



State of Play

Ipswich Town

A Game of the People report



Decline and fall

Ipswich Town are on the brink of dropping into the third tier of the English game. Once a progressive football institution, it looks like a long road back for the East Anglian club.

IPSWICH Town have not fallen as far as the third tier of the English game since 1957, but unless something dramatic changes in the closing weeks of the season, the club looks set for relegation. The club's owner, Marcus Evans, has publicly stated the drop into League One will not create massive financial problems and has tried to present a relatively relaxed profile to the public. Many supporters feel that Ipswich Town has lacked significant investment down the years, despite Evans continuing to prop-up a club that is consistently unprofitable.



For anyone that remembers the glory days of Ipswich, when Bobby Robson managed a team that was the nearest thing to the Dutch "total football" concept in England, it is sad to see the club spiralling into decline. Down the years, Ipswich Town was seen as a decent, community-orientated club, run by good people. But while Ipswich was once considered to be part of a group that could compete on an intermittent basis in the Premier, they are now in danger of slipping out of view. Indeed, the club's last set of accounts revealed that its wage bill represented 108% of turnover, implying that even sustaining Championship football may be a major challenge in the future. Sadly, Ipswich, like a number of clubs, have been somewhat excluded by the Premier League era. With such a concentration of wealth among the truly big clubs, the days when a modest, well-run club that offers prudence, commitment and good values, appear to be over – the question is can those days return, and can Ipswich Town rise again?

The Town's club

Ipswich, the county town of Suffolk, has a population of 133,000. The town was named the seventh most desirable place to live in England in 2017 by the Royal Mail. It is a town dominated by the agricultural industries and, as a result, has been an attractive location for migrant workers. Almost 60% of Ipswich's electorate voted to leave the European Union. The town was named the second best performing urban area in the country by the UK Powerhouse Study. Ipswich Town were last in the Premier League in 2002, the 2018-19 campaign is their 17th in the second tier. Consequently, there is a generation of Ipswich fans that have never been treated to Premier football and the club itself has largely missed out on the financial rewards that have been generated over the past 20 years. Ipswich Town won the Football League in 1961-62 and FA Cup in 1977-78. In a golden period for the club in the 1970s and early 1980s, Ipswich went close to winning the league again in 1974-75 and 1980-81. They also won the UEFA Cup in 1981. Such is the structure of modern day football, it would take substantial investment to enable Ipswich to regain the status they held during the 1970s and 1980s.

With the wage bill at 108% of turnover, the question is whether Championship football can be afforded, let alone the Premier League.

At the turnstiles

Portman Road, Ipswich's ground since 1884, has a modern day capacity of 30,114. The ground is owned by the council and town and the club is a tenant. It is just 450 yards from Ipswich railway station and close to the town centre.

Ipswich's attendances have been in slow and steady decline for some years. However, the club enjoyed strong support in the early years of the 21st century. Given the population of the town, an average of over 20,000 can be seen as very respectable. The highest ever average gates at Portman Road were in 1976-77 when they reached 26,761.

The last time the average went above 20,000 was in 2009-10. Since then, they have fluctuated between 16,000 and 19,000. In 2017-18, the average dropped to its lowest level since 1998.



Lower attendances mean smaller gate receipts, and Ipswich have certainly seen matchday income decline over the past 10 years. In 2017-18, revenues totaled £ 4.7 million, some two million lower than gate receipts for the 2008-09 season.

In 2018-19, attendances are up by 17% to an average of 17,375 – despite the club being pinned to the bottom of the Championship all season. The club currently has 10,200 season ticket holders, some 2,000 less than 2016-17.

Ipswich Town attendances compared to rivals Norwich City

	Ipswich Town	Norwich City
2017-18	16,272	25,785
2016-17	16,981	26,354
2015-16	18,989	26,972
2014-15	19,603	26,169
2013-14	17,111	26,805

Ownership

Marcus Evans bought Ipswich Town in 2007, becoming the majority shareholder (87.5%) through a new share issue that he launched in exchange for injecting cash into the club. He also covered the debts of the club (£ 32 million) which were chiefly owed to Aviva (Norwich Union) and Barclays Bank. Evans owns a live business, sports and entertainments company, the Marcus Evans Group.

For many years, Ipswich Town were run by what could be referred to as “landed gentry”, with the brewing family, the Cobbolds, in charge of the club. Their genial nature helped to make Ipswich a popular and well respected club. Prior to Evans' arrival, David Sheepshanks was chairman of the club, during which time, Ipswich went into administration following relegation from the Premier League in 2002.



Since Evans bought the club, its debts have grown substantially, the last financials showed that Ipswich Town's debt totaled £ 95.5 million. On average, the club has lost around £ 7 million per season since 2007. When Evans took over, he made £ 12 million available to manager Jim Magilton to strengthen the first team.

In the midst of the growing crisis at Ipswich, Evans is trying to rebuild the relationship between club and fans, but the owner/chairman has been something of a mystery man since 2007.

Evans' interview with the local newspaper in January 2019 was the first time he had been face-to-face with the media. His insistence on anonymity – he was described as elusive and reclusive when he bought the club - suggests he is a private man, but the timing of his interview was appropriate and also suggested that he continues to put money into the club because he is emotionally involved.

Without his ongoing support – some £ 6 million per season - Ipswich Town's financial position would be very precarious. In December 2018, however, Sky Sports reported that Evans was open to selling the club and valued Ipswich Town at £ 35 million.

Finances

Ipswich's financials for 2017-18 highlighted a continuing trend of higher wages, falling gate receipts and increasing levels of debt. The club's revenues have scarcely grown over the past decade, a symptom of the lack of progress on the field. In 2008-09, turnover totaled £ 14.7 million, in 2017-18, it amounted to £ 17.1 million. When compared to the growth trajectories of other clubs, the momentum is lacklustre.

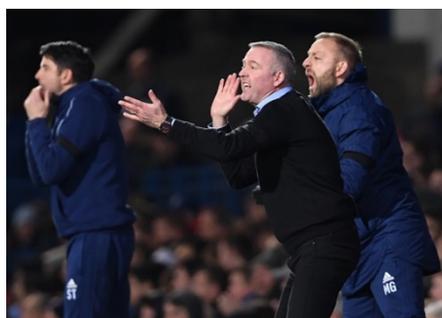


At the same time, wages are at a 10-year high - £ 16.1m in 2009, £ 18.5m in 2018. In fact, Ipswich have paid out more than they earn over the past decade, with the average wage-to-turnover ratio almost 107%. This is high by any club's standards, even the Championship where most clubs are living beyond their means.

Ipswich's gate receipts are a concern, totaling £ 4.7 million in 2017-18 (27% of total revenues), hardly surprising given attendances have fallen. The club is heavily dependent on TV/league revenues, at £ 8.1 million some 47% of the total. These have risen significantly over the past 10 years – in 2008-09, they amounted to £ 1.9 million. Marcus Evans has said openly that if the club is relegated in 2018-19, the drop in TV income would be one of the biggest issues. Commercial income at the club has fallen in recent years, 10 years ago this exceeded £ 6 million, but it has been seven seasons since the £ 5 million mark was passed.

Ten-year financials

	Turnover	Profit/Loss	Expenses	Wages
2017-18	17.1m	(5.2m)	(22m)	18.5m
2016-17	17.2m	(4.3m)	(22.9m)	17.78m
2015-16	16.3m	(6.6m)	(20.7m)	16.6m
2014-15	16.4m	5.5m	(20.4m)	16m
2013-14	13.5m	(7.3m)	(18.5m)	13.9m
2012-13	13.8m	(9.8m)	(21.3m)	15m
2011-12	15m	(16m)	(24.9m)	18m
2010-11	17.2m	(3.2m)	(25.1m)	18m
2009-10	15.6m	(14.7m)	(25.4m)	17.1m
2008-09	14.7m	(12.7m)	(22.1m)	16.1m

Managers and players

Paul Lambert was appointed manager at the end of October 2018, replacing Paul Hurst, who lasted just 15 games after being given the job in the summer of 2018. Hurst has the dubious title of having the shortest reign of any Ipswich Town manager.

Marcus Evans has been trying to install a young manager that can build something tangible at the club and develop young players. Hurst was 44 years' old, Lambert is 49.

In the past decade, the club has had six permanent managers and a number of caretakers. This does not hint at a very stable club, but the win rates have not been impressive – the best being Mick McCarthy (37.6%) and the worst, Hurst at just 7.1%.

The current squad, according to *Transfermarkt*, is valued at around £ 21 million. You have to go back to 2001 for Ipswich's record transfer fee – the £ 4.8 million paid to Sampdoria for Matteo Sereni. In terms of record fees received, the club sold Tyrone Mings to Bournemouth for £ 8 million in July 2015, but in 2011, the record was set at £ 12 million for Connor Wickham when he moved to Sunderland.

In 2018, Ipswich sold Martyn Waghorn to Derby for £ 5 million, Adam Webster to Bristol City for £ 3.5 million and Joe Garner to Wigan for £ 1.25 million. The current squad has a large number of players on loan from Premier League clubs, while other new arrivals have been free transfers and low budget signings.

On the pitch

Although Ipswich Town have flirted with promotion on a number of occasions since being relegated from the Premier League, the current trend is definitely downward and 2018-19 underlines that they have fallen away from being potential contenders for promotion. That said, 2017-18 was an improvement, although attendances still declined by 4%.

Ipswich's FA Cup in recent years has been abysmal, exiting the third round for 10 successive seasons. In 2018-19, the 10th year in that sequence, they were beaten by Accrington Stanley by 1-0. Success has also eluded them in the Football League Cup, losing to Exeter City in the first round in the current season.

The club's lack of success is arguably a reflection of its limited financial clout – the chairman said in his recent media interview that Ipswich's budget was probably about the 14th or 15th biggest in the Championship. If that is the case, Ipswich Town do not have much in the way of margin for error. How can this change? Clearly gate receipts have plenty of upside to contribute to a change in fortunes – taking 16,000 to 25,000 would make an enormous difference. And with greater matchday income would come increased commercial opportunity. Furthermore, greater stability in the dugout could allow the manager to build something over a period of time – if people are patient.

10-year performance

	League	Position	FA Cup	FL Cup
2017-18	CHAMP	12 th	Round Three	Round Two
2016-17	CHAMP	16 th	Round Three	Round One
2015-16	CHAMP	7 th	Round Three	Round Three
2014-15	CHAMP	6 th	Round Three	Round One
2013-14	CHAMP	9 th	Round Three	Round One
2012-13	CHAMP	14 th	Round Three	Round Two
2011-12	CHAMP	15 th	Round Three	Round One
2010-11	CHAMP	13 th	Round Three	Semi-Final
2009-10	CHAMP	15 th	Round Three	Round Two
2008-09	CHAMP	9 th	Round Four	Round Three

Conclusion: A chance to regroup

If Ipswich Town are eventually relegated, it could be an opportunity for reinvention and the introduction of a fresh dynamism into the club. On paper, Ipswich will be a big fish in the smaller pond that is League One. And if the team mounts a promotion campaign in 2019-20, crowds will increase, regardless of the lower league football. The public is attracted to a winning side no matter where they play. Ipswich have got too accustomed to being out of the limelight, a year in League One may provide a welcome interlude to what has been a mediocre period in the club's history. The key will be to stay calm and to cut their cloth accordingly. The club cannot continue to pay more out in wages than it earns, and being in League One may give them some breathing space to put that right. It may feel painful for Ipswich fans, but the club can come back – stronger and better equipped for the future.

Words: Neil Fredrik Jensen

Photos: Press Association

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Other clubs featured so far in the State of Play programme: Birmingham City (August 2016), Charlton Athletic (June 2017), Nottingham Forest (January 2018), Sheffield Wednesday (February 2019)