

PROFESSIONAL SPORTS

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LAW

The Rise of the Athlete Entrepreneur

How new platforms and private equity are driving the transformation of athlete to business professional.

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It is an all-too-common story: a professional athlete makes millions of dollars during a successful playing career, only to experience financial difficulties soon after retirement. Professional athletes often face a sudden and significant drop in income once their playing career ends, despite still being in prime earning years by traditional business standards. This challenge is often intensified when there's no long-term plan in place—well before retirement—to generate income. Without that preparation, the transition can be financially and emotionally destabilizing. With rising salaries, a greater percentage of professional athletes are starting to amass significant amounts of wealth early in their lives, prompting them to think more strategically about potential business and investment opportunities.

Recently, professional athletes have begun creating and engaging with new business-oriented platforms and networks, collectively referred to as “Professional Athlete’s Business Networks.” These networks aim to provide athletes with the skills, opportunities and business acumen they will need to leverage their on the field success into off the field success. Opportunities for post-retirement business education and investment advice are not new. What is new, however, is the level of



athlete involvement in creating and supporting these networks, allowing the athletes themselves to transform into entrepreneurs even before their playing careers have ended.

The growth of these networks has opened up many new opportunities for professional athletes in the business world. Professional athletes are increasingly investing alongside elite private equity professionals, leveraging their wealth and business experience to diversify their portfolios and access high-level business opportunities, often with the chance to have an ownership stake in these deals. The growth of the “athlete entrepreneur” is occurring at the perfect time as the rapid

changes in sports business and media offer new opportunities for investors—including athletes—to make quality investments in the sports industry.

New Athlete-Focused Platforms and Community

Professional Athlete’s Business Networks are growing communities where people from the sports and business industries—including founders, investors, and athletes—connect around shared opportunities. Certain Professional Athlete’s Business Networks are centered around entrepreneurship and venture capital. These platforms facilitate connections between athlete-entrepreneurs and like-minded individuals within the sports industry. In addition to fostering community, they provide support for fundraising efforts, offer access to venture capital, and promote financial literacy to empower athletes in their business endeavors. Increasingly, athletes are turning to these platforms to connect with investors and partners involved in sports innovation and business development.

Other Professional Athlete’s Business Networks support athletes—both current and retired—as they navigate the shift from professional sports to roles in business and finance. Through networking events and educational initiatives, athletes are connected with CEOs, entrepreneurs, and industry professionals and are provided with an

MBA-lite like experience. The goal of these organizations is to facilitate mentorship, allow professional athletes to build strategic business relationships amongst each other, and support career growth outside of sports.

According to Matt Joyce, former 14-year Major League Baseball veteran and one time MLB all-star, the success of these programs are indicators that professional athletes are beginning to truly change the way they plan for their careers after retiring from their sport. “Leaving professional sports is one of the toughest transitions an athlete can face,” Joyce said. “During your career, everything—identity, routine, income, purpose—is centered around the game. That intense focus, while crucial for success on the field, can leave you unprepared for life after it. New platforms are offering the kind of support and guidance many athletes wish they had during and after their playing days.”

Private Equity and Athlete Partnerships

Partnerships between professional athletes and private equity sponsors have also become increasingly common. As athletes continue to increase their business acumen, these partnerships have become more mutually beneficial. Athletes bring not only their fame, brand value, and social influence but also a unique perspective on the business landscape and vision for where a brand or company can go. These partnerships often result in athletes investing in businesses along with the private equity sponsors, while also contributing their endorsement and strategic guidance. Some private equity firms have even established athlete advisory boards to assist their evaluations of sports invest-

ment opportunities. This alignment has proven uniquely successful in industries such as tech, health and wellness, consumer goods, sports and entertainment, where athletes’ influence can drive consumer engagement and attract a loyal customer base.

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Considerations for athletes building a second career in business

Professional athletes should approach business deals with the same discipline and strategic thinking they apply to their sport. When evaluating investment opportunities, it’s crucial to consider not just the potential upside, but also risk, time horizon, and alignment with their personal brand and long-term goals. Ideally, athletes should seek opportunities where they can offer more than just capital—such as influence, network, and credibility—while ensuring those ventures have sound leadership, clear business models, and sustainable market potential. Private equity and startups often carry higher risk than traditional investment and require more active involvement. Striking a balance between stable investments

and higher-risk ventures allows athletes to build wealth while preserving financial security.

Additionally, professional athletes should use their status and platform to build relationships and open doors that otherwise might be closed to others. Athletes have a unique opportunity to leverage their visibility, credibility and access to exclusive events to connect with influential leaders across industries. Networking is key to finding opportunities. Athletes who recognize and utilize their brand value and connections strategically are more likely to build wealth and financial security post-retirement.

Deal structure

Investments can be structured in a variety of ways, from being a controlling investor, a passive limited partner or simply participating on an advisory board. When deciding which of these structures is right, professional athletes should first evaluate how much time, expertise, and interest they can realistically dedicate to a business venture. A controlling investor role comes with influence and potential upside, but also requires deep involvement, strategic decision-making, and a tolerance for risk and operational complexity. On the other hand, passive investments offer exposure to potentially lucrative deals with far less day-to-day responsibility. Serving on an advisory board can be a sweet spot, allowing athletes to lend their name, network, and perspective without assuming the responsibilities that come with ownership.

Choosing the right advisors

As athletes continue to expand their networks and business acumen, the opportunities and transactions

available to them will continue to increase in complexity. Before making any investment, professional athletes should seek well-rounded advice from a team of trusted, qualified professionals who can protect their interests and provide objective guidance. A seasoned financial advisor or wealth manager can help evaluate how the investment fits into an overall portfolio strategy, manage risk, and ensure diversification. A legal advisor—ideally one with experience in venture deals or private equity—should review all contracts and agreements for unfavorable terms, hidden liabilities, or governance issues. Experienced legal advisors are also essential to navigating complex legal issues specific to sports investments such as compliance with league rules and regulations and limits on cross-ownership, particularly for international investments. Tax professionals are also key to understanding the short and long-term tax implications of any deal. Additionally, depending on the

nature of the investment, consulting industry experts or business mentors can provide valuable insight into the viability and credibility of the opportunity. Athletes should be wary of making decisions based solely on personal relationships, and instead rely on thorough due diligence and advice from professionals with no conflicting interests.

The necessity for athletes to work with sophisticated professionals and establish a network of advisors to protect and grow their wealth is critical to the financial success of athletes.

The Future of Athletes in Business

With access to cutting-edge opportunities in sports technology, venture capital and entrepreneurship, athletes are becoming key decision-makers in industries that are shaping the future. “Athletes are no longer just endorsers—they’re becoming owners and operators,” said Stephon Marbury, former 13 year

NBA veteran, two-time NBA all-star and three-time Chinese Basketball Association champion. “They’re realizing their business potential goes far beyond licensing their name to a brand. Like I did with Starbury, the goal is full ownership and to become your own “Mickey Mouse”.”

As the athlete-entrepreneur movement continues to grow, expect to see even more athlete-driven startups, investment syndicates, and industry-shaping collaborations emerge as professional athletes continue to push the boundaries of business in the 21st century.

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