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Brother, Can You Spare a Luxury Suite?

WE'RE STARING DOWN THE TEETH of a double-dip, the market's in tatters, and nearly one in 10 adults doesn't have a job.

It's a great time to be selling sports-venue luxury suites.

At least that's what we're hearing from Todd Lindenbaum, the president of a 4-year-old LoDo company that's building a growth business from a category you might not associate with the new cultural embrace of austerity.

Lindenbaum's company, Sports Shares, specializes in fractional sharing of luxury suites. If you're familiar with time-share condos or you're rich enough to own a shared slice of a Learjet, you know the concept: A group of people or organizations participates in the ownership or lease of a shared asset. In this case, the assets are dedicated suites at sports venues including Coors Field, Pepsi Center and the Jerry Jones Monument to Self Preservation and Excess, known more familiarly as Cowboys Stadium in Arlington, Texas. (Sorry, Jerry.)

With Sports Shares, you go in with other organizations or individuals in buying rights to a number of seats within an arena or ballpark luxury suite. You get top-notch treatment from a dedicated staff, including on-site catering, and a high-performance website helps you reserve and manage tickets.

When we last caught up with Lindenbaum in 2008, he and partners Ed McCaffrey (yes, that Ed McCaffrey) and Denver sports industry entrepreneur Tyler Tysdal were just launching Sports Shares, with a focus on the Denver market. Now, thanks to a recent cash infusion from a private investor group, the company's expanding to Dallas and Atlanta, and has its eye on transporting the Sports Shares brand to more than a dozen big-league cities. Sports Shares is cash-flow positive (take that, evil economy) and ready to grow.

In large part, the success story is testament to a stick-to-your-knitting philosophy. After all, many a promising business has been doomed by failing to recognize its essential value proposition. (Here, we insert the obligatory Business School 101 reference to the railroad industry and its post-War mistake of defining its mission as running trains, rather than being in the broader transportation business.)

Lindenbaum recognizes that what his company provides is a high-value, high-touch system for delivering satisfying client-entertainment experiences tied

to sports events. If it sounds like the "sports" part is secondary, well, it pretty much is. "It's like you're at a cocktail party and a game breaks out," he says.

That's not to diminish the allure of the sports-as-business-entertainment motif. Luxury suites have a solid reputation as a sort of can't-miss client and employee-reward device, even if proponents sometimes go a bit overboard in lathering on the panache. The Denver Broncos, for example, describe the luxury suite experience as "an opportunity to build unforgettable memories with friends and business associates." Well, either that or a decent way to while away a Sunday afternoon.

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Grandstanding notwithstanding, Lindenbaum says the key isn't just to divvy up seats in a luxury box, but to build in attentive customer service both at live events and in pre-game planning. A key there is a password-protected client website that helps ticket owners schedule games, allocate tickets and even run post-event analyses of how well their business objectives were met. "What we do you can't buy anywhere else," Lindenbaum says.

So who's buying? Lindenbaum, diplomatically, doesn't divulge his clientele, which ranges from families in for a few thousand dollars a year to businesses that make six-figure annual investments. But he says if suite sales are any indication, the Colorado economy is in better shape than some might imagine. Sellout rates for his suite seats are running at above 70 percent for Rockies games and at close to 95 percent at Pepsi Center, although Lindenbaum admits the NBA player lockout could make a dent.

"I would describe the corporate climate in Colorado as much improved," says Lindenbaum, who attends one or two games a month with Sports Shares patrons. Even in a lousy market for stocks, he says, "I tell my friends that the luxury-suite index is doing pretty well." 🍀