

# NBL shoots for profitability

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[John Stensholt](#) Oct 13, 2014 – 1.01am

Annual revenue amongst the eight clubs ranges from \$10 million to \$12 million for a team such as the Wildcats to about \$3 million for smaller teams. *Photo: Getty Imagesnormal*

The financial stability of the National Basketball League is improving, with up to half of the eight clubs in the - competition set to at least break even this season.

NBL chairman Nick Marvin , who is also the chief executive of the league's biggest club and defending champion, Perth Wildcats, said the league was now split between "clubs that are budgeting to break ever or record

a profit and those that will make a loss, but have owners committed to winning and are willing to sustain their clubs financially".

The NBL began its 2014-15 season last Friday evening. Marvin said the league, now in the hands of the teams' private owners after splitting from Basketball Australia last year, has prioritised establishing a new team in Brisbane and negotiating a new television broadcast deal by the end of the current season.

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"We will definitely have a team in Brisbane next season, and we are prepared to have the same model the A-League did with the [Western Sydney] Wanderers," Marvin said. (Football Federation Australia established WSW in 2012 before selling it a group of private investors earlier this year.)

"In regards to television, we are in the final year of our deal

with Network Ten [which screens two matches each - weekend] and ideally we would love to stay with them for another three to five years. But we need every match live so maybe there is a hybrid model like the AFL where some matches are also on pay television."

Marvin hopes a close connection to the highly popular National Basketball Association in the United States will also provide a boost to the NBL.

Last year the Wildcats were effectively loaned James Ennis from the Miami Heat for a season. Ennis proved to be a star and is now back with the Heat and is set to play regularly for that team in 2014-15. About five NBL teams have signed current fringe or former NBA players this year, under a marquee rule whereby one player can be signed outside the \$1 million salary cap.

"If you look at the NBA, Australia is the biggest market outside the US in terms of [online subscribers] and the - second for merchandise sales," Marvin said. "There are passionate basketball fans here that we want to attract."

Annual revenue amongst the eight clubs ranges from \$10 million to \$12 million for a team such as the Wildcats, which attracts average crowds of about 12,000 for home games, to about \$3 million for smaller teams.

Marvin, who will be replaced by an independent chairman this season, said the league has worked hard to ensure the teams are as financially stable as possible, having

been hit by several teams folding or hitting financial trouble in the past decade.

"In the past 18 months my greatest focus has been on making sure the teams are aware of their risk profile and working within that. We've established a financial benchmarking across the league, requiring monthly financial reporting across several categories that allow the teams to measure themselves against each other. We say we compete hard against each other on the court for 40 minutes but want to co-operate off the court."