

STARTUP

Why San Francisco's New Pro Soccer Team Thinks Like a Startup

Founded and funded by Silicon Valley veterans, the Deltas hope to be the most innovative club in the world's most popular sport. ↗

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● In a sparsely-decorated office suite in San Francisco's Soma district, a team of six people gears up for launch amid a flotsam of logoed T-shirts and Macbook Airs. Modular work tables, assembled just the day before, sit unoccupied, awaiting new hires. A full beer fridge hums in the kitchenette.

It's a familiar scene in startup city, but this is no tech startup—not the usual kind, anyway. It's the headquarters of a new professional soccer team, the San Francisco Deltas. In 2017, the Deltas will begin playing as the 13th team in the North American Soccer League, which occupies a rung just below the better-known Major League Soccer. Last week, San Francisco's Recreation and Parks commission approved the team's proposal to use Kezar Stadium, a 10,000-seat bowl on the edge of Golden Gate Park, as its home field—meaning the Deltas will be the rare pro sports team that plays its games smack in the middle of the city it claims to represent.

While they may not be serving up on-demand taco delivery or cloud analytics, the Deltas consider themselves very much a product of their hometown's leading industry, says CEO Brian Andrés Helmick. "We're in the city of innovation," says Helmick, and the club will embody that innovation in ways large and small, from its name—"delta" is coderspeak for "change"—to the way its employees communicate with each other. (On Slack, not email, of course.)

The Colombian-born Helmick is himself a product of startup culture: After graduating from Stanford Business School, he founded an HR software platform company, Argentis, sold to Hub International in 2014. Thinking about his next venture, he considered something in soccer but worried his lifelong love of the game might color his perception of risk. "The biggest challenge I had was putting my passion for the sport aside," he says.

What convinced him was a statistical imbalance: While three of the world's five most valuable sports franchises are soccer teams (Barcelona FC, Real Madrid, and Manchester United, per Forbes), 42 of the top 50 are American. Sooner or later, he reasoned, the world's richest sports market will be home to some of the world's most valuable soccer teams. You can already see it starting to happen: In big American cities, children are as likely to wear Messi and Ronaldo shirts as their local sports stars'. "That ubiquity of global soccer—we didn't have that 10 years ago," says Helmick.

That logic also swayed nearly a score of venture capitalists and other investors from the tech world. Among those who have put money into the Deltas are veterans of Apple, Google, Twitter, Yahoo, PayPal, and Dropbox. The team isn't disclosing how much it has raised but says it will spend tens of millions of dollars in its first 24 months of operations.

Beyond the pedigree of its founder and investors, the Deltas will be linked to the startup ecosystem in still other ways. Among the major sticking points that threatened the team's proposal to use Kezar Stadium was parking: Neighborhood residents didn't want their streets flooded with drivers looking for parking, or heading home after having a couple beers. To assuage that fear, the team promised it will urge fans to use apps like Uber, Lyft, and Flywheel to get to the stadium. "Our main message to people will be: Don't drive, because you don't have to drive," Helmick says.

He believes immersion in the region's tech scene can lend a competitive edge to the team's front-office operations and on-field product. The Deltas, he said, will be experimenting with all kinds of new technologies, from wearables and virtual reality to something called "AI ticketing" that will allow fans to choose seats based on shared affinities for your neighbors. "We want to become the incubator for the sport," Helmick says. "I'm OK with failure, I'm OK with taking risks." To Silicon Valley entrepreneurs who are working on an innovation that might be useful in running a soccer team, Helmick says, the message is: "Jump in the car and come over."