WPP perspectives PAPERS

ROGERS TAKEOVER

ROGERS' 100% TAKEOVER OF MLSE & THE NEW CANADIAN SPORTS MEDIA LANDSCAPE

"Sports and entertainment are a core part of our business, and we plan to bring our world-class sports and entertainment assets together and surface more value for our shareholders long-term"

– Tony Staffieri, *Rogers President & CEO*

JULY 2026

HOW THE CANADIAN SPORTS MEDIA LANDSCAPE IS CHANGING

In July 2026, Rogers Communications signed an agreement to acquire the remaining 25% ownership stake in Maple Leaf Sports & Entertainment (MLSE) from Larry Tanenbaum's Kilmer Sports Ventures for ***$4.35 billion CAD.***

This transaction marks a historic consolidation in global sports. By buying out Kilmer, **Rogers now controls 100% of MLSE,** the crown jewel of Canadian sports conglomerates. This deal values MLSE at a staggering $17.4 billion CAD—a massive 39% leap from the $12.5 billion valuation established just two years prior when Rogers bought out rival BCE Inc. (Bell).

For marketing, media, and advertising professionals, this is not just a corporate transaction; it is a fundamental restructuring of the Canadian media ecosystem.

Consolidation

KEY MILESTONES

- **May 2023:** Larry Tanenbaum / Kilmer Sports Ventures secures Toronto's first WNBA franchise (subsequently named Toronto Tempo), laying the groundwork for Kilmer's independent women's sports empire.
- **Sept 2024:** Rogers agrees to buy BCE Inc.'s (Bell) 37.5% stake, initiating the breakup of the long-standing Rogers-Bell joint venture
- **June 2026:** Kilmer deepens position in women's sports, injecting $100M into the Professional Women's Hockey League to fund expansion from 8 to 12 teams
- **July 2026:** Rogers achieves 100% sole ownership of MLSE, buying out Tanenbaum's remaining 25% share. Transaction is expected to close in late 2026.

HOW THE CANADIAN SPORTS MEDIA LANDSCAPE IS CHANGING

Why this transaction matters

THE STRATEGIC PLAYBOOK

With sole ownership of MLSE (Toronto Maple Leafs, Toronto Raptors, Toronto FC, Toronto Argonauts) complemented by its existing 100% ownership of the Toronto Blue Jays and the Rogers Centre, Rogers now holds an unprecedented, monopoly on sports and entertainment attention in the Greater Toronto Area (GTA).

1. **Cross-Functional Restructuring & Operational Efficiency**
   In the past, MLSE operated as a joint venture with fragmented leadership (Rogers, Bell, and Kilmer all holding vetoes). With full ownership, cross-functional consolidation is expected, such as:
   - **Combined Sales & Marketing:** Unified sponsorship, ticketing, and premium suite sales departments. Brands will no longer buy the Blue Jays and the Maple Leafs through separate organizations; Rogers can now package the entire Toronto sports calendar into a single, dominant media and activation buy.
   - **Production & Operations:** Streamlined broadcast production, venue management, and administrative overhead across the Rogers Centre and Scotiabank Arena.

2. **The Telco Synergy Engine**
   Rogers is treating MLSE not just as an entertainment asset, but as a core driver of its telecommunications business, for example:
   - **CRM & First-Party Data:** By merging MLSE's massive fan databases (ticket buyers, venue app users, merchandise consumers) with Rogers' millions of wireless and internet subscribers, Rogers builds Canada's most powerful first-party marketing database.
   - **Loyalty & Acquisition:** Expect premium MLSE perks—such as ticket pre-sales, exclusive merchandise, and behind-the-scenes content—to be bundled directly into Rogers' 5G wireless and high-speed internet subscription plans to drive customer acquisition and reduce churn.

THE BROADCAST RIGHTS PARADOX

The broadcast rights landscape is undergoing a structural shift. Rogers is using its sports empire as both a sword and a shield.

In a fragmented media landscape, live sports remain the only genre of "appointment viewing" that guarantees large, simultaneous audiences. Rogers uses exclusive rights (NHL, NBA, MLB) defensively. Because fans must watch these games live, Rogers can leverage this content to retain customer subscriptions to its high-margin cable, 5G wireless, and high-speed internet bundles.

The Cord-Cutting Dilemma and Pricing Pressures

The erosion of traditional cable packages is hurting the bottom line. Historically, Rogers benefited from steady, high-margin "carriage fees" - the monthly fees paid by cable subscribers for sports channels (like Sportsnet), whether those subscribers watched sports or not.

As cord-cutting accelerates, Rogers is forced to migrate fans to its direct-to-consumer (DTC) streaming platform, Sportsnet+. However, DTC economics are vastly different:

- To offset the loss of passive cable carriage fees, Rogers has implemented price hikes of up to 30% on Sportsnet+.
- While necessary to sustain revenues, this increase in pricing strains consumer sentiment and risks limiting the platform's reach to die-hard fans only.

Rise of Sublicensing & Digital Streaming Partnerships

To mitigate the financial risk of carrying billions of dollars in sports rights alone, Rogers is likely to sublicense premium packages to digital streamers:

- **The Amazon Playbook:** Just as Rogers sublicensed NHL Monday night rights to Amazon Prime Video, expect Rogers to pursue similar hybrid models.
- **What's Next:** Look for Rogers to sublicense regional Toronto Raptors packages or select mid-week Toronto Maple Leafs broadcasts to major streaming platforms (Amazon, Netflix, or Apple). This offsets Rogers' overhead while allowing tech giants to test live sports integration in the Canadian market.

HOW THE CANADIAN SPORTS MEDIA LANDSCAPE IS CHANGING

KILMER SPORTS VENTURES PIVOT

While Rogers consolidates Toronto, Larry Tanenbaum's Kilmer Sports Ventures is redeploying its newly acquired multi-billion-dollar chest. Rather than exiting sports, Kilmer is pivoting toward underserved, and global assets:

- **WNBA's Toronto Tempo:** Kilmer is fully funding the launch and operations of Toronto's WNBA expansion team, the Toronto Tempo, which began league play in May of 2026.
- **PWHL Expansion:** Kilmer's $100M investment into the single entity Professional Women's Hockey League (PWHL) represents the league's first major outside institutional capital. This funding will support the operational runway and expansion of the league from 8 to 12 teams.
- **Global Football Acquisition:** Internationally, Kilmer has acquired a controlling stake in the historic French football club AS Saint-Étienne, which was recently promoted back to Ligue 1 (France's top division). This positions Kilmer directly within the lucrative European football media rights ecosystem.

Key Takeaways

For media planners and brand marketers, the rules of sports sponsorship in Canada have changed.

- **The Rogers "Walled Garden":** To reach Toronto sports fans at scale, brands must prepare to negotiate within a consolidated Rogers ecosystem. The advantage? Cross-platform campaigns spanning TV (Sportsnet), digital (Sportsnet+), in-stadium signage (Scotiabank Arena and Rogers Centre), and direct-to-fan mobile activations.
- **Fragmentation of Streaming Inventory:** As Rogers sublicenses content to streamers like Amazon, media buyers must adapt to a fragmented landscape. Key inventory will split between traditional linear/DTC apps and global streaming platforms, requiring a more agile, programmatic approach to live sports ad buying.
- **Brands should look at Kilmer's playbook:** While legacy MLSE properties offer unmatched reach, women's sports offer exponential audience growth, progressive demographics, and potentially higher ROI on sponsorship investments due to lower entry costs and less sponsor clutter.

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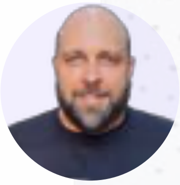
WPP Media empowers brands to win by building upon a foundation of deep audience intelligence, strategic relevance, and innovative media ecosystems.

The WPP Media Sports + Entertainment team are leaders in sponsorship marketing, uniquely positioned to help brands move beyond transactional partnerships and build meaningful, culturally resonant strategies — whether through the Toronto Tempo, women's sports, or the broader sports and entertainment landscape.

Connect with your WPP Media client lead today to discover how our data-driven strategies and media innovation can build your brand and drive business growth.



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