

The five top leagues reduce their investment for signing players

533 million euros to 1,322: 29% less than last season

FC Barcelona and Real Madrid spend less Money, but still lead the economic investment in Europe

- ▶ **FC Barcelona, the second team in income for selling players with 69 million euros, reaches a historical peak in sales. In the other hand, Real Madrid has only sold players for a total of 11 million euros.**
- ▶ **Chygrinsky was the player of the Top European Transfers of last season who played the least amount of minutes: 853. Real Madrid places two players amongst the three most utilized: 1st Xabi Alonso (3,010 minutes) and 3er Cristiano Ronaldo (2,466 minutes).**
- ▶ **Real Madrid, the club that invested the most money for the 2009-2010 season did not achieve its goal, winning zero championships. Three of the six teams that spent more money won their respective league championships (FC Barcelona, Inter Milan and Bayern Munich).**
- ▶ **Spain's LFP has invested 260 million euros in signing players this season: almost 50% less than last year. Without including FC Barcelona's and Real Madrid's investments, Spanish clubs have increased their investments in 17 millions (+18%).**
- ▶ **Players' expenses have fostered FC Barcelona's economical losses. The new board has reacted reducing 25 million of euros in players' payroll expenses with the operations executed this past summer.**

Para más información:

Román y Asociados:
Prensa ESADE:

Jaume Aparicio
Alex Font

j.aparicio@romanyasociados.es
alex.font2@esade.edu

93 414 23 40
93 495 20 99

After a season in which Real Madrid and FC Barcelona made the first and third most expensive signings in football history, the results of the second edition of the study “Football Transfer Review 2011”, presented today at ESADE by Prime Time Sport, a company headed by Esteve Calzada, shows that both clubs have reduced their investment in purchasing players. Despite the situation, both stay amongst the top three European clubs –along with Manchester City- in money invested this past summer.

Barcelona, September 9 of 2010 - The football market has not been able to escape from today's financial crisis and, compared to last year's, the top five European leagues have reduced their investment in 1,320 million euros in player signings. Last year, the investment figure reached 1,855 millions.

Analyzing the information of Football Transfer Review, we see that the Premier League is still the leader in the investment ranking with 435 million euros (15% less than last year: a reduction for the third consecutive season). In second place, and taking the Spanish league's place, comes the Italian league, which this summer experienced an investment of 327 million euros in players transfers (18% less than a year ago). LFP ranks third, being the competition that has experienced the biggest reduction in investment compared to last season's (-45%). LFP's figures were down to 262 million euros. Last year, and thanks to the signings of Cristiano Ronaldo and Slatan Ibrahimovic, the Spanish clubs invested 470 millions. The tendency to go down also hit Germany's Bundesliga, where the investment went from 230 million euros to 157 (-32%). One of the reasons could be found in the money used to develop the new Bayern Munich's sporting program. The last in the top five was the French league, which investment was almost reduced in half (-43%) from 245 to 140 million euros. Esteve Calzada believes this general decrease in investments has been caused by the unstable economics of most of the leagues, a more professional management in the players' transfers and the priority to exit some players in most of the clubs.

Despite the huge economic drop experienced at the LFP –the biggest in any European league-, Real Madrid and FC Barcelona lead the investment in players' signings for the 2010/2011 season, being only behind Manchester City. The English team has invested more money than any other club, surpassing, with 145 million euros, last year's figure by 5 millions. In two years, Manchester City has invested almost 300 million euros. Real Madrid has spent 78 millions, but has been the team that, compared to last season, has dropped the most percentage wise. Last year, Real invested 265 million euros in acquiring Cristiano Ronaldo, Kaká and Benzema. FC Barcelona spent 71 million euros (41 less than last year) in signings this summer, including 40 to reach an agreement for David Villa. Italy's Juventus comes fourth with 56 million euros, followed by AC Milan (53) and Russia's Rubin Kazan (43). If we convert this data into net investment, Manchester City is ahead of the rankings with 109 millions,

Para más información:

Román y Asociados:	Jaume Aparicio	j.aparicio@romanyasociados.es	93 414 23 40
Prensa ESADE:	Alex Font	alex.font2@esade.edu	93 495 20 99

followed by Real Madrid, which is still second due to lowering its players' sales income. In the other hand, because increasing its sales, FC Barcelona goes down from third to eighth place.

This summer, the European market's tendency has clearly been to invest less money in signing players, but this has led to an increase in sales, allowing the clubs to start the season in black ink. The LFP has been the league with the highest sales figure this summer, reaching 287 million euros for a net investment of -24 millions. This situation means that LFP clubs sold more than what they purchased.

The Premier League has made the biggest net investment, reaching 248 million euros. The Spanish league made sales for the greatest value, and one of its clubs led the European market in this aspect: Valencia, which transferred players for a total of 84 millions (40 of them in David Villa). The club that acquired Villa, F.C. Barcelona, ranked second in sales with a total amount of 69 millions, thanks to the transfers of Touré Yaya, Ibrahimovic and Chygrinski. FC Barcelona tripled the money the club gained for sales last season. Inter de Milan came third with 53 millions, Liverpool was fourth (38) and Manchester City was fifth (36). Amongst the 11 top European teams, six sold less than last year.

If we focus in the teams that have ruled the European market in the last years, FC Barcelona is the leader in income for player's sales this summer, while Real Madrid, historically considered as a good selling club, has only received 11 millions in players' transfers, dropping to ninth place in the ranking. This is a huge difference from last season in which Real sold players for a total 89 millions.

Generally, the clubs from the five top European leagues have also reduced their number of total players. This has been an intelligent exercise, because there is no need for having overcrowded rosters in times of financial crisis, when loaning players represents an excellent solution.

The signing of David Villa

The key man of this summer's football market was David Villa. FC Barcelona made the biggest transfer of this season, paying to acquire Villa 40 million euros. Anyway, Villa's signing did not reach all-time's TOP 10. In fact, this was the first season in several years with no signing amongst the TOP 10 list, which is still headed by Cristiano Ronaldo's 94 millions. FC Barcelona, though, has made two signings in this summer's TOP 10: Villa's and Javier Mascherano's. Barça paid 22 million euros (eighth biggest figure) to Liverpool for the Argentinean defensive midfielder. Amongst clubs, this summer there was no contest between Manchester City and the rest of Europe. The English team invested a total of 145 million euros, making 5 of the TOP 10 biggest acquisitions in the continent: Touré (30), Balotelli (29), Silva (29), Kolarov (23) and Milner (23). Real Madrid only had a player amongst the TOP 10, signing Di María for 25 million euros.

Para más información:

Román y Asociados:	Jaume Aparicio	j.aparicio@romanyasociados.es	93 414 23 40
Prensa ESADE:	Alex Font	alex.font2@esade.edu	93 495 20 99

Chygrinsky, the TOP 10 player who saw the least action during the 2009-2010 season

Both FC Barcelona and Real Madrid made huge investments last season, but Real's paid off much better according to the amount of playing time the new stars enjoyed in their first year. Counting only the players which clubs paid more than 25 millions to acquire them, Real's Xabi Alonso led Europe with 3,010 minutes played, Tevez was second with 2,874 and Cristiano Ronaldo was third with 2,466. Chygrinsky was last, seeing action with FC Barcelona in only 853 minutes. Of the 10 most expensive signings from last season, seven disappointed by having less playing time than expected. Two of them were Real's Kaká and Benzema and the other five, including Ibrahimovic and Chygrinsky, are not with their teams any more. In the other hand, Real Madrid still has on its roster the seven players signed in 2009.

A huge financial investment does not translate always in football results. Amongst the six clubs that made the biggest expense last season, Real Madrid had the worst on-the-field results, making an investment of 255 million euros that resulted in zero championships. The second and sixth clubs in expense, Manchester City (140 millions) and Juventus (48) did not win a championship either. In the other hand, FC Barcelona (3rd), Inter (4th) and Bayern (5th) won their respective leagues. Inter also claimed the Italian Cup and the Champions League, becoming the team that got the best value for its expense.

The Spanish league cut its signings almost in half

The tendency to drop the financial investment in players of the Spanish league (262 millions) is directly related to the approach taken by FC Barcelona and Real Madrid. After an exceptional season last year, with the signings of Cristiano Ronaldo and Ibrahimovic, the league is back to the 2008 figures (270 millions). If we exclude Barça and Real, the total amount invested by the Spanish clubs increased this summer 18%: from 94 million euros in 2009 to 111 millions this year. After Real Madrid and FC Barcelona, the Spanish teams that invested the most include Valencia (the team that got more money for players' transfers in the whole European market) with 26.7 millions and Atlético de Madrid (22.8 millions). Both have been able to invest thanks to the money they gained in transfers. Málaga was fifth with 17.1 million euros invested thanks to the arrival of new share holders.

In other hand, the teams that reduced more drastically their investments include Sevilla (from 27.5 millions to 10.8) and Villarreal (from 16.9 to 2.5). One of the most intriguing information in the BBVA league is related to Levante. A team that just got promoted from the second division, Levante signed more players than any other Spanish squad (11), investing on them a total of zero euros.

Para más información:

Román y Asociados:	Jaume Aparicio	j.aparicio@romanyasociados.es	93 414 23 40
Prensa ESADE:	Alex Font	alex.font2@esade.edu	93 495 20 99

It is also interesting to analyze the strategy followed by the Spanish clubs to overcome the crisis situation that affects all European football. More than half of the signings are loans (23%) or players acquired with no transfer fee (39%). The average value of the transfers has also been reduced this summer: from 3.73 million euros to 2.13. Other initiatives to cut costs include more player exits than signings (this happens for second year in a row), the reduction of the payroll expenses and less coaching changes, having more local coaches with less experience and smaller contracts, as far as money goes, to reduce the risk of making mistakes. Another strategy to dodge the crisis has been to promote elevating young players from their own development systems. A total of 29 young players have experienced that this season. Villarreal leads the pack, having promoted 9 players from its development system, while, as far as average age goes, Athletic and Espanyol have the youngest teams.

Talking about the ten most expensive signings of the summer in Spain, FC Barcelona includes the three signed at the TOP with Villa (40 millions) leading the group. Real Madrid places five, having Di María (25 millions) in second place. This information leads us to conclude that this summer's biggest signings have been done for much less money than last year's, while the income for sales has grown in 286 million euros (14% above last season), thanks mainly to FC Barcelona, which never have got more money for players sales in a year (69 millions), and Valencia (84 millions). The Spanish league's investment for this year nets 24 million euros less than last year, with more income coming from players sales than the money spent in signings.

Real Madrid's income overcomes FC Barcelona's in the 2009-2010 season

The two powerhouses of Spanish football will lead the European ranking in income for the 2009-2010 season although, after a huge investment in the summer of 2009, they have spent less money this year. While FC Barcelona maintains its strategy of adding just a few players every season (3), spending a total of 73 million euros (35% less than the 112 spent last year), Real Madrid has added 6 players, investing 78 millions (71% less than the 265 spent in 2009). With its new acquisitions and after the departures of Guti and Raúl, Real Madrid has lowered the average age of its team more than F.C. Barcelona (Real: 25.5; Barça: 27.1).

Aside from the pitch, the income generated by Real Madrid and FC Barcelona in the 2009-10 season guarantees both of them to remain at the top two positions in the European ranking. Real overcomes Barça again in total income (476.4 to 408.9). In player salaries, Barça spent 334 millions (81% of its income), while Real had a players payroll of 294 millions (61.7% of its income). Players' expenses drove FC Barcelona's results to 77.1 millions in losses, and this led the new board to put together a plan to save 25 millions in salaries with this summer's operations. This way, in the profit and loss account,

Para más información:

Román y Asociados:	Jaume Aparicio	j.aparicio@romanyasociados.es	93 414 23 40
Prensa ESADE:	Alex Font	alex.font2@esade.edu	93 495 20 99

Real Madrid looks more solid than FC Barcelona, having obtained a profit of 31 millions during the 2009-2010 season.

To fully see **Football Transfer Review 2011** or to download it, go to the following link
http://www.ptsport.tv/files/Football_Transfer_Review_2011_by_PrimeTimeSport.pdf
(Full English version will be ready in our website shortly)

About Football Transfer Review

The study Football Transfer Review done by Prime Time Sport was created with the objective of becoming an annual reference that would collect, analyze and reach independent conclusions about the different variables that affect the design of the player rosters and the player transfers in the main Spanish and European football clubs.

About Prime Time Sport

Prime Time Sport is a sports marketing company that, from a business standpoint based in the professionalism of the elements that surround the world of football, offers services of representation, image rights and sponsorship to professional players, football clubs and companies.

Para más información:

Román y Asociados:	Jaume Aparicio	j.aparicio@romanyasociados.es	93 414 23 40
Prensa ESADE:	Alex Font	alex.font2@esade.edu	93 495 20 99