

Fair Play for Families: How Private Equity Is Pricing Western PA Kids Out of the Game

For generations, youth sports in our country were a great equalizer, an experience available to children from all backgrounds to learn teamwork and fair play, and build shared community bonds. It was an essential part of childhood, whether kids had college prospects or just had fun on a soccer pitch. Now, parents trying to deliver that experience to their children face impossible hurdles, making this quintessential American experience increasingly [out of reach](#).

Today, youth sports are the next victim of a financialized economy that has taken over virtually every aspect of American life. Private equity firms — the same financial players driving up costs in healthcare and housing — have quietly captured youth sports across America, turning what was once an affordable neighborhood activity into a profit-extraction machine. Youth sports are now a [\\$40 billion industry](#), double the revenue of the NFL. The cost of participation has [increased by 46%](#) over the last 5 years, double the [rate of inflation](#).

It's time to break up the chokehold of vulture investors and restore youth sports in Western Pennsylvania to what it used to be: a place where every kid gets a chance to play, not just those who can afford the price of admission.

THE PRIVATE EQUITY PLAYBOOK



Step 1: Identify a diverse industry full of small local businesses.

Step 2: Rapidly buy up competitors, the “roll-up” strategy.

Step 3: Vertically integrate to build an “ecosystem”. Own the league, the arena, the uniforms, the app, the hotel deal, the streaming service.

Step 4: Extract maximum profit from captured customers. Sports families are trapped and will pay ransom fees for their kids to participate.

PE YOUTH SPORT TAKEOVER IN WESTERN PA

Private equity firms in youth sports now control leagues, teams, venues, scheduling software, uniforms, streaming services, hotels, and even merchandise sales at events. Each layer extracts additional revenue, and families have no choice but to pay if they want their children to play. Below are some of the biggest firms profiting off Western Pennsylvania families.

Ice Hockey, [Black Bear Sports Group](#)

- Owns 11 ice rinks, plus leagues and clubs, in Pennsylvania.
- Lesson prices at acquired rinks have jumped from \$55 to \$200.
- Charges up to \$36.99/month just to stream youth hockey games, more than NFL Sunday Ticket and NBA League Pass.

All Star Cheerleading, [Varsity Brands](#)

- Sold to KKR for \$4.75B in 2024. Owns cheer events, camps, apparel, and a streaming platform. Runs tournaments throughout Pennsylvania.
- Controlled the majority of governing body board seats, effectively writing the rules of the sport.
- Recently settled antitrust lawsuits challenging its monopoly for \$126 million.

Multiple Sports, [3Step](#)

- Operates 5,000+ clubs and 2,500 events nationwide.
- Promises college recruiting exposure; of 1M+ athletes served, only ~700 signed college letters of intent in 2024.

Baseball, [Perfect Game](#)

- Started as a scouting service for Iowa high school players. 8 acquisitions in 5 years; now operating in 41 states including Pennsylvania
- Expanding into media, technology, apparel, and facility ownership.

PE'S COSTS FOR WESTERN PA FAMILIES

Families going into debt: Spending an average of [\\$5,000 per year](#) on sports, often much more.

Kids burning out: [Dropping sports](#) earlier due to anxiety, fatigue, injury, and over-commercialization.

Injuries at epidemic levels: ACL injuries [up 26%](#) over 15 years; [Tommy John surgeries](#) among young baseball players rising sharply.

Working families pushed out: Only 23% of low-income kids play sports vs. 44% from high-income families.

Deceiving Parents: [False promises](#) of scholarships and NIL deals. [Only 2%](#) of college applicants receive any athletic scholarship.

Selling Children's data: PE-owned tech platforms harvest health metrics and family spending patterns from youth athlete profiles.

WHAT CONGRESS MUST DO

Merger scrutiny: Require mandatory reporting and heightened scrutiny of all youth sports acquisitions.

Ban vertical integration and roll ups: Prohibit a single firm from owning leagues, facilities, equipment, and governing bodies simultaneously. Strictly limit expansion at local, state, and national levels.

Transparency: Mandate disclosure of executive pay, debt, dividends, and all fees charged to families.

Consumer protections: Require itemized upfront pricing, ban hidden fees, prohibit kickbacks and stay-to-play, crack down on misrepresentations about college and NIL prospects.

Enforcement: Federal antitrust enforcers must investigate anti-competitive, unfair, and deceptive practices of companies driven by profit over child development.

Restore public investment: Fund community and school recreation programs, so affordable, local youth sports are available and competitive.

Youth sports are not a luxury good. Pennsylvania kids deserve to play.

American Economic Liberties Project • economicliberties.us

FAIR PLAY FOR FAMILIES

Tell your representatives: Kids before profits.