Why the Pickleball boom is already over

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SUMMARY

Pickleball, once the fastest-growing sport in America, is facing significant challenges that threaten its future. While the sport gained immense popularity during the COVID pandemic, demographic shifts, injury rates, and competition from other sports like padel are contributing to its decline. The business model surrounding pickleball facilities and equipment is also under strain, with many franchises struggling to remain profitable.

- *Pickleball's rapid growth surged during the pandemic, reaching nearly 25 million players by 2024.*
- *The sport's appeal to baby boomers is waning as they age, leading to a decline in participation.*
- *Younger generations prefer casual play and are gravitating towards alternative sports like padel, which offers a more social and visually appealing experience.*
- *High injury rates among older players, particularly Achilles tears, are causing many to stop playing, impacting group dynamics.*
- *The franchise model for pickleball facilities is failing due to oversaturation and the expectation of consistent attendance, unlike traditional gyms.*
- *Equipment manufacturers are facing financial difficulties, with many brands producing similar products leading to a lack of brand loyalty.*
- *Private equity investments, such as Apollo's $225 million deal, may be more about marketing than genuine confidence in pickleball's future.*
- *The overall trend indicates a slowing growth of pickleball courts and a potential bubble burst in the business surrounding the sport.*

Pickleball is doomed, and I say that as somebody who plays it three times a week and absolutely loves it. Last month, Apollo, one of the biggest private equity firms on the planet, got involved in a pickleball adjacent business. They wrote a $225 million check into it. One of the major gear manufacturers making stuff for pickleball has lost nearly $14 million since it started. And one of the biggest franchisors helping people open up pickleball facilities, well, they stopped selling new franchises recently.

The crazy thing about pickleball is the same stuff that made it such a phenomenon are going to be the same things that are heading it to doom at this point. Oh, and by the way, thanks to Relay for sponsoring this video. More on them later. The way I turn each and every one of these videos into an accompanying cheat sheet you can download, go to my website to get it to learn more about this topic. goodly.com/youtube.

It actually starts back in 1965 in Bainbridge Island, Washington. It's the middle of a boring summer, and basically a group of friends are trying to entertain some kids. Some ping pong battles, some whiffle balls, and a badminton net. And they lower the net on a tennis court, basically. Here's the very first myth about pickleball.

Everybody talks about how the sport was named after the family dog, Pickles. There's a problem. Pickles was born in 1968, 3 years after the sport was invented. So, it's all a myth. Pickle actually comes from the sport of rowing.

One of the wives of the inventors, Joan Pritchard, basically recognized that there was always a boat in the rowing sport called the pickle boat, which was just random leftover rowers who didn't have spots on the other boats. And since the sport was just a random accumulation of different things from other sports, they called it pickleball. The sport quietly grew, specifically in places like Florida and Arizona, where retirees were looking for things to do in their post-tennis years. And it all kind of grew kind of quietly until something happened in 2020. And that 2020 thing was the COVID pandemic. From 4.8 million active players in 2021 to nearly 25 million players just 3 years later. Up until now, it has been the fastest growing sport in America for 4 years running. 2024, more Americans played pickleball than played tennis for the first time ever. That sport was eclipsed. Facilities sprung up like crazy everywhere from, you know, county parks to your local country club building out pickleball courts. By some measures, 84,000 of them exist in the United States today. A big part of why this happened are baby boomers. Many of them are passing their late 60s and into their 70s. They want to be outside and get that tennis feel, but they can't play tennis anymore. Their bodies won't let them. You don't get tennis elbow, you don't blow out an Achilles tendon, and you don't get expected to run your ass across for five sets on a concrete, you know, tennis court.

Pickleball is a much better sport for them. So, that's why coming into the 2010s and into the 2020s, uh basically so many of these baby boomers migrated off of tennis and onto pickleball courts. And heck, that's how I got introduced to the sport. My father-in-law, he's 80 years old. Invited us out to play pickleball when we went to go visit him in Florida. And look, the baby boomer generation is the wealthiest generation in American history. And all the types of people who like to invest in businesses that sell to wealthy people, they noticed. Private equity, private enterprise, and today there are over a thousand different brands making pickleball equipment. But much like the CrossFit story from one of my other videos, by the way, that's passed a million views, believe it or not, crazy.

People in pickleball started to notice there was a problem. They were getting hurt. Before I get into that, there was something else going on, which was entrepreneurs who were wanting to open up pickleball facilities were starting to sign up with franchisers who would help them in theory open up pickleball facilities. The theory of a place like 24-Hour Fitness or a pickleball club that's franchised or Crunch Fitness, for example, is the gym model membership. You as a franchisee, you put together the money to buy all the equipment, lease the property, get it all ready to go. The franchisor gives you the system and the brand. Those gym models work incredibly well. Here's the deal. Most of those things like the Planet Fitness that I go to, which is a franchise, well, they will sell out the total capacity of their gym 6, 10, 15, or even 20 times.

The reason is most people who sign up for gyms never even walk and step foot once inside of it. Meaning gyms like Planet Fitness just collect checks without ever doing anything. A pickleball franchise has a different problem. They're expecting people to basically sign up and not show up. But your typical pickleball player isn't signing up with those places. Uh and they're playing a lot of pickleball, which presents a problem. And look, my friends do the same thing.

They're playing two or three days a week. We don't We didn't sign up for one of the fancy franchise clubs here around San Antonio. We found places we can play for free or for cheap. I pay five bucks to pay for three hours. Even in cheapo San Antonio, that's cheap. While all these entrepreneurs are building out these massive pickleball facilities paying 15 or $20 a square foot a year for rent, people like me and your typical pickleball player, well, we figure out pretty quickly where we can go play for cheap. I haven't talked about the rich boomers who have bought houses and built pickleball courts behind them. Heck, there's one near me, a couple hundred feet away. Yeah, crazy.

So all these franchises are basically set up to fail because they're just structurally not what your typical customers want. Or if they are what the customers want, there's a problem. The customers are showing up too much. There's another thing going wrong with the pickleball. And that thing will start to happen next. But before we get into that, I want to talk about today's video sponsor Relay. One of the biggest problems in small business is usually not sales. It's organization. Money comes in, bills go out, taxes hit later, and before long everything is mixed together with no real visibility in the cash flow. Relay is built to fix that.

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You see all those baby boomers who made pickleball a thing? Well, the youngest of them are 62. The oldest of them are 80. Remember how many of them had started to age out of tennis and aged into pickleball? Well, now they're starting to age out of pickleball. 80-year-olds even struggle to do what pickleball asks of you. So, that's why pickleball has stuck to some extent because their core demographic, these baby boomers, well, they're a giant generation. And behind them is my generation. And I was born in 1975, the smallest birth year for the longest time since World War II. And all that means there's not that many 50-year-olds ready to enter the pickleball world.

These boomers are aging out, and there's 70-something million of them. There's only 65 million of my generation, Gen X, which means there's 10 to 15% fewer people who are even thinking about pickleball next. There's an even bigger problem, which is my generation is still working. It's a byproduct of what's going on in this country. Uh we still got to keep working for a lot longer to keep affording houses and putting our kids through expensive colleges. That's the way it goes. Let you see my co-hosts for today's video, Bambi and Bambi's mom.

Hey guys, what's going on? So, there are no predators in this park in San Antonio, which means the deer have no fear whatsoever. So, they'll just like stand right next to you. Sometimes they stand in the trail and they refuse to get out of the way. Uh sounds like a microcosm of things going on in America. Anyway. But, wait, it gets worse. The big generation behind my generation, the millennials, behind them Gen Z, you would hope that they would be able to pick up the slack on pickleball.

But it turns out they won't. The last thing these guys want to do in those younger generations is sign up for a big formal structured lots of rules $130 a month pickleball club. These younger generations want to play pickleball the way they play beach volleyball. Casually, showing up and not having a bunch of structure. There's another problem with these younger folks. They have found a different sport which competes with pickleball. That sport is padel. P A D E L Not pronounced paddle, believe it or not. If you haven't seen padel, it's pretty fascinating. Originated in Europe. In fact, my well-traveled millennial and Gen Z colleagues and friends, they play padel. They don't play pickleball. Turns out padel is actually perfect for the social media generations. It has glass walls. It's very active kind of in the way handball used to be and it's perfect for showing clips on social media. And I'll be honest, I play pickleball. I do not look cool playing pickleball and neither do any of you. All these are showing that these younger generations, Gen Z, uh the millennials and to some extent my generation, are choosing padel over pickleball. It's just cooler. So that's why as we're entering the 2020s, pickleball has this problem. The padel entities and the padel sport is picking off just precisely the people that pickleball needs to be picking up. But something else started to happen to pickleball as the 2020s went along.

Which is the injury problem. An estimated 67,000 people went to emergency rooms in 2023 from pickleball injuries. Average injured player is 64 years old and all of this together that year was $377 million in pickleball related injury costs uh for medical. The most common career ender for these people is the Achilles tear. You know, that thing on the back of your feet that well, brought Achilles down. Here's one thing that the stats minch miss, which is how big of a social sport pickleball is. If one boomer, especially the one leading the group, tears their Achilles, that means potentially the entire group stops playing. And that's six or seven or eight people who are suddenly sidelined.

These injuries don't slow the growth much at first, but you can see how they start to compound because of the knock-on effects when basically one guy gets injured, brings the rest of the group with him. Seen this massive injury effect as an adult in my cycling career. When I cycle with other guys, routinely, every once in a while somebody will fall down, have a bad crash, and break their collarbone. They'll be gone for six or eight weeks getting better, and the doctors will clear them to get back on the bike. But a lot of times, they never come back. They just quit the sport entirely, move on to something else.

Same thing happens pickleball. But boomers, because of their affinity for institutions, they tend to hunt in packs, making this decline even worse. Demographic changes were turning against pickleball into the 2020s, something else was going on. The first one of those was a bubble of franchises. The way a franchise system works is a franchisor comes along and signs up entrepreneurs to be franchisees to operate locations. There were dozens of these that got started. The five most major ones actually got started so quickly in an attempt to grab land space and win the market, that most of them have sold more than 20 franchises a piece before they actually had any operating history at all. Called The Pickler is the biggest.

They've sold 68 locations. A lot of them with no track record like the other ones. And then 2026, they were finally required to publish the financial outcome of their franchisees. And it wasn't pretty. The way this works is most states regulate how franchises work. And a few of those require the franchisors, whether it's McDonald's, Burger King, Orange Theory Fitness, or The Pickler, to actually publish real data about what's going on with the franchisees, so you or I could go look at it. It's pretty cool. Pickler showed that the typical cost to open up a pickleball location was 1.2 to 2.1 million dollars, which is a lot of money. There was a problem. The medium income, like revenue for those locations was $940,000.

The typical profit margin was just shy of 10% meaning for 1.2 to 2.1 million dollars invested, the franchisee might have made $90,000, which is less than a 5% return on your money. You get better deal well, investing in a treasury bills and no risk. As I said before, the fundamental problem with pickleball is your customers want to come and play. It's really fun. Sports clubs like LA Fitness, Crunch, Planet Fitness where I go, they work when they can oversell their space and people don't show up. In other words, it's these pickleball places are all you can eat buffets and the customers keep showing up and eating all the food.

Pickler community of all these franchisees, as of the time I record this, has lost in aggregate nearly 14 million dollars. Franchisees are getting beat down. Pickleball Club, one of the top five largest franchisors, quietly stopped taking new franchisees in 2026. But that's okay. There's still 50 other groups trying to franchise out pickleball facilities to your friends, neighbors, and uh even you if you have a cool couple million sitting around that you want to blow. Let's talk about the equipment market for paddle ball. It's even wilder. There are over a thousand different brands of people producing pickleball paddles and equipment. But behind it all is one of the things you'll see. It happens in other industries too, like the notoriously painful bicycle manufacturing market.

There's only really a few factories in Taiwan that make all the bicycles. And in China, there's the same thing that happens with pickleball paddles. There's about 20 factories that actually make the stuff. They're just putting different labels on it for each of these thousand different brands. That means all their paddles are pretty much the same. Pickleball, the official kind of certification arm for pickleball, approved to more than 800 different brands of paddle in 2025 as being legal for the game. Competitive players have seen this. They replace paddles every three to six months. And most of them, unless they're sponsored, and there are pro pickleball players, believe it or not. They're on TV. I watched them once.

They mostly have no brand loyalty at all. Why? Because they know these paddles are mostly just the same things with different labels on them. And one thing you can tell about how painful the paddle business is becoming, there have been exactly three acquisitions of paddle companies in the last 3 years. The reason is, there's nothing actually really to buy. You're just buying what was a plane ticket, flying to China, and a logo designer, and nothing else.

You're seeing the equipment makers themselves filing for bankruptcy. Gamma Sports, who is one of the biggest manufacturers of paddleball equipment, declared bankruptcy earlier this year, in 2026. Their filing management cited slowing demand for pickleball and pickleball equipment. Somebody's finally speaking truth to power, I guess. But wait, there was something else interesting happened, which is private equity entered the picture. And one of those was Apollo Global, who did the deal alongside another private equity firm called Dündar, put money into Pickleball Inc.

And if you don't know the name of this company, it's actually the company that owns the Major League Pickleball and a handful of other brands and resources in the pickleball ecosystem. They're also behind a thing called the PPA Tour, which is kind of like the well, the golf tour, but for pickleball. Yeah, they play. They're on TV. Just check them out. Pretty fascinating. YouTube as well. Apron, this looks like a massive vote of confidence. There's more to the story. Although Sports Capital is actually a brand new fund, Lapsen launched in September 2025. The cynical view of the $225 million bet is that this isn't like basically a bet on pickleball. It's actually just a marketing expense for their new fund. They needed a marquee deal and deploy a lot of capital in order to be able to raise their next fund and collect more fees. Again, that's just the cynical view of it. And why would Pickleball Inc. do this deal and take on $225 million? Well, they'd had investors who'd come in back in 2020. 2020, before the run up had happened. You can see how a lot of times when money's getting managed, often times the deals aren't getting done in a way that benefits the LPs. Or maybe it is, I don't know, but it's very sketchy.

So, what have all of this been in practice? Well, publication Axios has been tracking the growth or lack thereof of pickleball courts. They looked at the top 100 cities in the United States. The new courts has been slowing rapidly. Went from 14% year-over-year to 13% to just 4% last year. Axios literally wrote the headline saying the pickleball surge is slowing down nationwide. Here 2 years ago in Texas, there was maybe one place we could go play. Now, within a 5-minute drive of my house, there's several dozen. Some even air-conditioned. Yeah, it's crazy. Well, I guess you need it here in Texas. Putting those courts in expected they would be able to run them for decades if not longer to be able to get their cash out of installing all the equipment. Fancy basically surfaces, the lighting in some cases, and the nets.

But here they are, often very empty around us. To think that what Apollo did and where they're coming into the market is what you see at the top right before the bubble pops. It's hard not to see that. You see in the data fewer courts happening, younger people getting brought in to padel instead of pickleball, and the older boomers who had one point basically driven the entire growth of the sport. Many of them are starting to age out. That's why the fall of pickleball has already started.

Just people aren't willing to admit it to themselves yet. And look, pickleball as a sport is not going anywhere. People like me are still love it. Heck, people even play weird sports like baseball. It's where I don't really like baseball much, so couldn't help it myself you guys. But the reality is the business of pickleball, man, it looks like it's in for a lot of pain from everybody who've bought these franchisees to the thousands of people trying to make undifferentiated paddles. We're going to see a lot more bankruptcies and a lot more problems. But wait, I'll close with something that makes all of this even worse, which is America is rapidly trying to re-industrialize. And a lot of these places that people have bought or leased at 15 or $20 a square foot.

There's a couple near me. I don't know how they make money. Those are the places that the light industrial users, people now making things like electrical transformers and building buildings in response to all the government stimulus. Well, those are the same people who want to pay big dollars for these courts that pickleball is competing with as well, these buildings. As much as the current crop of pickleball folks already overpaid for their locations and it will spell their doom in the future and we see that in the franchise or the Pickler not making any money across its franchise system.

Well, it's only going to get worse with the re-industrialization of America competing for these spaces that pickleball also wants to use. The reality is that every kind of sport or hobby goes through the same boom and bust cycle, whether they're baseball cards like I did back in the 1990s, rollerblades in the 2000s, Pokémon and stuff back in the 2010s. I don't know, I was an adult then. That is just the nature of disposable fun activities. They go through a hype cycle and then they eventually decline. You can make a lot of money if you get in early and start your business while the whole thing's still on the upswing. But once the thing starts to recede the way pickleball is, that's when you want to make sure you've sold and gotten out.

All right, let me know what you think about this video of pickleball and the future of the sport in general in the comments. And if you tell me you liked it, encourage me to make more. I'll get you next time.