

Swimming Upstream

Written by {ga=paulcousineau}

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While the Indians are still getting ready to play a game against a team that also doesn't have "Cleveland" across the chest, news from Goodyear is slow. There's the bit of info that Carmona moving to the other side of the pitching rubber which, if turns him back into Fausto v.2007, could be the biggest and best news for Indians' fans since CC was traded, and there are the usual "he looks good", "he's in the best shape of his life", and "this young guy could make some waves this season" pieces...but all in all, it's been largely uneventful.

In light of that, I thought it would be interesting to pass along a piece that Baseball America recently posted concerning the issues of competitive balance and revenue sharing in MLB, a topic that I took some time to touch on this off-season, proposing what I saw as [a suitable proposal to address both](#)

. Seeing as how the upcoming Indians' season is being anticipated with either dread or apathy by most, going through the piece might put where the club sits today in Arizona (at the beginning stages of another rebuild) into the proper perspective.

Providing that perspective is Maury Brown, founder of the [Biz of Baseball](#) site, who penned [a must-read article](#) that explains how Revenue Sharing works, both in terms of the payees and the payors, a Competitive Balance Tax, and the feasibility of a salary cap, soft or hard.

While this is meant to shed some light on a particular aspect of the piece, I would encourage everyone to take the time to read the entire missive as it does a tremendous job of explaining where the revenue-sharing money comes from (it comes from two places) as well as outlining the issues that nearly every team (regardless of where they fit on the food chain) seem to have with the current arrangement.

The most interesting portion of the piece as it relates to the Indians however, was that the MLB went on the record as to how they felt the revenue-sharing money should be spent by those receiving checks not only from the Central Fund, but also from the high-revenue clubs. In the

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process of articulating their opinion as to how revenue sharing is supposed to work this little beauty was uncorked from Rob Manfred, the MLB's Executive Vice President of Labor Relations:

"Overall, the Commissioner's view is that revenue-sharing recipients have made appropriate use of revenue-sharing proceeds over a very long period...Clubs at low-revenue spectrum have always gone through cycles when they develop with less expensive young talent, in a way like Tampa Bay did, that moves them along to field a very competitive team. When you're at that low-revenue period, you're still going to be getting your revenue-sharing. Clubs can then position themselves for a much higher player payroll when that roster matures, and one of the ways you may decide to position yourself is reduce your debt load so that you don't have to pay debt when your roster then matures."

Read that again and realize that this passed through the lips of the MLB's Executive Vice President of Labor Relations – that the system in place currently perpetuates a vicious cycle for low-revenue teams, starting with said low-revenue teams developing young, less expensive talent in an attempt to field a "very competitive team". Once that young, less-expensive talent matures, The Commissioner's solution for this is to have contributed the revenue-sharing money throughout the cycle to afford them the opportunity to and to "position" the team for a "much higher payroll" when that roster "matures".

Anybody know where I can find a real-world application of this?

Oh yeah, that's right...from 2004 to 2009 in Cleveland:

Indians' Payroll

2004: \$ 34,319,300

2005: \$ 41,502,500

2006: \$ 56,031,500

2007: \$ 61,673,267

2008: \$ 78,970,066

2009: \$ 81,579,166

See the slow ramp-up in payroll as the talent that was once "less-expensive" starts to mature?

Now that the team finds itself at Square 1 (or maybe 2 depending upon where you sit), remember how the team is shedding payroll and attempting to minimize [all future financial commitments](#) to clear the decks for what is hoped to be the next contending team?

This is how MLB has DESIGNED "low-revenue" teams to compete, in this cyclical attempt to catch lightning in a bottle manner, up against the "haves" in the marketplace. Essentially, the design of it is exactly how we saw the last 5 to 6 years play out in Cleveland as the team assembles a group of young talent in the hopes that it will mature into a contender, with the further hope that the contending team can win the World Series before the whole "tear

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down/rebuild” has to start again.

Unfortunately, this is how it works for the majority of the teams in MLB as Brown points out that from 2000 to 2009, “of the 23 clubs that made the playoffs, the top nine in payroll made 58 percent of the postseason appearances.” Yes, the 9 teams that had the highest payrolls in the decade (Yankees, Red Sox, Mets, Dodgers, Braves, Cubs, Angels, Phillies, and Cardinals) accounted for 46 postseason appearances, while the other 21 teams in the league accounted for 34 postseason appearances* from 2000 to 2009. And somehow, MLB is pointing to this as evidence that revenue sharing is working.

**It should be noted that the Indians had two postseason appearances and came in with the 13th highest payroll of the decade in MLB.*

The idea is that every team will get a chance to make the post-season, just not that every team will get a chance to make the post-season year after year. That opportunity for perennial contention is only afforded to the teams that can...well, afford it.

We’ve seen it here in Cleveland that if mistakes are made as those payrolls ramp up or injuries or regressions occur to the players that are chosen to extend that “window of contention”, the whole thing starts over again in earnest. Seeing both Hafner and Westbrook on the 2010 serve as a reminder to that, in that the Indians did commit large dollars to players that they felt would be able to carry them from one window of contention to another and the failure of either to live up to pre-contract performance undermined the idea that perennial contention was anything more than a wing and a prayer.

As the Indians enter the 2010 season attempting to climb back up that mountain that battered them so badly on their way down over the last two seasons.