbon
Estádio do Dragão	52.000	769.495	14.8	25	30.800	Porto
Peter Mokaba Stadium	45.500	654.500	14.4	31	21.113	Polokwane
Athens Olympic Stadium	69.618	754.903	10.8	49	15.406	Athens
Esprit Arena	55.400	476.900	8.6	19	25.100	Düsseldorf
Estádio D. Afonso Henriques	30.029	250.816	8.4	18	13.934	Guimarães
Estádio Municipal de Braga	30.154	216.503	7.2	16	13.531	Braga
Estádio Cidade de Coimbra	29.622	157.444	5.3	17	9.261	Coimbra
Ecopa Stadium	51.349	184.296	3.6	85	2.168	Fukuroi City
Estádio Dr. Magalhães Pessoa	23.835	53.078	2.2	21	2.527	Leiria
Estádio do Bessa XXI	27.590	44.796	1.6	16	2.799	Boavista, Porto
<b>Estádio Municipal de Aveiro</b>	<b>30.127</b>	<b>33.602</b>	<b>1.1</b>	<b>17</b>	<b>1.976</b>	<b>Aveiro</b>

# Key lessons to learn before the mega event

- Without a high profile anchor tenant/operator in place before the opening of the venue the success of the stadium is heavily in doubt
- Existing venues often meet local needs better and will be tough rivals of a new stadium built for a one off event
- Estimations of the regional and local needs after the events must be realistic. Don't let emotions rule the construction plans
- Sometimes proper plans are needed to downscale or modify the stadium after the mega event
- The term 'Visions for the future' are *not* a business plan – rather a disguise for no plan....



# The simple stadium legacy test:

## Who profits?

The construction business always wins (at low risk)

The rights holder behind the mega event (IOC, FIFA etc.) always wins

The future operator? (if there is no future operator...)

The future anchor tenants? (if there are no tenants in place yet...)

The local community? (what are the real needs of local sports people?)

## Who pays?

(Almost entirely) the tax payers (on promised future developments)

No major involvement from private investors? (means no future income streams...)

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# Join the future 'Play the Game multi billion dollars stadium legacy plan'

In November (expected) Play the Game will make our research public in our website.

We ask **you** to contribute with new and additional information and ensure the update of a future Play the Game 'White Elephant Index'.

Read more at [www.playthegame.org](http://www.playthegame.org)

**Thank you to our contacts in the participating countries!**

**Thank you for your attention!**

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