

NFT craze fuels \$4.3 bn French football card startup

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France's Antoine Griezmann is among several football stars who have invested in French gaming startup Sorare.

Sorare, the French startup behind a game that lets players trade virtual football stickers for hefty sums, on Tuesday said it had raised a record

\$680 million from investors, valuing the group at \$4.3 billion.

It is the largest amount ever raised in a single private fundraising round in the French tech sector, with the company riding high on a global craze for the digital collectibles known as non-fungible tokens (NFTs).

The funding round—equivalent to 580 million euros—caps a meteoric rise for Sorare, which was only founded in 2018 and now ranks as France's most valuable startup, with international football stars among its investors.

"Our ambition is to be the world's first entertainment company within the sports sector," co-founder Nicolas Julia told AFP, adding that Sorare was eyeing a launch on the [stock exchange](#) "in the next few years".

Sorare's game blends old-fashioned football sticker collecting with new technology, financial speculation, and aspects of hugely popular "fantasy football" games where fans can build their dream squads.

Using the cryptocurrency Ethereum, players can buy and sell digital images of footballers in NFT form, with their value fluctuating according to their performances on the pitch.

Newcomers can play with free cards, which exist in unlimited quantities. But as always with collectibles, the rarest are the most coveted.

A unique Cristiano Ronaldo card sold for nearly \$290,000 in March, breaking the site's records.

Celebrity investors

Blockchain, the technology underpinning cryptocurrency transfers, is used to authenticate the cards' rarity, with the most sought-after existing

only in batches of 10, 100, or as unique copies.

Sorare makes its money by taking a commission on auctions of the NFTs.

The company also runs Mercato, a resale market—and cards here are sometimes traded for millions of dollars.

For now, Sorare takes "no commission on Mercato, but that may be what comes next," said Julia.

Celebrity investors including former Manchester United star Rio Ferdinand, France forward Antoine Griezmann and Chelsea captain Cesar Azpilicueta have helped drive the clamour to get hold of the cards.

But with Sorare falling somewhere between a game and an investment, players must be mindful of the highly speculative nature of the trades—and the volatility of the cryptocurrency they are made in.

"Straight away, I was hooked," said Julien Bochereau, a 36-year-old journalist.

"I find myself watching a Japanese match at 11:00 am, a Belgian one at 2:00 pm, Ligue 1 in the evening and Major League Soccer at 4:00 am," said Bochereau.

He needs to watch the matches, he explains, to follow the performances of the players whose cards he holds.

But he admits he struggles to explain to friends why people are investing so much money in virtual football cards.

"People don't always get it when I say I've spent 1,000 euros (\$1,173)

buying a Japanese defender, Ryuho Kikuchi," Bochereau said.

But Kikuchi "plays all the matches and he's never injured," pushing up his value on Sorare, Bochereau pointed out.

NFTs: no longer niche?

NFTs remain a hard-to-grasp idea for many internet users, but investors say Sorare is unlikely to be the last multi-billion company based on their trade.

"Giants are going to emerge in the crypto and NFT sector," predicted Mattieu Lattes, co-founder of White Star Capital.

"This is no longer a fad for a few hackers looking to make money on something that isn't real."

Sorare claims to have more than 250,000 active players, including up to 40,000 possessing paid-for cards.

It says it intends to pour the investment into an international expansion, with a US office in the works, as well as launching into other sports beyond soccer.

The company is also set to launch new partnerships with football clubs and leagues, hot on the heels of a deal with Spain's La Liga.

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