

TKO Group: who should own the sponsor relationship?

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TKO Group Holdings had built a portfolio that brought together UFC, WWE, PBR, IMG and On Location. Some commercial relationships already crossed property lines. In August 2026, a hypothetical TKO corporate-strategy executive is asked to recommend how the next stage of partnership growth should be organized: should TKO give a central team more authority over sponsor accounts and portfolio packages, or keep sales authority with individual properties and coordinate selected opportunities?

The question is one of governance and execution. TKO has not announced a sales reorganization, and its public disclosures do not say that property teams are failing to coordinate. The assignment below is a hypothetical policy choice, not a report of an internal dispute.

The assignment

Advise the executive on a commercial operating model for the next 12 months. Recommend where account ownership, package design, pricing, inventory approval and activation decisions should sit. Explain how your structure would help TKO pursue partnership growth while protecting property-specific expertise, sponsor fit, contractual rights and third-party client relationships.

Address how TKO could learn whether the model is working. Identify measures, decision rights, incentives, safeguards and evidence that would cause you to expand, revise or stop a pilot. The case does not provide sponsor-level economics. Do not assume that a larger package creates incremental revenue or profit; distinguish new sales from renewals, shifted inventory and sales that would have occurred through a property alone.

A portfolio with different commercial roles

TKO describes a global sales force and differentiated offers that can reach audiences at scale or target particular groups. Its properties include UFC, WWE and PBR. The portfolio also includes IMG, which markets sponsorship assets for third-party sports federations, associations, events and teams, and On Location, which provides premium hospitality. These businesses may bring useful capabilities together, but they do not all own the underlying rights. IMG's client mandates, permissions and contractual limits matter; the case provides no basis for assuming its clients or assets can be combined with TKO-owned properties.

TKO says its partnership revenue includes venue and broadcast advertising, product integration and digital impressions across UFC, WWE and PBR. Through IMG, it earns commissions and fees

by selling sponsorship assets for third-party rights holders. The company has named partners including IBM, Meta, Polymarket, Ram Trucks, Crypto.com, DoorDash, Minute Maid, Sazerac and Nestlé, and has cited deals spanning multiple properties. These examples establish that cross-property activity exists. They do not reveal how often sponsors attach to multiple properties, what a bundle adds to price, or whether the deal is more profitable than separate sales.

The distinction between commercial coordination and centralized authority is important. Teams could share buyer research, account plans, packaging tools and measurement while property leaders retain approval over their rights and activation. Alternatively, one portfolio team could own more accounts and negotiate across properties. A third design could leave account ownership decentralized but establish formal referral, escalation and revenue-credit rules for selected opportunities.

Growth targets with different scopes

In its 2025 annual-report CEO letter, TKO management reported **well over \$450 million in 2025 partnerships revenue across UFC and WWE**. In the same letter, it raised its **2030 partnerships revenue target for all of TKO to \$1.2 billion**, citing new broadcast inventory among the reasons. These figures have different scopes and are not comparable endpoints. They do not establish a growth rate, a cross-selling contribution or the expected return from a new sales structure.

The 2030 target is a management objective, not a current result. TKO has not disclosed a sponsor-level bridge to the target, the share expected from new inventory, property growth, pricing or renewals, or the costs required to sell and service additional partnerships. Partnership revenue is not profit: commissions, production, activation, guarantees, make-goods and displaced standalone sales can affect its economics.

One quarter, several different movements

TKO's second-quarter 2026 results provide a recent view of the reported “partnerships and marketing” revenue category. The table below reproduces the four reported categories. They are not a consistent set of property-only lines: IMG's reportable segment includes IMG and On Location, while Corporate and Other includes PBR and unallocated corporate activity.

Reported category	Q2 2026 (\$m)	Q2 2025 (\$m)	Year-over-year change (\$m)
UFC	144.8	85.8	+59.0
WWE	63.2	58.3	+4.9
IMG	3.5	7.9	−4.4
Corporate and Other	12.3	11.7	+0.6

The quarter ended June 30, 2026. These are quarterly reported figures; they should not be annualized. TKO attributed the UFC increase primarily to new partners and renewal fees, largely driven by UFC Freedom 250. It attributed WWE's increase primarily to new partners and renewal fees. The disclosures do not assign either increase to cross-property selling. Nor do the figures disclose associated selling, production or servicing costs, comparable inventory, or whether revenue was incremental rather than shifted from another period or category.

The figures therefore create questions for a decision-maker, rather than a ready-made answer. What drove the UFC change besides the named event? How much of a sponsor's purchase would have occurred without a portfolio offer? What capabilities can be shared at low cost, and which depend on property-specific audience, rights and activation knowledge? The public data do not answer these questions.

Coordination is already visible, but its value is not measured

In May 2026, TKO announced a three-year Arizona agreement covering seven events across UFC, WWE, PBR and Zuffa Boxing. The agreement shows that multi-property coordination can be part of TKO's commercial and event activity. Public materials do not disclose how its economics are allocated, whether it includes bundled sponsorship, or what value was incremental.

TKO also announced a seven-year U.S. UFC media-rights agreement with Paramount beginning in 2026. Numbered events moved from pay-per-view to subscription inclusion on Paramount+, with selected CBS simulcasts. That change alters the distribution context in which UFC inventory is sold, but the deal announcement does not quantify its effect on sponsorship pricing, reach or sponsor demand.

Other possibilities also need to be kept in view. A portfolio package may lower a buyer's search and negotiation costs, make it easier to reach several audiences, and increase the value of coordinated activation. But a sponsor may want only one property, distinct brands may require tailored sales expertise, and bundling scarce inventory may weaken standalone pricing. A central account owner could reduce duplicated coverage while creating approval bottlenecks or disputes about sales credit. TKO has not disclosed its account assignments, compensation arrangements, buyer overlap or current coordination costs.

IMG adds a further boundary. It sells assets on behalf of third-party rights holders. Any operating model would have to preserve client mandates, confidentiality, permissions and category exclusivity. A portfolio strategy cannot presume that third-party client assets are available for use in TKO-owned-property packages.

The decision

The executive must recommend an operating model that can pursue growth while respecting what is not yet known. The public evidence does not establish that TKO needs more central control, that a hybrid would outperform, or that the current model is inadequate. The choice should therefore specify what should be coordinated now, what should remain with property specialists, and what evidence would justify a change in authority.

Discussion questions

1. What should TKO centralize, coordinate or leave with property teams? Explain the value mechanism and the costs or risks of each choice.
2. How would you define account ownership, property approval, pricing authority and sales-credit rules for a cross-property opportunity?
3. What should a pilot measure to distinguish incremental value from renewals, new inventory, event timing, shifted sales and standalone demand?
4. How should TKO protect IMG client boundaries and property-specific rights while enabling legitimate coordination?

5. Which evidence in the case is useful to the decision, and what does it leave unresolved?

Sources and exhibit notes

- TKO, [2025 Form 10-K](#), filed March 2, 2026: Item 1 business descriptions and “Partnerships and Marketing”; Item 1A integration risks; Notes 3 and 19.
- TKO, [Q2 2026 results and Exhibit 99.1](#), August 3, 2026: “UFC Revenue,” “WWE Revenue,” “IMG Revenue” and “Corporate and Other Revenue” tables, “Partnerships and marketing” rows, plus discussion following the UFC and WWE tables. The result categories and periods are transcribed above; differences are arithmetic from those reported figures.
- TKO, [Q2 2026 Form 10-Q](#), filed August 3, 2026: segment and acquisition disclosures. Information cutoff is the SEC acceptance time, 4:15:09 p.m. ET.
- TKO, [2025 annual-report CEO letter](#): management's 2025 UFC/WWE figure and all-TKO 2030 target.
- TKO, [Paramount-UFC media-rights announcement](#), August 11, 2025.
- TKO, [Arizona multi-property event agreement](#), May 12, 2026.

All company statements and targets are attributed to management or filings. The case excludes information published after August 3, 2026, 4:15:09 p.m. ET. No cross-sell uplift or profitability is inferred from the reported revenue figures.