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Pole Position Economics

The Business of Formula One and the Market for Grand Prix Teams

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Prepared by the Catalyst Partners PE Research Desk

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Abstract

Formula One has been transformed from a financially fragile, promoter-extraction regime into one of the most valuable closed sporting leagues in the world. This paper analyzes the industry's economics as a three-layer system: a commercial rights holder operating a global media and events business; ten to eleven franchises whose revenue is governed by a constitutional revenue-sharing contract (the Concorde Agreement); and a hard regulatory cost cap that disciplines the underlying sporting contest. We document the post-2017 growth of Formula One's commercial revenues to $3.9 billion in 2025, the distribution mechanics of the prize fund, the cost cap's conversion of an engineering arms race into a survivable business model, and the resulting re-rating of team valuations — from an average of roughly $1.9 billion in 2023 to $3.4 billion in 2025, with top teams now worth more than most NFL franchises. We argue that F1 teams have become a distinct asset class whose returns derive primarily from franchise scarcity, a guaranteed revenue floor, and capped downside rather than from operating profit, and we identify open questions in competitive balance, entry barriers, and governance.

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Keywords: Formula One; sports economics; Concorde Agreement; cost cap; franchise valuation; two-sided markets; sports media rights

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The Business of Formula One and the Market for Grand Prix Teams

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I. Introduction

In August 2020, Dorilton Capital acquired the Williams Grand Prix Engineering team out of financial distress for approximately €152 million. In May 2025, a group led by Atlassian co-founder Scott Farquhar, Michael Dell, and Ant Group co-founder Min Zhu agreed to acquire the same team at a reported enterprise value of roughly £1.6 billion (~$2.1 billion) — a greater than tenfold return in under five years, earned by an asset that had rarely been profitable in the conventional sense. During the same window, Formula One's commercial revenues grew from $1.8 billion (2017) to $3.9 billion (2025), average team valuations rose 81% in just two years to $3.4 billion, and the series signed a new Concorde Agreement — the contract that constitutes its economic order — binding all teams and the governing FIA through 2030.

These facts are not anomalies. They are the observable consequences of a deliberate structural redesign of the sport's political economy. Between 2017 and 2021, three regime changes converged: (i) the acquisition of the commercial rights by Liberty Media, which pivoted the business from promoter-fee extraction toward media-rights growth, direct-to-consumer distribution, and entertainment content; (ii) the 2021 Concorde Agreement, which redistributed revenue toward the teams and hardened the franchise system; and (iii) a binding cost cap, which capped the engineering arms race that had historically destroyed team balance sheets.

The purpose of this paper is to set out the economics of Formula One and of team ownership within it, synthesizing institutional detail — much of it opaque to outsiders — with standard tools from industrial organization and sports economics: two-sided market theory, contest success functions, tournament models, and bargaining theory. Section 2 describes the institutional architecture. Section 3 analyzes the commercial rights holder's business model. Section 4 examines team revenue and cost structures. Section 5 analyzes the Concorde Agreement as a bargaining constitution. Section 6 evaluates the cost cap. Section 7 turns to team ownership and valuation, and Section 8 concludes with open problems.

II. Institutional Architecture: A Cartel That Races

Formula One is governed by a triad. The **Fédération Internationale de l'Automobile (FIA)** is the sport's regulator and sanctioning body: it writes the technical and sporting regulations, homologates cars, and administers competition. **Formula One Management (FOM)**, a Liberty Media subsidiary, holds the commercial rights — an extraordinarily long concession, extended in 2000 for one hundred years, running to 2113 — and monetizes the championship through race promotion agreements, media rights, and sponsorship. The **teams** are the competitive product and, collectively, a veto player: major commercial changes require their consent through the Concorde Agreement, first signed in 1981 and periodically renewed (1998, 2009, 2013, 2021, and most recently for 2026–2030).

The separation of regulatory and commercial authority is the industry's founding economic fact. Under Bernie Ecclestone and private equity owner CVC Capital Partners (2006–2017), the commercial regime maximized short-term extraction: high promotion fees charged to cash-rich host governments, migration to pay television,

and distribution to teams that was sufficient to keep ten cars on the grid but little more. The model produced durable profits for the rights holder and chronic fragility for the teams; several backmarker entrants collapsed between 2014 and 2016 (HRT, Caterham, Marussia), and even storied independents teetered.

Liberty Media's acquisition of the championship in January 2017 — approximately $4.4 billion in equity value and roughly $8 billion on an enterprise basis — marked a regime change in strategy. Liberty treated F1 not as an events concession but as a **media and entertainment asset**: expanding the calendar into growth markets (Miami, Las Vegas), licensing entertainment content (the Netflix docuseries *Drive to Survive*; the 2025 Apple theatrical film), building direct-to-consumer streaming, and cultivating the U.S. sponsorship market. The results are visible in the financial record: F1's 2025 revenue rose 14% to $3.9 billion, operating income grew 28% to $632 million, and adjusted OIBDA reached $946 million, on a 24-race calendar with record 6.75 million in-person attendance and live viewership up 21% year over year.

Two features of the architecture matter analytically. First, F1 is a **closed league**: entry requires the consent of incumbents and a substantial anti-dilution payment, and there is no relegation. Scarcity of grid slots is the foundation of franchise value. Second, the Concorde Agreement is the **constitutional contract** that allocates the joint surplus among the three parties; Section V analyzes it as such.

III. The Commercial Rights Holder: A Media Business with a Sporting Front End

III.1 Revenue architecture

F1's revenue decomposes into four streams, whose 2025 mix is disclosed in Liberty's filings: media rights 31.3%, race promotion 26.7%, sponsorship 21.7%, and "other" (hospitality, freight recovery, licensing, digital) 20.3%. Primary revenue — promotion, media, and sponsorship — is season-based and recognized across the calendar; the Las Vegas Grand Prix, which F1 promotes itself, is recognized gross and materially lifts fourth-quarter figures. The growth trajectory since the Liberty acquisition is striking:

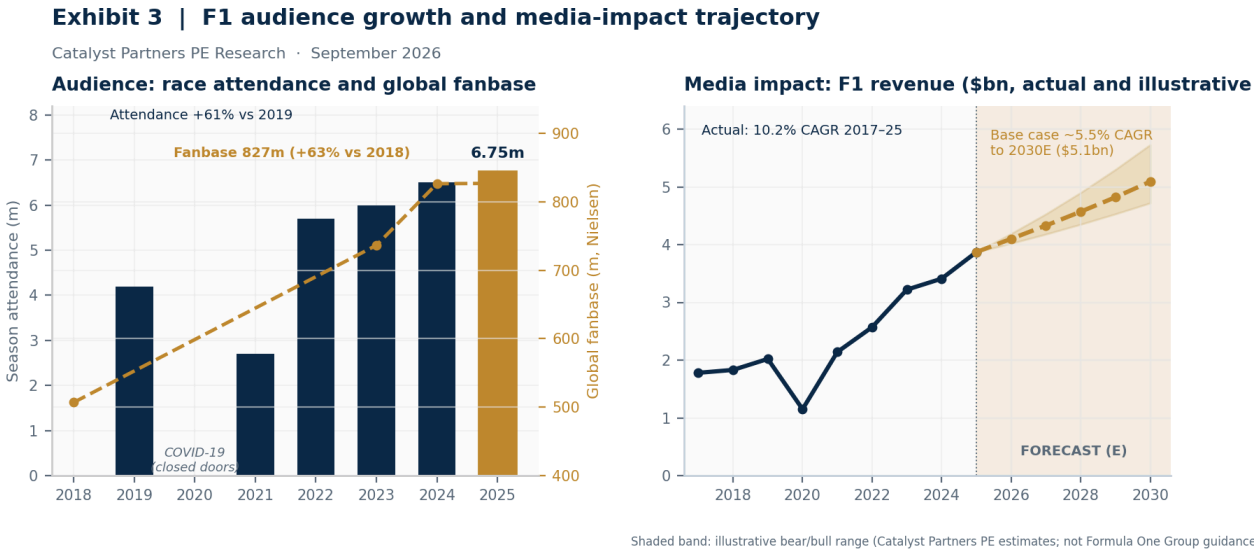
Season	F1 revenue ($bn)	Notes
2017	1.78	Liberty's first season
2019	2.02	Pre-pandemic peak
2021	2.14	22 races; first Concorde of the Liberty era
2022	2.57	Calendar expansion; cost-cap era begins
2023	3.22	Las Vegas debut; 24-race calendar
2024	~3.4	All-time revenue per race
2025	3.87	+14% YoY; $632m operating income

Source: Liberty Media investor communications; company reports. Figures rounded.

Each stream has distinct economics:

- **Media rights** are the largest stream and the core growth engine. F1 blends premium exclusive deals (Sky in the UK; ESPN in the U.S. and Latin America, recently extended through 2028 in the latter) with a growing direct-to-consumer product (F1 TV). The strategic logic mirrors other premium sports: scarcity of live

Exhibit 3: Audience growth and media-impact trajectory



Source: Formula 1 season reviews and Nielsen Sports (attendance, fanbase); Liberty Media investor communications (revenue). 2026E-2030E: Catalyst Partners PE illustrative base case (~5.5% revenue CAGR, calendar held at 24 races with contractual escalators) within an illustrative bear/bull band; not a forecast of Formula One Group guidance.

content supports pricing power, while D2C provides pricing segmentation and first-party data.

- **Race promotion fees** are charged to host circuits and governments. F1 typically does not promote races itself — the promoter bears event economics — with Las Vegas the flagship exception, where FOM internalized ticketing, sponsorship, and hospitality (weekend attendance above 300,000 in 2025) and recently extended the event through 2037.
- **Sponsorship** monetizes the series' global inventory (official partners such as recently added PepsiCo and Standard Chartered, with deals commonly running through 2030), plus a licensing engine that now extends to consumer entertainment — notably a 2026 licensing agreement with Disney's Mickey & Friends.
- **Content and adjacency** are newer growth vectors. The 2025 *F1 The Movie* became Apple's highest-grossing film ever, functioning as both profit center and customer-acquisition funnel; in July 2025 Liberty completed the acquisition of ~84% of Dorna Sports (MotoGP) at a reported enterprise value of roughly $4.5 billion, explicitly pursuing cross-series sponsorship, media, and hospitality synergies.

III.2 The economics of the rights holder

F1 is a textbook **two-sided platform**: it aggregates audience attention from a sporting contest and sells it to broadcasters, sponsors, and promoters, while simultaneously selling the contest itself (tickets, hospitality) and now direct subscriptions. Margins are attractive — a 2025 adjusted OIBDA margin of roughly 24% — and operating leverage is significant: calendar expansion and contractual escalators grow revenue largely independently of the racing product's on-track uncertainty. The key vulnerability is **calendar and content risk**: the product depends on the teams as fixed, differentiated suppliers, and on regulatory stability. This dependence is precisely what gives the Concorde Agreement its bite, and it explains Liberty's willingness to redistribute substantially more revenue to teams than the prior regime: teams' financial health is an input into the rights holder's own valuation.

IV. The Economics of a Team

IV.1 Revenue structure

A team's revenue has four principal components:

- **Prize money (team payments).** Under the Concorde bargain, teams collectively receive approximately 50% of F1's adjusted primary revenue — on the order of $1.2–1.4 billion per season across the grid in recent years. Distribution combines an equal-share column (conditional on meeting eligibility criteria, creating a de facto revenue floor), a performance-based column scaled by constructors' championship position, and **special historic bonuses** — most prominently Ferrari's "longest standing team" payment (commonly estimated near 5% of the prize fund) plus legacy payments to other long-tenured teams. Because constructors' points determine both column-2 payments and sponsorship rates, on-track performance is the single lever that moves every revenue line.
- **Sponsorship.** Title and major partnerships are the second pillar and the main differentiator among otherwise similar franchises. Reported benchmarks: Mastercard's 2026 title partnership with McLaren at a reported ~$100 million annually (described by the team as its largest ever); the Adidas–Mercedes apparel partnership at a reported ~$30 million per year; Oracle's Red Bull title deal, widely reported at roughly $100 million per year. Sponsorship inventory prices have re-rated with the sport's U.S. audience growth and with measurability improvements (media-value analytics).

- **OEM and parent support.** Works manufacturers (Ferrari, Mercedes, Alpine/Renault, Audi from 2026) and engine partnerships (Honda–Aston Martin, Red Bull–Ford, Audi works) transfer resources that are partially outside the team cost cap — power-unit development, marketing platforms, and in-kind engineering.
- **Other income.** Driver-related income (junior-driver programs, occasional pay-driver arrangements), heritage merchandising, hospitality, and technical services.

IV.2 Cost structure and the cost cap

Since 2021, team expenditure on car performance is capped: $145 million in 2021, $140 million in 2022, and $135 million from 2023 (with inflation adjustments). The cap excludes driver salaries, the salaries of the three highest-paid non-driver staff, marketing, and certain capital items. As a result, **the uncapped margins became the new competitive frontier**: driver salaries (Max Verstappen's on-track earnings were estimated at $76 million for 2025; Lewis Hamilton's Ferrari salary is estimated at a record ~$70 million), top technical leadership, facilities and capital equipment, and marketing spend.

The table below summarizes Forbes' November 2025 team valuations and estimated financials, which illustrate the dispersion across the grid:

Team (2025 entrant)	Enterprise value	Est. revenue	Est. operating profit
Ferrari	$6.5bn	$670m	$80m
Mercedes	~$6.0bn	$799m	$202m
McLaren	$4.4bn	$614m	$61m
Alpine	$2.70bn	$300m	–$13m
Sauber (becomes Audi in 2026)	$2.4bn	$240m	–$25m
Haas	~$2.3bn	$150m	$9m

Source: Forbes estimates (November 2025). The average of the ten teams was $3.4 billion — up 81% since 2023 — with even the least valuable franchise at roughly $1.5 billion.

Three observations follow. First, **operating profits are positive but modest relative to valuations**: even Mercedes' estimated $202 million operating profit implies a multiple well above 20x on current earnings. Teams are not bought for their income statements. Second, **the revenue spread between top and bottom teams is roughly 5:1** ($799m vs. $150m estimated), far narrower than the performance spread — evidence that the equal-share column and cost cap compress the financial distribution. Third, **the dominant return is franchise appreciation**: an owner who keeps a team solvent collects modest annual cash flow while the underlying concession appreciates with media-rights growth.

V. The Concorde Agreement as a Bargaining Constitution

The Concorde Agreement is best understood as a solution to a **hold-up problem**. Teams must sink hundreds of millions into facilities, engineering organizations, and brand equity whose value is specific to Formula One; the rights holder controls access to the championship; the FIA controls the rules of the contest. Absent a long-term contract, each side could expropriate the others' quasi-rents — the teams by boycotting or forming a breakaway series (a live threat as recently as 2009), the rights holder by unilaterally reallocating distribution, the FIA by destabilizing regulations.

The contract resolves this through: (i) a **multi-period revenue-sharing formula** (~50% of adjusted primary revenue to teams, split between equal and performance columns, plus negotiated special bonuses); (ii) **entry governance** — new entrants require incumbent consent and an anti-dilution payment ($200 million under the 2021 terms, paid by General Motors/TWG Motorsports' Cadillac entry for 2026; the 2026–2030 agreement reportedly raises the toll for future entrants to as much as $600 million); and (iii) **governance vetoes**, which historically gave top teams special status.

The special bonuses are the agreement's most revealing feature. Ferrari's long-standing-team payment is not a reward for current performance; it is compensation for a credible outside option — Ferrari's perennial threat to withdraw — and for the brand equity it contributes to the sport's value. In bargaining-theoretic terms, the payment divides the incremental surplus Ferrari creates by participating rather than leaving. Similarly, the anti-dilution fee prices the externality a new entrant imposes on incumbents by diluting the prize fund — a Pigouvian toll set through negotiation rather than regulation.

The 2026–2030 Concorde, signed by all teams and the FIA in 2025, extends this bargain: a reportedly larger prize-money pool, a sharply higher entry price, strengthened calendar growth rights (with the sport announcing new and extended promoter agreements from Canada through 2035, Austria through 2041, and Las Vegas through 2037), and — significantly for governance — greater commercial control for the rights holder, reducing the veto friction that had made rule change slow. For owners, the 2030 horizon has a concrete valuation consequence: it pushes the renegotiation risk beyond the typical private-equity hold period, effectively converting team equity into a longer-duration asset.

VI. The Cost Cap: From Arms Race to Business Model

VI.1 Theory

Uncapped motorsport is a **research-and-development tournament** with a convex contest success function: marginal spending on aerodynamics, simulation, and wind-tunnel time buys probabilistic race advantage, and because winning drives both prize money and sponsorship, each team's best response to rivals' spending is to spend more. The equilibrium is an arms race in which aggregate expenditure exceeds the joint optimum — each team would prefer mutual restraint but cannot credibly commit to it individually. Historically this dynamic bankrupted entrants, concentrated performance in the hands of manufacturer-backed teams, and made the grid's back half economically non-viable, degrading the product. The cost cap is a **cartel restraint imposed by a constitution**: a collective commitment device enforced by the regulator with audited accounts, penalties, and a defined exclusion list (drivers, top-three staff, marketing). It converts the contest from unlimited R&D spending into constrained optimization — reallocating competitive effort toward the uncapped margins (driver talent, top engineers, facilities, and within-cap efficiency) and compressing performance dispersion on the capped margin.

VI.2 Evidence and effects

- **Solvency and entry quality.** No team has exited the grid since the cap's introduction; conversely, entry demand is the strongest in the sport's history (Cadillac's arrival, Audi's acquisition of Sauber, persistent reported interest in Haas, which its principal declines to sell).
- **Performance convergence.** The competitive spread has narrowed markedly: 2024–2025 featured backmarker podium and near-podium finishes (Haas rookie Oliver Bearman's fourth place in Mexico was the team's best-ever result), and the constructors' title fight ran to season's end — the tournament remains live, which is the product F1 sells.

Exhibit 4 | 2026 Formula One grid — teams and ownership

Catalyst Partners PE Research · September 2026 · eleven entrants: five OEM-controlled, six independent or financial-buyer owned

Team	2026 PU	Ownership & control	Recent transactions & notes
McLaren SWF-owned	Mercedes	Bahrain Mumtalakat (Bahrain sovereign wealth fund) — 100%	Took full control in 2021 rescue restructuring; bought out financial investors by 2024; reportedly explored a minority sale at ~£3bn (2025)
Ferrari OEM works (listed)	Ferrari (works)	Ferrari N.V. — listed (NYSE: RACE); Exor N.V. largest shareholder	Only team present since 1950; receives unique long-standing-team payment under Concorde
Mercedes OEM + financial	Mercedes (works)	Mercedes-Benz 33.3% · INEOS 33.3% · Toto Wolff 28.3% · George Kurtz 5%	Kurtz (CrowdStrike CEO) entered Wolff's holding entity at a $6bn valuation, Nov 2025 — the grid's benchmark mark
Red Bull Racing OEM-backed indep.	Red Bull Ford	Red Bull GmbH (Yoovidhya family ~51% · Mark Mateschitz ~49%)	Ford works power-unit partnership from 2026; Oracle title deal reported ~$100m/yr
Aston Martin Hybrid strategic	Honda (works)	Lawrence Stroll-led consortium (majority); Arctos Partners minority	Arctos bought its minority at a £1bn valuation (2023); Honda works deal from 2026
Alpine OEM + PE minority	Mercedes	Renault Group 76%; Otro Capital-led consortium 24%	Otro's 24% (2023, ~$900m team value) marketed at $600–720m; Mercedes talks failed May 2026; Renault veto lapsed Sept 2026
Williams Tech-capital consortium	Mercedes	Consortium led by Scott Farquhar, Michael Dell & Min Zhu	Acquired 2025 at reported ~£1.6bn — ~11x Dorilton's €152m entry in 2020; Atlassian title partner
Racing Bulls Independent (group)	Red Bull Ford	Red Bull GmbH — 100%	Sister team; junior-driver pipeline
Audi OEM works	Audi (works)	Audi AG / Volkswagen Group — 100%	Full Sauber takeover completed 2024; first works season 2026 (Binotto & Wheatley)
Haas Independent	Ferrari	Gene Haas / Haas Automation — 100%	Owner has declined repeated reported sale approaches
Cadillac OEM + sports group	Ferrari (GM later)	TWG Motorsports – General Motors joint venture	11th entry from 2026; $200m anti-dilution under 2021 Concorde terms; Ferrari PU until GM unit is ready

Source: FIA 2026 entry list, company disclosures, and contemporaneous reporting (Reuters, AP, Bloomberg, The Athletic, RACER). Private-team terms are not fully disclosed; stakes approximate.

Reading the grid · three ownership trends

1. OEMs control half the grid. Five of eleven entries are works teams or OEM joint ventures (Ferrari, Mercedes, Audi, Alpine, Cadillac) ? F1 has repriced as a technology-marketing platform, not merely a sport.

2.

3. Patient capital has not sold into the re-rating. Mumtalakat (McLaren), the Yoovidhya/Mateschitz families (Red Bull), Stroll (Aston Martin) and Haas retain control ? scarcity value accrues to those who simply hold.

Cross-reference: ownership taxonomy in Section VII.1; valuation drivers in Section VII.2.

- **Enforcement is real but proportionate.** Red Bull's ~$1.8–2.2 million overspend in the 2021 cost-cap year (in part a tax-accounting dispute) produced a $7 million fine plus a 10% reduction in aerodynamic testing time — a penalty designed to erase the competitive gain rather than to punish punitively.
- **Evasion frontier.** Because the cap binds at exactly $135 million, competitive advantage migrates to excluded categories: driver salaries (seven- to eight-figure sums are uncapped), the top three staff salaries, capital expenditure on facilities, marketing (which buys visibility but not performance, at least formally), and intercompany power-unit IP allocation among works teams. Each exclusion is a lobby outcome, and each is a candidate for future tightening. A separate power-unit cost cap (~$95 million annually) was introduced for the 2026 regulatory cycle alongside the new engine formula.

The cap's distributive effect deserves emphasis. By capping the arms race, the regime **transfers expected surplus from engineering inputs (labor, wind tunnels) to franchise holders**: teams' downside is truncated, profits stabilize, and valuations re-rate. The cost cap is, in effect, the single most important driver of the asset-class transformation documented in Section VII — a point its designers understood well, since the deal was negotiated jointly with the Concorde redistribution.

VII. Team Ownership and Valuation

VII.1 The ownership map

F1 team ownership falls into three broad types:

- **Manufacturer works teams.** Ferrari (embedded in a listed OEM for which F1 is both profit center and brand core), Mercedes (co-investors INEOS; team principal Toto Wolff, whose Forbes-estimated net worth of $2.5 billion derives substantially from his team stake, sold a minority stake to CrowdStrike co-founder George Kurtz in 2025 at a ~$6 billion valuation), Alpine (Renault, with private capital from Otro Capital since 2023), and Audi (which acquired Sauber progressively from 2023 ahead of its 2026 works entry).
- **Independent pure plays.** McLaren (controlled by Bahrain's sovereign wealth fund Mumtalakat after a 2020–21 financial rescue; now back-to-back constructors' champion with revenue up 26%), Williams (Dorilton 2020 → 2025 sale at ~£1.6bn to Farquhar/Dell/Zhu, with Atlassian becoming title partner), Haas (owner Gene Haas, who reportedly declines repeated acquisition approaches), Red Bull (Red Bull GmbH, with Ford power-unit partnership from 2026), and Racing Bulls.
- **Hybrid strategic investors.** Aston Martin (Lawrence Stroll's consortium acquired Force India out of administration in 2018 for a sum reported around £90 million, rebranded it, and added Honda power and institutional minority capital); Alpine as a live test case (Otro Capital invested in 2023 at a roughly $900 million valuation; Forbes' 2025 estimate of $2.70 billion implies a ~3.0x mark in two years).

VII.2 Why the re-rating?

Team valuations average $3.4 billion — up 81% in two years — with Ferrari at $6.5 billion, a level exceeding most NFL, NBA, MLB, and NHL franchises. Several mutually reinforcing mechanisms explain the re-rating:

- **Franchise scarcity.** A closed grid with a $200m–$600m entry toll and incumbent veto power means the supply of teams is fixed while demand from OEMs, sovereign funds, tech billionaires, and private equity has surged. Scarcity rents accrue to incumbents.

- **A revenue floor.** The equal-share column of the prize fund guarantees nine-figure annual central distributions to any team that simply participates, truncating downside in a way no open competition can.
- **Capped costs.** The cost cap converts a historically cash-incinerating arms race into a budgetable expense, making earnings forecasts credible for the first time.
- **Media-rights beta.** Team values are a levered claim on F1's central revenue growth (calendar expansion, U.S. media market, sponsorship re-rating), without the rights holder's operating burden.
- **Strategic option value.** For OEMs, a team is a marketing platform (halo effect), a technology demonstrator (the 2026 rules' 50% electric power units and sustainable fuels map onto road-car narratives), and a B2B hospitality asset. For financial buyers, it is a scarce trophy asset with improving cash flow and a visible exit channel (the Kurtz, Alpine, and Williams transactions establish comparable marks).
- **Governance horizon.** Concorde through 2030 pushes constitutional risk beyond typical hold periods.

The telling comparison is Williams: acquired for ~€152 million in 2020, sold for ~£1.6 billion in 2025. The team's operations changed far less than the regime under which those operations are valued — which is the paper's thesis in a single transaction.

VII.3 What buyers are not paying for

Buyers are notably *not* paying for current earnings: at an average $3.4 billion value against average estimated revenue of roughly $400–450 million, implied multiples are far above those of traditional industrial or media assets. Nor are they paying for certain sporting success — performance is a tournament, and dominance rotates (Red Bull's early-2020s run; McLaren's 2024–25 titles). They are paying for a **regulated, scarce participation right in a growing global media property**, with cash flow as an option, not the thesis.

VIII. Open Problems

Several questions remain unsettled. **Competitive balance versus dynasties**: capped spending narrows but does not eliminate performance dispersion — design-talent concentration still produces dominance cycles, and the 2026 regulatory reset (new engines, lighter cars, active aero) will function as a natural experiment in how quickly the field re-converges. **Entry barriers**: a $600 million toll plus incumbent veto preserves incumbent rents; whether the social optimum involves a larger grid is a question the current bargain answers for the parties, not for consumers. **The labor market**: uncapped driver and top-engineer salaries have become the new arms race, and reported nine-figure management severance suggests that even executive labor captures tournament rents; exempt-category creep into the cap is likely. **Governance risk**: the FIA–FOM relationship has been periodically adversarial, and the 2026 Concorde's shift of control toward the commercial rights holder may store up regulatory friction. **Consumer welfare**: migration to pay TV and D2C maximizes revenue per fan while shrinking reach in some markets — a tension every premium league faces, sharpened by F1's ambition in price-sensitive growth markets.

IX. Conclusion

Formula One is a closed league governed by a constitutional contract, monetized by a media company, and disciplined by a cost cap. Each element was a negotiated response to a distinct market failure: hold-up between teams and rights holder (Concorde), unbounded R&D tournament (cost cap), and free entry into a jointly produced product (anti-dilution and franchise consent). The joint effect has been to transform Grand Prix teams

from loss-making industrial adjuncts into scarce financial assets whose dominant return is franchise appreciation. The industry's future economics will turn on the same three levers — the media-rights cycle, the stability of the constitutional bargain through 2030, and the enforcement integrity of the cap — that created the current one.

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