

Show Me the U.S. Open Money: A Q&A with Condor Capital's Ken Schapiro on the Funding...

Tue Sep 8, 2009 10:00am EDT

Show Me the U.S. Open Money: A Q&A with Condor Capital's Ken Schapiro on the Funding Driving the World's Richest Tennis Tournament

MARTINSVILLE, N.J., Sept. 8 /PRNewswire/ -- Condor Capital President Ken Schapiro brings over 20 years of investment management expertise and tennis business experience to a financial analysis of the U.S. Open. Schapiro manages over \$500 million in portfolio assets at Condor, a firm he founded in 1988. Schapiro also owns the Courtside Racquet Club in Clinton, which yesterday received the 2009 United States Tennis Association (USTA) Outstanding Facility Award.

Q. More than half of U.S. Open revenue comes from corporate sponsorships. Will the dollars be there this year given the current economic environment?

The U.S. Open generates over \$220 million or about 85 percent of USTA revenue. Early sales were slow this year as corporations were holding back and cutting budgets, but some of the sponsorships are long-term agreements. Many corporations made last minute decisions to be involved so sales went down to the wire, but the Open offers a marketing opportunity that is unequalled.

Q. Why is the U.S. Open a gold mine for the USTA?

The Open earns more revenue than any other sporting event in the world. The tournament is over two weeks long and is attended by about 700,000 non-repeat spectators. And product/food sales are outstanding.

Q. Why do sporting goods giants like Nike and Lacoste spend millions on sponsorship when tennis apparel is a relatively small portion of their product line?

Where else can Nike get three hours of almost uninterrupted air-time on network TV? Tennis offers awesome exposure because the camera is almost always on the stars and logos they are wearing. The billboard exposure is constant. And the tournament offers great spectator demographics - you are exposing mostly young, affluent and active people to your brand.

Q. Why has tennis participation grown over 40 percent since 2000, while every other major sport has seen rapid declines?

USTA recruitment is strong and Quick Start is making it easier for younger players to get started. Tennis is a lifetime sport that can be played year-round regardless of where you live and it offers excellent health and fitness benefits. The fact that we are seeing new clubs built is a reflection of the market demand - recession or not.

Condor Capital

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Fred Feiner, Yankee Public Relations, fred@yankeepr.com, +1-908-894-3930