



Professional Football
Insurance:
The importance of
being an all-rounder



Gallagher

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FROM THE COLOSSEUM TO CAMP NOU

Flashing back to nearly 2000 years ago – the year is 82 AD, and the people of ancient Rome are amassing inside the eternal city's most celebrated structure, the colosseum. The amphitheatre which played host to some of the ancient world's most dramatic and brutal displays of strength, speed and athleticism. Gladiators from across the empire would lock into battle against their adversaries, testing one another's sporting prowess, in the hope to win the hearts and minds of not only the emperor of Rome, but the entire city.

With the action played out in front of thousands of spectators, a winning and successful gladiator could achieve an empire-wide, celebrity-like status that would even surpass the governors of Rome's imperial senate. An exemplary case of this was the gladiator Spiculus, who achieved an early freedom, accumulated an enormous fortune and received property in both the city and country from Emperor Nero for his gladiatorial endeavours.

Fast forward to the 21st century and it is to much relief that civilisation has long-ditched the savage nature of gladiatorial battles. Nonetheless, an underlying sentiment has remained from the ancient Roman era - the public admiration, status and fandom our current professional footballers hold as they sell out stadiums and arenas across the globe.

The modern professional sports industry has become a colossal business, just as gladiators were once to Rome. In 2018, the global sports sector was valued at USD488bn, predicted to rise to over USD600bn by 2022¹. It is therefore not a surprise that sports stars now stand alongside hedge fund managers, private equity partners and property tycoons as some of the world's wealthiest individuals. In 2019, it was estimated that men's professional clubs across eight major sports, paid out a staggering USD22.6bn in wages². You only have to take a glimpse at social media feeds and news articles to get a sneak peak of the lifestyles, houses, cars and assets these athletes can now attain from participating in their beloved sport.



FEAR AMONGST THE FAME AND FORTUNE

Despite the enormous salaries, idolised status and international fame, the biggest fear for these high earning, high performance footballers is injury or illness that causes their careers to temporarily stop – or worse case, permanently end. Fortunately, modern medical science and sports physiotherapy has notably evolved in the past 30 years. Where a serious injury could have ended a career two to three decades ago, it is less likely now.

One poignant example highlighting medical progress is the stark difference between the injuries sustained by Coventry City defender David Busst in 1996 and Everton midfielder Andre Gomes in November 2019. Busst suffered compound leg breaks in both his tibia and fibula following a collision with Manchester United players Dennis Irwin and Brian McClair, which tragically ended his professional career. 23 years later, in a Premier League encounter between Everton and Tottenham, Andre Gomes suffered a similar injury with a fracture dislocation to his right ankle. In just 16 weeks to the day, Gomes had remarkably made a full recovery, returning to first team action as a second half substitute against Arsenal in late February of this year.

The final whistle can still sound on a career

Modern sports injury practice continues to make strides to ensure professional athletes have a strong, fighting chance to continue their careers following a threatening in-play injury. Nevertheless, there have sadly been recent instances where players were not so lucky and career termination was their only option.

Footballer and England U-21 international, Fabrice Muamba, suffered a cardiac arrest at the age of 23, whilst on the pitch for Bolton against Tottenham Hotspur. He never returned to action. Similarly, at the age of 33, Aston Villa's former midfield maestro, Stiliyan Petrov, was diagnosed with Leukaemia and forced to retire shortly after.

Thankfully, both players eventually recovered their health. However, most of us will not be aware of the long-lasting effects premature career termination can have on an individual, their lives and the people around them. Not only are hard-won careers snatched away, but prospective earnings and subsequent lifestyles vanish with them too. Though, unlike gladiators, football players today don't face a life or death outcome when stepping into play, there is still an ever-present risk of losing a vast amount of what they have worked towards.



“DON'T SWEAT IT” – PROFESSIONAL FOOTBALL INSURANCE IS HERE TO PROTECT

In today's realm of professional football, players are constantly raising the intensity when competing in their chosen discipline. This puts an enormous pressure to push themselves to their physical limits, meaning an injury or accident will never be entirely avoidable. Therefore, it is vital to understand the solutions available to protect competitive players, ultimately ensuring they get a fair settlement should anything occur. Professional footballers cannot afford to leave themselves open to risks like this – doing so would be almost as hazardous as a gladiator not carrying a shield into the arena.

There are a wide range of specialist sports insurance solutions to cover the key risks and exposures athletes may face on and off the field of play:

Permanent Total Disablement / Career Ending Insurance

Whilst some professional athletes have guaranteed contracts and salaries, others will rely on appearance fees, bonuses and sponsorship deals to fund their lifestyles. Permanent Total Disablement/Career Ending Insurance provides protection against injury, accident or illness that permanently prevents a professional sports person from continuing their career.

The Permanent Total Disablement/Career Ending policy provides a tax-free lump sum amount which is payable in the event that the sportsperson is unable to continue their usual occupation. The policy provides 24-hour, worldwide coverage whilst playing, practising, training and competing on international duty.

Temporary Total Disablement / Wage Protection Insurance

Temporary Total Disablement, also known as 'Wage Protection', provides a weekly or monthly payment designed to replace contracted income that is lost following an injury, accident or illness, which temporarily prevents the insured person from pursuing their sport.

Financially supporting the insured athlete while they are temporarily out of action brings peace of mind while enabling them to focus on their health and recovery.

FOOTBALLERS CAN STILL LOSE AT HOME

And the pitch isn't the only place where footballers are at risk.

In 1990, Forbes published its first ever ranking of the highest paid athletes in the world. It has since become an annually anticipated feature capturing the headlines of newspapers worldwide, but more importantly, it re-emphasises the earning power sports people have in the modern era. Especially those that captivate the public and score multi-million dollar brand and sponsorship deals. In spite of this, being in the public eye puts these high-profile athletes at risk of having their homes, cars and belongings become a prime target for criminals.

Long gone are the days where a gladiator might win over a Roman Emperor and rely on them to protect their affluence and livelihood. Now, more structured forms of risk management are required to protect the fruits of a rewarding career.

The need for bespoke, high-value asset insurance policies is evidenced by the several high profile house burglaries that have taken place while professional footballers are engaged in matches or away on international duty.

Liverpool footballer and Senegalese superstar, Sadio Mane, had his home burgled while playing a Champions League game against Bayern Munich in February 2019, joining a long list of Premier League footballers to suffer the same fate – including: Wayne Rooney, Steven Gerrard, Romelu Lukaku, Roberto Firmino and most recently Dele Alli, who suffered a home burglary whilst being held at knifepoint.

This widespread issue does not isolate itself to just the UK, but it is ever-present across the European continent and the globe. Dutch forward Memphis Depay reportedly lost valuables in excess of EUR1.5m, whilst Brazil and Paris St. German Captain Thiago Silva, had more than EUR600,000 worth of goods stolen from his house during a game against Nantes.

From an underwriting perspective, many household and motor insurers will typically not offer policies to high profile sports people due to the celebrity-like status, public attention and subsequent exposure these individuals can bring. There are however, specialist providers that specifically cater for high profile sports men and women. These policies ensure the correct cover is in place to protect assets without the need for the excessive premium that some providers might attach to a high-profile occupation.

Purchasing high net worth policies

When providing a high net worth insurance solution to a sports person, policies need to be individually packaged to ensure all assets and valuables are insured under one programme. There is also a need to have robust risk management in place. Athletes must take the lead when it comes to risk management and make sure they have a strong level of security in place across the home. From alarms to safes, surveillance cameras to garages, these risk controls will be pivotal in minimising the damages a home burglary can cause.



THE IMPORTANCE OF BEING AN ALL-ROUNDER

Professional footballers may want to consider an 'all-round' solution when it comes to taking out their insurance. Football representatives and advisors must work closely to consider the full spectrum of risks and exposures their clients face, not just while competing and training, but off the field too when it comes to their homes and valuables. Insurance brokers will understand their clients and the expansive risks they may face, and will work to package a range of insurance solutions under one programme – ultimately ensuring all angles of a player's life, career and future have been considered.

Looking back to the athletes of the Roman era, we see a picture of a brutal system of entertainment where sporting participants were forced to risk their health, their possessions, their future and their lives. And while those days are over, entering a life in sport is still far from risk-free. Without comprehensive, specialist sports cover, athletes could lack the protection required so they would be entitled to a fair settlement should they need it.

As for all the medical advances when it comes to injury, or all the security systems protecting homes, athletes still cannot afford to leave their fates up to chance. To do so would be to defer to a factor as fickle and unpredictable as a Roman Emperor's thumbs up or thumbs down verdict.





WHY GALLAGHER FOR PROFESSIONAL SPORTS DISABILITY AND CONTINGENCY?

We place risks from over 50 countries and pride ourselves on adapting our offering across multiple international jurisdictions. With specialist knowledge in the sports industry, our specialist team has the experience and market reach to provide sports clients with a tailored, individual insurance solution that could mitigate the personal risks they face.

As one of the world's largest community brokers, we take enormous pride in providing essential protection to an array of different sports that include football/soccer, rugby, golf, cycling, tennis and basketball – so athletes and professionals can face their future with absolute confidence.

Do not just take our word for it though; our commitment to the sector extends right across the spectrum, from grassroots to stadiums across the world – via our key sporting partnerships. We are the Proud Title Partners of England's Premiership Rugby; platinum partners to the Special Olympics International; proud partner with AMB sports, the parent company of NFL's Atlanta Falcons and MLS's Atlanta United; key partners to both the Chicago Cubs and San Diego Padres major league baseball teams; and lastly sponsor to IndyCar's Carlin team.

Our specialist sports team have excellent relationships with insurance providers across Lloyd's and the wider insurance community, enabling us to find protection that is flexible and bespoke to the individual needs and exposures of a client's chosen sport. Having worked with many leading athletes, clubs and brands, our collective experience and knowledge of the sports industry make us the ideal partner to advice, design and execute a comprehensive risk management programme.

Would you like to talk?

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Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW.
Registered in England and Wales. Company Number: 1193013. FP626-2020 Exp.19.05.2021.

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