

Assessment of the Geographic Distribution of Licences

Prepared on behalf of the WRU

July 2026



Keystone is an economic, strategy, and technology consulting firm helping clients navigate the digital age's biggest challenges



- Founded in 2003
- Offices: London, New York, Boston, San Francisco
- 250 people, including 100+ economists, 50+ technologists

Keystone's unique triad



Contents

	Section	Slides
1	Executive Summary	4-6
2	Context	7-11
3	Credible candidates for the three licences	12-14
4	The relevance of geographic boundaries	15-17
5	Analytical Framework	18-26
6	Factor assessment	27-63
7	Emerging themes from the factor assessment	64-65
8	Annex 1 – Evidence on grassroots participation	66-68



Executive Summary



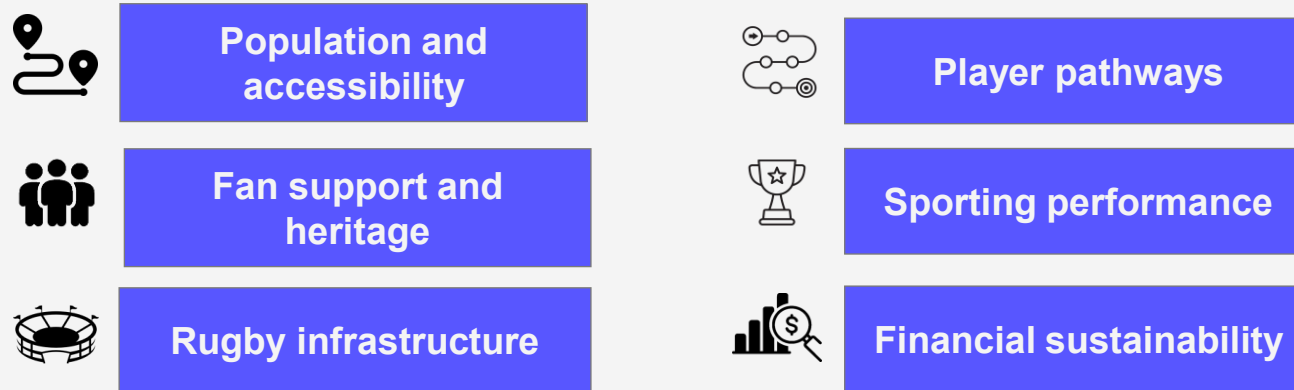
Executive Summary - Overview

- The WRU has decided to move from four professional men's Clubs to three equally funded Clubs. This report does not directly assess that strategic decision; it proceeds on the basis that the future model will comprise three Clubs.
- Keystone has been asked to assess the geographic distribution of those three licences, including whether the WRU's proposed allocation of one licence in the capital, one in the East and one in the West is supported by the available evidence.
- We treat the four existing professional Clubs — Cardiff Rugby ("**Cardiff**"), Dragons RFC ("**Dragons**"), Ospreys and Scarlets — as the practical starting point, given their existing infrastructure, supporter bases, heritage, player pathways and operational capability.
- We consider the relevance of geographic boundaries, including in light of the WRU proposed move towards a national academy system.



Executive Summary – analytical framework and assessment factors

- **We start from the existing four Clubs:** We treat Cardiff, Dragons, Ospreys and Scarlets as the practical candidates for the three licences, given their existing infrastructure, supporter bases, heritage, player pathways and operational capability.
- **We assess each Club across six relevant factors:**



- **We undertake scenario analysis where relevant:** For factors such as population and accessibility, we assess the practical implications of each “lost Club” scenario, including how access would change if Cardiff, Dragons, Ospreys or Scarlets were not issued a licence.
- **We consider the evidence in the round:** No single factor is determinative. The assessment should consider the full evidence base, recognising that different indicators may point in different directions and that historic performance on some metrics may be less informative of likely outcomes under a three-Club model.

Context



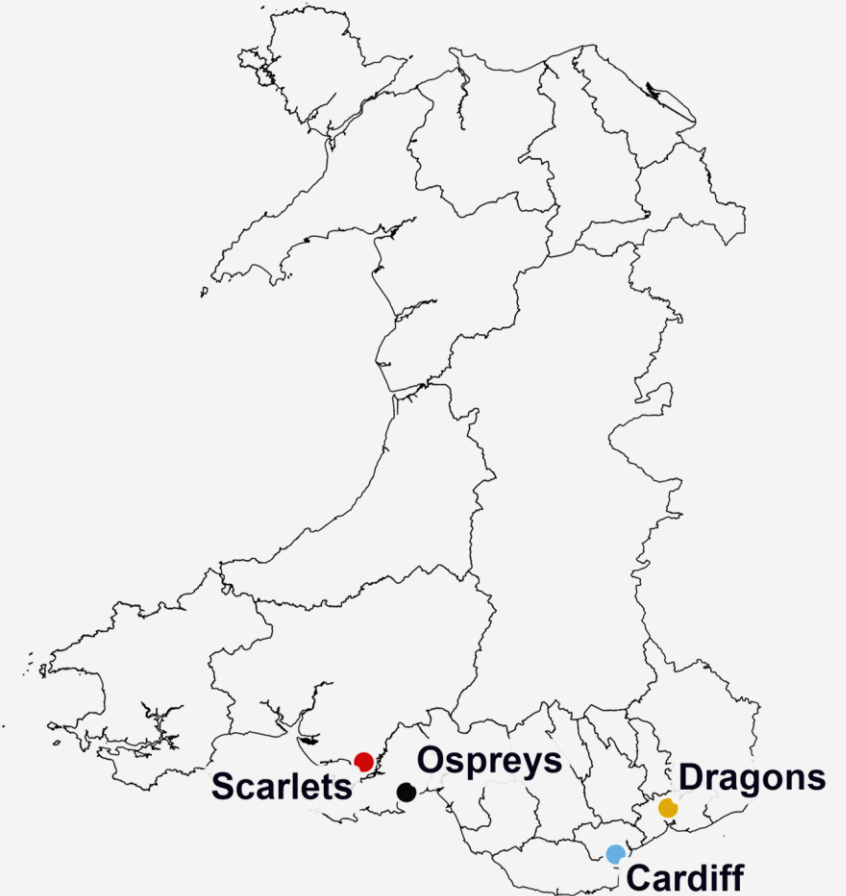
Professional men's Club rugby in Wales

Professional rugby is currently organised around four professional clubs, all of which are based in South Wales.

In Wales, there are four professional men's rugby clubs (**"Clubs"**): Cardiff, Dragons, Ospreys* and Scarlets.

All four clubs are located in South Wales, with home bases in Cardiff, Newport, Swansea/Bridgend and Llanelli. They provide the top level of domestic club rugby in Wales and are intended to support both professional competition and the wider Welsh player pathway.

The clubs compete domestically and internationally, including in the United Rugby Championship (**"URC"**) and European club competitions. They also form part of the wider Welsh rugby ecosystem, alongside community clubs, schools, Super Rygbi Cymru (**"SRC"**), academies and the national teams.



*Prior to and including the 2024/25 season, Ospreys' home stadium was the Swansea.com Stadium. For 2025/26, Ospreys played home matches at the Dunraven Brewery Field in Bridgend, ahead of a planned long-term move to St Helen's Sports Ground from 2026/27. For the purposes of this report, we have therefore treated St Helen's Sports Ground as Ospreys' assumed home stadium.



The WRU's Geographic Distribution Decision

Following consultation, the WRU announced that the future three-club model would comprise one professional club in the capital, one in West Wales and one in East Wales.

The WRU's Geographic Distribution Decision was informed by analysis of geographic and rugby-system data across Wales, including:

- Population and household data across Wales from the Office for National Statistics (“**ONS**”) Census 2021;
- Local authority population estimates from StatsWales;
- Club registrations, players numbers, coaching figures, talent pathway data, and school rugby participation from WRU internal databases; and
- Facilities, stadia and training environments from regional infrastructure assessments.

“ We have carried an analysis of population demographics, community club distribution, registered community player numbers and potential future rugby players, coaches, university and school locations and physical rugby infrastructure across Wales. The geographical distribution of licences for the three future clubs in this new model will need to take into account these factors. Our view is that this will lead to licences being issued with one in the capital, one in the West and one in the East ” **The WRU**

The WRU's 2029 Goals

In June 2024, the WRU published its One Wales Strategy, setting out objectives across performance, participation, public confidence and financial sustainability. The WRU's five 2029 Goals provide the objectives for assessing the three-club model.

2029 Goal	Relevance to the assessment
Men's and Women's National Teams consistently ranked in the Top 5	The professional clubs and pathways should support the development of elite Welsh talent.
Club teams challenging in the play-offs of URC / Celtic Challenge	The three-club model should support robust and competitive professional teams.
Retain and grow the number of active participants	Geographic distribution may affect access to rugby, grassroots participation and player pathways.
Financial sustainability at all levels of the game	The three-club model should support clubs that are capable of operating on a sustainable basis.
Increase the percentage of the Welsh public positive about Welsh rugby	The distribution of clubs may affect supporter engagement, community identity and confidence in the game.



Keystone's Instructions

Keystone has been instructed to provide analysis of data relevant to the WRU's assessment of where the three professional club licences should be awarded.

Instructions

Keystone has been instructed to:

- Undertake an evaluation of the Board Data that informed the Geographic Distribution Decision;
- Gather and analyse any other data which could potentially assist the WRU in determining the geographic areas with respect to which the three licences should be awarded; and
- Consider what the boundaries of the three new areas should be, recognising that some re-drawing of boundaries will be required in moving from four Regions to three Clubs.

Purpose of our analysis

The analysis is intended to assist the WRU Board in considering the Geographic Distribution Decision and determining whether to affirm or vary it.

Possible presentation of findings

The Instructions indicate that one possible way of presenting the findings is to consider scenarios in which one of each of the four existing Clubs is not included, with the boundaries of the three new areas redrawn in a sensible way and the data for the resulting three areas produced and compared across scenarios.



Credible candidates for the three licences

Identifying credible candidates for the three licences

The WRU has decided to move from four existing Regions to three professional Clubs. **Our Instructions make clear that our assessment should be undertaken in the current context of Welsh rugby, with consideration to the four existing Clubs.**

This is because the move to three Clubs is not a blank-sheet exercise. The Instructions identify several reasons why licences cannot simply be awarded to the three theoretically optimal locations, including player and staff disruption, existing infrastructure locations and heritage.

We therefore treat the four existing professional Clubs — Cardiff, Dragons, Ospreys and Scarlets — as the starting point for identifying credible candidates for the three licences.

This starting point is also consistent with the available evidence. The existing professional clubs already hold the relevant professional infrastructure, fan bases, heritage, player pathways and operational capability. By contrast, SRC clubs or new entrants may be relevant to the wider rugby ecosystem, but would face material practical challenges in becoming immediate substitutes for existing professional Clubs.

South Wales and the Welsh rugby ecosystem

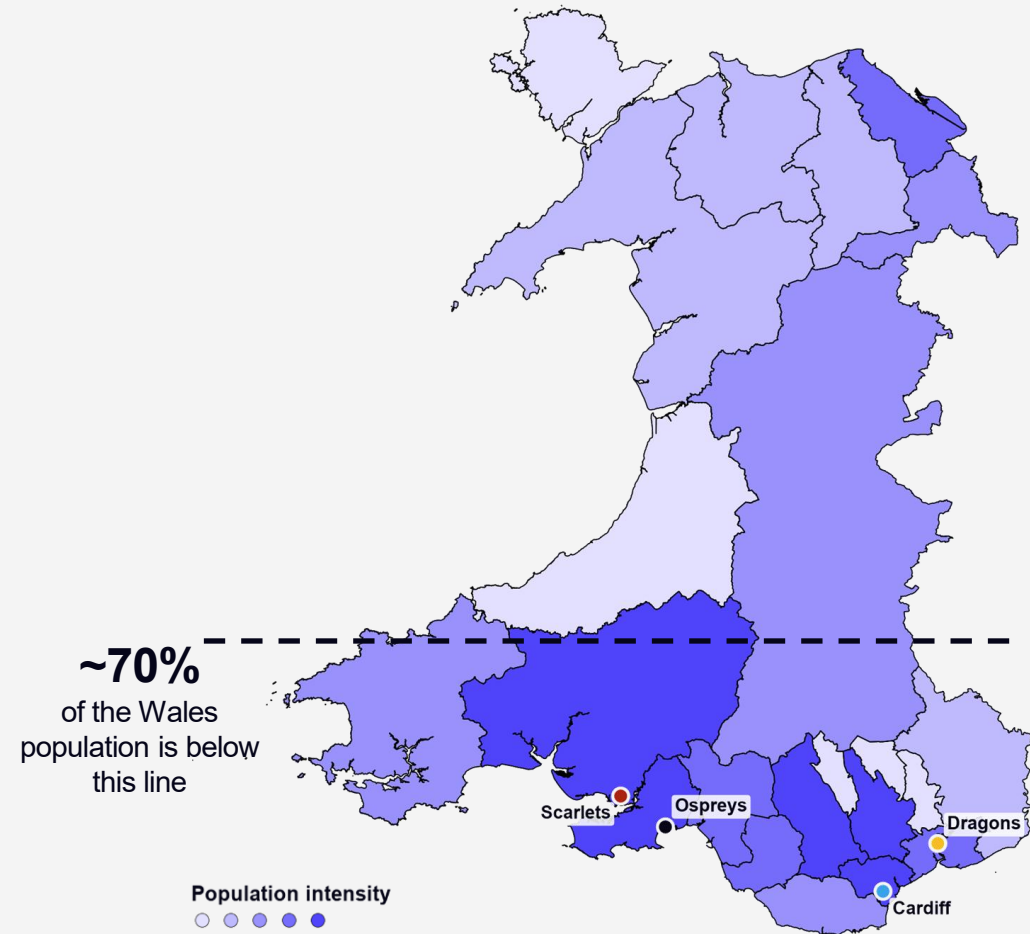
The evidence supports treating the existing south Wales professional footprint as the starting point for the licence assessment.

All four existing professional Clubs are located in south Wales. This is also where the Welsh population is most concentrated, and where the available evidence indicates the strongest concentration of rugby participation, community clubs, schools, players and coaches.

This does not mean that rugby outside south Wales is unimportant. North Wales and other areas remain important to the national rugby ecosystem.

However, for the purposes of allocating three professional Club licences in the current context, the practical evidence points to south Wales as the core professional and participation base.

Population by Unitary Authority



The relevance of geographic boundaries



Geographic boundaries matter, but their relevance depends on the lens

We have been asked to consider the boundaries of the three new licence areas.

Geography is clearly relevant to Welsh rugby. For supporters and communities, location, identity, and Club affinity matter: support may be rooted in place, history, and local connections, and substitutability between Clubs may be limited, even when another Club is nearby.

However, from a Club-centric perspective, the practical importance of boundary lines depends on whether they create specific rights, obligations, benefits or burdens for Clubs — for example, exclusive academy catchments, player-development rights, funding responsibilities, community obligations or commercial exclusivity.

On our current understanding, and at least under the WRU's current plans, the three-Club model would not use geographic boundaries in this way. We also understand that the WRU is moving towards a national academy system, including the removal of regional boundaries from a talent perspective. If the WRU were to adopt a different approach — for example by imposing exclusive catchments, player-development responsibilities, community obligations or other Club-specific rights and burdens by geography — then the precise definition of boundaries would become more relevant.

Accordingly, geospatial features remain relevant, but precise boundary lines are unlikely to be determinative in the narrow context of player pathways or the practical benefits and burdens placed on Clubs.

Our assessment therefore focuses on the practical implications of different licence allocations — including location, access, supporter affinity and Club-specific assets — rather than treating precise boundary lines as determinative.



An East / West framing is a reasonable organising principle

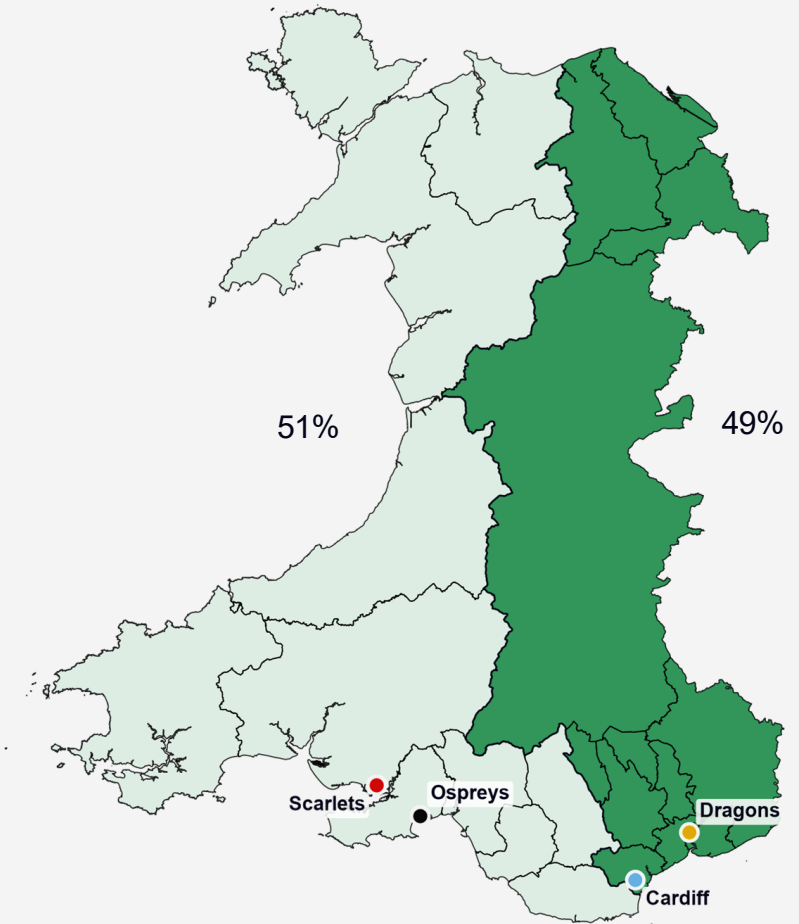
The available geographic and rugby-system evidence points more naturally to an East / West framing than a North / South framing. The Welsh population is more evenly split on an East / West basis, and the current professional Club footprint, infrastructure, schools, community clubs and coaching base are concentrated in south Wales. This makes East / West a reasonable organising principle, particularly given the current location of the four existing professional Clubs.

The existing Clubs fall into two broad geographic clusters: Cardiff and Dragons in the south east; Ospreys and Scarlets in the south west.

However, the exact dividing line between “East” and “West” should not be overemphasised. Drawing (or redrawing) a boundary does not change where each Club is located, the infrastructure it owns or accesses, its existing supporter base, or the strength of its local identity.

This does not mean geography is irrelevant. For fans and communities, proximity, local identity and Club affinity are important. But in the narrower Club-centric context – including player pathways under a national academy model, and the allocation of practical benefits and burdens – boundary lines appear unlikely to be determinative.

Population by East and West Halves



Source: Keystone analysis of Official Census and Labour Market Statistics 2024.
Ospreys = St Helen's

Analytical framework



Our analytical framework

We first identify the factors relevant to the assessment, in light of the 2029 Goals, before undertaking a multi-factor assessment using the available evidence.

Step 1: Identify relevant factors

- We identify factors that may be relevant to assessing the move from four Regions to a three-Club structure, by reference to the WRU's stated objectives and the evidence available.
- These include both quantifiable factors, such as population, accessibility, player pathways, performance and financial indicators, and more qualitative factors, such as heritage and community identity.

Step 2: Assess the relevant factors

- We then assess the evidence across the relevant factors. The approach differs by factor:
 - For some factors, we present and interpret the available evidence for each Club, for example historical performance, player pathways, infrastructure and financial indicators.
 - For other factors, particularly population, accessibility and substitutability, we undertake scenario or sensitivity analysis to assess the practical implications of different outcomes, including the effect of one existing Club not being issued a licence.

Any assessment of the optimal combination of Clubs is inherently multi-factorial. The relevant factors may not all point in the same direction, and the WRU Board will need to determine the appropriate weight to place on each factor.



Factors relevant to the assessment

	Factor	Assessment
	Population and accessibility	Whether the local population base can reasonably access and engage with each Club, including by private and public transport.
	Fan support and heritage	The local fan base, community identity, history, legacy and other intangible factors associated with each Club and its region.
	Rugby infrastructure	Existing and planned rugby infrastructure (e.g., stadia, training facilities).
	Player pathways	The role of each Club in supporting rugby participation and the progression of players from grassroots to professional and national levels.
	Sporting performance	Historical sporting performance in relevant competitions, including the United Rugby Championship (“URC”) and European club competitions.
	Financial sustainability	Assessment of historical financial performance and current financial position, as indicators of financial sustainability.



Population and accessibility



Population and accessibility are relevant because they affect the size of the potential supporter, participant and community base that each Club can realistically serve.

Relevance to our assessment

- Population and accessibility are relevant because they affect the size of the supporter, participant and community base that each Club can realistically serve.
- A larger population base is more valuable where that population can practically access the Club. Accessibility therefore needs to be assessed alongside population, not separately from it.
- Accessibility also matters to the practical impact of moving from four Clubs to three. If one Club is not issued a licence, affected supporters, players and community participants may face longer journeys to reach another professional Club. The scale of that incremental travel burden is relevant to assessing the impact of each three-Club scenario.
- However, proximity is not the same as substitution. Even where another Club is nearby, supporter identity, local community links, public transport convenience and journey complexity may affect whether people would realistically transfer their engagement.

How we assess this factor

- We use the stadia of the four existing Clubs as fixed reference points for the analysis. We assess population and accessibility across four dimensions:
 1. **Local population catchment:** the population and rugby-interest base around each Club.
 2. **Drive-time accessibility:** the population within defined drive-time catchments, including 30-minute and 60-minute drive times.
 3. **Club-to-Club proximity:** the road travel time between existing Club stadiums, including the extent to which Clubs sit in practical south-east and south-west clusters.
 4. **Public transport accessibility:** rail journey times to each stadium, including weighted measures that place greater emphasis on more populated areas and busier stations.
- We use this evidence to assess both the current accessibility of each Club and the potential increase in travel time if one Club were not issued a licence.



Fan support and heritage



The fan base, community identity, history, legacy and wider cultural value associated with each Club and its region

Relevance to our assessment

- Fan support and heritage are relevant because professional Clubs are not simply sporting assets. They are also points of local identity, community connection and supporter attachment within Welsh rugby.
- Changes to the professional Club structure could affect how supporters connect with the game, locally and nationally. This is particularly relevant where support is rooted in history, place or community identity, and may not transfer simply because another Club is nearby.
- Fan engagement is relevant to the WRU's 2029 Goals, including increasing positive sentiment towards Welsh rugby and retaining and growing active participation.

How we assess this factor

- We assess measurable fan engagement using survey evidence, estimated supporter bases, geographic distribution of support and matchday attendance.
- We assess broader cultural value using evidence on each Club's heritage, local identity, stadium connection and role in the Welsh rugby ecosystem.
- We treat this as a mixed quantitative and qualitative factor. Survey and attendance data provide observable indicators, while heritage and community connection are less directly measurable and should be considered in the round.

Rugby infrastructure



Existing rugby infrastructure, including stadia, training facilities and other physical assets.

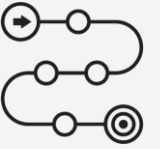
Relevance to our assessment

- Existing infrastructure is a relevant consideration because Clubs with higher-quality stadia, training facilities and other assets may be better placed to operate successfully under a three-Club model.
- A modern, high-quality stadium can support matchday revenues, hospitality, supporter experience and commercial opportunities. Stadium ownership or secure tenure may also affect Clubs' ability to invest in and improve their facilities.
- Training facilities are also relevant to sporting performance and player development. A Club with strong training infrastructure may be better placed to develop talent, support player welfare and contribute to the wider Welsh rugby pathway.
- Rugby infrastructure is therefore relevant to financial sustainability, sporting performance and the long-term health of Welsh rugby.

How we assess this factor

- We use available WRU data on existing rugby infrastructure to compare the four professional Clubs.
- We consider differences between Clubs, including stadium ownership or tenure, stadium capacity, training facilities and the quality of other physical assets.
- We focus primarily on existing infrastructure. Planned infrastructure may be relevant to future sustainability, but is inherently more uncertain and may depend on the outcome of the move from four Regions to three Clubs.

Player pathways



The role of each Club in supporting rugby participation and developing players for professional and national levels

Relevance to our assessment

- Player pathways are relevant because a successful three-Club model should support the development of Welsh rugby talent, including players capable of progressing to the national team.
- We consider both output and ecosystem indicators. Output indicators show the extent to which each Club has contributed players to professional and national levels. Ecosystem indicators, such as nearby community clubs, coaches and school teams, help indicate the depth of the local participation base from which future talent may emerge.
- We do not assume that community clubs would cease to operate if a professional Club were not issued a licence. However, the strength and location of the surrounding grassroots ecosystem is still relevant to assessing each Club's role in supporting participation, talent identification and player development.

How we assess this factor

- We assess grassroots rugby participation using WRU operational reporting data, including community clubs, coaches and school teams in each region.
- We assess professional-to-national pathways using WRU Pathway Data, including the Club of players at their Wales debut and the total number of Welsh caps represented by players from each Club.
- These metrics are informative but not exhaustive: debut Club provides a snapshot at one point in a player's development, while caps provide a broader measure of sustained contribution to the national team.

Sporting performance



Historical sporting performance in relevant competitions, including the URC and European competitions.

Relevance to our assessment

- Sporting performance is relevant because the three-Club model is intended to support more competitive professional rugby in Wales.
- On-field success can help drive supporter engagement, sponsorship, player retention and wider confidence in Welsh rugby. It is also directly relevant to the WRU's 2029 Goals, including Club teams challenging in the play-offs of the URC / Celtic Challenge.
- Historical performance is a useful indicator of each Club's track record of competitiveness. However, it should be interpreted with caution: past performance is not determinative of future performance, and the move to a three-licence system may change the allocation of players and the future performance of remaining Clubs.

How we assess this factor

- We assess men's performance using league finishes in the URC and predecessor competitions, together with performance in European competitions.
- We interpret performance over multiple seasons, rather than focusing only on the most recent season, because sporting performance can vary materially from year to year.

Financial sustainability



Available revenue evidence provides a meaningful 2024/25 snapshot of each Club's revenue strength, revenue mix and ability to generate income independently of central distributions.

Relevance to our assessment

- Financial sustainability is relevant because one of the WRU's 2029 Goals is to support a sustainable professional game.
- In principle, Clubs with stronger financial performance, more resilient revenues and greater balance-sheet strength may be better placed to operate under a three-Club model, invest in performance and infrastructure, and reduce reliance on central funding.
- Looking forward, financial sustainability may also depend on the rules and obligations under the new model. Applicants may be required to set out business plans, financial commitments or sustainability obligations.

How we assess this factor

- Our assessment focuses on available revenue evidence, as this provides the most comparable financial basis currently available across all four Clubs.
- We assess total revenue and the mix of income from WRU funding, competition income and sponsorship, matchday and other revenues, focusing on 2024/25, the most recent season for which data are available across all Clubs.
- This provides a meaningful view of each Club's current revenue scale, revenue diversity and ability to generate income independently of central distributions and competition receipts.
- We note that revenue is not a complete measure of financial sustainability. Other factors, including profitability, owner support and future investment commitments, may also be relevant.

Factor assessment



The framework for our multi-factor assessment

In the previous sections, we set out our analytical framework to assess the WRU's proposal to move to a three-licence system. Specifically, we proceed on the basis that: (i) the three licences will be issued among the existing four Clubs; and (ii) the precise boundaries of the three new regions are not determinative.

We now apply our analytical framework to assess each of the four existing professional Clubs.

For each of the four existing Clubs, we assess:

1. Relevant factors identified in the previous section; and
2. The potential impact on the three remaining Clubs resulting from a particular Club not being issued a licence.





Population and accessibility



Local population catchment – the local addressable market



The size of the local population base is an important factor to assess matchday demand, commercial opportunities and community engagement. These factors are key to assessing revenue generation potential.

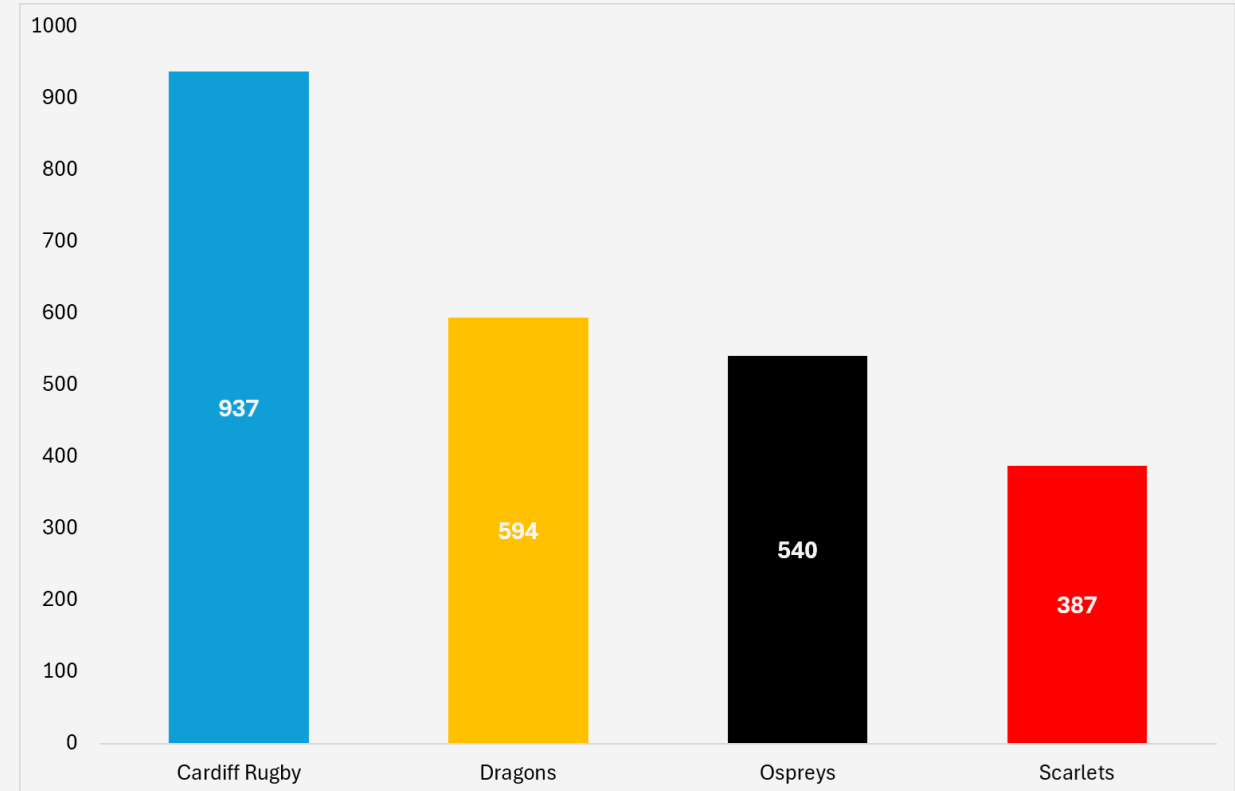
We present the population catchment using the data set out in the WRU's 2025 Board document, which we have been provided with.

According to WRU data/analysis, Cardiff has the largest population catchment at **937k**, more than double the smallest population catchment, Scarlets, at **387k**. Dragons and Ospreys have roughly comparable population sizes.

This is broadly consistent with the 30-minute drive-time analysis (discussed later in this section), although that analysis shows Dragons slightly ahead of Cardiff: around **671k** people are within a 30-minute drive of Rodney Parade, compared with around **666k** for Cardiff Arms Park. Ospreys and Scarlets remain materially lower, at around **401k** and **388k** respectively.

Taken together, the WRU data and drive-time analyses indicate that Cardiff and Dragons have larger local addressable markets, while Ospreys and Scarlets have smaller catchments.

Local Population Size ('000s)



Source: Keystone analysis of WRU data from Board Meeting of 23 October 2025.

Regional market depth – nature of the regional population



This analysis compares the depth of each Club's addressable rugby market, using the 2018 **Regional Rugby Market Insight** survey, which we note is now eight years old.*

It starts with the adult population in each Club's region, then tracks the number of people who are interested in sport, aware of regional rugby, willing to consider attending, and who have attended or currently attend.

This matters because the size and depth of the local market affect each Club's ability to convert interest into attendance and participation.

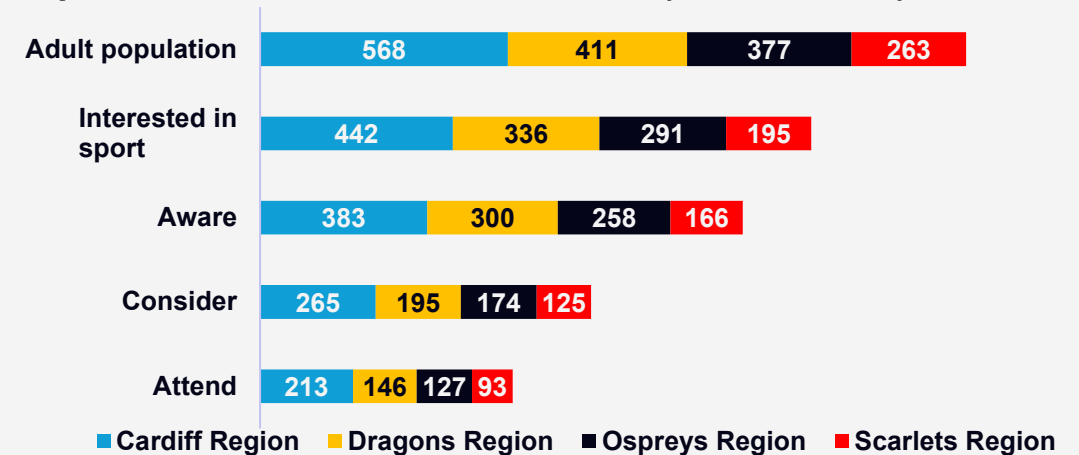
In 2018, **Cardiff** had the largest and deepest local demand pool:

- Cardiff had **442k** sport-interested adults and **265k** considerers.
- Dragons had **336k** sport-interested adults and **195k** considerers.
- Ospreys had **291k** sport-interested adults and **174k** considerers.
- Scarlets were smallest at each stage, with **195k** sport-interested adults and **125k** considerers.

This gave Cardiff the strongest market position. Its estimated pool of "considerers" was around **2.6 times** its annual seat inventory, compared with **1.4 times** for Dragons, around **1.0 times** for Ospreys, and **0.8 times** for Scarlets.

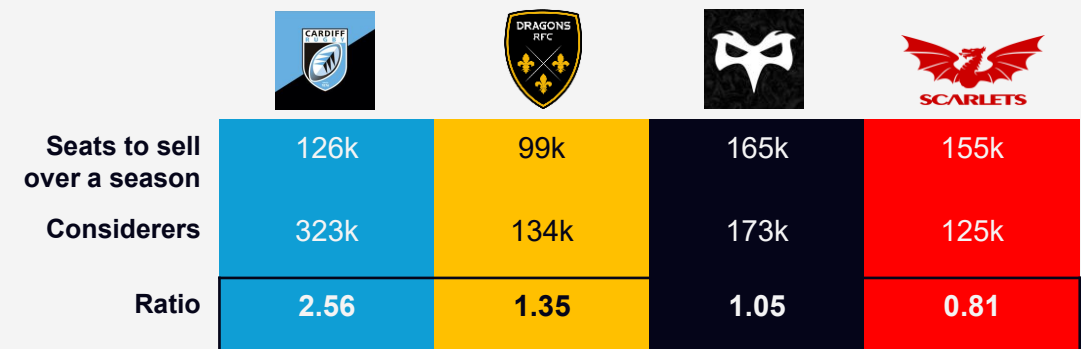
* Given various developments in Welsh rugby in recent years, the 2018 survey may not reflect current supporter behaviours or attitudes. We also note that we have not been provided with the underlying survey dataset, and that the analysis is based on reported survey outputs and, where necessary, visual inspection of charts.

Population conversion funnel in 2018 (in thousands)



Note: Definitions for population conversion funnel: Aware – Aware of regional rugby, Consider – Would consider attending a regional rugby match, Attend – Have attended/do attend regional rugby matches

Club "considerers" to seats ratio in 2018



Source: Keystone analysis of "Regional Rugby Market Insight – Growing Regional Rugby Attendances – August 2018".

Note: The upper chart shows the regional population conversion funnel, based on engagement within each Club's regional catchment. Our interpretation of the figures in the lower chart is that they show each Club's estimated Club-specific "considerer" pool relative to its annual seats to sell.



Regional rugby engagement pool



Historic 2019 survey evidence* shows broad engagement across all four Club regions, with variation by metric, but should be interpreted with the same caveats as the 2018 survey.

Respondents in the Dragons region showed the highest support for a regional team and the strongest interest in Wales U20 / U18 teams. Scarlets respondents showed the highest attendance at professional rugby and interest in the Wales senior team. Cardiff performed consistently strongly across the metrics, including live sport attendance and interest in the women's team.

Engagement Metric	Cardiff region	Dragons region	Ospreys region	Scarlets region	Average across four Club areas	Wales average
Attend professional rugby	40.2%	38.4%	39.2%	43.0%	40.2%	31.1%
Support a regional team	69.6%	79.1%	75.9%	67.1%	72.9%	54.3%
Attend live sport frequently	26.1%	24.4%	22.8%	15.2%	22.1%	16.9%
Interested in Wales senior team	88.0%	87.2%	87.3%	91.1%	88.4%	80.5%
Interested in Wales Women's team	59.8%	59.3%	50.6%	54.4%	56.0%	46.1%
Interested in Wales U20 / U18 teams	50.0% / 45.7%	61.6% / 60.5%	44.3% / 43.0%	49.4% / 43.0%	51.3% / 48.1%	43.1% / 38.8%

Source: Keystone analysis of WRU National Representative Survey 2019. Note: **Bold** indicates the highest value across Clubs. *Italics* indicates the lowest value across Clubs.

*As with the 2018 survey, the 2019 survey may not reflect current supporter behaviours or attitudes.



How we assess proximity and accessibility



We assess proximity by using each Club's stadium as the reference point. This provides a consistent basis for comparing how easily supporters, players and community participants can access each Club, and how access may change if one Club is not issued a licence.

Our analysis focuses on the practical travel implications of moving from four Clubs to three. For each Club, we consider the population and rugby-participation base around the stadium, and the travel time to alternative Clubs if that Club were no longer available.

- We assess proximity across three dimensions:

1. **Club-to-Club proximity:** We compare travel times between the four existing stadiums to identify whether Clubs sit in practical clusters and whether another Club is a realistic nearby substitute.
2. **Drive-time catchments:** We estimate the population within defined drive-time bands around each stadium, including 30-minute and 60-minute catchments.
3. **Public transport accessibility:** We assess rail journey times to each stadium, including weighted measures that place greater emphasis on journeys from more populated areas and busier stations.

This approach is intended to capture both the scale of each Club's accessible catchment and the incremental travel burden that may arise in moving to a three-licence system. It does not assume that all supporters or participants would substitute to the nearest Club: local identity, historic support and community links may also affect whether substitution is realistic.



Proximity is relevant only where there is meaningful substitutability

Proximity can reduce the practical travel burden of losing a Club, but it does not mean supporters will transfer their allegiance.

Proximity analysis is useful because it shows whether affected supporters, players or community participants would face a materially longer journey if one Club were not issued a licence.

However, proximity is not the same as substitutability. For supporters in particular, Club allegiance may be rooted in history, place, family tradition and local identity. If supporters would not realistically switch allegiance, then the fact that another Club is nearby has limited relevance from a fan-engagement perspective.

The supporter evidence supports this distinction. As shown on slide 45, most estimated support for each Club comes from within its own Region, indicating that support is geographically and locally anchored. If a Club was not issued a licence, some supporters may not switch to the nearest remaining Club (particularly in the short run).

In that sense, proximity evidence should be interpreted as a measure of practical access, not as proof of fan substitutability. Two Clubs could be very close geographically — even on the same street — but still not be close substitutes if their supporter bases do not perceive them that way.

The implication is that proximity matters most where it reduces genuine practical burdens: travel time, access to fixtures, access to player pathways, community engagement and participation opportunities. It should therefore be considered alongside fan support, heritage and local identity.



Proximity analysis should be assessed in context



Accessibility matters, but the Welsh geography should be seen in context. The four existing Clubs are all located in south Wales, and Wales is a relatively compact country (compared to Australia, France, etc...). The issue is therefore not whether travel time matters, but whether the incremental travel time resulting from moving from four Clubs to three is material in the context. The existing Clubs fall into two broad drive-time clusters:

1. **South East:** Cardiff and Dragons are approximately 30 minutes' drive (16 miles) apart.
2. **South West:** Ospreys and Scarlets are approximately 30 minutes' drive (11 miles) apart.

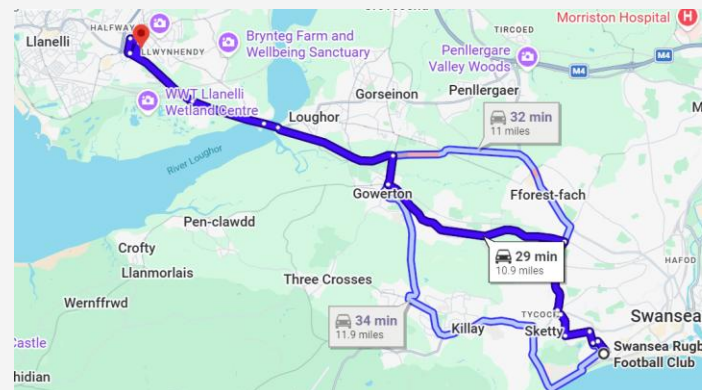
This means that, for supporters or participants who are able to travel by car, the loss of one Club may often result in substitution to another Club within the same broad cluster, rather than a wholly different part of Wales. In simple terms, the greatest practical impact may be an additional drive of around 30 minutes for many affected individuals.

However, this is not the complete picture. Public transport connectivity, journey complexity, supporter identity and local community links may be more affected than headline drive times suggest. The following slides therefore assess both private-transport and public-transport accessibility.

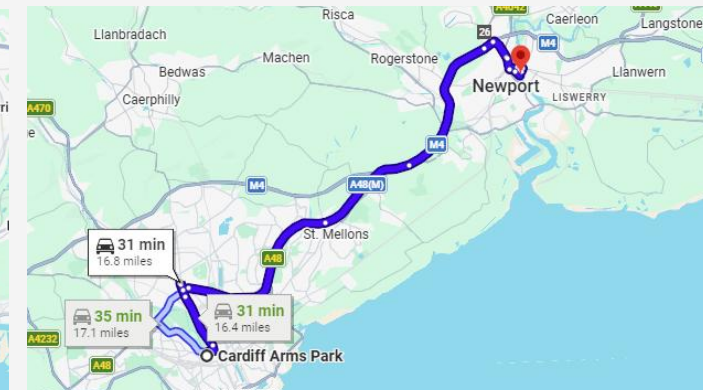
Typical road travel time between Club stadiums (minutes)

From / To	Cardiff	Dragons	Ospreys	Scarlets
Cardiff	—	~30	~55	~80
Dragons	—	—	~70	~100
Ospreys	—	—	—	~30
Scarlets	—	—	—	—

Scarlets to Ospreys



Cardiff to Dragons



Accessibility via 30-minute drive times



Accessibility matters because distance and travel time can affect whether supporters, players and community participants are realistically able to engage with a Club.

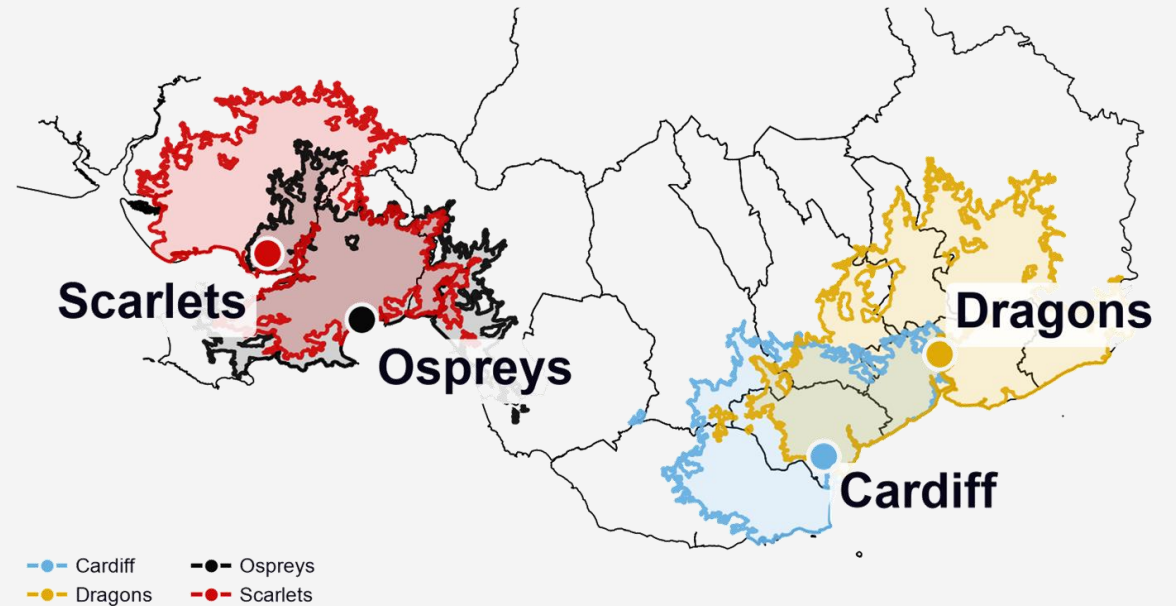
We have reviewed data from the ONS and maps to produce isochrones (areas accessible from a specific point within a certain travel time) for shorter drives (up to 30-minutes). We layer the isochrones over population density.

Within a 30-minute drive, the two western Clubs have a highly overlapping catchment: **68.4% of premises in the Scarlets / Ospreys cluster are within 30 minutes of both stadiums.**

The equivalent overlap is lower in the south-east cluster: **47.7% of premises in the Cardiff / Dragons cluster are within 30 minutes of both stadiums.**

This suggests that, for car travel, Scarlets and Ospreys are more closely substitutable from an accessibility perspective than Cardiff and Dragons. However, this does not imply that supporters or participants would necessarily transfer their engagement, given local identity, public transport links and community ties.

30-Minute Driving Isochrones



Source: Keystone analysis of public data from the ONS and travel times.

Note: Ospreys = St Helen's.



Accessibility via 60-minute drive times



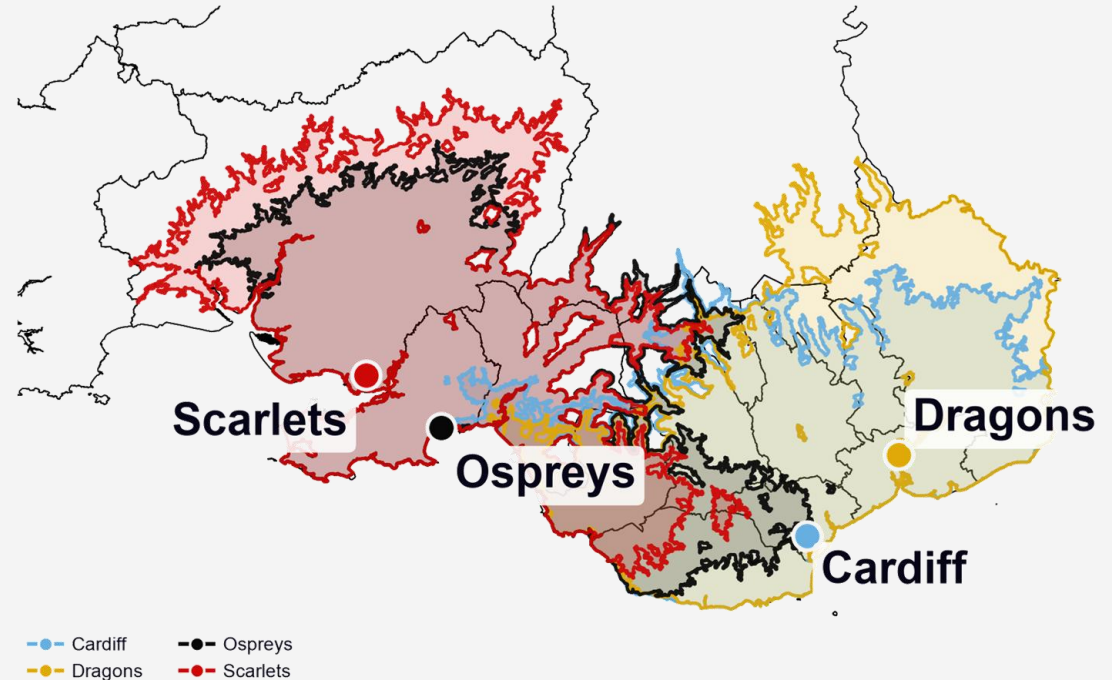
We reproduce the analysis from the previous slide for longer drives (up to 60-minutes). We again layer the isochrones (areas accessible from a specific point within a certain travel time) over population density.

The 60-minute catchments show a different pattern. At this wider drive-time threshold, overlap becomes very high in the south-west cluster: **70.5% of premises in the Scarlets / Ospreys cluster are within 60 minutes of both stadiums.**

Overlap in the south-east cluster is higher; 91.1% of premises in the Cardiff / Dragons cluster are within 60 minutes of both stadiums.

This suggests that, for longer car journeys, Cardiff and Dragons have the greater overlapping catchment, while Scarlets and Ospreys remain meaningfully overlapping but less so than at 30 minutes. As with the 30-minute analysis, this is an accessibility point only and does not assume that supporter or participant engagement would transfer automatically.

60-Minute Driving Isochrones



Source: Keystone analysis of public data from the ONS and travel times.

Note: Ospreys = St Helen's.

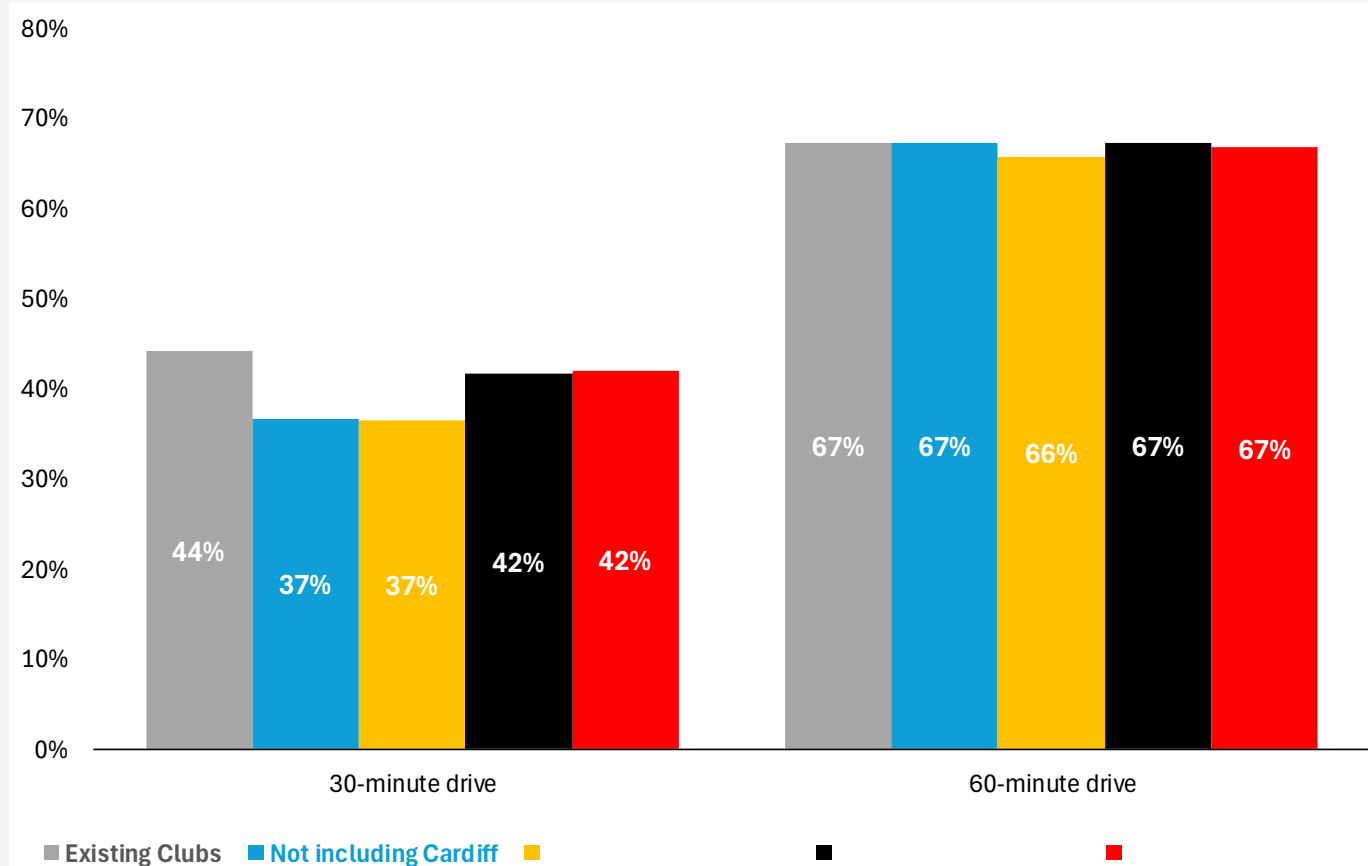
Proportion of population within 30/60-minute drive to a Club



We now assess the share of the population that can access stadia within 30-minute and 60-minute drives. We use isochrones (areas accessible from a point within a travel time) from the previous analysis. We assess the share of the population with the existing Clubs, and assuming each of the Clubs does not receive a licence.

44% of the Welsh population can access a stadium within a 30-minute drive. If Ospreys or Scarlets are not included, the share falls from 44% to 42%. The share falls to 37% for both Cardiff and Dragons. This suggests that Ospreys and Scarlets, and Cardiff and Dragons have overlapping catchments within a 30-minute drive.

67% can access a stadium within a 60-minute drive. This remains broadly the same across all scenarios. The 60-minute drive population catchments for each Club overlap significantly, so not including any Club has a small impact on the share of the population that can access a stadium.



Source: Keystone analysis of public data from the ONS and travel times.

Note: Ospreys = St Helen's.



Methodology for rail travel analysis



Accessibility by public transport is relevant because not everyone drives, and rail links may be affected differently from drive-time catchments.

We selected 22 representative railway stations, one for each Welsh unitary authority. This gives a consistent national set of origin points and avoids the analysis being driven only by stations near the existing Clubs.

For each station, we estimate rail journey times to each Club stadium, using a Saturday 1:30 pm arrival time to reflect a typical matchday journey.

We calculate both unweighted averages and population-weighted averages, placing greater emphasis on journeys from more populated areas, and therefore more representative of likely supporter demand.

This is an indicative accessibility measure. Actual journeys may vary depending on service frequency, connections, walking time from station to stadium, kick-off time and whether supporters travel from home, work or another location.

Unitary Rail Stations to Regional Stadiums



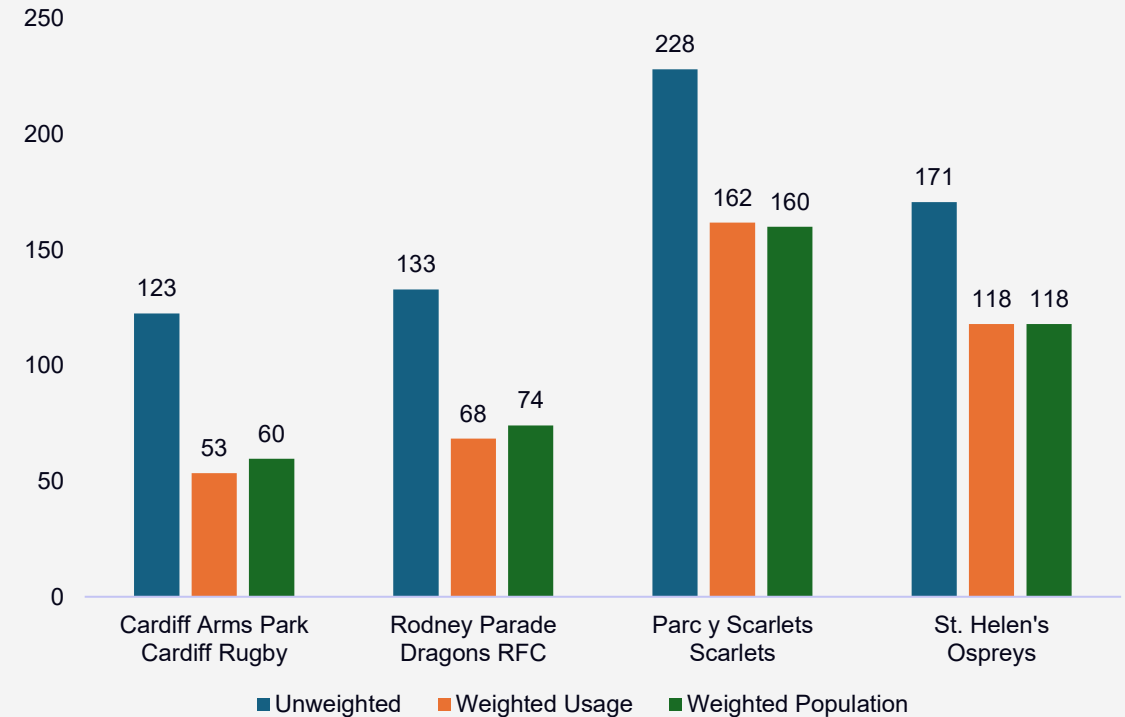
Assessment of access via rail



We assess rail accessibility using the main station in each Welsh unitary authority as the origin point, and each Club stadium as the destination.

- **Cardiff and Dragons are the most accessible by rail**, with population-weighted journey times of around 60 and 74 minutes respectively.
- **Scarlets and Ospreys are materially less accessible by rail**, with population-weighted journey times of around 160 and 118 minutes respectively.
- **Weighting materially reduces journey times for Cardiff and Dragons**, indicating that they are better connected to higher-population and higher-usage rail corridors.
- This rail accessibility analysis strengthens the case that Cardiff and Dragons provide the strongest public-transport access to professional rugby, while Ospreys faces the clearest rail-access challenge.

Average travel times to reach stadium via rail (minutes)



Source: Keystone analysis of public data on rail stations, journey times via Google Maps, and ONS for the population weighting.



Access to professional rugby from the north



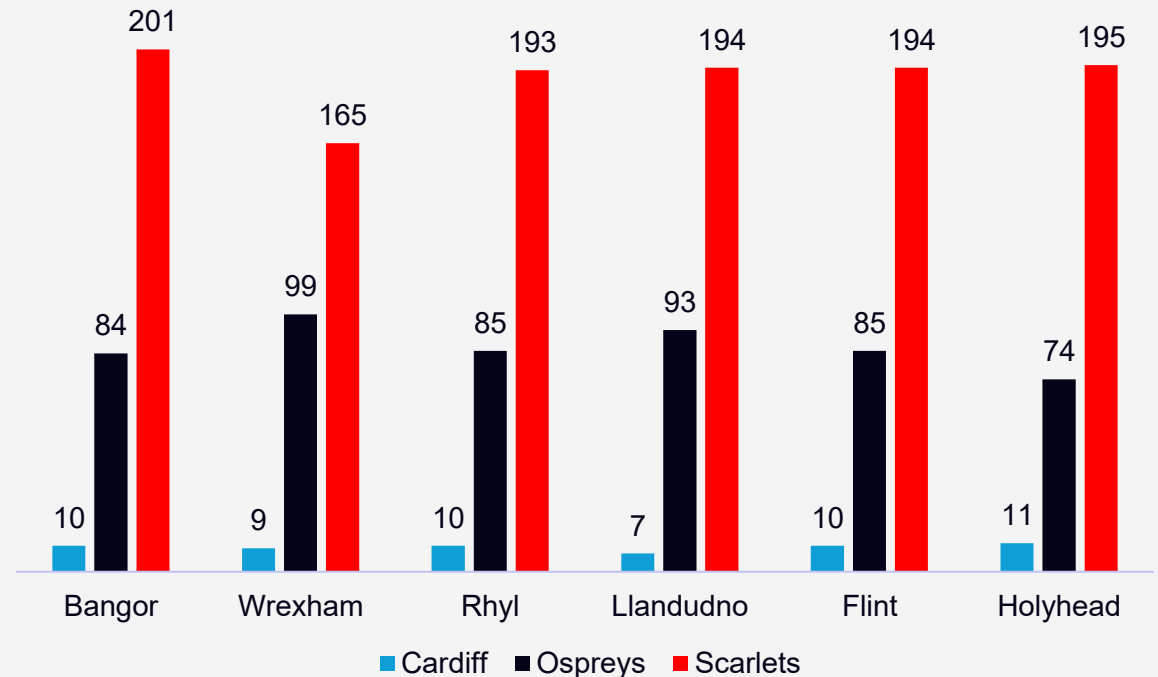
North Wales is an important part of the geographic assessment. It has a substantial population and rugby community, but no current professional Club. Its connection to the professional game therefore depends in part on the accessibility of the remaining Club locations.

To assess this, we estimate rail journey times from the main station in each of the six North Wales unitary authorities [1] to each Club's stadium, using the same methodology as the previous slide.

From a North Wales rail-access perspective, **Dragons are the most accessible Club across all six origin stations in the sample**. The chart therefore shows the additional journey time required to reach each of the other Club locations instead.

- **Cardiff is a close second**, with journeys only 7 to 11 minutes longer than Dragons.
- **Ospreys are materially less accessible**, with journeys 74 to 99 minutes longer than Dragons.
- **Scarlets are the hardest to reach**, with journeys 165 to 201 minutes longer than Dragons.

Additional rail journey time relative to Dragons, by North Wales origin station (minutes, unweighted)



Source: Keystone analysis of public data on rail stations, journey times via Google Maps.
Note: Ospreys = St Helen's.



[1] These are Gwynedd, Wrexham, Denbighshire, Conwy, Flintshire, Isle of Anglesey



Fan support and heritage



Assessing fan support and heritage



Our assessment distinguishes between measurable indicators of fan engagement and broader cultural value, including heritage, local identity and community connection.

Rugby has a distinctive cultural role in Wales. Wales has the largest rugby union fan base among European nations, with **44%** of adults identifying as fans.[1] The 2018 survey found that **72%** of respondents regarded Rugby Union as Wales's national sport.[2]

Protecting cultural value and fan engagement is therefore central to this assessment. It aligns with two WRU Goals: **increasing positive sentiment** towards Welsh rugby, and **retaining and growing active participation**.

They also affect the wider sustainability of the professional game. Stronger local identity and fan engagement can support attendance, participation, commercial appeal and the perceived quality of the competition.

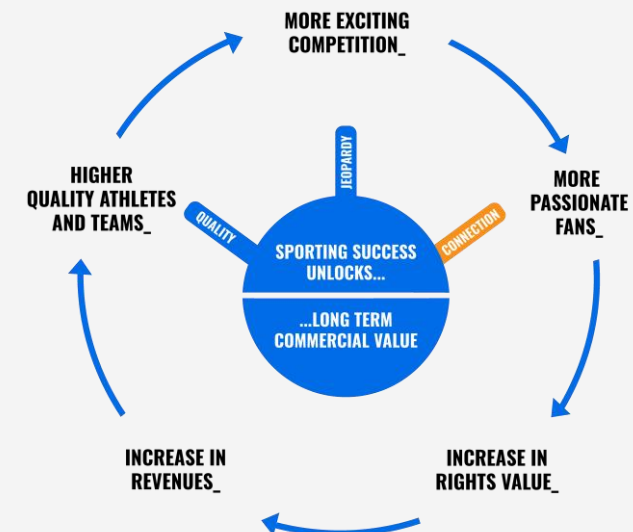
We assess this through two lenses:

1. **Quantifiable fan engagement:** Survey evidence, supporter distribution and matchday attendance.
2. **Unquantifiable broader cultural value:** Heritage, local identity, community connection, and each Club's role in the Welsh rugby ecosystem.

"I would argue that the way rugby is wrapped up in Welsh nationhood is unlike any other sport. If anything, rugby helped create Welsh nationhood."

Carolyn Hitt, Wales.com, <https://www.wales.com/culture-and-sport/sport/nation-built-rugby>

Twenty First Group, Commercial value flywheel



[1]: <https://yougov.com/en-gb/articles/5185-global-fanbase-rugby-union>

[2]: 2018 nationally representative survey "Regional Rugby Market Insight" by Two Circles from August 2018.

Fan engagement appears strongest at national level



Survey evidence shows strong support for Welsh rugby overall, but that engagement is driven primarily by the national team rather than the professional Clubs.

Fan engagement is central to this assessment. Support for a Club helps maintain emotional attachment to Welsh rugby, reinforces local identity, and sustains the connection between communities and the professional game.

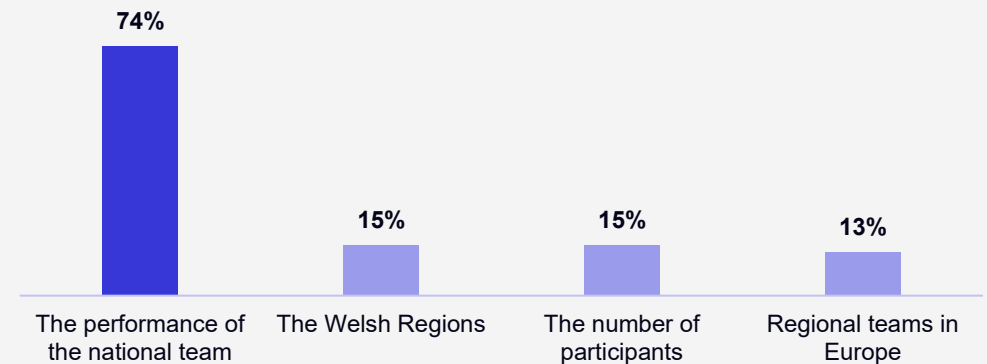
Changes to the professional Club structure could affect how supporters connect with Welsh rugby, locally and nationally.

We use the responses to the 2018 nationally representative survey “Regional Rugby Market Insight” by Two Circles from August 2018.

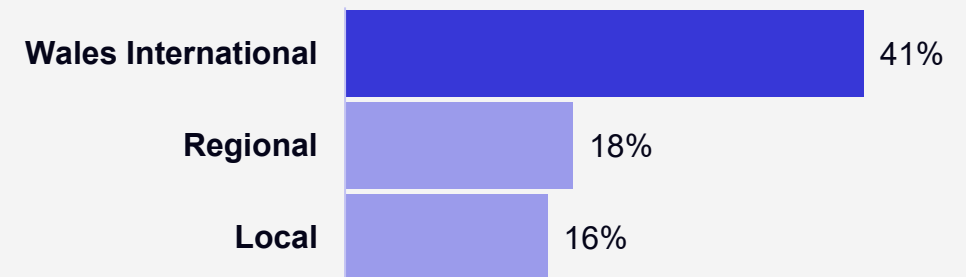
At a high level, the survey evidence shows:

- 1. Welsh rugby sentiment was strong:** 87% of Rugby Union interested respondents felt positively about Welsh rugby
- 2. Positive sentiment was mainly national-team driven:** 74% cited the national team as a driver of positive sentiment, compared with 15% for the Welsh Regions and 13% for regional teams in Europe.
- 3. Interest in the national team was materially stronger than interest in regional rugby:** 41% were very interested in Wales international rugby, compared with 18% for regional rugby

What is driving positive sentiment towards Welsh Rugby?



Interest in the different levels of Rugby



Source: Keystone analysis of “Regional Rugby Market Insight – Growing Regional Rugby Attendances – August 2018”.



Fan support highest for Cardiff



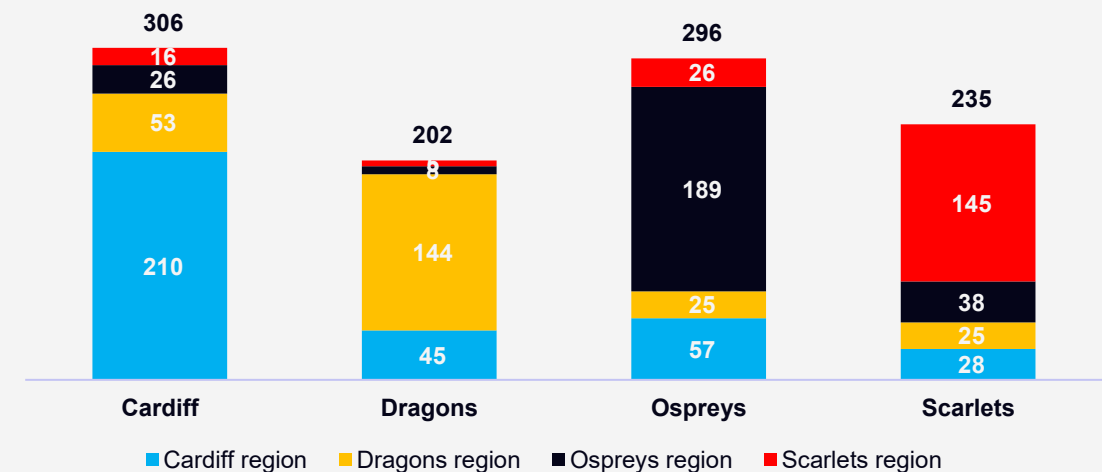
Estimated support in 2018 was highest for Cardiff and Ospreys, while attendance is highest for Cardiff.*

Cardiff had the largest estimated supporter base within the Regions in 2018, at **306k**, but Ospreys was close at **296k**. Scarlets was smaller, at **235k**, and Dragons had the lowest estimated supporter base, at **202k**.

Dragons had the most locally concentrated estimated support, with **71%** coming from within their own region, followed by Cardiff at **69%**. Ospreys and Scarlets were slightly less locally concentrated, with **64%** and **61%** respectively coming from within their own Regions.

Cardiff has the largest attendance, averaging **8.8k** per match in 2024/25. Scarlets are second, averaging **6.6k**, while Dragons and Ospreys are lower, at **5.7k** and **4.9k** respectively.

Support for Clubs by region in 2018 (estimate, thousands)



Source: Keystone analysis of “Regional Rugby Market Insight – Growing Regional Rugby Attendances – August 2018”. The underlying survey dataset has not been provided, so these estimates are based on the reported survey outputs and a visual inspection of charts.

Average matchday attendance

	2023/24	2024/25
Cardiff	9.2k	8.8k
Dragons	4.9k	5.7k
Ospreys*	5.0k	4.9k
Scarlets	7.2k	6.6k

Source: WRU data. *Note: Prior to and including 2024/25, Ospreys’ home stadium was the Swansea.com Stadium. For 2025/26, Ospreys played home matches at the Dunraven Brewery Field in Bridgend, ahead of a planned long-term move to St Helen’s Sports Ground from 2026/27. Therefore, past Ospreys’ attendance data may not be representative of its future position.

*The 2018 survey is historic, pre-Covid evidence and may not reflect current supporter behaviours or attitudes. We have not been provided with the underlying dataset, so the analysis is based on reported survey outputs and, where necessary, visual inspection of charts. Re-running a comparable survey with updated results would provide more relevant evidence for the current assessment.

Club heritage and community connection



Each Club has a distinct cultural role, reflecting a different mix of history, place, stadium identity, community reach and connection to Welsh rugby pathways.



Capital city heritage and national visibility

Cardiff's cultural value is anchored in the capital and in Cardiff Arms Park, one of Welsh rugby's most recognisable venues, where rugby has been played since the 1870s.

The professional Cardiff side was established in 2003, distinct from historic Cardiff RFC, but linked to Cardiff's wider rugby heritage.

Cardiff also has the largest population base and strongest institutional reach, including clubs, players, coaches and education links.



Gwent identity and a historic community ground

Dragons' cultural value is rooted in Gwent and Newport rugby. Rodney Parade gives the Club a strong local anchor: it opened in 1877, has hosted Wales internationals, and became home to the Dragons when regional rugby was introduced.

The Dragons also have a strong community footprint, with Dragons and Cardiff as having the highest number of community rugby clubs.



Regional-era success, but a more complex identity

Ospreys' cultural value lies in the attempt to unite historic rugby communities across Neath, Swansea and the wider area. The Club became the most successful Welsh regional-era side, winning four URC (and predecessor) titles.

The move to St Helen's offers an opportunity to create a stronger home identity, but that connection is still developing.



Deep heritage and strong place identity

Scarlets have a clear heritage-based identity. The Club traces its lineage to Llanelli RFC, founded in 1872, and presents itself as carrying that same tradition through the modern regional era.

Parc y Scarlets also deliberately carries forward the Stradey Park legacy, with the stadium designed as a visible expression of Scarlets history, supporters and West Wales identity.



Rugby infrastructure



How we assess rugby infrastructure



Rugby infrastructure matters not only because Clubs need physical assets, but because the quality, accessibility and control of those assets affect sporting performance, supporter experience and financial sustainability.

We assess infrastructure across three dimensions:

1. **Stadium infrastructure:** Stadium capacity, quality, hospitality potential and matchday facilities affect supporter experience, ticketing and commercial revenue.
2. **Training and performance infrastructure:** Access to training pitches, 3G / all-weather facilities, indoor training, weights and recovery facilities affects player development, welfare and performance.
3. **Ownership and security of access:** Ownership, long-term lease rights or sole-use arrangements affect a Club's ability to invest in facilities and operate with certainty.

Accessibility is therefore only one dimension of infrastructure. A Club may be well located, but weaker if it lacks secure access, ownership rights or the facilities needed to support professional performance.



Infrastructure: framing



Infrastructure is relevant to both current readiness and future sustainability, but it should be assessed in the round.

All categories of infrastructure are relevant. Stadia, training facilities, gyms, recovery facilities and other physical assets each contribute to a Club's ability to operate, generate revenue and support player performance.

However, **particular weight is likely to attach to stadium infrastructure**. A stadium is a critical and foundational asset: it affects matchday revenue, hospitality, supporter experience, commercial opportunities and the Club's ability to invest over time.

That said, **stadium ownership is not the only relevant consideration**. A Club without stadium ownership may still have valuable infrastructure if it has secure access to a suitable venue, strong training facilities or other assets that support performance and player development.

The **existing infrastructure evidence should therefore be treated as relevant but not determinative**. Future credible commitments to invest in stadia, training facilities or other assets are also important, particularly where they could materially change a Club's infrastructure position under the three-Club model.

Existing infrastructure provides an important baseline, but should be treated as relevant rather than determinative. The WRU may separately consider future commitments as part of any subsequent process.



Existing rugby infrastructure and ownership vary across the Clubs



The Clubs differ in both the assets available to them and the degree of control they have over those assets.

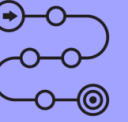
The table (below) summarises available WRU data on stadium ownership/access and selected training facilities.

Dragons are the only Club that owns their stadium. Cardiff and Scarlets have sole-use stadium arrangements but do not own their stadia. Ospreys' stadium position is more transitional as they are redeveloping the St Helen's Sports Ground in Swansea to serve as their new permanent home.

Club	Stadium	Training Facilities	Training facilities at Stadium	All weather outdoor training pitch	Grass training Pitch	Indoor training (Barn)	Weight training
Cardiff	Lease ^{1*}	Lease ⁴	Y	Y	N	N	Y
Dragons	Owns	Tenant ⁵	N	Y	N	N	Y
Ospreys	Lease ²	Tenant ⁶	N	Y	Y	Y	Y
Scarlets	Lease ³	Lease ⁷	Y	N	Y	Y	Y

Source: Keystone information request response from the WRU. Notes: 1. Cardiff Arms Park is owned by Cardiff Athletic Club – the WRU holds the lease and sublets the stadium to Cardiff Rugby. 2. Owned by City and County of Swansea Council 3. Owned by Carmarthenshire County Council. 4. Leased from Cardiff Athletic Club via sub-let from WRU and Principality Stadium (Gym). 5. Rented from Caerphilly Council 6. Rented from Neath Port Talbot College. 7. Leased by Carmarthenshire County Council.

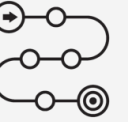




Player pathways



Player pathways connect the whole Welsh rugby ecosystem, but not every layer is affected equally by Club licensing



Welsh rugby operates as a pathway system, from community and grassroots rugby through SRC, academies, professional Clubs and ultimately the national teams.

The **WRU plays a central role across this system**. In particular, it provides funding, support and coordination for the non-professional game, including grassroots, schools, community rugby and the semi-professional pathway. These layers are important to Welsh rugby, but they are not directly dependent on the continued presence of any one professional Club.

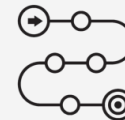
The **professional Clubs are most relevant where they contribute directly to elite player development and the national team pathway**. We therefore focus on two questions:

1. **National team contribution:** how far each professional Club has contributed players to Wales, measured through national-team debuts and caps.
2. **SRC / pathway links:** how each professional Club connects to the semi-professional game, including SRC affiliations and the role of SRC as a bridge between community rugby and the professional pathway.

This approach reflects the hierarchy of the Welsh rugby system while focusing the assessment on the areas most relevant to the three-licence decision.



Caps provide evidence of contribution by players' Club at Wales debut



National-team caps are relevant because the ultimate objective of the player pathway is to develop players capable of contributing to Wales.

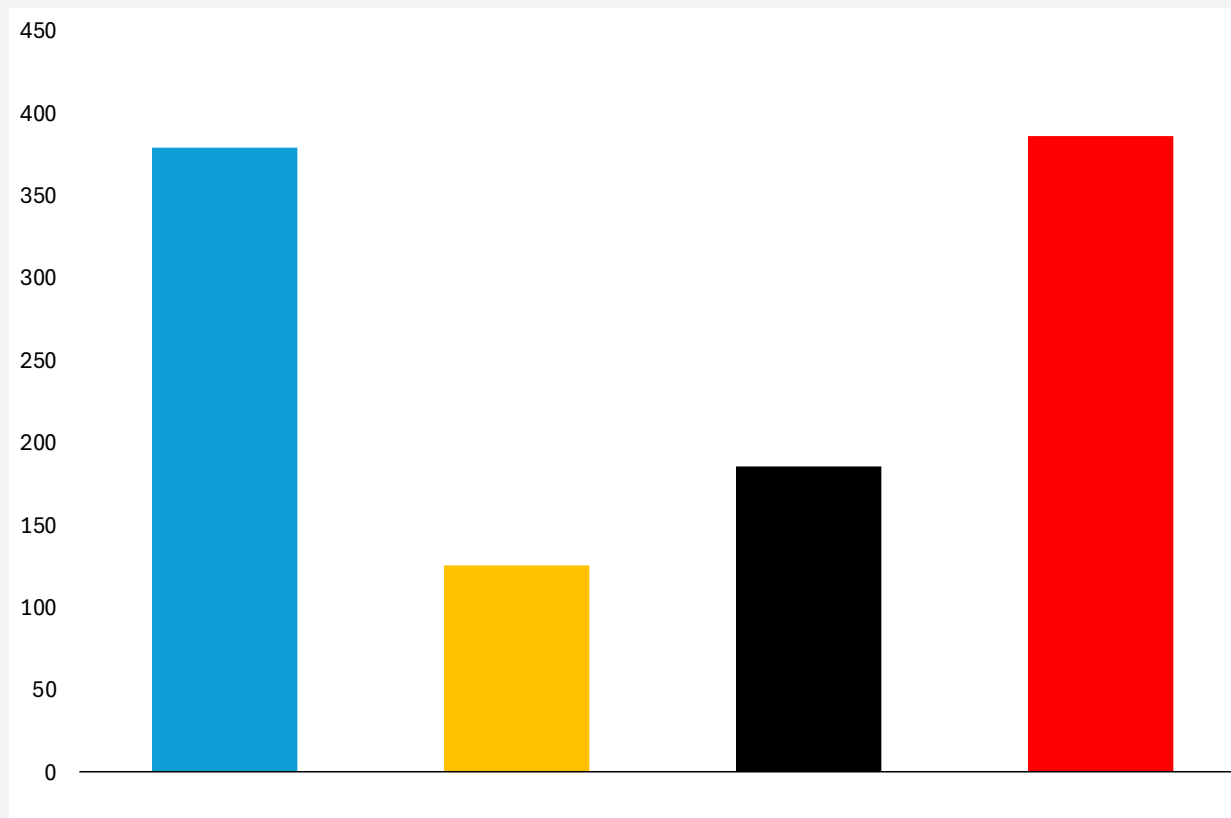
Caps measure whether players associated with each Club have contributed at the international level. We have data on the number of caps and club at debut. Given the available data, we are unable to track the club of a player over the duration of their career.

On this measure, Cardiff and Scarlets account for the highest number of Wales caps since 2008, followed by Ospreys and Dragons. This indicates that Cardiff and Scarlets have a strong contribution to the national team over the period reviewed.

However, caps are not a perfect measure of pathway strength. They can be affected by player movement, exceptional individuals, injuries, selection decisions and position mix. They also do not identify every stage of a player's development pathway.

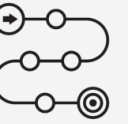
Caps should therefore be considered with debuts and pathway evidence.

Total Wales men's caps attributed to players' Club at debut, 2008–2025



Source: Keystone analysis of player pathways data.

Debuts provide evidence of each Club's role in bringing players through to international level



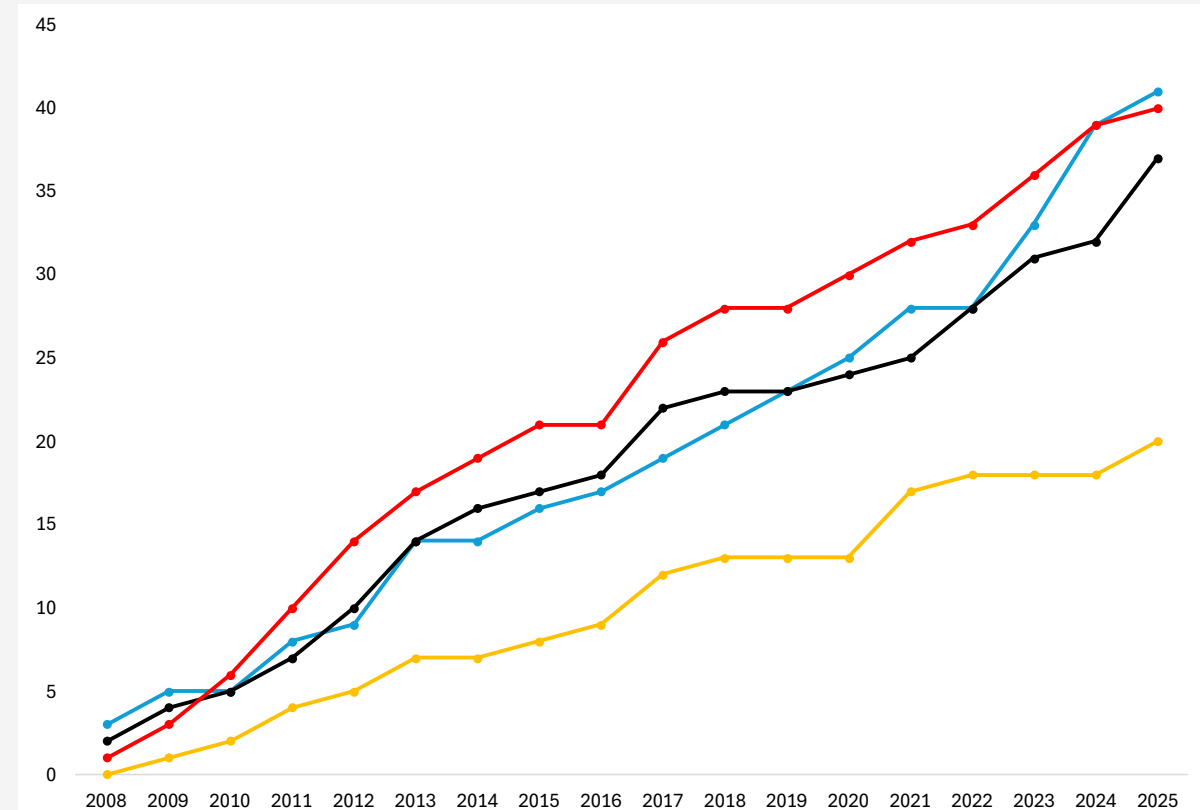
National-team debuts are relevant because they indicate where players were attached when they first broke into the Wales senior team.

This complements the caps analysis. Caps measure sustained international contribution over a player's career; debuts measure the point at which players first reach the national team. Together, the two metrics help distinguish between Clubs associated with entry into international rugby and Clubs associated with longer-term international contribution.

The debut data shows that Cardiff, Scarlets and Ospreys have each contributed broadly equally to the Wales national team, while Dragons show a lower level of contribution over the period reviewed.

Important caveats apply. A debut is only a snapshot at one point in a player's career. It does not necessarily identify the Club, academy, school or community environment that did most to develop the player. It can also be affected by player movement, timing of selection, positional needs and the age profile of squads.

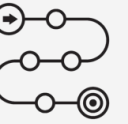
Cumulative number of Welsh men's debuts by Club, 2008-2025



Source: Keystone analysis of player pathways data.



Age at debut does not show that any Club has a unique role in developing younger Wales players



Age at debut is relevant because it tests whether any Club appears to play a distinctive role in developing the next generation.

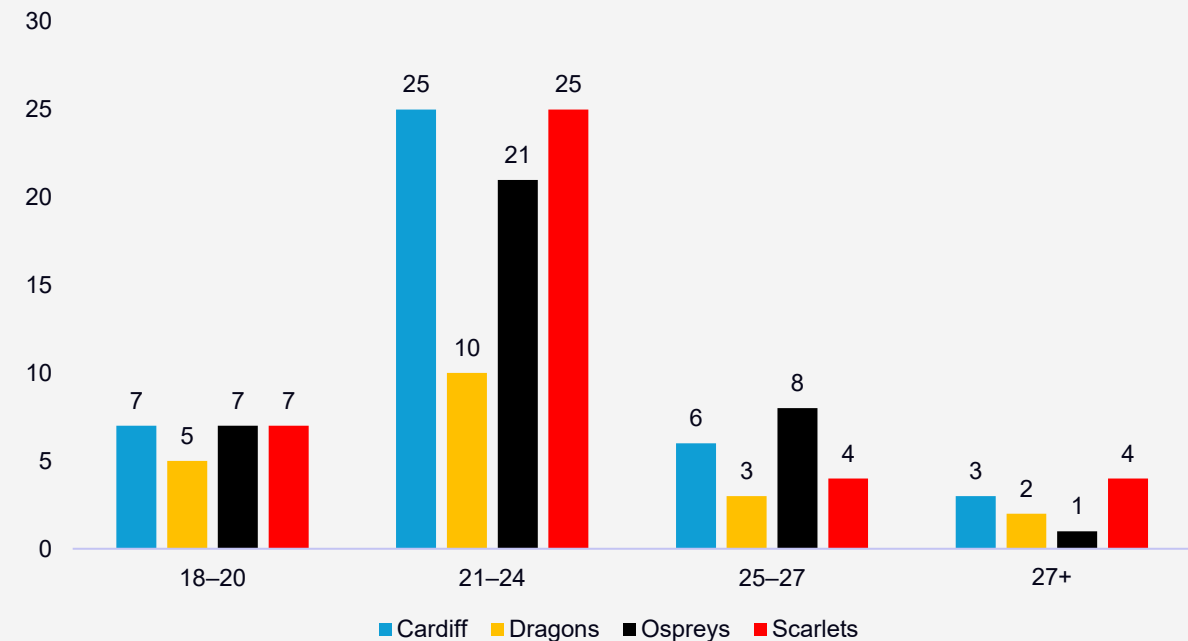
In particular, if one Club were consistently bringing players into the Wales senior team at a younger age, that could indicate a stronger contribution to early-stage elite talent development and future national-team succession.

The data does not show a clear distinction of that kind. Most Wales debuts across all four Clubs occur between ages 21 and 24.

There is limited evidence that any of Cardiff, Scarlets or Ospreys has been materially stronger than the others at producing international talent aged 18–20.

Accordingly, the age profile of debuts is useful context, but does not provide a strong basis for distinguishing between Cardiff, Scarlets and Ospreys. The clearer distinction remains Dragons' lower overall number of Wales debutants.

Welsh men's debuts by Club and by age range, 2008-2025



Source: Keystone analysis of player pathways data.

SRC provides a bridge into the professional game, but current affiliations may not determine the future structure



Super Rygbi Cymru (“SRC”) was introduced in 2024 as a semi-professional competition below the professional Clubs. Its purpose is to strengthen the player pathway by giving developing players a higher-quality competitive environment between community rugby and the professional game.

SRC is relevant to the licence assessment because each SRC club is currently affiliated with one of the four professional Clubs. These links may affect player development, talent identification and the practical route by which players move from the semi-professional game into professional rugby.

The current affiliation structure is uneven. Cardiff is affiliated with one SRC club; Scarlets are affiliated with two; and Dragons and Ospreys are affiliated with three.

However, the current SRC structure should not be treated as fixed. We understand that the SRC arrangements were put in place for a three-year period from 2024 and are due for renewal in 2027. A move from four professional Clubs to three would also likely require some reorganisation of SRC affiliations.

Accordingly, SRC affiliations are relevant context, but are unlikely to be determinative. The key point is that any future three-Club model should preserve effective links between SRC clubs and the professional pathway, rather than simply inheriting the existing four-region affiliation map.

Professional Club	SRC clubs
Cardiff	Cardiff RFC
Dragons	Ebbw Vale RFC Newport RFC Pontypool RFC
Ospreys	Aberavon RFC Swansea RFC Bridgend RFC
Scarlets	Carmarthen Quins RFC Llandovery RFC
Other	RGC 1404 RFC (North Wales)

Source: WRU data



Sporting performance



How we assess Performance



Performance is relevant but should be treated as a supporting indicator rather than a predictor of future success. On-field performance affects supporter interest, attendance, sponsorship, player retention and wider confidence in professional rugby. It can also provide evidence of a Club's ability to build competitive squads and convert available resources into results.

However, historical performance has limitations. Past results may not indicate future performance under a three-Club model, where talent, funding and resources may be concentrated differently. Performance should therefore be considered alongside other evidence, including player pathways, infrastructure, financial sustainability and community support.

We assess performance across two dimensions:

1. **URC (and predecessor formats) performance**, based on each Club's relative ranking among the four Clubs in the URC and predecessor competitions over time.
2. **European performance**, based on participation and results in other European competitions.

* References to the URC and predecessor league formats, including the Celtic League, Pro12 and Pro14. The analysis compares the four Welsh Clubs against each other within each season, rather than relying on absolute league position across changing competition formats.



Performance: URC (and predecessor competitions)

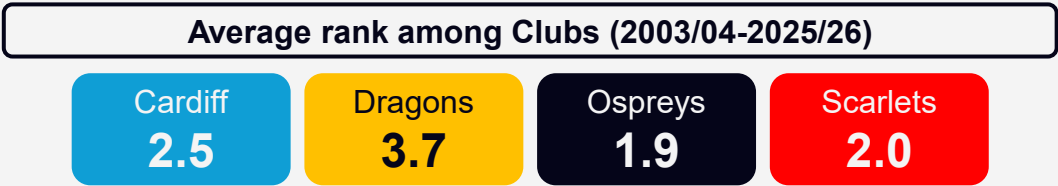


URC performance (and predecessor competitions) provides a consistent measure of relative on-field performance across Clubs. We assess each season by ranking the four Clubs against one another, rather than relying on absolute league position, because league formats and the number of competing Clubs have changed over time.

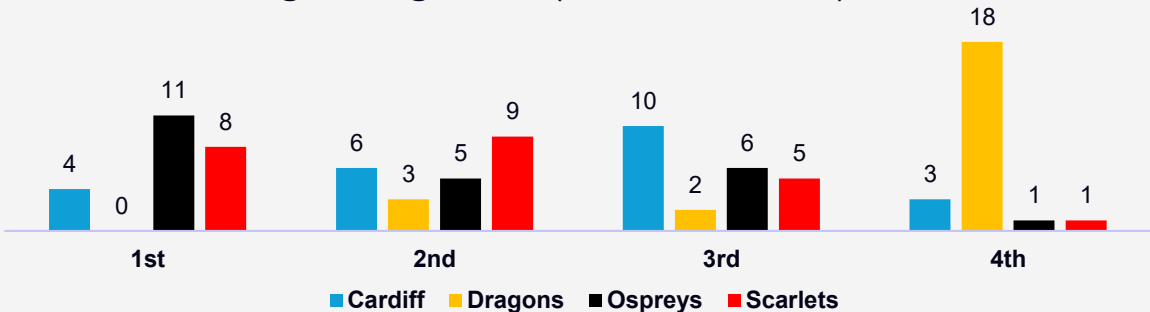
Ospreys and Scarlets have been the strongest historic domestic performers, with average ranks of **1.9** and **2.0** respectively.

Dragons have been the weakest performer, with an average rank of **3.7**, and have finished fourth among the Welsh Clubs in **18 of the 23 seasons** assessed.

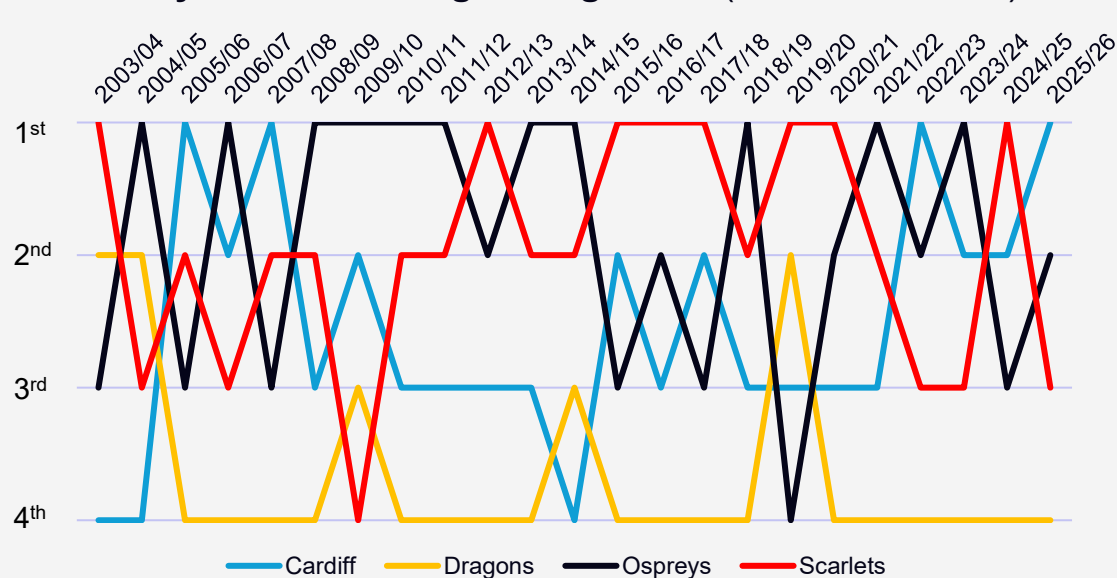
Overall league honours point in the same direction: Ospreys have won **4** league titles and Scarlets **2**, while Cardiff and Dragons have not won the overall league during the period assessed. Cardiff have, however, twice won the URC Welsh Shield.



Count of ranking among Clubs (2003/04-2025/26)



Season-by-season ranking among Clubs (2003/04-2025/26)



Source: Keystone analysis



Performance: Europe



European performance provides a separate measure of each Club’s historic competitiveness beyond the domestic league. It captures both access to higher-level European competition and performance against non-Welsh Clubs.

We assess this across two competitions: the Champions Cup, Europe’s top-tier club competition, and the Challenge Cup, the second-tier European competition.

Scarlets and Ospreys have the strongest top-tier European qualification record. Scarlets have played **19** Champions Cup seasons and Ospreys **17**, compared with **14** for Cardiff and **8** for Dragons.

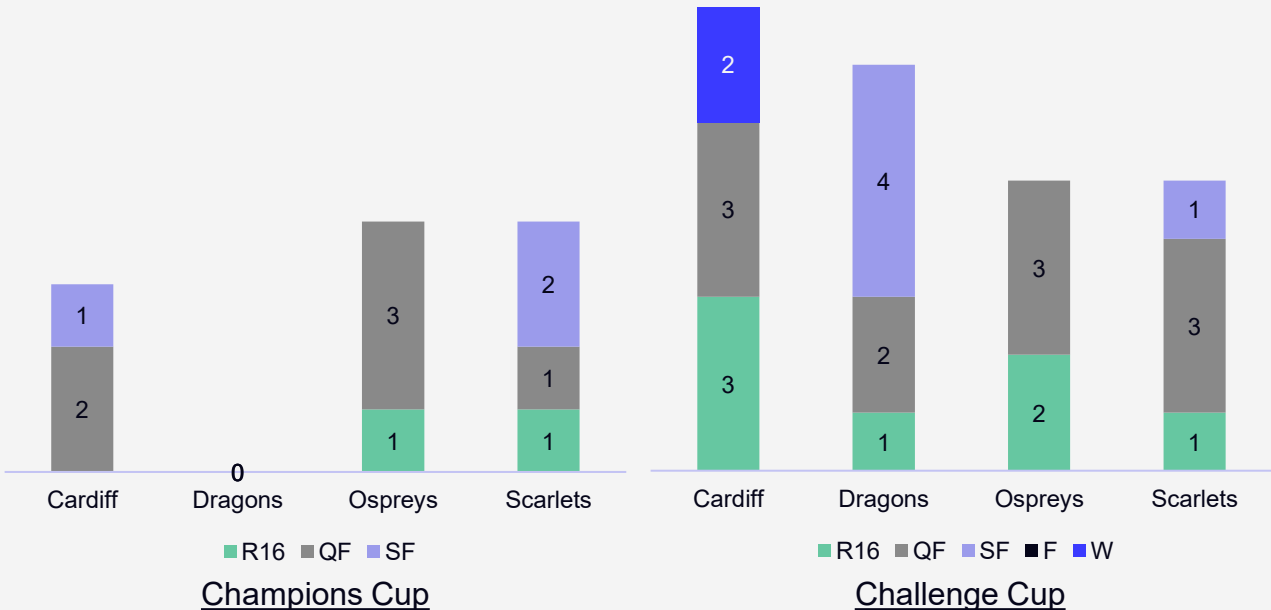
Top-tier knockout performance is more balanced: Ospreys and Scarlets each have **4** Champions Cup knockout finishes, Cardiff have **3**, and Dragons have none.

In the Challenge Cup, Cardiff have the strongest record, including **2 titles**. No other Club has won a European competition or reached a European final.

Number of seasons played in each European competition (2003/04-2025/26)

Club Team	Champions Cup (1 st tier)	Challenge Cup (2 nd tier)
Cardiff	14	9
Dragons	8	15
Ospreys	17	6
Scarlets	19	4

Knockout finishes in each European competition (2003/04-2025/26)



Source: Keystone analysis.



Financial sustainability



Our approach to assessing financial sustainability



Financial sustainability is relevant to the licence assessment because the three-Club model is intended to support a resilient professional game.

The available evidence provides a meaningful basis for assessing revenue strength across the Clubs, including total income and the mix of income from WRU funding, competition income, and sponsorship, matchday and other revenues.

This provides some insight into the relative scale and diversity of each Club's income base. For example, Clubs with larger or more diversified revenue streams may, all else equal, be better placed to support a sustainable professional model.

Revenue is not, however, a complete measure of financial sustainability. It does not show profitability, liquidity, debt, cost base, owner support or committed investment, and Clubs' financial positions may improve or deteriorate over time. We also note that, under a new licensing regime, the WRU could, in theory, impose conditions or require commitments — for example, on funding, cost control, governance, or investment — that could address concerns suggested by revenue data.

Accordingly, the analysis provides a meaningful assessment of financial sustainability from a revenue perspective, while recognising that other financial indicators may also be relevant.

Cardiff and Dragons lead on total and commercial revenues



We have reviewed available data on revenues from public sources and the WRU. Public data are limited, with Dragons and Cardiff missing accounts for some years. The analysis therefore focuses on the most recent season for which data are available across all four Clubs, 2024/25.

Cardiff and Dragons generated the highest total revenues in 2024/25, at £11.9m and £11.8m respectively, followed by Scarlets at £10.2m and Ospreys at £9.2m.

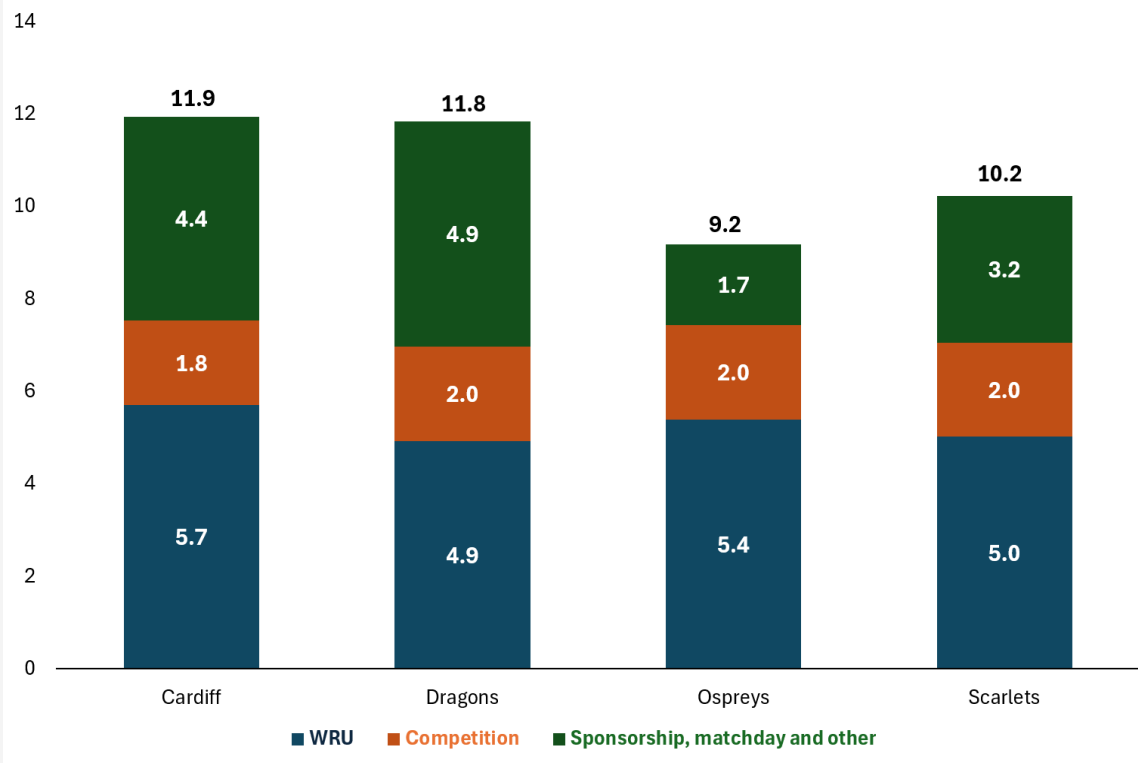
Revenues outside competition income and WRU funding, such as sponsorship and matchday income (i.e. commercial revenues), are particularly relevant because they indicate each Club’s ability to generate sustainable revenue independently of central distributions and competition receipts. This category is therefore important to the WRU’s objective of financial sustainability.

On this measure, **Dragons and Cardiff are strongest**, with sponsorship, matchday and other revenues of £4.9m and £4.4m respectively. Scarlets generated £3.2m, while **Ospreys generated only £1.7m**, less than half the Cardiff and Dragons levels.

While this assessment focuses on revenues, other factors, including owner support and future investment commitments, may also be relevant to the WRU’s assessment.

We note that **all four Clubs posted losses** in 2024/25.

Revenue broken down by WRU, competition, and other (£ million), 2024/25



Source: Keystone analysis of Companies House data for Dragons, Ospreys and Scarlets. For Cardiff, where Companies House data are only partially available, the analysis also draws on WRU data.



Emerging themes from the factor assessment



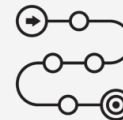
Emerging themes

Factor		Summary / Conclusion
	Population and accessibility	Cardiff has the largest local addressable market. Dragons also has a large addressable market and strong accessibility overall and particularly from North Wales. Scarlets and Ospreys have smaller local populations and weaker accessibility. Proximity analysis indicates that no three-Club permutation appears radically worse overall in terms of accessibility. However, a model not including Cardiff or Dragons appears to have the most detrimental effect on accessibility.
	Fan support and heritage	All four Clubs have meaningful cultural value, with distinct histories, local identities and community connections. While dated and subject to caution, the fan survey evidence suggests Cardiff and Ospreys had the largest supporter base, and Dragons had the smallest but most locally concentrated support. Attendance data suggest Cardiff and Scarlets have generally been strongest, with Ospreys and Dragons lower. Overall, this factor is relevant but partly unquantifiable, with no Club clearly stronger or weaker.
	Rugby infrastructure	Dragons are the only Club that owns their stadium. Cardiff and Scarlets have established stadium positions, while Ospreys' stadium position is transitional, with St Helen's under development. This is a snapshot of current evidence. The WRU may separately consider future commitments as part of any subsequent process.
	Player pathways	Cardiff and Scarlets are strong contributors to the Wales national team, while Ospreys also contribute materially, particularly in terms of debut players. Dragons are the lowest contributor to the Wales national team across the reviewed pathway metrics.
	Sporting performance	Cardiff, Ospreys and Scarlets are closely grouped in terms of Welsh team performance in club competitions, while Dragons have the weakest average ranking and frequent fourth-place finishes among the Welsh Clubs. Cardiff are the only Club to have won a European competition, having won the Challenge Cup twice.
	Financial sustainability	Cardiff and Dragons currently have the strongest revenue profiles. In 2024/25, they generated the highest total revenues and the strongest independent revenues, including sponsorship, matchday and other income, which are important to long-term financial sustainability. Ospreys had the weakest revenue profile. Notably, all four Clubs were loss-making in 2024/25.



Annex 1 – Evidence on grassroots participation

Grassroots participation



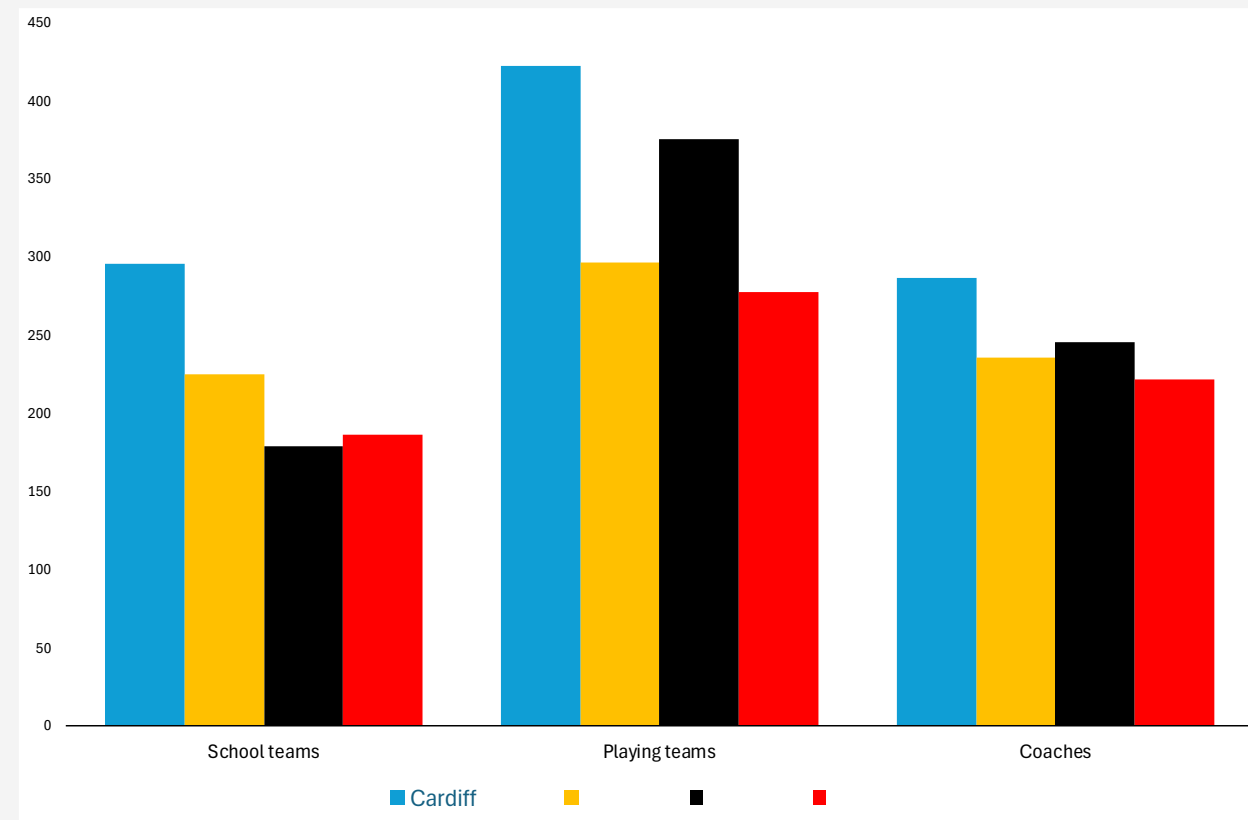
Grassroots rugby is important for the WRU to “retain and grow the number of participants” in rugby. Understanding the origins of Welsh rugby talent at the grassroots level is important to building and sustaining strong professional rugby Clubs in Wales.

We have reviewed operational reports from the WRU, which provide data on the number of school teams, playing teams and coaches.

Cardiff ranks first for all metrics: the number of school and playing teams, and coaches. Scarlets ranks last for two metrics (playing teams; coaches), and Ospreys for the other metric (school teams). Dragons rank in the middle.

The results are in line with population metrics above: a larger population base will likely have more teams and coaches. We assess grassroots participation, controlling for differences in scale, in the next slide.

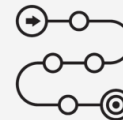
Number of teams and coaches (boys and girls), 2026



Source: Keystone analysis of WRU operational reporting data for 2026.



Target grassroots participation



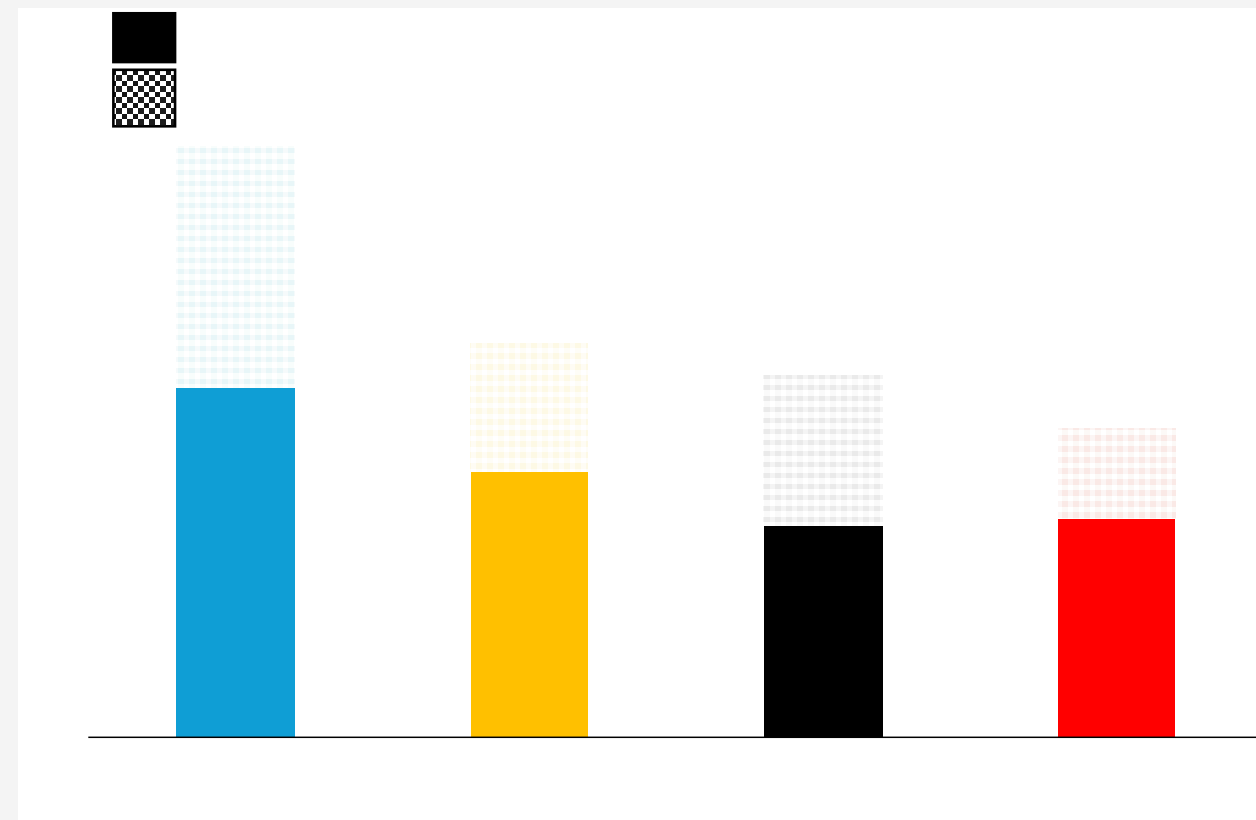
Understanding the *potential* of Welsh rugby at the grassroots level is also important to building and sustaining strong professional rugby Clubs in Wales.

We have again reviewed operational reports from the WRU, which provide data on the actual number of school teams and the target levels.

In the previous slide, Cardiff ranked first for the number of school teams, and Scarlets ranked last.

Looking at the performance of the Clubs with reference to target number of teams, the results are reversed: 71% of possible school teams in the Scarlets region are active, whereas only 59% of possible school teams in Cardiff are active.

Actual and target number of school teams (boys and girls), 2026



Source: Keystone analysis of WRU operational reporting data for 2026.

