Benefaction

Is it a good thing for a club?
There's only one Milan!

In an exclusive Pompey Monthly interview, Rob Treloar talks to the chairman in detail about his love affair with Portsmouth...

Mr. Mansour is quite possibly the most influential chairman in the country. But to the people of Portsmouth, Milan is much more than a chairman. To a certain extent, he is their saint, the guy who has brought this club back to its glory days. And he has done it with passion, hard work, and a lot of determination. When I took over, the club had been up and down for a few years, with a lot of struggling and hard work. I knew the team needed a new start, a new beginning. And that's what we did. We brought in some new players, changed the style of play, and started rebuilding the club again. Now we are in a better position to compete with the top teams in the country.

I think the fans love him for his passion and determination. They see him as a leader, someone who is always there for them. And that's why they support him so much. When the club does well, they celebrate together; when it doesn't, they take it hard. But they never give up. That's the spirit of Portsmouth Football Club, and I am proud to be a part of it.

Dr John Beech
Centre for the International Business of Sport
Sold Nice

Rescued ailing Tier 2 Portsmouth from Administration with purchase for £5m

Invested heavily and took them up to the Premiership

Sold Portsmouth for £25m

Bought Leicester
What is benefaction?

Literally, ‘doing good’

But what is ‘good’?

And where does money fit into the equation?
Related alternatives

Endowment

Sponsorship

Investment – buying shares

‘Soft debt’

CIBS
Centre for the International Business of Sport

Dr John Beech

Coventry University
Issues

Definition:
subjective v. objective
descriptive v. prescriptive

Motivation
Commitment to club/locality
Return sought
Stability over time of:
  willingness to pay
  ability to pay
Origins go back to professionalisation

Usually either churches or breweries

Very different, but share the outcome of local commitment

From the 1980s external benefactors appear
Jerry Sherman

One of football's most unexpected marriages will be consummated when Newport County, the unfashionable and down-at-heel third division club, is taken over by Jerry Sherman, the handsome American multi-millionaire. (Times, 1 October 1986)

By February 1987, the club is facing a winding up order over debts of £600,000. Sherman goes, and so does the club. Sherman believed to be currently in prison in Seattle for defrauding an ice hockey club.
Spencer Trethewy

The 19 year-old property developer who would save Aldershot in 1990

Club was wound up

In 1994 Trethewy was imprisoned for fraud

Now manager (owner?) of Chertsey Town
Jack Hayward

Wolves were insolvent in 1982 and again in 1986

Hayward bought them in 1990

Quit in 2003, having lost £40m
Roman Abramovich

Bought Chelsea from Ken Bates for £140m in 2003

Has achieved great success on the pitch

Chelsea are indebted to him for £700m in interest-free loans
The serial benefactors

Mandaric – Nice, Portsmouth, Leicester
Vaughan – Barrow, Chester City, Darlington (?)
Batchelor – York City, Mansfield, Chester City
Baker – Bournemouth and, er, Chester City

SISU – Coventry City, Derby, Ipswich,
Patterns?
Foreign or UK is not relevant
Commitment depends on having the funding to commit
An extreme range of integrity, and hero to zero
Only absolutely massive spending seems to, in any way, ‘guarantee’ success
Collapse of benefaction is usually disastrous
Soft debt can turn hard when the benefactor’s circumstances or motivations change

Aldershot and Newport County disappeared, as did many smaller clubs, e.g. Hornchurch

Rotherham now homeless

Northwich Victoria locked out of their stadium
Distortion of competition

Portsmouth / Southampton

Ipswich / Norwich

Ribble Valley (e.g. Accrington / Burnley)

Gretna
For every club that gains on-the-pitch performance from benefaction, by definition another loses.

With soft debt in particular, a club lives on its benefactor’s means.

Just how different is this from tactical Administration (except there are no points deductions)?
For commentary on the management of English football

http://footballmanagement.wordpress.com

J.Beech@coventry.ac.uk