

# From Stadion to E-Gaming in the UAE: A look at Stadiums

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## A brief history of stadiums

The origins of stadiums lie in Ancient Greece in the 8th Century BC where a “stadion” (or “stadium” in its translated Latin form) was a unit of measurement approximately 200 metres in length. The name of stadion referred to both the elongated U-shaped track of the same length and the sprint race that was run along its distance. The tracks were usually surrounded by rudimentary stands that were sometimes built into hillsides or surrounded by artificial embankments of stone steps in order for spectators to view the race.

The Romans later advanced the development of stadiums with the “circus”, which had a similar, open-ended horseshoe shape to the stadion, but which was used for horse and chariot racing. However, the familiar modern day design was really started with the amphitheatre, which could accommodate much larger crowds, was often multi-tiered and wrapped around the often gruesome gladiatorial, venatio (animal hunts) and naumachia (staged naval battles to the death involving condemned prisoners) events put on for mass entertainment in a circle of blood thirsty noise.

With the fall of the Roman Empire, “sports” and their associated facilities also fell into a steep decline during the Middle Ages with the world more pre-occupied with other matters – with jousting being a notable anomaly.

It was not until the late 19th Century, with large scale urbanisation and the huge growth in organised sports such as football, rugby and cricket in the UK and baseball in the United States, that the modern era of the stadium began and which drew upon its ancient roots. Although the sportsmen on the field of play now managed to escape with their lives, football stadiums in the UK, at least, retained much of the “red in tooth and claw” atmosphere of their Roman ancestors right up to as recently as the end of the 1980s.

My own first experience of attending a stadium was as a child with my father in 1987 standing in the Gallowgate End at St James’ Park watching Newcastle United inflict a very rare 2-1 victory over Manchester

United. The memories of that day remain very vivid – the pitch, the ear-splitting volume of the chants, the soggy meat pies, watching Gazza do his stuff as a young 19 year-old, Gordon Strachan’s long range equaliser on the stroke of half time (with the ball remaining ominously lodged in the top right stanchion of the goal in front of me for the whole of the half time interval) and Paul Goddard’s 90th minute winner which sent the place ballistic in a primeval frenzy – all of which was simultaneously pretty intoxicating and slightly terrifying for a 10 year old.

As Nick Hornby describes of his first football match in his 1992 novel *Fever Pitch*, an autobiographical account of his lifelong obsession with Arsenal FC:

“All I saw on the day was a bewildering chain of incomprehensible incidents ... I remember the overwhelming maleness of it all – cigar and pipe smoke, foul language ... I’d been to public entertainments before, of course ... but that was different. The audiences I had hitherto been a part of had paid to have a good time and, though occasionally one might spot a fidgety child or yawning adult, I hadn’t ever noticed faces contorted by rage or despair or frustration. Entertainment as pain was an idea entirely new to me”.

However, change was afoot. The design of football stadiums and related health and safety legislation in the UK were subject to a massive overhaul following a series of tragedies such as Hillsborough, the Bradford City fire and the Heysel Stadium disaster in the 1980s. Such catastrophes highlighted fatal flaws in stadium design and crowd control at such time. As a result, standing areas were removed from stadiums, which became all-seaters, and an era of much safer, comfortable and more family friendly stadiums was ushered in. The new designs also led to the commercialisation of the stadium with the introduction of hospitality areas and services, acoustics and lighting fit for TV purposes, the hosting of alternative events such as music concerts, and additional commercial facilities such as food and beverage outlets, hotels and conference rooms – all of which increased the frequency and diversity of stadium use.

## **A view from pitch side**

Talking of Manchester United, I spoke with Dan Schofield, Head of Venue Operations at Old Trafford and self-confessed stadium geek on the current state of play. Dan provided me with the following insights:

*“Stadium development is such a hot topic at the moment in the football industry with clubs jostling and jockeying for position in bringing the newest and best developments in the quest for commercial gain, footballing excellence and fan experience. The big challenge for us all is to find the right balance of each of those elements and different clubs have taken differing approaches. Some, such as Liverpool, FC Barcelona and Sheffield United are looking at modernising existing stadiums whilst others, including Tottenham Hotspur, Everton and Chelsea are spending huge amounts on developing completely new stadiums. To justify these huge outlays in capital expenditure clubs are looking to “sweat the asset” and stage as many different events and activities as they can in the stadium. If managed well the non-matchday business can be as lucrative as the matchday business.*

*If you take a deep-dive in to the new White Hart Lane development, for example, you will see that Spurs have incorporated a skywalk, abseil and a huge Museum experience – all to bolster the non-matchday revenue generating potential of the facility. That is in addition to an average of 27 homes games (across all competitions) and a number of NFL games and concerts which they have contracted to take place. This diversification is always a balancing act between bringing in commercially viable events whilst not impacting on the footballing performance on the pitch. It’s been fascinating to follow the development at Spurs and in particular the retractable pitch they are implementing which will enable them to host NFL games and concerts on an artificial surface whilst the football surface is retracted out of the stadium on a series of mechanical trays, rails and hoists.*

*I’m very fortunate that my role heading up the venue operations at Manchester United allows me to visit stadiums all over the world and I make a point of trying to learn something from every venue we visit. I’m*

*particularly looking forward to a trip to Michigan at the end of July where we are playing a pre-season tour game at the 107,000 capacity "Big House" stadium. Every stadium you visit is different and having joked about it for years I've certainly got enough Stadium based anecdotes to write a book called "Around the World in 80 Stadiums" which one day I may well do..... I recently added a new stadium I want to visit to my bucket-list with the Ekaterinburg Arena in Russia in its World Cup guise with its 147 foot high temporary scaffold stands literally outside the stadium with part of the perimeter cut out allowing fans to see the game. You look at photos, scratch your head and question how it's possible and I'd love to visit and have a proper stomp all over it in person.*

*I'm blessed with a fantastic facility in the 75,000 capacity Old Trafford and it's a fantastic time to be involved in the stadium industry with a number of exciting developments happening all over the world and new ones being announced on an almost weekly basis. I'd recommend for anyone interested in the subject to sign-up to a couple of industry newsletters which help keep you abreast of developments and changes in the global stadium industry, I'd particularly recommend [www.stadia-magazine.com](http://www.stadia-magazine.com) and [www.sportindustry.biz](http://www.sportindustry.biz) "*



**E-gaming stadiums**

As for the future, stadiums will continue to evolve - becoming safer and more technologically sophisticated, diverse in their uses and sustainable; often built with iconic designs (see Qatar 2022) that provide a focal point for cities that are instantly recognisable internationally. They can also help to rejuvenate the economy and attract business in previously run down areas of a city in which they are anchored.

One example of such evolution in the digital age is with the new phenomena of e-sports stadiums, where professional gamers compete with each other in front of a live audience. Such stadiums are already operational in the United States, China and South Korea and have a huge potential in terms of audience numbers and revenue.

With a plethora of international standard stadiums already built and construction of the new Dubai Arena well underway, Dubai, ever at the cutting edge of building design and digital technology and soon to be host of EXPO 2020, has also announced the Dubai X-Stadium, a new e-gaming stadium being developed through a joint initiative between Dubai Media Office and TECOM Group.

The features and design of such e-gaming stadiums diverge from traditional stadiums, most notably in that all the action is on huge high definition screens rather than the audience focus being on the competitors,

who may be squirreled away in separate booths during play. Use of holographic displays and augmented and virtual reality are also likely to play a significant part in the audience's experience. Fans are also likely to have a much less sedentary, static relationship with the games - with the freedom to circulate within the stadium and experience other zones and outlets catering to the modern tastes of a new generation - soggy meat pies are likely to be thin on the ground.

### **Some UAE real estate legal considerations**

*"We don't want people to leave the stadium until the game finishes"*

Jurgen Klopp, manager of Liverpool FC in 2016

In the UAE, there are a number of mixed use, master communities that have a stadium as their focal point or as a prominent feature such as Sports City and Motor City in Dubai, Yas Island in Abu Dhabi and Hazza Bin Zayed Stadium in Al Ain (home of Al Ain F.C).

Developers of such cornerstone plots in such developments will often be granted certain concessions in terms of master community fees in light of the fact that use of such facilities is more intermittent than standard commercial use and that they serve as a key attractor to investors, retailers and third party purchasers of residential property within the master community. Any such concessions should be expressly disclosed to third party purchasers by the master developer prior to the parties entering into a sale and purchase agreement.

In addition, although you would think that any such third party purchasers of residential property or commercial tenants would be well aware of potential infringements upon their use and enjoyment of their properties within such a stadium focussed master community, it would also be prudent of master developers to cover off the risk of any nuisance related claims. This may include express wording contained in the relevant master community declaration (which typically purchasers are bound by through the signing of a declaration of adherence upon purchase) or lease whereby a purchaser/tenant acknowledges and waives any claims relating to such matters as traffic congestion, noise and light pollution.

Another issue for retail tenants in stadium facilities are conflicts that may arise with the landlord/stadium owner's sponsors - particularly in relation to special, one off events taking place at the stadium. It is therefore not unusual to find provisions in such leases whereby the landlord reserves rights to impose signage and branding blackouts or restrictions on the sale of goods or services during certain times when a conflict arises with sponsors. This can be a tricky issue and needs to be carefully managed and negotiated up front in the lease. Often with leases where tenants that have a particular connection to the type of sport practised at the stadium, the lease itself may be just a part of a wider commercial deal with the stadium and this may assist with negotiations.

Stadiums should also have good standard forms of venue hire agreements and short term kiosk type agreements in place. One issue to be considered is the potential effect of landlord and tenant laws in the UAE on such agreements. Unlike in the UK for example, where the case of *Street v Mountford* [1985] established that the legal distinction between a lease and an occupational licence is whether or not the tenant enjoys "exclusive possession" of the premises, there is no such distinction under UAE law. A short term occupational licence, even if it is described as such on its face and contains express wording that the parties do not intend to create a lease or a relationship of landlord or tenant, is therefore likely to be considered a lease if the question is brought before judicial authorities. This is significant as this will mean that the so called "licence" will be subject to landlord and tenant legislation which, in onshore Dubai for example, is generally very tenant friendly in terms of the rights of the landlord to terminate, renewal and security of tenure for tenants. Nevertheless, on a case by case basis depending on the circumstances, certain structuring of the relevant agreement can potentially help to mitigate the risk of it being caught by

local landlord and tenant laws.

..... and there goes the full time whistle.

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