



Rainmaker
PODCAST

SEASON 2 EPISODE #15

WAYNE KIMMEL
SEVENTYSIX CAPITAL

Gui Costin: What is up, everybody. It's Gui Costin, Founder, CEO of Dakota. Welcome to the latest episode of the Rainmaker Podcast. I'm so happy to be joined by Wayne Kimmel, the CEO of SeventySix Capital. Wayne, welcome to the show.

Wayne Kimmel: Gui, thanks so much for having me. It's amazing to be here.

Gui Costin: It's great to have you. Wayne Kimmel is a sports venture capitalist, entrepreneur, podcast host, and author. He is the manager of SeventySix Capital, the venture capital company he founded in 1999, they invest in sports, media, and entertainment companies. The Sports Business Journal named Kimmel, a sports tech power player, and top institutional venture capital investor. Insider named him a top sports venture capitalist, and the Philadelphia Business Journal awarded him the most admired CEO award. Kimmel was an investor in VSIN sold to DraftKings, Victory sold to FuboTV... one of my favorite apps, by the way... C360 sold to Cosm, SeamlessWeb sold to Aramark, and now public as Grubhub, Take Care Health Systems sold to Walgreens and became their health clinics, and NutriSystem. He also sold companies to Intel, IBM, and Yahoo. Kimmel also hosts the SeventySix Capital Sports Leadership show, a podcast featuring the top industry entrepreneurs, athletes, and thought leaders. He is the chairman of SeventySix Capital Sports Advisory agency, which consults with teams, leagues, family offices, and brands on the future of sports. He graduated from the University of Maryland at College Park and the Delaware Law School. He is passionate at innovating the sports industry and making the world a better place. So, let's walk us through SeventySix Capital, and walk us through a spectrum of investments. So just think, OK, there's certain investments buying the team. So, start however you look at it and where does SeventySix Capital fit within the spectrum of investing in sports.

Wayne Kimmel: So, when you look at the general landscape of investing in sports, a lot of people think about buying teams, starting leagues, and that's certainly part of it. And that's where private equity has now gotten involved, buying pieces of teams. You hear about a lot of individuals and family offices, owning a lot of different teams and helping start different leagues. That's one part of the spectrum. And then shifting down to where we like to get involved is we like to back the entrepreneurs that are truly creating the next, next thing through the use of technology and building innovative businesses across the sports industry. So, what are some of those things? Whether it's using technology, data and analytics to further

and enhance the experience for you as a player or as a kid or as a parent. That's part of what we'll do, as well as how do you use tech data and analytics to enhance the business of sports. So, there's on the field, as well as off the field. So, it's everything from creating new types of technology, using AI, augmented reality, blockchain. Everything you could ever imagine from the tech side of the world, bringing that to the world of sports, that's what we do at SeventySix.

Gui Costin: Well, I was watching the Detroit Lions game yesterday, and they broke down the quarterback. And I mean, I've never seen a stat like this. They had a full paragraph on the screen, describing all the things that he's been doing and how he does under pressure. So, I think they blitzed 15 times and was only effective one time. And they could... he was the number one ranked quarterback in terms of against the blitz, and he actually shredded him against the blitz. Is that all coming from the types of technologies you're speaking about?

Wayne Kimmel: 100%. I mean, it's all about taking all of the data that's collected. In many cases, people talk about data that's also video, which is also data, but they use all of that to be able to collect all that type of information. And that's one of the big things that we did. And one of our companies probably also saw on Sunday, the pylon cams that you see on the field. That was one of our companies.

Gui Costin: One of your investments.

Wayne Kimmel: One of our investments that we invested in. The company was called C360. We actually sold that company to a company called Cosm. A lot of people know Cosm today because those are the live venues that are like spheres... a sphere, where you can go in and watch live sports. But that company was also an investor with us in C360, the pylon cam company. But they invested with us in that business because of the technology inside of the camera systems, inside those pylons. Those pylons are amazing. A 300-pound guy could knock it over, and it could go flying, right? And then all of a sudden, that signal, that video that was in there that it took automatically goes right to the cloud, goes right to the TV truck, and then to your home. And that's amazing. And the pylon still falling, flopping down the sideline. It's really incredible what C360 was able to build. But the other big piece of it was also that they were able to capture a 270-degree view of the field. It was something that... it's something that other cameras can't do. And they were able

to make the camera through our software, be able to capture those frames.

Gui Costin: So just for the audience, what would be a different... another use case in addition to the pylon cam that C360 would? Where else would they play?

Wayne Kimmel: Yeah, that's a really cool... a number of other things that they've done. So, they've put their camera systems in NASCAR cars. They've put their systems in many different places. On baseball fields, you see different views that you've... I mean, one of the coolest things was ever embedding into the Green Monster in Fenway, in Boston. It was really cool.

Gui Costin: So, as we talk about SeventySix Capital, and I do want to get into your history, let's just make it clear for the audience... I really want to be clear... you are a pure play on basically the growth of all different types of businesses in the business of sports, if you will. So as people are starting to think of, hey, listen, there's all these exciting things going on. But as we know, individuals, even institutions, have no clue how to underwrite any of the... or see these opportunities, track these opportunities. You are truly at the epicenter of the big, the small, the medium, everything going on in sports. So, if somebody is looking at SeventySix Capital. You're truly a pure play on the, I'd say, the growth, the startup, the venture side, all the neat things that are going on to further all of our interest in sports.

Wayne Kimmel: Yeah. I couldn't have said it any better. I mean, we really are all about being that platform to be the investor. We also have an advisory arm, where we advise teams, leagues, brands, family offices, and nonprofits on what's next in sports, and have a media arm to make sure that we're out there, really making sure that we can not only tell the story of SeventySix Capital, but all the amazing companies and entrepreneurs that we invest in across the sports industry. And we really believe that if this is an incredible time to look, to innovate and change and truly transform the sports industry through technology, data and analytics. And this is a \$3 trillion industry today. And to really take this industry from even where it is, at a very large size today, but to either continue to grow that because of everyone's interest, it's what does everyone want to go do. They want to be, somehow, involved in this world of sports.

Gui Costin: So then, a theme, clearly, what's driving everything, whether it's tech spend of S&P 500 companies, is AI on everything

that we're doing, whether it's software... it doesn't matter the industry. The farming industry... I mean, AI is everywhere. So, you guys are able to see these companies leveraging tech... AI is such a general term. I get it, right? But in general, you're leveraging all these new technologies that are only getting better and better and better and better and better, the ability to large language models everything to basically further our interest in depth into seeing more things in sports. I mean, it just seems like there's always something... there's always going to be something that's next. And that's what... but one of the key investment themes has to be the whole concept of AI and technology.

Wayne Kimmel: Absolutely. I mean, AI is a really big part of it and of what we do... I mean, pretty much in all the companies that we invest in. I mean, you have to think about how you can really harvest all the data that's out there. And you think about it in sports. You're getting so much information, whether you're a player, you're a coach, you're a mom, you're a dad, you're a general manager of a team. I mean, how do you use all that information to not only make you better on the field, but also make you and your organization more money. And that's one of the really big things also that to be able to now really understand, what do fans want and what do fans want to go do and how can they have an incredible experience. I recently heard the CEO of MGM who talked about the sports industry and what an impact it's having on MGM and the overall Las Vegas. Because now, when the Raiders have a game on a Sunday, when people... it used to be like you think about an NFL game, and it's a three-hour experience. And you'd have the fans there, and you'd be able to try to engage them and monetize them as much as you can within those three hours. But now, it's really three days. Because when fans come to Vegas on a Friday, they're there from Friday, Saturday, Sunday. And if it's a Monday night game, it's even longer. But I mean, it's really... now, it's a three-day experience. How do you engage them? How do you know what they like? What do they want to go do? And those are a lot of the things that we do and investing across the sports industry.

Gui Costin: All the businesses that are touching those experiences, enhancing those experiences. So, if you think about the way I think of our business, and you think about, we have a theme called focus on what matters most. So as something grows... so if you think about if we take focus that matters most back to baseball, back to before all this technology and everything, the amount of people tracking every

little stat of baseball. That was the poster child for stats is the game of baseball.

Wayne Kimmel: Absolutely.

Gui Costin: But now you're able to take all this information and help people zero in and really focus in on the thing. Because I look at lacrosse, and there's this guy that writes this great-- he writes this amazing email, and he basically it's called like expected goals. And he goes through, and he breaks down one-- I mean, in fact, my son was profiled in one of them.

Wayne Kimmel: Amazing.

Gui Costin: And he breaks... sometimes, it's not the most flattering because to tell you, this is really, really good and needs to work on this. But the level of stats, they have to focus on what leads to winning. You know what I mean? Like, there's an 80... he has a stat in there that talks about that if you do these things, it's 83% chance win rate. So, it's like, but I think in business, you need to do more of this, that's having the outcome that you're looking for versus this. But if you don't look at the stats, you might just treat everything equally.

Wayne Kimmel: Yeah, I mean, you really do. And in today's world, I mean, everyone's looking at the numbers. And again, as I said, it's either the... it's the player. It's the coach. It's the parent. It's the general managers, the owner. Everyone's looking for that edge to try to figure out how to do that. And one of the things that we believe is not only can you bring that edge at the professional level or at the collegiate level, but you can do it also at the youth level. And one of the big ways we're doing that is actually with—

Gui Costin: Oh, we're getting into props here. I love this. This is great. This is amazing. This is your AI, I think, for baseball bats. But let's talk about it.

Wayne Kimmel: Absolutely. I mean, this is one of our portfolio companies that we invested in, called Diamond Kinetics, and their partnership with Marucci, which is the number one bat maker for baseball. And they're also the official bat company for Major League Baseball. And what they've been able to do is create a smart bat. I mean, so if you... this is the only smart bat right here. Right here it is.

Gui Costin: This is the technology right here, tracking everything. So, walk us through what this does.

Wayne Kimmel: So, what this does is in the handle, there's technology, which is really amazing. I mean, this has been years of development, incredible people from the University of Pittsburgh and Carnegie Mellon who have built this and figured out a way to put a sensor and insert it in a bat and then also be able to allow it to be used in all different levels of baseball and softball. And now, it's approved across all these different levels. But what's really amazing is that sensor, in the past, used to have to be charged. You'd have to make sure you check it all the time. Now, it just automatically works and speaks directly to your phone, to a computer, or to the cloud, automatically. So, this is an amazing thing, where—

Gui Costin: Have they done this for golf?

Wayne Kimmel: So, there are... no, it's a great question. I mean, and it's something... would this company... Diamond Connects, is really focused on baseball and softball to date. There are companies that are trying to do things around and are doing some interesting.

Gui Costin: Because this obviously measures how the bats being used. And you can give immediate coaching and feedback is the takeaway?

Wayne Kimmel: 100%. So, in the past, youth baseball and softball coaches would say to boys and girls, take your phones out, put them in your bags, leave them aside. We're playing baseball today. But then they would go home, and they would watch ESPN. And they'd see their favorite players. You'd see Aaron Judge, holding up his iPad, taking a look at his last at bat, watching his last few swings. Well, why can't they do that? Now, they can, and they can. And it's really amazing to be able to not only just get all this information, be able to then present it back to a young athlete. But then at the same time, if these games are actually being streamed, which most of youth games are being done today, we can bring these worlds together. So, the streaming piece plus this can literally create almost an ESPN-like experience for a baseball game in anywhere USA. And I say USA, I mean, I should say anywhere around the world. We have users that use this all across the world. So, it's really incredible to see what the future will look like and just be able to really have great experiences for the players themselves to help them get better, but also at the same time, Johnny's grandmother, wherever she is, can just tune in

and watch the game and get a full-on ESPN experience for her 11-year-old grandson.

Gui Costin: And so, what you're getting at as we talk about a lot of investments, the democratization of alts. That's what you hear a lot. Everybody can buy a public stock, but not everybody can be involved and invest in all the different private opportunities that are out there. And now, Blackstone is one of the leaders in the democratization of alts. But really, what you're talking about and what you've been investing against is essentially the democratization of technology to bring all those experiences that were once maybe reserved for only the people that most amount of money or the biggest leagues, where, now, you can drive it all the way down to basically everybody can have that similar experience, learn from the AI and the technology and the stats to improve their game and improve the experience of the viewers.

Wayne Kimmel: That's exactly right. And you can even take it further into one of the newer areas in sports with sports betting. And that's been an area where we've played a lot in where we believe there's really a great way to use technology, data, and analytics to make sports betting safe, as well as fun. And so as investors and companies like IC360, which is the Integrity, Compliance, and Education Company across the industry, making sure that everything's on the up and up across the industry, working with every single league, every single team, all the conferences, all the different sportsbook operators, as well as the regulators themselves, making sure that everything's on the up and up through the use of technology, through our Bloomberg-like screen where you can look and see how the lines are moving, why they're moving, and really understand all that. That's all through the use of tech.

Gui Costin: Great. So, I do want to dig in to SeventySix Capital. So, as you all know, I'm joined by Wayne Kimmel, CEO of SeventySix Capital based in King of Prussia, Pa, here, locally, in Philadelphia. So, Wayne, number 1, welcome to the show, 2, let's just unpack, because I want to talk a little about investments, and I really want to talk about your background. Just give us a couple of minutes, starting in 1999, when you started this... and I know you're on your third fund, but give the audience just a little flavor for your history and how you've gotten to where you started and where you are today.

Wayne Kimmel: Well, once again, Gui, it's really awesome being on the show, love being here. What a beautiful studio. This is just

amazing. Incredible what you do at Dakota, with you and your whole team here. At SeventySix Capital, and we started SeventySix Capital back in 1999 to invest in the entrepreneurs who were doing the next thing in the tech world. And we were really fortunate to get behind some amazing entrepreneurs and executives who built some great companies. So, some of the companies that a lot of people, certainly people on Wall Street... and we're very familiar with SeamlessWeb, and it was the way they ordered food. That was us. We were the investors behind Seamless, built that business up. It was one of the first online food ordering companies. We sold that company to Aramark today. It's part of Grubhub. Really proud of being part of that kind of a business, and really, again, doing... pushing the limits and doing something that most people had never really thought of to go do. And we were the backers behind that. We were really fortunate to back another really tremendous group of entrepreneurs and the clinics you see inside of Walgreens today, the health care clinics. We were the investors in that. It was called Take Care Health Systems. We were the investors in that, and we sold that company to Walgreens. So, it's pretty amazing. So even today, if you walk into a Walgreens—

Gui Costin: That's really cool.

Wayne Kimmel: Those are one of the companies. So, we were investors across the tech industry, early-stage businesses, always looking to push limits, whether it was in consumer tech, health tech, fintech. We just were doing a lot of the early-stage deals. But about eight years ago, my partners and I looked at each other and said, what industry has not been disrupted, has not really been disrupted yet by tech data and analytics. And it was staring us, literally, in the face, the sports industry. The industry, not only that we had great relationships and contacts and knew a lot of people in that world, but we loved it. And it was amazing. And we were like, wait a second, who is backing the entrepreneur who wants to do something that's completely revolutionizing, completely transform the sports industry. And we recognize that it was like the '90s all over again. It was individual investors, family offices, owners of teams that were dabbling and investing in startups. We didn't see a lot of real institutional professional funds that were going about that. So, we then went right after it. In 2018, we did our first fund, solely focused on the sports industry to invest in these early-stage companies. And that we've invested our second fund. And we raised and invested our second fund in 2021 and now have some incredible breakout companies in our first two funds that we're doing... we're calling it a

target fund. It's like an opportunity fund to really double down on the winners, that we, the ones that we believe, will really be the breakouts.

Gui Costin: Now, just because we did the little prep call, and Wayne is very, very dialed in. In fact, I don't want to reveal who he's meeting with tomorrow, but he's very dialed into the sports industry. And so, it goes without saying, you have a network. So, I'm not... that's not my question. But everyone wants to, OK, this is awesome. You, obviously, have a long history in sports and venture. How do you source all your opportunities? What is your deal flow look like? Do you see so many things that you have to turn so much away? Like, how are you going about finding these? Do they come to you? Give us a sense of how you're sourcing all these investment opportunities.

Wayne Kimmel: Yeah, I mean, as you know, sourcing is everything. You have to have access. You have to have access to the best opportunities out there. And we go about it in a number of different ways. I mean, first... and as I mentioned earlier, there's one of the major legs to the stool of this platform that we have at SeventySix Capital as our media arm. So really reaching out and letting people see what we do in the industry is really important. So, we do that, whether that's through our SeventySix Capital Sports Leadership Show. It could be our newsletter that goes out every single Sunday to tens of thousands of people across the world that are in the financial world, as well as the sports industry. That also reach out to entrepreneurs.

Gui Costin: So, your thought leadership is a huge content component... thought leadership around content and sports and investing.

Wayne Kimmel: It's an incredible part of our business. And also... and being out there, literally being out there around at the major events and also being accessible to the entrepreneurs that really want to move things forward. So that's a big part of it. Certainly, we look to be... we do everything that we can to be in the middle of everything that's happening across the industry. And that's a big part of our sourcing. Our sourcing also, obviously, certainly comes from the teams, the leagues, the owners of the teams. We make sure that they know, that when they get something new, they send it to us.

Gui Costin: Gotcha. So basically, you've done such a nice job, just for years and years and years. But also, with your content, your

newsletter, your shows, everything of infiltrating the market, making sure everybody knows who you are and what you guys do around sports. So, everybody seeing opportunities all the time. They need to know where to direct... oh, you should talk to my friend Wayne. So, there's a lot of that.

Wayne Kimmel: Well, certainly. And it's not just Wayne. It's our whole team at SeventySix Capital. It's our deal team.

Gui Costin: How big is your team?

Wayne Kimmel: And I think, for us, there are... I have two other partners in the business, Chad Stender and Carlos Silva, and I should say... and John Powell. That's three. I said two. But it's really great to have them as part of our team. We have a deal team. We have a marketing team. We just recently brought on a head of investor relations that we're really excited about. So, it's really one of those things where we are at this point, where we're building this next generation, not only just sports platform, but sports investment platform to really take advantage of what's happening across the industry.

Gui Costin: Well, everybody loves sports, Wayne. It's hard to find people that don't love sports for all the right reasons. I laugh at the NFL that it's such a brilliant product, because I'm a Philadelphia Eagles fan. And everybody thinks they have an opinion on what the Eagles should be doing. And then everyone wants to boo the Eagles. Everyone wants to hate them. But it's amazing. Every game gets sold out, and everybody tends to watch every single game. So, it's a genius product, where you actually hate your team, and you hate how they perform on the field, but you still show up to every game. You watch everything. I went to Starbucks this morning at 5:05, and I saw my barista. And she goes, how was your weekend? She goes, Eagles won. It's a good day.

Wayne Kimmel: It's going to be a good week. The Eagles won. But that's an incredible thing that the NFL has done. But one of the other interesting things that you hear... or maybe this is news to a lot of people is that close to 90% of all fans of NFL teams will never set foot in that stadium to actually go to a game.

Gui Costin: I never knew that stat.

Wayne Kimmel: So, it's how do you reach them then, right? And so, certainly, that's one of the reasons why the TV contracts are so high, and the networks are paying so much money to reach fans. But also, it's something that's so important to the leagues, why they work so closely with the ESPN and Fox and CBS's and Amazon's of the world, which we haven't really gotten into yet. I mean, just how big how the world of big tech is playing in sports and how they've really moved over the last few years to be really involved in the world of sports. And we can talk about that. And what a big opportunity that is for the world of sports, going from a \$3 trillion industry today to what that potentially could be because of the fact, now you have games on Thursday night on Amazon. Because if you want the NFL... if you want the want RedZone, or you want the NFL ticket, that's now on YouTube TV. If you want to watch an MLS game, that's Apple. If you want to watch an NFL game on Christmas. And we're taping this before Christmas. But if you want to watch a game on Christmas and the NFL game, you better have Netflix. If you're having people over your house, which I would guess, knowing you, you would probably have some people over your house on Christmas. You better have Netflix, and you better have it on the big screen. Because people are going to watch those NFL games.

Gui Costin: So, I want to circle back a little bit to the investing part. Let's talk about valuation. And the reason I bring this up is because it's a huge topic right now. Vintage year diversification is a very, very big deal. Timing is a very big deal in investing, naturally, especially private fund investing. Clearly, valuations hit a peak in all businesses, somewhere around '21, '22-ish, whatever. Who knows, based on sectors? But we know they're not where they were. We're looking to 2025, 2026, when you're going to put capital to work, are you're seeing much more attractive valuations than you saw in the past couple of years in the sports world, in the types of deals that you're looking at?

Wayne Kimmel: It's been really interesting, across the sports industry, things have stayed relatively normal.

Gui Costin: They have.

Wayne Kimmel: And the reason why is because there are so few of us. There's so few of us that—

Gui Costin: That really understand the business.

Wayne Kimmel: Not only understand it, but also, I would say, that are actually making the investments.

Gui Costin: Gotcha.

Wayne Kimmel: And I think that's... and there's a couple of reasons for it. So, one part of it is just that a lot of people are just attracted to and wanting to, somehow, invest in a team or a league. And that's totally fine.

Gui Costin: Cursory level of due diligence.

Wayne Kimmel: It's a big number.

Gui Costin: Domain expertise is a big deal in investing. I mean, I don't want to play this down because it's really important that anyone listening to this, in order to really invest successfully, when there's not massive wind at your back, if you will, and everything's going up, no matter what it is, having domain expertise and experience and knowledge is a huge differentiator. That's why I'm bringing this up, just to make it clear that you guys are inside the epicenter of what's going on in everything sports.

Wayne Kimmel: Yeah, you're completely correct. I mean, and especially where it really comes down. I think that comes down and is really relevant... is the most obvious around investing in the sports betting industry or anything in the regulated gaming space. It is something that we really pride ourselves on, that we've worked very closely with our legal counsel and others to put us in a position and have the right structure to be able to invest in regulated gaming companies. What does that mean? It's much more than just like, here's a check and signing some documents. And if you're going to own more than 5% of a business that's in the regulated sports betting industry, you need to be licensed. You have to get licensed by regulators in that state, where that business... where that business does business. And those are extremely extensive background checks, financial checks, and really making sure that you are who you are, and that there's nobody influencing your decision. A lot of these laws go back to the gangster days. But I mean, it's really important because, as I said before, one of the big things that we're all about is, especially in the gaming space, whether it's investing... whether it's investing in companies in the sports betting industry, we want to make sure that everything's safe and fun. So, you've got to make sure that safe piece is a really important part.

Gui Costin: Just break out the safe piece, so we all know what you mean by that.

Wayne Kimmel: What I mean by that is that you have to make sure that you can truly believe and make sure that everything is at the highest level of integrity, and you have compliance. And then, you're educating people about this industry. Because people do get worried about gaming. But as long as everything's done on the up and up, and you do things in the legal... in legal states, that's what it's all about. And what's been amazing is that over the last six years, since PASPA was overturned by the Supreme Court, which was the law that said you could only have sports betting in the State of Nevada, we've gone from one state in the United States that had full sports betting to now 38 states.

The industry has gone from a \$10 billion industry to, this year, there'll be over \$150 billion bet on sports in just six years, across the 38 legal states, and more to come. We don't have Texas yet. Texas has not legalized sports betting or any casino gaming. California has not legalized any sports betting yet. And so, we'll see what happens in the future with this.

Gui Costin: What I think the audience really wants to, too, and I'm very fascinated about is... and I'm going to take a little creative license here for a sec... so investing in an NFL franchise, investing in an NBA franchise, what is it? Caesars just invested in the Dallas Mavericks.

Wayne Kimmel: So, Las Vegas Sands.

Gui Costin: The Sands, excuse me.

Wayne Kimmel: The family behind Las Vegas Sands just bought the Dallas Mavericks.

Gui Costin: OK. So that's one... let's just take that as a huge chunky, 4 to 10 leagues, where private equity families, super rich people are investing there. Then, you take my friend, who I went to class, high school with. I haven't talked to him in years, but he's very famous. RedBird capital is making huge investments in sports, right across the board. Large checks, big stakes. Let's just say that's another level of investment. As I think about you and what were you guys are investing is the entrepreneurs... a little bit more venture, some growth, things that a lot of us would have never heard of... data

analytics, enhancing certain things. So, I know we spoke about it earlier, but I'd love if you could just unpack it a little bit more the opportunities that you see. Because, really, if you think about where everyone... when you look at a diversified portfolio, and you say to yourself, OK, sports is growing like crazy. I can't invest in the Eagles. I probably can't invest with RedBird. Maybe I can, but it might be a \$10 million minimum check size to access the type of investments he's doing. You're providing access to these very unique, growing opportunities within the world of sports, with deep, deep domain expertise, investments that none of... no one's ever going to see. They're way off the run. You're sourcing them from all of your network. And by the way, your network is huge, and people are... those NFL owners and everybody are presented ideas, left and center, is my assumption, right? And so, they all know you, and so they're passing the ideas down. So, anyone investing with SeventySix Capital is getting just... I don't want to put words in your mouth, but just talk to us about the characteristics of the types of businesses that you'd be investing and that you really think are going to be growing extensively in the years to come.

Wayne Kimmel: I think that you make great points about where we invest. I mean, we really invest at the entrepreneur level, at that start up, early-stage level, where we have the opportunity to invest in companies that will truly transform all these different games at the highest of levels. But it starts, many times, at the youth level, sometimes, at the collegiate level. But a lot of the technology that we invest in is everything. It's everything from investing from what will affect the game on the field, as well as off the field. It's all about using new technologies to be able to invest in companies that will drive incredible new revenue sources for teams, thinking about ways. As an example, how do you make money by taking care of the lost and found problem that you have of all the stuff that people leave behind.

Gui Costin: So, there's a business for that? I love it.

Wayne Kimmel: And there's a business called Boomerang that literally does that. That works with the Wells Fargo Center. That works with Madison Square Garden, the UBS Arena, many NFL stadiums around the country to take care of and be able to enable you to have an amazing, almost like incredible situation when you've just lost something—

Gui Costin: It brings tears to my eye, because if you think about it, if you leave your favorite thing at the Madison Square Garden, and it's

gone forever. And you forgot, and you're calling. No one's ever picking up. You'll never find it. And all of sudden, they find it for you.

Wayne Kimmel: They find it for you.

Gui Costin: Of course, you're going to pay a fee, but they deserve it.

Wayne Kimmel: It's amazing. In many times, that fee is paid for by the team, and it's something that... it's just a way to enhance the fan experience. One of the founders of that company is the guy who created Shazam. So, all of us know Shazam. It's the app that allows you to just listens to music and automatically tells you the name of that song. And he sold that company to Apple. And now, it's like you just lose something, and it can automatically come back to you. It's like a boomerang. It just shoots back to you. And it's one of these amazing types of things, where we are creating those types of technologies so that you can now have a better experience as a fan. You can have a better experience. You can make more money as a team to be able to know who's sitting in the seats. Those are the areas that were also... it's really important. So not only who's sitting in your seats, but it's also who are your fans and where are they now, and how could you market to them. They may not be sitting in the game after three hours. And then where do they go next? How could you actually where they are and actually be able to deliver them an experience because they're fans of yours.

Gui Costin: So, we always talk about a pure play, whether it's venture growth, what have you, around investing and how important that is, and how only certain people have that level of expertise, like you do in sports. And so, to be able to have a play, if you will, on the new goods and services and technologies that are enhancing sports, if you will, is that SeventySix Capital, one of the few that do it. But you have this massively growing and burgeoning business, I mean, meaning sports in general, growing. But that means it's touching everything, and it's a trickle-down effect the whole thing. And there's just very few dedicated sports funds, like SeventySix Capital. And so, I'm totally getting all the opportunities. I mean, the lost and found, the boomerang. I mean, now you can start to see if you extrapolate that out, the pylon cam, all the different little nuances that enhance the sports experience.

Wayne Kimmel: Yeah, that's what we're all about. I mean, it's really bringing in and sitting down and hearing all the ideas that entrepreneurs from all around the world, who are, some of which,

may be the biggest cricket fans in the world. And I could say that I don't know much about that world, but I've learned a lot. I've learned a lot about cricket in the last several years. One of my partners is an expert when it comes to soccer, and that's what Chad knows. And he understands that game, and he understands that it's soccer here and football over there. And I mean to really be able to understand. And also, the other important thing that we do, which is really a differentiator for us at SeventySix Capital is we also bring athletes to the table with us, not only just as investors, but we bring them to the table to actually ask them and its athletes and its coaches to really take a look at and help us on the due diligence side, what is it really like to be in the locker room and win three Super Bowls under Bill Belichick? What is it really like to be in the locker room or at halftime of a World Cup game? These are the types of things, where we're able to do that with the athletes and ask them questions about, not only just from a fan perspective, but what are you doing during that time? What types of technology, what types of things are coaches using on the boards? What are you... what's being used to help you be able to perform better on the field? We're able to talk with owners about what are the types of things that they're looking for so that they can enhance the value of their team. You have a team like the Dallas Cowboys that's now worth \$11 billion today. What does Jerry Jones... what does he think about? What are some of the things that he and his family are thinking about? What have they done? They've expanded their business from just the team to many, many more types of things, including the world of real estate as well, which is something that is not an area that we at SeventySix were involved with today. But how do you actually connect those physical venues with the team, with the actual stadium? That's the stuff that we do look at from a technology perspective. How do you bring that physical and digital world together? What is that... what is the convergence of those physical and digital worlds look like? And that's what we think about and look to solve over the future.

Gui Costin: Jerry Jones is a pretty brilliant guy. And I heard what he did with his daughter is he asked her. He goes, look, I want you to get involved, and I really want you to stretch. And she goes, OK, I'm doing this. He goes, no, no, no, no, no. I want you to stretch your brain, and I want it to stretch as far as you possibly can. And he really... and then she ended up over time complimenting her dad, saying, look, he pushed me in directions to think so wildly, that I didn't even think was even possible. And now, we're doing things because he asked me to really stretch my thinking.

Wayne Kimmel: Yeah, it's what the opportunity is today. And it's also what's happening today, where you're seeing this convergence. I talked about the physical and digital worlds, but let's expand on that. It's also bringing together the major technology players that are coming to the world of sports. Why? Because if you want to reach consumers, when 93 out of the top 100 sports or people, things on TV are sports, and you got it. And you want to reach it want to reach a consumer. Well, TV's a pretty good place to reach people, right? And 93 of those programs are sports. That's where the eyeballs are. That's where the major consumer... all the major consumer companies are looking. So, they're coming together. The tech companies are coming together. The gaming companies... you think about all these gaming companies... MGM, Caesars, FanDuel, DraftKings... they're all starting to come together into the world of sports. And what this will be, will be way bigger than what this \$3 trillion industry is today because of the type of incredible ideas, the creativity, pushing yourself to try to think about what's the next thing. I mean, who really would have thought that you'd be watching Live games on Netflix? Netflix was a place to just watch stuff when you wanted to watch it. It was getting rid of appointment viewing, and then this is the place where you just watch stuff whenever you feel like. Now, they're going to appointment viewing because they realize the power of that. They realize, why did MLS take the whole... if you want to watch an MLS game, you want to watch a soccer game here in the US of the US League. You've got to watch it on Apple. And they own everything around that ecosystem, and I can't wait to see some of the things that they do in the future there. It's really incredible to see what's happening. And for us, as being the investors in these companies that are, many times, the underlying technologies, the underlying ways of, how do you watch games in the future. So, you think about all the ways we watch games today, we sit, and we see... there's a big screen behind us, and we watch the game. But what if you and I turn and look at this screen, and this says Rainmaker Podcast... by the way, it's a great show. Thanks for having me on the show. But what's awesome is that, if you were looking at the screen, I was looking at the screen, and we saw something different. And you were having your personalized or customized experience, and I'm having my experience. And how would that... how will that be done in the future? With companies like... some of our portfolio companies, like Quéntar as an example. That's giving you a different type of experience, where you're... so you're looking at the screen, and the way that you're seeing things that you care about. I see things that I care about. I'm taking action on certain things. You're taking an action on different types of things. That's what the future will look

like. And many of the companies that we invest in at SeventySix Capital are really doing that. We're powering the future and creating the value for a lot of these teams and leagues to go up, up and up.

Gui Costin: So, the opportunities are abundant, clearly. I mean, clearly, the opportunities are crazy abundant. You need someone, like Wayne and SeventySix Capital to distill all this down of exactly where you should be investing. So, we totally get SeventySix Capital is at the epicenter of investing in sports right now and giving investors those types of opportunities that no one else is going to see. Well, Wayne, I can't thank you for being on the show and how much I've enjoyed this conversation. Congrats what you've built at SeventySix Capital.

Wayne Kimmel: Well, thank you so much for having me. It's been great.

Gui Costin: This is amazing. So that's another episode. Thanks so much for joining another episode of the Rainmaker Podcast. I can't wait to see you on the next Rainmaker Podcast.