

## Lingering Items - Water Over The Dam Edition

Written by {ga=gdbenz}

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Indians' co-owner Paul Dolan met with the media the other day to essentially lay out his case for the team's recent upheaval. While not exactly contradicting general manager Mark Shapiro on the very fine points, he let it be known that without the changes the Indians were on track to lose millions; many, many millions. As it is, even with the recent strip-mining, the team is on track to lose \$16 million. In Gary's latest, he talks about Dolan's comments about the team's finances and a salary cap in baseball, and also about the start of Browns training camp.



There isn't much utility or fun in continuing to turn over the same shovel of dirt. But when it comes to the Cleveland Indians sometimes they just beg you to make the effort.

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Ok, so Shapiro wasn't under a specific edict to dump salary. He was just told that the owners were on track to lose multi-millions and weren't going to be all that pleased with it. And in case Shapiro was being particularly dense, they told him that if he maintained the status quo ante under the misguided notion that the team could compete next year, the chance that there would be any money to play with in the next five or so years under these circumstances were about the same as the team trading for CC Sabathia.

I'm not suggesting that the Dolans should take losing any amount of money, let alone double-digit millions, lightly. I get cranky over far less money. But this is the business they chose and no one promised it would be all rainbows and gum drops.

What's telling and what portends for things to come is how Dolan said the losses would be covered-through loans and an infusion of family cash. That's a red flag. While presumably the cash infused from the Dolans is more in the nature of a gift, a loan has to be paid back or at least they used to under the old economy. And if you remember from your Business Administration 101 class, any service on a loan adds to the operating costs of a franchise that already is struggling. The direct impact from a fan's perspective is two-fold: increased prices to and lowered payroll costs. Presumably most fans would rather embrace the exact opposite scenario.

Dolan was emphatic that his family has no intention on selling the club but then again Art Modell had no intention of selling the Browns. As losses mount, the dynamics change. This, ultimately, will determine Shapiro's fate with the team. Before the Dolans let the team drive them into personal bankruptcy, they will try everything short of a sale first. If Shapiro can't deliver a team that can make money, or at least not lose multi-millions, they will find someone different. That's collateral you can take to a bank.

In that context, Shapiro's maneuvers are completely understandable, but only in the larger sense. Payroll had to be trimmed. The trick is in trimming the right payroll. Shapiro may have had no choice in dumping Cliff Lee and Victor Martinez, but that's only because less valuable assets but far bigger drags on the team's budget, like Travis Hafner and Jake Westbrook, were untradeable.

Defaulting to the most available targets is not at all the same thing as choosing the right targets. For example, the Indians Of 2010 could still have Cliff Lee and Victor Martinez and still be \$10 million ahead if they could have dumped Hafner and Westbrook instead. Of course the Indians wouldn't have the gaggle of Single

A prospects they got in return, but something has to be sacrificed.

The reason this makes a difference is that a team with Lee and Martinez and an extra \$10 million of payroll has a better chance of being successful in 2010 than a team without them but with Hafner and Westbrook. If it had success that would translate into higher attendance or at least reverse the loss of attendance and with that the financial losses, if any, to the Dolans are minimized. Suddenly the future doesn't look so iffy.

But of course Shapiro couldn't trade a fading Hafner and an injured Westbrook. But by getting caught in the box where such large contracts crippled this team and forced him into making far more dangerous trades of more effective players, Shapiro set the franchise back years if not decades. That may be water over the dam but it's water that's leaving the fans soaked for years to come.

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Dolan couldn't have made a better case for a salary cap in baseball than this quote: "If every four or five years we can have a shot at the World Series and contend for the playoffs at other times, that's as good as it gets for a team in this type of market."

The fact that his assessment is so dead-on accurate is a crushing reality for the fans. One wonders, then, why doesn't the problem get fixed?

Dolan went on to illustrate how the reality of baseball's fundamental economic model impacts a team's entire operations in ways most fans might not even realize. By example he noted that large-market clubs aren't just getting all the prime free agents, but they are using their money to manipulate the amateur draft as well to ensure the best young talent.

Without delving into too much detail on this, and my colleague Tony Lastoria is a far better resource than me, but the byzantine-like system the major leagues use in the draft is directly responsible for this happening. Basically, large-market teams can assure that the top prospects they draft get signed instead of going to college by throwing more money at them. The world-wide amateur free agent market is like a supermarket where they are the only ones that can get through the doors.

Teams like the Indians, on the other hand, often compromise on draft picks and amateur free agents because signability is a huge factor in the decision-making process. If the Indians know that the player is represented by, for example, Scott Boras, an agent that demands top dollar, they'll likely take a pass and gravitate toward a lesser skilled but more signable player. Meanwhile, the better prospect eventually drifts to a large market team that will meet his demands.

The concept of small and mid-size markets basically doesn't exist in either the NBA or the NFL and the common denominator is a salary cap. Out of either foresight or desperation both sports embraced the concept of having all of its partners on a level playing field. Baseball on the other hand doesn't even see it as a worthy goal.

Likewise, in the NFL teams typically don't avoid players on the basis that they are un-signable. Occasionally you'll see a team with a high first round draft pick go in a slightly different direction because it feels it can get the player under contract more quickly, but that is the exception. In the NBA, the concept doesn't exist. A rookie salary scale, more liberal free agent rules and a salary cap that favors the incumbent team all work to keep the playing field the most level in all of professional sports.

The Indians' problems are baseball problems and don't look for any substantive resolution of the former until there are fundamental resolutions to the latter.

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Moving over to the Browns and their own odyssey toward respectability, receiver Braylon Edwards finally returned to practice and we now know, but not through the team, that he was sitting out because of an ankle injury. And we now know, but not through the team, that Edwards was absolutely brilliant during his first practice. We know it because the local media, without absolutely anything better to do, have taken to literally following training camp on a pass-by-pass basis.

Maybe it's due to the restrictions the team has placed on the media or the general distrust that head coach Eric Mangini has toward it, but this season's coverage of training camp by our friends at the Plain Dealer, the News-Herald, the Canton Repository and the Akron Beacon Journal is so mind-numbingly mundane it makes the directions for applying Chap Stick seem positively riveting by comparison.

If case you didn't know, there is a quarterback competition taking place between Derek Anderson and Brady Quinn. In honor of it, readers of our faithful printed newspapers are given the intimate details of just how many passes were completed in the 7-on-7 drills and to whom. If you think this at all matters, well, that's where you'd be wrong.

Mangini says something interesting or insightful publicly only by accident. But yet I actually think that when he told the media that it is not so much a day-by-day analysis as much as it is an overall assessment, he was telling the truth. The fact is that if Mangini is so random as to base the outcome of the starting quarterback decision on who went 5-6 on Thursday morning and who went 4-7, then he is abjectly unqualified to be anything more than the ball boy he used to be.

Maybe it is important how Quinn looked on Tuesday and how Anderson looked on Wednesday morning. Maybe, but I doubt it. Ken Dorsey can look good in a scrimmage. Quarterbacks are made or broken on the actual playing field, which is

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why this Sunday's scrimmage, more than anything that's happened so far, will go a long way toward determining each quarterback's fate.

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The Indians have certainly put me in an existential mood. Thus this week's question to ponder: If the Indians trade Carl Pavano to the Minnesota Twins and no one cares, did the trade really happen?