

Nothings ever easy here in CTown. Now finally able to sleep easy after LeBron's verbal commitment this weekend, I wake up this morning to an ESPN report that LBJ is not willing to take the full five year eighty million dollar deal the team offered him. I try and make sense of it all in this column, which hits on all the most recent developments.



Nothing is ever easy in this town.

Late last night, a report surfaced on ESPN.com that LeBron James was not willing to sign the full five year, eighty million dollar contract offer extended to him by the Cavaliers. On Saturday, LeBron fully committed to the team and the extension offered to him ... without referencing any of the details of what he was actually verbally committing to.

ESPN initially reported that LeBron would instead sign a four year, sixty million dollar deal that had an "opt out clause" after the third year of the extension. Somewhere between 11:30 PM (when the report initially surfaced) and 8:00 AM this morning, ESPN retracted their claims of a third year opt out. Their [current front page column](#) makes no mention of that, just stating that James will sign a four year, sixty million dollar extension as opposed to a five year, eighty million dollar one.

It's very likely that this story is accurate and has merit in my view. It was broken by ESPN's Stephen A. Smith, who cited a dependable league source. As reported by Akron Beacon Journal Cavs beat writer Brian Windhorst [on his blog](#), Smith is in town taking place in a seminar being put on by James representatives. Additionally, a quick look at the facts suggest that signing a four year extension as

opposed to a five year could also be potentially much more lucrative for the sensational Akron product.

Let's take a look at what we know:

~James will play the 2006-2007 season under the final year of his initial four year rookie contract, and will make 5.8 million this season doing so. All this talk about four years versus five is about James contract extension, which would begin after the coming year. So even if he only agrees to sign a four year extension, he will still be signed by the team for five more seasons, going through the end of the 2010-2011 campaign.

~The reason James would do this, and leave 20 million dollars in guaranteed money on the table is as follows. Once a player has seven years in the league, the max salary they can make rises under the current terms of the NBA collective bargaining agreement (CBA), going from 25% to 30% of the NBA salary cap, which changes yearly based on the levels of basketball related income and other factors. By shaving one year off the back end of the extension, James will be in line for a much larger salary on his next contract (which would start a year earlier), and one year before the expiration of the current CBA, which is valid through the end of the 2011-2012 season.

~In a sense, James apparent strategy is in essence a gamble that the NBA will continue to thrive, as it has in James first three years in the league. Attendance and revenues are up, and most league insiders feel they will continue to rise. The star power of the NBA has once again ascended to the levels the league saw in the mid eighties when they were led by Larry Bird, Magic Johnson, and Michael Jordan.

~Also, there is a chance that the league will negotiate a new television deal by the time LeBron's extension is set to end. This would presumably do wonders for league revenues, and bump team salary caps and player max salaries to new levels.

~This most likely explains the week plus stretch of silence by the James Camp after the offer was put on the table by the Cavaliers. The team will agree to whatever James wants, but a week of silence will likely give team officials more of a "we're just happy to have him for that long" feeling, as opposed to potentially being insulted by James not taking the full possible extension years

and amount. In addition, LeBron's agent Leon Rose was probably working out the final details of his clients extension. The complex nature of the NBA's CBA rarely makes any contract decisions easy.

One might be left to wonder why Dwayne Wade, Carmelo Anthony, Chris Bosh, and the like didn't employ similar strategies with their clubs given the above evidence. My first reaction is that they still might. No deals can be signed until Wednesday, and all of the scrutiny on James' silence has taken the focus off their negotiations. At the least, if these players' agents haven't proposed this tactic to them to this point, I'm sure they can be expecting a call from their clients asking them to explain it all after seeing the LeBron reports this morning. On the flip side, it really takes a pair of cujones to leave a fifth year worth 18-20 million on the table. That is guaranteed money, and you never know what could happen between then and now.

In the end, there is not too much to be upset about from the perspective of this Cavaliers fan. James is the type of player that could likely still get a max deal, even if he was to blow his knee out. If the league continues to thrive, which he has a big hand in, the payoff could result in potentially 15-20 million additional dollars for James over the life of his career.

James will still be a Cavalier for the next five seasons (through 2011), and they will still be able to pay him much more than anyone else at the expiration of that contract. If the Cavs are a championship contender these next five years under James, which they should be, it's still much more likely that he would stay here. It's nearly impossible to clear the cap room to sign a max player in this league, especially for contending teams. So even if LeBron were to want to leave in 2011, for whatever reason, it's still every likely that it would be via a sign and trade that would net the Cavs considerable amounts of talent in return.

Breathe easy Cavs fans.

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