

Contract Conversation

Written by {ga=paulcousineau}
Monday, October 29 2007 7:00 PM -

If you visit our bustling message board community, you'll see that the offseason talk surrounding whether or not the Indians can or will resign C.C. Sabathia is already in full bloom. Many see it as a given that C.C. will walk ... and it's almost hard to argue given some of the dollars doled out to big time starters last winter in free agency. But Paulie C sees things differently. He feels the framework is there to keep The Crooked Cap in CTown, and lays out his argument in his latest effort.



A lot of talk has started regarding the future of The Crooked Cap as his contract with the Indians expires after the 2008 season. Since it seems to be the thing on most people's minds this off-season, allow me to attempt to debunk the myth that C.C. Sabathia signing with the Indians is nothing more than a "pipe dream"; or the far-off wish of a "myopic homer";.

It's not rational to use the argument that C.C. wants to stay with the Indians simply because they are a team seemingly on the rise, that the Indians are the only team that he's ever known, and that he's comfortable with the rest of the players of the team. Take out the ubiquitous part of this analysis and the comments that Sabathia has made about Cleveland being "his home"; and "growing up with this team"; that play like "brothers";, removing the emotional aspect of it because baseball is what it is - a business.

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Shapiro is on record as saying that C.C. will be an Indian at the end of 2008, so the "trade" route is out (not to mention misguided as teams simply don't part with front-line prospects anymore for one year of a player) and to trade a player of C.C.'s caliber on a contending team is nothing short of lunacy.

But, to say that C.C. is simply "unsignable" is to ignore the basic way that the Indians are built in that they're designed to be filled with youngsters from the minors, working on league minimum salaries, allowing the Indians to pay their "core" players accordingly. As long as that "pipeline" stays open, the Indians can pay fair market value (as they did with Westbrook and Hafner) to those that they want to keep because so few dollars are spoken for elsewhere on the roster. With so much of the payroll dollars now set in stone (Sizemore, Peralta, Victor); it's not as inconceivable as many seem to think for the Indians to re-sign Sabathia.

At the risk of being presumptuous and just looking into my "crystal ball" of how the Tribe roster will look in 18 months, look at the projected payroll (I'm rounding the MLB minimum to an easy-to-compute \$400K) for a guess at the 2009 roster, without C.C. on the team:

2009 Indians' Payroll

Carmona \$400,000 (assuming an extension isn't signed)

Westbrook \$10,000,000

Lee \$6,000,000

Miller \$400,000

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Laffey/Lofgren/Sowers \$400,000

Martinez \$5,900,000

Garko \$400,000

Cabrera \$400,000

Peralta \$3,650,000

Marte/Goedert/Hodges \$400,000

Sizemore \$4,767,000

Gutierrez \$400,000

Dellucci \$3,500,000

Hafner \$11,500,000

Backup C \$400,000

Backup MI \$400,000

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Francisco/Barton/Brown \$400,000

Mastny \$400,000

Perez \$400,000

Lewis \$400,000

Betancourt \$2,000,000 (approximate - he's arbitration eligible after 2007)

Reliever \$400,000

Reliever \$400,000

Reliever \$400,000

Reliever \$400,000

Total Committed Payroll **\$54,607,000**

With the anticipated flow of players from the minor leagues, \$7,200,000 could essentially fill 18 roster spots. Of course, it would be extremely unlikely to have THAT many young players making significant contributions; but looking at that list, there are players (Carmona, Garko, Cabrera, Perez, Lewis, etc.) that established themselves this year that figure to be major contributors at low salaries for the

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foreseeable future.

Projecting how youngsters will perform in the majors while they sit in Akron or Kinston is something I'm not interested in doing, but be assured that the Indians have talent on the farm and the idea that harvesting it to fill a good portion of the roster with the crop is a basic tenet of "The Plan";

The only players not included from the current roster (besides C.C.) that aren't included on the list above are Blake, Shoppach, and Barfield as they are all either eligible for arbitration or will hit Free Agency in the near future, and those three situations promise to play themselves out with not a lot of money being involved if any of those three returned under some new contract. Of course, the list above assumes that Lee (\$6M) and Dellucci (\$3.5M) are on the roster and haven't been dealt for replacements with comparable (or lesser) salaries.

Looking at the firm salaries again, you'll see that not much money is really committed out that far, considering the pipeline of league minimum players that figure to fill out the majority of the roster. The players (like Carmona, Garko, etc.) working under League minimum deals could be given long-term deals to buy out their arbitration years, but arbitration (much less free agency) is a long way off for most of them and not something the Indians need to address in the very near future.

Back to the dollars and sense of the matter though, as obviously that payroll number above (in the \$50M to \$60M range) could be increased if the Indians sign a veteran reliever (likely) or do something with the backup middle infielder or outfielder to fortify the depth and quality of the team; but it's unlikely any of those additions would significantly break the bank enough to preclude approaching C.C. with a substantial offer.

Looking at the players working under long term contracts through 2010, (namely Westbrook, Sizemore, Peralta, Victor, and Hafner), the total amount owed to

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those five players, in what would be the first two years of C.C.'s new deal (2009 and 2010), are as follows:

2009

\$35.817M

2010

\$39.117M

Taking into consideration that the number constitutes nearly 50% of the everyday lineup and 20% of the team's rotation, isn't there some room in there to increase the rotation percentage to 40% while not completely breaking open the piggy bank?

If (just throwing a number out there) C.C. gets paid \$18M annually, that committed payroll becomes \$53.817M to have 6 "core" players locked up in 2009 and \$57.117M in 2010. Assuming that the payroll gets up around \$75M to \$85M by that point, the Indians still have some flexibility (\$20M to \$30M) to flesh out the roster with youngsters or the low-risk veterans that often break camp with the Tribe. If the Indians figure sit at a payroll in the upper \$70M or lower \$80M range (due to increased attendance and revenue resulting from on-the-field success), the Tribe's certainly in a position to offer C.C. what would be fair market value based on those numbers and still fall in that final payroll range.

Committing a large percentage of the overall salary to one player may be outside of the Indians' "comfort zone", but the flexibility is there, for the Tribe to make a significant offer to C.C. because of the known costs and salaries of so

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many of the "core" players in the coming years.

Now, to those who simply point to "market conditions" and are quick to throw the names "Zito" and "Meche" out there to fan the flames of the "market-gone-mad", realize that C.C. is not a free agent yet. It's true that he could rightfully command a pretty penny on the open market ... but he's not on the open market.

His agent can't sit there this off-season and compare offers or play suitors against each other (everyone remember how the Manny thing played out), so the Indians (right now) aren't in a bidding war. They're simply negotiating with one of their players, being the only team capable of putting extra dollars in his bank account tomorrow, regardless of what comes to pass in 2008. As much as people would like to think about negotiations a full year from now, with C.C. on the open market, that's not what we're dealing with right now. C.C. has one more year under contract and will have to determine if a bird in the hand is worth two in the bush and whether the grass is truly greener on the other side.

Enough with ambiguous phrasing and clichés and back to cold reality and proper comparisons as three pitchers in similar situations to Sabathia - Jake Westbrook, Carlos Zambrano, and Mark Buehrle - all signed extensions with their current clubs PRIOR to hitting free agency (not on the open market) and certainly didn't sign contracts that caused the league to scratch their collective head.

Knowing what we're dealing with here, the question then becomes how the contracts signed by those three (and more specifically the two outside of Westbrook, since we know that that's comparing apples to oranges) pertain to the negotiations that the Indians and Sabathia will enter this off-season?

First, consider how Zambrano, Buehrle, and Sabathia compare in terms of career stats:

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Zambrano (26) - 82-55, 3.41 ERA, 1.29 WHIP, 1.90 K/BB ratio

Buehrle (28) - 107-75, 4.64 ERA, 1.26 WHIP, 2.53 K/BB ratio

Sabathia (27) - 100-63, 3.83 ERA, 1.26 WHIP, 2.46 K/BB ratio

Can we say that we're comparing apples to apples here?

Now consider the deals that Big Z and Hurly Buerhle signed in the past 4 months:

Zambrano (signed 8-17-07)

5 years, \$91.5M with 6th year vesting option and full no trade clause

2008 - \$15M

2009 - \$17.75M

2010 - \$17.875M

2011 - \$17.875M

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2012 - \$18M

2013 - \$19.25M (vesting option)

Buehrle (signed 7-8-07)

4 years, \$56M with no trade "protection" (not full no trade clause)

2008 - \$14M

2009 - \$14M

2010 - \$14M

2011 - \$14M

If you want your market defined for comparable pitchers at comparable points in their careers in comparable situations, there it is. Both Zambrano and Buehrle saw the craziness of the 2007 off-season for what it was (a momentary lapse in judgement by a few reckless GM's) and re-upped with their current employers for, what most would call, fair

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market value. The sixth year vested option for Zambrano is troublesome, but he only vests if he is productive at the end of his contract (top two in Cy Young voting in 2011 or top four in Cy Young voting in 2012) and is deemed to be "healthy" - which would give the Cubs a quick out if they wanted one.

To me, giving C.C. something along the lines of a 4-year, \$72M contract is certainly within the budget constraints (and eminently reasonable) and a fifth vested year similar to Zambrano's sixth wouldn't hurt the attractiveness of the offer to the Hefty Lefty. Past that fourth guaranteed year though, it becomes a question of how prudent it is to give a starting pitcher a contract longer than five years, not how much money is in the Dolans' pocketbook.

And that's the common misconception - C.C. may leave because of contract demands, but it won't be because of annual salary, it will be the guaranteed years associated with that contract. The wisdom (or lack thereof) of giving pitchers contracts longer than five years has been well-documented (Chan Ho Park, Mike Hampton, Barry Zito, etc.) and the Indians are brutally aware of this.

It will come down to years and how many C.C. wants guaranteed (taking a 4-year deal puts him back on the market at age 32), not how many zeroes are associated with his annual salary or how the large-market teams are the only ones capable of signing a player like Sabathia. The money is in the budget due to the foresight of locking up "core" players to reasonable contracts and investing in the farm system to keep the pipeline to the Majors stocked with young, affordable talents.

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Unfortunately, if C.C. demands a guaranteed fifth or (gasp) sixth year and the Dolans rightly balk; it will be painted as a money issue and not one relating to the length of starting pitchers' contracts. If, however, Sabathia follows the path trampled down by Zambrano and Buehrle, the Indians are well-poised, both in terms of what they can offer Sabathia in terms of a contract and the stability of a team around him, to make a fair and legitimate run at their burgeoning aCCe.