

## **ACTIVISION BLIZZARD UNVEILS FORMAT FOR OVERWATCH LEAGUE'S INAUGURAL SEASON**

The Overwatch League's inaugural season will launch in January with 12 teams.

Activision Blizzard confirmed the buyers of the final three city franchises to be sold:

Comcast Spectacor (Philadelphia);

Team Envy (Dallas), with capital backing from Hersh Interactive Group, led by energy magnate Ken Hersh; and OpTic Gaming (Houston), with capital backing from an entity led by investor Chris Chaney and MLB Rangers co-Owner Neil Leibman.

Those deals were first reported by ESPN.

Terms were not disclosed, but OWL Commissioner Nate Nanzer said these three transactions were similar to the first nine. Sources have said prior franchise spots sold for \$20 million.

Opening Day will be Jan. 10 and run through June, with playoffs and finals set for July. The 12 teams will debut in a series of exhibition matches starting Dec. 10, Blizzard (NASDAQ: ATVI) said. All contests will be at a new studio built by Blizzard at Burbank Studios.

Blizzard eventually wants to develop a 28-team league, and will continue sales efforts hoping to land additional buyers for a second season. That process will focus on building out its international aspirations. Of the 12 charter teams, nine are American.

"We want to focus more on global, more teams from outside North America," Nanzer said. "More teams in Europe, additional teams in Asia. That doesn't mean we won't continue to sell teams in North America."

### **Team Building**

Comcast Spectacor must build an Overwatch team and an esports infrastructure from scratch, like the Kraft Group and Jeff Wilpon's Sterling.vc are doing for their franchises in Boston and New York as part of new league requirements. Envy and OpTic are both long-established brands in esports with teams in multiple titles.

"It was a lot to ask at first," said OpTic CEO/Owner Hector Rodriguez. "I was a little bit hesitant, but once I got to understand the many reasons for the change, I think it will make sense. I think there's going to be a little bit of a growing pains when we start to explain it to our fans that we're still OpTic. We're just doing this as a separate deal."

Envy CEO & Owner Mike Rufail said it is smart for the long term.

"In the future, if we'd like to sell the team, and raise capital for that specific team in the Overwatch league, it's better off as a separate brand and a separate enterprise," Rufail said.

OpTic is based in Chicago but will have its Overwatch operations in Houston. Envy is based in Charlotte but is scouting locations in the Dallas area.

The other nine teams and owners are:

Los Angeles, Kroenke Sports & Entertainment;  
Los Angeles, Immortals;  
San Francisco, NRG Esports;  
Boston, Kraft Group;  
New York, Sterling.VC;  
Miami, Misfits;  
London, Cloud9;  
Seoul, Kevin Chou, co-Founder and former CEO of mobile game developer Kabam;  
Shanghai, NetEase Inc.