Sports Business

In ticketing tech play, new S.F. pro soccer team turns to old favorite that wants in the game



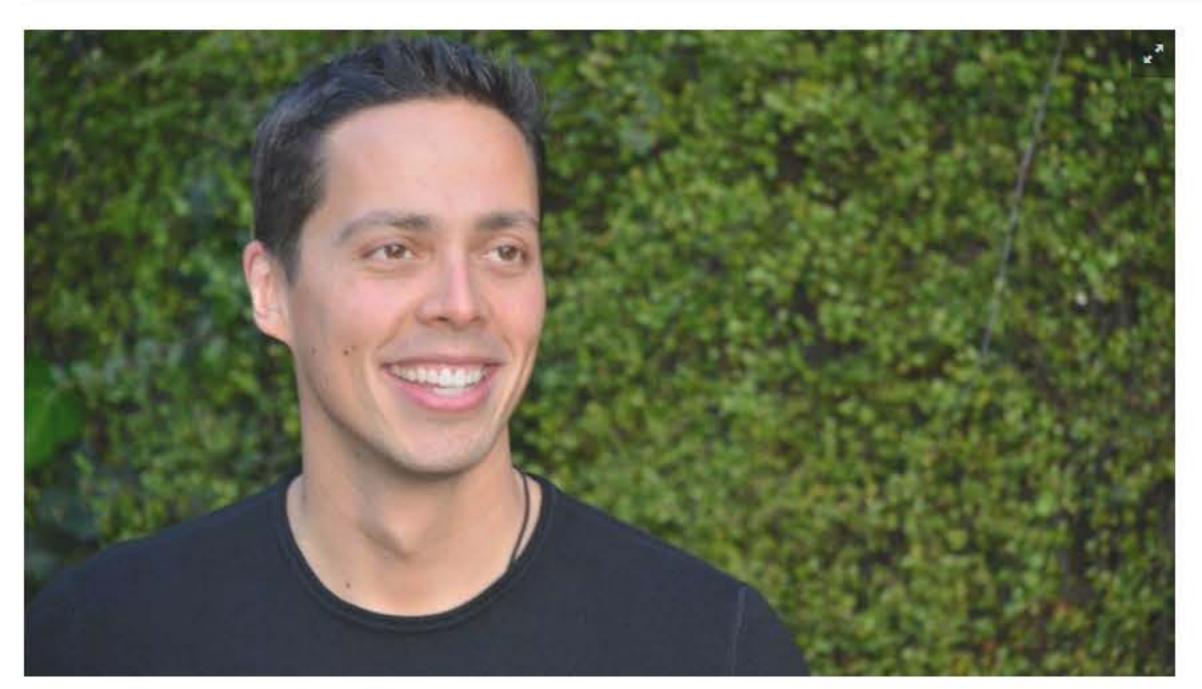


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San Francisco Deltas CEO Brian Andrés Helmick.



By Ron Leuty - Staff Reporter, San Francisco Business Times Sep 13, 2016, 8:00am PDT Updated Sep 13, 2016, 1:37pm PDT

Brian Andrés Helmick

Bryant Harrison

Information Technology

Julia Hartz

Person

Person

Person

Kevin Hartz

Renaud Visage

Person

Sports Business

Industry

Technology

Industry

A deal between San Francisco's new professional soccer franchise and Eventbrite Inc. that could kick both the team and the self-ticketing platform into a new league.

The two-year deal between the San Francisco Deltas, an expansion team that begins North American Soccer League play in April 2017, and San Franciscobased Eventbrite initially focuses on fans picking their seats at 10,000-seat Kezar Stadium. But Deltas CEO Brian Andrés Helmick said the clear field afforded a new team and an older company hoping to up its game in sports eventually could involve artificial intelligence-based system that steers fans with similar interests toward sitting together.

"We're on a path to get to true AI ticketing," Helmick said.

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The deal, the overall value of which wasn't disclosed, comes at a disruptive time for the sports ticketing industry. Ticketing giants Ticketmaster and San Francisco-based StubHub Inc. are rolling out new features to capture more of the primary and ticket resale markets while startups such as Gametime United Inc. of San Francisco are moving quickly in mobile-social seating.

(See our cover stories from July here and here.)

The Deltas-Eventbrite initiative will be led by Bryant Harrison, who recently joined the franchise as director of product management. He previously worked at Google Inc. (NASDAQ: GOOG), Zynga Inc. (NASDAQ: ZNGA) and Hangtime, an events discovery company that works with Eventbrite's application program interface, or API.

"Will Eventbrite have everything we need for the first season? No. But are they the right partners to build what we want in the long run? No question," Helmick said.

A popular destination for tickets for things like music festivals and everyday events, ranging from hip-hop dance parties to business mixers, 10-year-old Eventbrite processes about 2 million tickets a week. It collects a fee of 2.5 percent of the face value of the ticket, plus 99 cents and a 3 percent payment processing fee, according to the company's website, but the service is free for organizers of free events.

Yet Eventbrite, founded by Renaud Visage and the wife-and-husband team of Julia Hartz and Kevin Hartz, has never worked as the ticketing goalie for a pro sports team, Helmick said. The Deltas deal could give the company the thrill of victory — or the agony of defeat — at a time when the ticketing industry is rapidly changing.

Premium Deltas tickets will cost more than \$60 per game, but Helmick said the team also will give away 200 tickets to nonprofit and school groups. What's more, Eventbrite will reduce its fees on 3,000 discounted tickets that Deltas will offer for \$20 or less for their home games.

Eventbrite's South of Market headquarters are a few blocks from the Deltas' offices, and Helmick knew the Hartzes when he was a Stanford University graduate student in 2005 working with them at money transfer company Xoom Corp. But the deal is less about geography, Helmick said, and more about a shared mindset of "taking risks and making mistakes."

From Helmick, who founded and led the human resources software and services company Algentis LLC before its 2014 sale to Hub International Ltd., to the Deltas' lineup of investors, the franchise is deep in the tech world. Its investors include executives at Google, Facebook Inc. (NASDAQ: FB), Twitter Inc. (NASDAQ: TWTR), Yelp Inc. and PayPal.

"I saw so many businesses fail because they tried to b everything to everybody all the time in every way," Helmick said. "We have to be very clear about what things we need to own in year one, what we want to own in the long term but have to give up in the short term, and then choose partners with a similar mindset."

Now the Deltas, who hired Marc Dos Santos last month as head coach and José Carlos Brunoro in May as general manager, are concentrating on hiring out the rest of their front office and field-level personnel and lining up more deals around transportation ("Our primary messaging to people is 'Don't drive," Helmick said) and concessions ("There are no timeouts in soccer, so what's the easiest way to get food delivery to seats?").

"We've told fans we are going to make mistakes," Helmick said. "But they know that's because we're taking risks, on and off the field."