

Acquiring talent: Bruin's Deltatre purchase

Bruin Sports Capital, the investment vehicle created in 2015 by former IMG executive George Pyne, moved into a new sector at the end of June by buying Italian broadcast technology pioneer Deltatre. Pyne and Deltatre founder Giampiero Rinaudo explain the origins of the partnership and the benefits it will bring to both parties.

By Tom Lloyd

Late June brought the news that George Pyne's sports investment vehicle Bruin Sports Capital had completed the major acquisition of Italian-based media technology firm Deltatre. The deal, ground-breaking within the sports technology industry, will see Bruin provide capital and contacts to Deltatre as the latter looks to expand its already impressive portfolio of digital broadcasting and media solutions.

The deal, as it went through, was the latest in a string of sports-facing investments for Pyne and Bruin. Pyne is a man who knows the sports industry well and, for him, the acquisition of Deltatre was something of a no-brainer.

"When you really cut through all the noise, you have to ask yourself: Who do you trust on a technology basis to deliver?" he asks. "Deltatre is the answer, no doubt.

"You look at Deltatre's client list and it includes the Premier League, NFL [National Football League], BT Sport, among many others. What that means is that some of the largest sporting organisations in the world, as well as many many broadcasters, have turned to Deltatre for some of the biggest and most important sporting events. Really, that's testimony to the team and what they have put together."

Buying a market-leading firm is no easy feat, however. The process began as Bruin's team hired a collection of consultants out of Palo Alto, and flew them to Deltatre's headquarters. "This really was a pretty top team of guys," says Pyne.

Under the scrutiny of Silicon Valley's finest minds-for-hire, Italian company Deltatre emerged supreme. The company's management team was handed an 'A' rating, as was its technology.

"The team really felt that they were the premium providers of these kind of services," says Pyne. "That was really reassuring to me and something we felt really great about."

But the acquisition remained an interesting one. So far, Bruin's investments have included premium hospitality providers On Location Experiences and sports and entertainment marketing agency Engine Shop. Both companies are grounded in human, tangible areas of sports. Deltatre, conversely, with its unique audio and visual technology, is a break from the norm for Bruin. According to Pyne, it was a critical move for his group.

"We really see a key growth segment," he says. "There is no question that Deltatre is the best-in-class at technology and understanding exactly what sports

fans want in the media landscape. We really wanted to have a business in that segment, and we feel like we are now with the global leader."

The feeling is mutual. Deltatre, in business for 30 years, has experienced remarkable growth since its inception. Giampiero Rinaudo, the company's founder and chief executive, says that the deal could not have come at a better time. "We were looking for investment, and we think we have found a very rare perfect match here," he says.

"Sport and technology are markets that are exploding," explains Rinaudo. "We want to expand geographically, and we are on a continual quest to innovate around the world. But to do so, we need long-term capital. Sports rights deals have a low cycle of investment – normally around three to four years – which is not enough for us now. We needed long-term investment.

"We needed a partner with a strong understanding of sport business, a strong influence in the sponsorship space, and of course a partner as excited as we are about the potential of our strategy. I've known George and people at Bruin for some months and I believe that we have made the perfect choice here."

Bruin is delivering the ability to accelerate growth at Deltatre. It hopes



George Pyne's (left) Bruin Sports Capital has expanded its portfolio with the purchase of media technology firm Deltatre, founded by Giampiero Rinaudo

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to invest in new technologies for the company's clients, and wants to build the business even further.

"We think there are real prospects for delivering services to customers in Asia and America," says Pyne. "But we're also interested to see what interesting collaboration there is to be done with our existing portfolio of companies."

It's apparent that the appetite is there from both parties, and Bruin's intentions to help Deltatre grow are crystal clear. But what does Deltatre aim to do, now that the deal has been made official? With the long-term capital behind him, Rinaudo is looking to take the company to new levels.

"The media is changing and we are one of the few that can now connect these dots," he says. "We have some huge sports properties to serve, and they are now looking more and more outside of their traditional space. The Premier League is increasingly targeting markets outside of the UK, while NFL has already looked to take control in Europe.

"Deltatre is already very strong in Europe and in Asia, but now with Bruin we will be one of the few independent companies able to serve our big clients in all of the areas they want, and we want to grow into the US.

"We also want to help grow in to new strategy offerings. We want to continue offering technology solutions, but we want to help our clients in every aspect of their strategy. That is where we feel will be the big change, we will grow up. We are no longer just a tech provider, we are also providing a strategy on where to go in this complicated world of media, in this triangle."

And it is this very ambition that attracted Bruin in the first place.

"I always use the famous Wayne Gretzky saying: 'You need to be where the puck is going, not where the puck is,'" says Pyne. "The more we worked with this management team, the more excited we have become with what we could do together. It's going to be very promising."

Sudden investment often brings change. Over the 30 years in which Deltatre has operated, it has grown exclusively within itself, free from external pressure. Still, despite the heavy investment and long-term capital streams now available, Rinaudo suggests that the company has no plans on changing.

"We have big plans to scale up, of course," he says. "But part of the deal with Bruin is that they will rely on, and believe in, our top management. They trust us and what we are doing with the company, and they believe in maintaining the continuity of our firm, so we won't be looking to change at all, apart from to grow."

It is an ambitious partnership and one that looks likely to flourish in the coming months and years. As both companies grow together, enter new territories, and develop new technologies, the richest benefactors of all will be the rights holders they serve, and ultimately, sports fans themselves. ●