



University of
Lethbridge

NEWS RELEASE

For Immediate Release — Friday, June 14, 2019

Economic health of new Canadian Premier League based on groundwork from U of L's Dr. Duane Rockerbie

As the [Canadian Premier League](#) — Canada's new Division II professional soccer circuit — continues to gather momentum in its inaugural season, University of Lethbridge economics professor Dr. Duane Rockerbie is justifiably proud of its success.

Rockerbie has been researching the economics of sport for the better part of two decades and in 2010, began working on the first of two reports for the Canadian Soccer Association to provide an economic analysis of the feasibility of a new Division II soccer league for the country. Working with former Canadian national team and professional player James Easton (now the Vice-President of Football Operations for the CPL), the reports laid the groundwork for the formation of the league and charted a path to economic success.



“Maybe the most important aspect of it was finding the right investors,” says Rockerbie. “The owners they have are very committed. Some of them already own Canadian Football League teams, so they are not inexperienced people in this realm and that’s what was needed, people with good credentials. They also have a 10-year commitment to the league, even if they lose money, they are in it for 10 years.”

Focusing less on startup and more on longevity, Rockerbie says the CPL did the right thing in carefully plotting out its game plan.

“The interesting thing with this league is we developed a model for them to use, complete with potential revenue sources,” he says. “What happens so often in start-up leagues is they focus on the cost side of running the league because that is something they can control, and the revenue side they ignore.”

The initial report (which was presented to the CSA in 2012) focused on the feasibility of a league, and included recommendations to appeal to FIFA (the international governing body of soccer) for a men's World Cup to be played in North America (it was awarded jointly to Canada, the United States and Mexico in 2026). The follow-up 2016 report narrowed in on the nuts and bolts of how the league would operate.

One of the big recommendations was to create two connected but distinct arms, a soccer league (CPL) and the Canadian Soccer Business (CSB). The business is the rights-holder to all the league's marketable assets such as media rights, apparel, logos and so forth.

"Each investor is a shareholder in the CSB and they can take a dividend from it every year or they can leave it in and reinvest it," says Rockerbie.

And while the CPL was established more than two years ago, the first games were played just this spring. Currently, the CPL's top franchise is Cavalry FC in Calgary, where Lethbridge products Nik Ledgerwood and Nico Pasquotti are playing.

"That's the key thing, to get it right," he says. "So often, what these startup leagues want to do is play games and they think people will just show up. When they don't, you fail. For every league that exists in the world now, there are dozens and dozens that have failed very quickly."

A 10-year media rights deal is in place with MEDIAPRO (one of the largest soccer media distributors in the world), while major sponsors such as NIKE, Volkswagen and WestJet are also on board. The WestJet deal is integral to the league's survival as it provides economical travel for teams across the country.

From the specific locations of its seven initial franchises to salary-cap structure, player dispersal, living allowances, playing venues and marketing strategies, Rockerbie and Easton detailed every aspect essential to league survival — and it's working. The great benefit is a massive development gap in Canadian soccer is now being filled, allowing players who graduate from the U-17 ranks to continue playing and advancing their games on home soil.

Rockerbie says that only a steadfast and focused investor group could make their recommendations come to life.

"Their commitment is such a big thing — they understand that they may have to absorb losses in the short-term. All the owners have other business ventures so they can use those businesses to subsidize losses, but I've got a feeling they are not going to have many. These people are in it for the duration and FIFA is behind them, so they are not in it on their own," he says. "We stressed, if you just want to make profit, don't do it, because Canada is not a huge market. You have to do it because you are committed to it

and you want to build it slowly. The focus has always been on developing Canadian players.”

The long-term goal will be realized when the Canadian national team takes to the pitch in 2026, and where the fruits of their labours hopefully become evident.

To view online: <http://www.uleth.ca/unews/article/economic-health-new-canadian-premier-league-based-groundwork-rockerbie>

-- 30 --

Contact:

Trevor Kenney, News & Information Manager
403-329-2710
403-360-7639 (cell)
trevor.kenney@uleth.ca
@ULethbridgeNews