



SPORTS TEAM OWNERS ARE VERY RICH. AND VERY DUMB

BY Kerry Schmidt 05-25-2008

Owners of MLB, NBA and NFL teams are very rich, and most of them are also very dumb

Let's start with the NFL, probably at the highest range of the "dumb-ass" scale.

They voted unanimously last week to cancel the collective bargaining agreement (CBA) with the players union (NFLPA) beginning in 2011.

That action could, quite likely, cause all sorts of mayhem.

Right now, the NFL's agreement with the owners gives the players 60% of total football revenue. This has been the case since 2002.

The owners stated that 60% is too much. They said "changing economics, along with higher costs (see below) and the debt loads that have come with the cost of new stadiums" and/or renovations. Wait a frickin second. First off, most stadiums are paid for by us tax payers, so how does this count as a "debt load?" Well, actually, it is. To us.

More like a shit load of stupidity. They are really stupid to think we buy into that crap. The owners get huge stadiums with many luxury boxes, and all that means is profits. For them, while we foot the bill.

The only "higher costs," really, are the constant raising of the price of tickets.

An independent audit said total NFL revenue is \$17.6 billion, making it one of the top 100 largest "corporations."

The exact amount is impossible to verify, since owners will not open their financials to anyone.

So what happens?

Well first off, as NFLPA chief Gene Upshaw stated, the "players are definitely not going to accept a cut in pay."

Given the cancellation of the CBA, the 2010 season will be without a salary cap.

Just imagine what the likes of Jerry Jones (Dallas) and Dan Snyder (Redskins) and some others can do with signing the best players to long term contracts at unheard of money. Wait, the owners just said they want to reduce salaries. Unless some see the chance to play like Steinfrickers and "buy" a SB.

NOTE: That theory sure worked for those "Damn Yankees."

The total impact could cause a huge imbalance in the haves/have nots, the main reason the cap was put in, to make all teams on equal terms.

Other very real potential problems will be a possible lock-out of players, a strike, no 2011 season, scab players, just to name a few.

And, given the history of team owners, it is pretty certain that nothing concrete will be done until the terminal date is reached. Or, likely, beyond same.

The NFL is far and away the most popular sport in the country.

NFL teams are worth more than teams in any other sport, with at least five being worth over a billion dollars.

And, the salaries in the NFL are far less than the average of the other two major sports (see details below).

Plus, as I said in last week's column, the NFL is the only major sports league wherein the contracts are NOT guaranteed. Thus, if a player suffers a career ending injury – the average life span of an NFL player is 3.1 years, his "long term" contract shrunk to the rest of that season.

Another major thing the owners want to do is set a (small) maximum amount on rookie contracts. I.E, doing away with the up front 20-35 million bucks for first round draft choices. They want



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said amounts for rookies to last the first three years. (Hey, then when they get to their “.1” average left on the contract, they get zilch).

Suffice it to say that the Saints will win the SB before the players agree to something that stupid. I mean, that first contract with all the guaranteed money is, for many, the most actual pay-out they will get, especially if they are injured.

Owners also want to be able to recoup ALL the up-front bonus money from any contract if the player pulls a Michael Vick, or other such thing.

Well, the courts already ruled they cannot do that. (They wanted all \$24 million bonus back from Doggie Bag, but the judge only gave them 4 mil).

The NFL is THE “golden goose” of sports, with teams and TV deals, et al, generating more money than any of the other two sports.

So, what we have here is the ever overriding fact of pure greed. MORE, I WANT MORE...”

Thus, apparently, they are willing to take a chance on doing irreparable damage to the most popular sport.

All you need to do is look back on the 1987 strike. You had several games cancelled, then the owners brought in “scab” players – they still charged the same amount for tickets, and the ill will between players and owners has never been the same. The players do not trust the owners to this day.

Plus, the attendance at the games and the TV ratings were down for the next three seasons.

I could give all the details of this potential disaster, but it’s boring. All you need to know is that these actions will likely cause major injury to the sport.

Dumb and greedy.

Let’s take a look at all the sports and the stupidity of many owners.

As mentioned, NFL players make considerably less, on the average, than their MLB and NBA counterparts.

The average “mean” salary of NFL players is about \$one million.

The average “arithmetic mean” salary, whatever the hell that is, sits at \$1.2 million. No, I have no idea what the difference is. Where is my actuary friend Don when I need him. Likely in a meeting with Mr. P.

The estimated 2008 MLB average salary is \$3.12 million, up 9% over last year.

And the average NBA salary is \$6.1 million! Yes, AVERAGE.

Now NFL players get the bleep beat out of them and they make the least. And the owners want to force them to make even less.

Let’s take a look at how many of these rich owners are so dumb.

MLB: The Yankees have the highest payroll, sitting at about \$213 million a year. And for that, the smart (ass) Steinbrenner clan has a team in last place in the AL East. And the top 3 salaried players in MLB are Yankees, led by A-Rod at \$28 million a year. They also have 5 of the top 10, and three of them are hitting below .200.

The Detroit Tigers, picked by many to win the WS this year, have the 3rd highest payroll at \$151 million. They are dead last in the AL Central and 10 games below .500.

Miguel Cabrera, who signed a “walk off” contract this year (see last week’s column), for \$152 million over eight years, he is batting .182 with runners in scoring position. NOTE: Last week, just before a game against Arizona, there was a video on in the clubhouse showing the pitcher for AZ that day. Cabrera, who had never batted against same, was asleep. He went 0-4.

Three of their starting pitchers, with total contracts of over 200 million, have ERA’s over 6.00, and 4 wins between them.

Detroit’s owners should go drinking with the Stienfarts.



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Seattle, 7th highest, is dead last in the AL West with the 2nd worst record in MLB. Thus, of the top seven salary wise teams, three occupy the cellar.

S.F. is at #12 in salary, and they are 10 games under .500.

You get the picture.

There are a few “smart” owners.

Tampa Bay, with the smallest payroll in baseball at 24.1 million (4 mill less than A-Rod is making), is in 2nd place in the AL East, only a game behind Boston, who is No. 2 in payroll. In the NL, the Florida Marlins sit atop the NL East, with the second smallest payroll, \$30.5 million.

A few smart ones, but mostly really stupid owners.

NBA: The No.1 salaried team at \$109 million, the Mavericks, with loveable Mark Cuban as owner, lost in the first round of the playoffs. Even after signing Jason Kidd in late season for huge \$ to “help win an NBA title.”

The Knicks are 2nd, and one of the worst teams in the league. They also are the most \$ over the luxury-tax, with \$19.8 mil.

Denver was 3rd and they were swept, 0-4 in the first round of the playoffs.

Miami was No. 7 and they were the worst team in the league.

Cleveland was 4th, Boston 5th, so they at least earned their high payrolls.

A “bang for the buck” trio were San Antonio, 12th, Pistons, 18th and Hornets, 19th.

Individual NBA salaries: Kevin Garnett is tops at \$22 million, with Shaquille O’Neal at an even 20 mill, and the above mentioned Kidd of Mavericks 3rd with 19.7 mil.

The 50th ranked player by salary, Kirk Hinrich (WHO?) made a measly 11 mil.

In the NFL, the top dumb asses were (in order of salary), SF, Redskins, Saints and Browns, all of whom had losing seasons.

The Raiders were No. 9 and they have won 5 games – over the last two years.

The two “smart” owners were the Colts, 14th in payroll, and the biggest winner was the Giants.

Next to last (31st) in payroll, won SB.

The top dude in the NFL, Dwight Freeney of the Colts, gets \$30.75 mil.

No. 20, DeWayne White of the Lions, makes 12.6 mil.

Very interesting notes. Peyton Manning, Tom Brady – 2007 MVP, Brett Favre, Eli Manning, Marvin Harrison, Tony Romo and many other big names were not even in the top 20 salary-wise. Last minute follow up to the blurb last week on the \$400,000 Chuckles Charles Barkley owed to a Vegas casino.

He gave a 5-minute statement on how he had paid it back, how it was his fault, and he stated he would not gamble for at least a year or two. He later amended that to four years, the length of his contract with TNT, stating he doesn’t “ever want to put (TNT) in an awkward situation.”

Barkley, who is the most forthright announcer – he calls it like it is on the NBA games, is also very funny.

He was the one, a couple of years ago, who came up with the line, “you know it’s going to be hell when the best rapper is white and the best golfer is black.” Only a black man, like Barkley, could get away with that.

He also stated once that he read where “heavy drinking” is unhealthy, and thus he, on TNT, concluded he needed to “stop reading.”

I agree!!

Anyway, he wrangled out of what could have been a touchy topic for TNT, given the recent gambling fiasco with an NBA referee.

Dumb, greedy sports team owners and one funny announcer.

Maybe I can get Charlie Chips to have some single malt with me. Beats reading.