# Twitter Thread by Joe Pompliano

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**Roger Federer is one of only six athletes to cross $1 billion in career earnings while still active.**

**The part you didn't know?**

**He left behind a $10 million annual sponsorship deal with Nike and turned it into a $600 million-plus payday.**

**Here's the wild story ■**




1) Let's start in 2018...

Roger Federer had been with Nike for more than 20+ years, becoming one of the most decorated athletes in sports history with 20 Grand Slam titles.

But when it came time to renew his $10 million annual sponsorship deal with Nike, things got interesting.

2) Nike had a loaded roster of tennis players:

• Serena Williams
• Rafael Nadal
• Maria Sharapova
• Nick Kyrgios

And there is an unwritten rule in the world of sponsorships — you don't spend over 10% of overall revenue on athlete sponsorship deals.

So what would Nike do?

3) Nike ultimately decided to protect their margins, letting the 36-year-old legend walk.

The result: Federer shocked the world, signing a massive 10-year, $300M deal with Uniqlo — or 3x more than the $10M Nike was paying him annually.

But that's only part of the story...




4) Roger Federer's $300 million deal with Uniqlo included two unique stipulations:

First, the agreement didn't have a retirement clause, meaning Federer would earn $30 million at age 46 even if he retired 5 years prior.

Even better?

The deal only covered apparel, not shoes.

5) So, without a shoe deal in place, Roger Federer continued to wear Nike's without being paid for it.

But after discovering footwear brand On Running while training, Federer made an even bigger bet.

He signed an equity deal and became a global ambassador for the Swiss brand.



6) Including his initial investment & marketing fees, Roger Federer reportedly owns about 3% of the brand.

The craziest part?

Just two years later, On Running has gone public & the business is valued at $10 billion.

That means Federer's stake is now worth about $300 million.

7) To summarize:

Roger Federer was being paid about $10 million annually by Nike, but he ditched that sponsorship in 2018 and ended up with two deals that are now worth a combined $600 million-plus.

Not bad for a 40-year-old tennis player...

8) Roger Federer has built one of the most impressive brands in sports history.

He only played in one event last year but still brought home $90 million, making him the 7th highest-paid athlete globally.

Yet only $300k of the $90M came from tennis events.

Now that's wild.




9) If you enjoyed this thread, you should:

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2. Subscribe to my free daily newsletter, where I give a detailed analysis on topics involving the money and business behind sports.

https://t.co/WUyclKRh2F

10) My favorite part of the story?

Roger Federer will end up doing a lot of good with the money — he has already spent ~$15M to open 80+ schools in Africa.

He also spent $1 million to provide 64,000 African children meals while schools were closed due to COVID-19.

Love it ■

