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The Odyssey of Endeavor and WME — It's Back to Agenting, Again | Analysis

Was it worth all the effort? All the merging and acquisitioning?

By Sharon Waxman | March 24, 2025

If, like most people, you haven't been paying close attention to the up and down fortunes of Endeavor, WME and Ari Emanuel's ambitions to become a corporate titan, let us boil it down for you: Endeavor is back to being a private talent agency.

Also, it's back to being called WME … WME Group, which will be led by Mark Shapiro, Emanuel's top lieutenant.

NEW YORK – AUGUST 02: Ari Emanuel seen on the streets of Manhattan on August 2, 2010 in New York City. (Photo by Bobby Bank/WireImage)

The financial fancy footwork here would confuse anyone after a decade-plus of deals, mergers, splits and sales. But after buying a dizzying array of man-to-manly sports assets (UFC, WWE, bull-riding) in an effort to create a 21st century entertainment brand named Endeavor, Emanuel ultimately could not sell this idea to the financial world. Wall Street investors big or small could never figure out what exactly this company was. Was it a sports company? A talent agency? A brand-maker? Emanuel, for all his fast-talking and fast-moving slick shtick (hey, he was friends with Elon Musk before it was cool) could never define it, or demonstrate its core value. The stock was priced at $24 at its IPO and fell to just below $18 at its nadir in 2023 — not exactly a Wall Street darling.

What does Endeavor actually do? Well, at its heart, it's a service business. Agenting is a service business, which makes it very hard to create scale. And really hard to explain to the likes of, say, a Warren Buffett, who is famously direct in his calculations of value.

But there was one very important person he did convince: Egon Durban, the CEO of Silver Lake who has backed Emanuel since 2013 when he helped buy IMG for $2.4

billion. There have been many transactions since then (see timeline below), and ultimately it all slid away from Endeavor's control. IMG was just sold back to what is effectively a spun-off company called TKO Holdings that now owns those manly sports assets, UFC and WWE.

This week Emanuel and Durban bought out the remaining shareholders of Endeavor for a 55% premium ($27 per share over the $17 price where it was trading at the time of the decision) and returned the company to its origin of, that's right, talent agenting.

Was it worth all the effort? All the merging and acquisitioning?

Certainly it was worth it to Emanuel, who has pocketed a stunning $174 million cash-out in the deal to go private. And it was worth it to his estranged cofounder Patrick Whitesell, who pocketed $100 million of his own.

According to our reporter Lucas Manfredi, those payouts come after Emanuel received a pay package totaling to $83.88 million in 2023 including TKO, while Whitesell received a package of $13.27 million.

Inside WME today, I'm told agents are furious to see how Emanuel has enriched himself again, without substantially sharing the bounty with his colleagues. "They are so angry today at how much f–king money these guys have made versus everyone else," said one top insider.

But apart from enriching the principals, Wall Street lawyers and investment banking firms through the stunning series of M&A and reversals, it's hard to see what true value Emanuel has created.

Let's be clear, WME has long been an enormously successful business as a talent agency. The original takeover of William Morris by the bad boys of Endeavor in 2009 was a stunning coup that turned old Hollywood on its head.

And one of the things we learned from Endeavor's public filings is just how big its agency business has become. Endeavor reported revenues for 2024 of $7.1 billion, up from $5.5 billion in the year before. The core talent representation side of the business, comprising WME, reported revenues of $1.7 billion, up 9% from 2023.(Apparently a thorn in the side of EQT, the private equity firm that co-owns UTA and recently exited CEO Jeremy Zimmer.)

But it seems pretty clear that the unique character of a talent agency — apparently too small to contain the ambitions of an Ari Emanuel — are suited to the more narrow world of a private company. Thus it made eminent sense when Artémis, the investment company of French billionaire François-Henri Pinault, acquired a majority stake in CAA in 2023, at a value of $7 billion.

And the private equity firms who have invested in talent agencies – TPG, Silver Lake, Investcorp – have done well.

But a key clue that the markets couldn't make sense of what Emanuel was selling was when TheWrap called a half-dozen Wall Street analysts on Monday to ask what they thought of the end of Endeavor. It's "difficult to answer your question," said David Joyce at Seaport Research, who gave a lot of hard–to-follow explanations.

Lloyd Greif of Los Angeles investment bank Greif & Co. cut to the heart of the matter, speaking to my colleague Lucas Manfredi: "By definition, taking a company public and then taking it private four years later is a very clear sign it didn't work."

But going public is "not a cure - all. It's not for everybody," he said. "And if you've got a strategy that is a multi-year strategy that takes a long time for it to take shape, maybe you need to re-tool it outside of the public eye and then, when it's ready, at that point, think about reintroducing it as a public company."

He continued: "That's what I think is going on here. I don't think this means you'll never see them as a public company again, but I do think it means you won't see Endeavor public anytime soon."

Emanuel may be out of the game of corporate conquest for the moment but, given his track record, he probably won't stop trying.