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The New York Rangers are now a publicly traded company. What do their SEC filings reveal?

By Vincent Z. Mercogliano

On Oct. 9, Madison Square Garden Sports Corp. executive chairman and CEO James Dolan issued a letter to stockholders announcing a "spin-off" of the New York Knicks and New York Rangers into separate publicly traded companies.

The split went into effect on Oct. 26, and while fans won't notice any immediate changes to either franchise other than the opportunity to purchase individual shares of both teams on the New York Stock Exchange it provides a unique look at the finances of a professional sports franchise.

"It's a rare moment for people who study the game or study sport business because we have an opportunity to see the numbers," said Joel Cormier, a professor of sports management at Eastern Kentucky University and author of "The Management of Sport Organizations."

Out of North America's four biggest leagues, only the Atlanta Braves and three Toronto teams the Blue Jays, Maple Leafs and Raptors exist as publicly traded companies. But the Toronto franchises are all lumped together under Rogers Communications Inc. (along with MLS' Toronto FC), while Atlanta Braves Holding Inc. includes a mixed-use real estate development and the team's stadium.

Meanwhile, the Knicks (now traded as "MSGK") share a company with their G-League affiliate, the Westchester Knicks, while the Rangers company ("MSGR") includes their AHL affiliate, the Hartford Wolf Pack, and the MSG Training Center in Tarrytown, N.Y. But for appraisal purposes, each major-league franchise will primarily carry its own value.

"We never really know what a team is worth until it gets sold," said Glenn Gerstner, a sports management professor at Farmingdale State College. "But now you're going to be able to look at the Rangers and the Knicks and pick apart and be extremely accurate in terms of estimating what their market value is, because this is all going to be public."

The move requires the Dolan-run Knicks and Rangers, which have long operated with a veil of secrecy, to be much more transparent than the overwhelming majority of teams. Both are subject to oversight from the U.S. Securities and Exchange Commission, which requires public companies to regularly submit business reports. To better understand the franchise's finances and maneuverings, The Athletic read all 200-plus pages of SEC filings currently associated with the entity now known as "MSG Rangers Corp."

The documents cover sources of team revenue and expenses, as well as growth strategies, risks and power structures associated with the new company. The biggest takeaway is that the Rangers whom Forbes valued at $4 billion in December 2025, second-highest in the NHL behind the Maple Leafs ($4.4 billion) reported operating losses each of the previous two seasons, with playoff appearances repeatedly cited as a critical component of a profitable company.

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Several other notable findings emerged as well, which we examine here in an effort to explain what it all means.

How do the Rangers benefit from the split?

The filings state that spinning off the Rangers and Knicks will provide the former's now-public company with "increased flexibility to fully pursue and fund its business plan, including the ability to raise capital at each entity separately."

Victor Matheson, professor of economics at the College of Holy Cross, summed it up with one word: liquidity.

"By separating (the Rangers and the Knicks), you actually increase the value by basically allowing flexibility in how you might sell off each of those individual assets, or shares of each of those individual assets," Matheson said.

Shares for both companies are separated into Class A common stock and Class B common stock, with the former available for purchase by the public. The latter is primarily owned by the Dolans, who hold 89.7 percent of all Class B options and wield approximately 63.4 percent of total voting power for the board of directors. That makes MSGR what's considered a "controlled company," with only Dolan himself possessing the "ability to block Dolan Family Committee approval of any Company change in control transaction" meaning that any potential Rangers sale would have to run through him.

"I can't read anyone's mind, but if I were in the world where I was going to sell pieces of my empire or divest myself of some of those, I would certainly break up my empire in the way they did, in order to facilitate potential sale," Matheson said. "I don't think it's harmful in any way to have these be two separate legal entities."

In the meantime, Dolan still calls the shots of both teams while benefiting from having diverted the finances of each into separate streams. Matheson noted that the spinoff could prevent a bad season from the Rangers dragging down the Knicks' value, or vice versa.

"It makes it much easier to capitalize on sales of shares or equity shares in the team during really good times," Matheson said.

Is the team turning a profit?

The most eye-catching section in the filings is blunt in its assessment of the Rangers' finances.

"We have in the past incurred and are likely in the future to incur operating losses, adjusted operating losses and negative cash flow," it reads. "We are likely not to be profitable in the near term unless the Rangers make an extended playoff run."

It reveals that the team recorded operating losses of approximately $30.5 million in the 2026 fiscal year (ending June 30) and $23.3 million in 2025, with the Rangers failing to qualify for the Stanley Cup playoffs in both the 2024-25 and 2025-26 seasons. The last time they reported a profit was in 2024, which coincided with a run to the Eastern Conference Final and eight home playoff games, leading to an operating income of $26.8 million.

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Economists believe that NHL clubs being reliant on postseason revenue for profits is fairly common, but full context is lacking due to the absence of public filings from other teams.

"The fact that the team is only making money if they make playoff runs is actually not that surprising, because remember: their costs are relatively fixed," Matheson said. "Their player contracts don't change much whether they go deep in the Stanley Cup playoffs or not ... but your playoff revenues are highly variable."

While the filings brace shareholders for annual profits that are largely dependent on the playoffs, economists pointed to franchise valuations that are going up every year as an appeal for investors who are willing to play the long game.

"Often what the team owners are banking on is capital gains," Gerstner said. "Even if they break even on an accounting basis year over year, over 10, 20, 30 years, the value of the team is probably going to go up more than, say, the S&P 500 on average."

The filings acknowledge the possibility of the Rangers sacrificing short-term goals for a future-minded rebuild at some point, stating, "efforts to improve our revenues and earnings ... may be secondary to actions that management believes will generate long-term growth and asset value creation." But the team's actions suggest they're very much incentivized to win now, with president and general manager Chris Drury executing eight trades and 13 signings over the summer to retool a sagging roster.

"I've got to think the New York market pressure, especially with the Knicks' (2026 NBA) championship, is more intense," Cormier said. "Now you add the fact that you've got accountability from the outside (in public trading). You're in a system where if you don't make the playoffs, not only are you probably disappointing fans, you might have some investors that are kind of saying, 'This is how we make money.' So, I've got to think the pressure on the management team is there."

What about ticket and TV revenue?

All major streams of income are detailed in the filings, which list ticket sales as "historically ... our largest single source of revenue." The Rangers reported a decrease of roughly $5 million in "ticket-related revenues" from 2025 to 2026, but they saw gains in suite revenues, sponsorship and signage around Madison Square Garden, among other areas.

One of the most notable decreases in revenue has occurred in local media, part of a concerning trend for regional sports networks across North America. The filings state that MSG Networks which falls under the umbrella of another publicly traded Dolan company, Sphere Entertainment Co. ("SPHR") has "experienced significant financial difficulties" in recent years.

According to the filings, MSG Networks had incurred more than $829 million in debt, with "lenders writing off approximately $510 million" in June 2025. Both the Rangers and Knicks saw notable reductions in incoming rights fees as a result, with the former's dropping by 18 percent (while eliminating an annual escalator). The Rangers also

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reduced a 20-year telecast rights agreement with MSG Networks that was signed in October 2015. It was intended to run until 2035, but will now end at the conclusion of the 2028-29 season, at which point MSG Networks will hold the right of first refusal.

Instead of the Rangers' profits increasing from local TV rights, they're going in the opposite direction. They reported $35.3 million in local media rights revenues in 2026, which represented 10 percent of the team's total revenue. That was down from $39.1 million in 2025, which accounted for 12 percent of total revenue.

"It's more of a big deal to the Rangers (than the Knicks), because the NBA has a much larger national TV contract," Gerstner explained. "Local revenues are most important in hockey because the national revenues are the smallest."

Where does Madison Square Garden come into play?

Both the Rangers and Knicks are tenants at the Garden, which is owned by Madison Square Garden Entertainment Corp. ("MSGE") and faces its own potential pitfalls. In August 2023, two New York City Council committees voted to grant MSGE a five-year operating permit that will run through the 2027-28 season. That's half the length of its previous 10-year agreement and well short of the 50-year operating permit it first received in 1963.

That permit has allowed the Garden to operate in some of the most valuable real estate in Midtown Manhattan without paying real estate taxes. Meanwhile, New York Penn Station the busiest transportation hub in the U.S., which sits beneath the arena is in need of repairs and possible expansion, which could be used as a bargaining chip during future permit negotiations.

The tax exemption saved the Rangers $45.2 million in the 2026 fiscal year, according to the filings. If that were to go away, they would be on the hook for 50 percent of any real estate or similar taxes applicable to the Garden, with the Knicks responsible for the other half. That would trigger "certain revenue allocations" intended to help each team pay their share, the filings said, but not be enough to offset the full cost.

"A change to or withdrawal of a New York City real estate tax exemption may have a material negative effect on our business and results of operations," the filings conclude.

A new, relatively small source of income will come from the Rangers serving as the landlord for their shared practice facility with the Knicks. The Rangers technically own the 114,000 square-foot MSG Training Center, with the Knicks recently signing a 10-year lease to use the facility. Rent will cost $2 million for the first year, then increase to 103 percent of the fixed rent for each preceding year. The Rangers will also receive a reimbursement from the Knicks for "certain operating expenses and capital expenditures," according to the filings.

How do early returns look?

Investors don't seem deterred by the standard listing of potential risks. In two-plus weeks on the market, the Rangers' stock price has gone from a low of $177.61 per share on Oct. 27 to $230.58 as of close on Tuesday.

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That's a good thing for stockholders and could increase franchise resources over time. But for fans looking for an immediate team benefit, economists offered a word of caution, particularly on the hockey side.

"The split doesn't give the Rangers a dollar more or less to spend on players," Cormier said. "That's the first thing fans should know."

Added Matheson, "My sense is that a rise in franchise value primarily helps the owners, not the team quality. Owners and investors are constrained in their ability to turn financial windfalls into more talent. That being said, since the NBA has a soft (salary) cap, an owner that finds themselves flush with cash may be more willing than other owners to exceed the cap and pay any associated luxury taxes. The NHL, with its harder cap, is even harder to turn financial success into playing success on the ice."

This article originally appeared in The Athletic.

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