

## **Morgan Stanley buys stake in stadium finance firm**

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NEW YORK, June 5 (Reuters) - Investment bank Morgan Stanley (MS.N: [Quote](#), [Profile](#), [Research](#)) said on Tuesday it acquired a majority stake in start-up firm Stadium Capital Associates, which has a method for allowing sports teams and symphony orchestras to raise capital without issuing debt.

Morgan Stanley Principal Investments, which has \$2.5 billion to invest, did not disclose how much it paid for the Chicago-based start-up.

Stadium Capital Financing Group, the name of the newly formed venture, will also seek to provide financial advisory services, upfront purchaser financing packages, sports marketing, tax analysis and a proprietary, secondary market ticket exchange program for underlying tickets.

Proceeds can be used to pay down debt, build or expand stadiums, boost university endowments or deliver cash for team owners.

"We believe this is going to be the financing method of the future for professional sports teams to build or add on to stadiums," Stadium Capital Chief Executive Lou Weisbach said in an interview. "No longer will taxpayers be asked for money to finance new stadiums."

Weisbach said his firm's financing method also will be good for fans since they can lock in seat prices in perpetuity, but he declined to give specifics.

Across the United States, dozens of professional sports teams and universities seek to build new stadiums to boost revenues. But fans and taxpayers in most cases are the ones who foot the bill for projects costing hundreds of millions of dollars.

Weisbach ran Halo Branded Solutions, a marketing company that placed advertising logos in major league baseball dugouts and promotional items for 27 years. In the 1980s, he owned a professional indoor soccer team, the Chicago Power.

*Reporting by Joseph Giannone*