Outside the Lines

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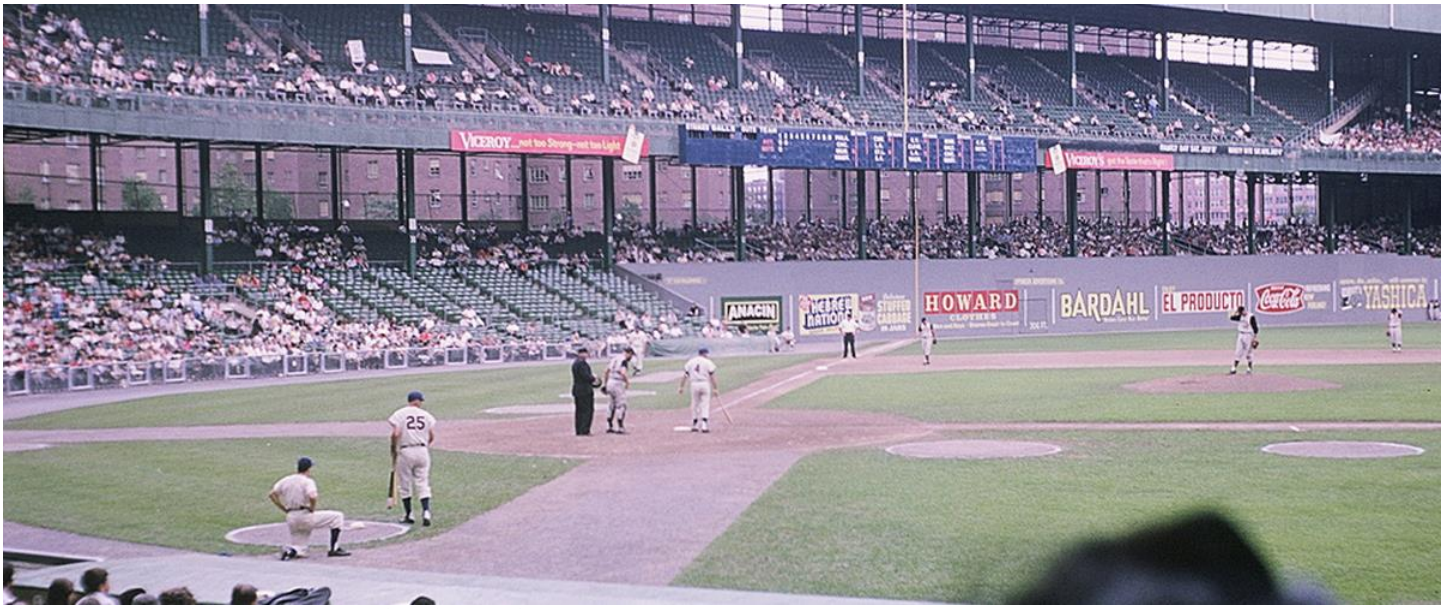


The 1962 Mets played their home games at the Polo Grounds

In This Issue

It's all in the Plan: Bringing Baseball to the Heartland

By Alex Harvey

Alex Harvey is pursuing a history degree at the University of Wisconsin-La Crosse. This article was written in partial fulfillment of his course requirements for the major during the fall of 2018.

Baseball in La Crosse, WI has a long and proud history. Beginning with the first town teams that began play in the 19th century, the National Pastime has always been a popular game in the area. Yet, the people of La Crosse twice (in the 1980s and 1990s) refused to invest money or time into attracting a team and stadium when the ringleaders of such movements were not organized in their efforts. La Crosse ultimately did land a baseball team, and the blueprint for that success can be found on the national stage.

Baseball arrived in La Crosse using an approach set by the city of Los Angeles and the Dodgers in the mid-1950's. Team owner Walter O'Malley meticulously planned the Dodger transition from Brooklyn to Los Angeles. In doing so, he was able to cultivate his grand plan of a team-stadium-town relationship by putting forth his own interests, and letting the whole process play out over a number of years. He also catered to fans by holding Ladies' Days and introducing season ticket plans, thus forging a bond between the team, stadium, and community that transcended the game on the field.

That was not the case for the La Crosse area during the 1980's and 1990's.The 1989 stadium push was voted down due to the far-too-rapid development of the plan, while the 1996-1998 push to bring the FireDogs to town failed for its lack of organizational detail. It was not until local businessman and politician Dan Kapanke in the early 2000s that La Crosse was finally able to

connect to the national precedent when it came to acquiring and promoting a team and ballpark.

The national model: moving the Dodgers

The Dodgers had been a stalwart of Brooklyn for more than half a century when O'Malley moved them across the continent. While not the first team to move, the Dodgers never-the-less established the blueprint for successfully incorporating a new team into a community. O'Malley realized that there had to be give and take from all parties involved. He did not come to Los Angeles with a predetermined set of demands for a ballpark. According to Neil J. Sullivan, O'Malley began the process of relocation as early as 1954, and agreed to donate Los Angeles's Wrigley Field (formerly owned by Philip Wrigley of Chicago Cubs fame, and worth an estimated $2.5 million) to the city, along with paying an annual property tax of $350,000.[1] These events demonstrated that his promises were not just hot air.

Walter O'Malley stands in front of the not yet completed Dodger Stadium

After the team moved in 1957, O'Malley promoted, promoted, and promoted a bit more. Season tickets were given out like never before, and many days were designated as Hat Days, Ladies' Days, and numerous other promotions designed to give back to the supportive fan base.[2]

As fans filtered into the seats to support their new club, the product on the field enhanced the validity of the project as well. After an underwhelming finish in 1958, the Dodgers won the World Series in 1959, the first title for a team west of St. Louis.

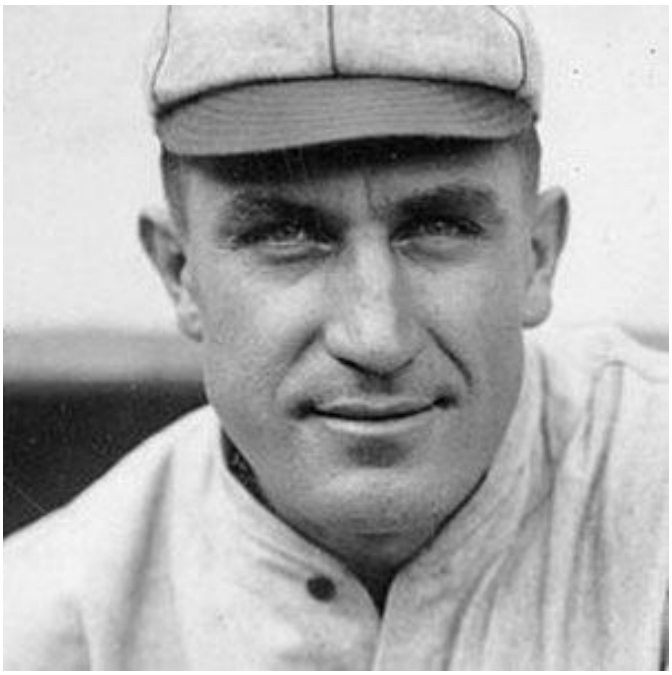
La Crosse imitates Los Angeles

The process used by the Dodgers directly relates to how La Crosse finally landed a baseball team. To understand the desire of many in the La Crosse area to have a team in the 1990's, it helps to look back to the last time that La Crosse did have a baseball team. From 1940 to 1942 La Crosse was home to the Blackhawks, a member of the Class D Wisconsin State League. In 1941, led by former National League All-Star and native son Edward Konetchy, the La Crosse Blackhawks finished second in the eight team circuit with a record of 69-41.[3] However, wartime restrictions led to the contraction of the league after the following season. From 1943 onward, an entire generation in La Crosse would be without an organized baseball team, and aficionados of the game residing in the La Crosse area would be relegated to supporting beer-league teams and school ball.

Sentiment to build a stadium and house a team came to a turning point forty-six years later. Yet, even the early stages were met with scrutiny. In June 1989, the first article was published in the La Crosse Tribune about the possibility of housing a Class-A affiliated Midwest League team for the 1990 season, noting the strong Common Council opposition that "surfaced Thursday night to the city moving too hastily to land a minor league baseball team in La Crosse before the financial implications of such a move are known."[4]

The *Stadium Project*, as it became known, had several fatal flaws. For one, there was no team in place to occupy the stadium at the outset of the project. While officials from the Midwest League eventually agreed to the sale of the Wausau franchise, the lack of an identified club at the beginning of the process smacked of unpreparedness, as if the taxpayer would be paying for something that may or may-not occur.

Timing also negatively impacted the perception of the project. Unlike the long, drawn out process that was the move of the Dodgers, the La Crosse stadium project was pitched in June and voted on in November. Five months was not nearly enough time to convey the entire idea of a multi-million dollar stadium (and therefore, tax hike) to the voting public.



Ed Konetchy, manager of the short-lived La Crosse Blackhawks

Financing was the third and final strike. On September 19th, local businessman Donald "Sandy" Gordon stepped forward and pledged half of the estimated $2.6 million to fund the stadium, a move that supporters celebrated as the final step to ensure the project.[5]

The honeymoon lasted less than two weeks. In late September, the final numbers for the stadium were run. The newly revised cost came to slightly more than $3.6 million, $1.192 million over the original cost.[6] This revelation came less than two months before the scheduled stadium referendum. On the heels of the original lack of any team for the proposed stadium this little "oversight" screamed that the "yes-baseball" faction did not have their entire plan set.

Tellingly, a survey conducted by *The Tribune* stated that while nearly seventy percent of those questioned stated that they would attend games, a staggeringly similar percentage said that they were opposed to a tax hike to fund such a municipal project.[7] While Gordon's pocketbook was open, he and the rest of the "yes-baseball" constituency ultimately were not able to sway the opinion of the general population.

On November 28th more than sixty percent of the voters rejected the stadium project.[8] Thus, the stadium push of 1989 came to an unceremonious end. Looking at it almost thirty years later, it is not hard to understand how a community that professed overwhelming support for a baseball team would refuse to finance a stadium. With neither a team nor proper fiscal planning, the people of La Crosse made it clear that they did not want a binding stadium deal.

A second effort to bring a team to the area occurred seven summers later. Local businessman Ron Minegar, at one time the owner of The La Crosse Bobcats of the Continental Basketball Association, promoted the FireDogs, and believed that he could attract an Independent-League charter for his proposed franchise. Turned down by La Crosse city hall after asking to build his stadium where the proposed stadium of 1989 would have been located, Minegar began searching for other options, such as building a stadium in the nearby towns of West Salem or Holmen.[9] Financially strapped, they began selling stadium bricks and T-Shirts, trying in vain to raise the funds necessary for both a team and a stadium.[10]

Rather than a viable product, Minegar's proceedings began to be viewed as the work of a quirky door-to-door salesman. Lacking credibility, Minegar and his hopes ultimately fizzled by the summer of 1998, with neither a stadium nor a franchise coming to fruition.

Disheartened but still yearning for any sort of organized baseball, the La Crosse community and the "yes-baseball" faction turned to local businessman and state senator Dan Kapanke.

Kapanke was a lifelong baseball fan. His love for the game started as a young child, listening to Milwaukee Braves games with his father as they milked cows. "I knew there was a large group of people in La Crosse, myself included, who really wanted baseball. I also knew that we were on the third strike in regard to getting a stadium, and with the dealings that had transpired in the decade prior, I figured we needed to get something done."[11]

In 1999 Kapanke began corresponding with a business acquaintance, Dick Radatz, Jr. At the time, Radatz was the president of a fledgling operation known as The Northwoods League (NWL). The NWL, was then and is now a summer wood-bat collegiate league. The NWL, established in 1994, was the first for-profit summer collegiate league, and has since grown to become the largest, with more teams, more fans, and more scheduled games than any other collegiate summer league.

Over the next four years, Kapanke was able to obtain a franchise charter, and looked to make baseball a reality in La Crosse by 2003. Instead of looking for undeveloped land on which to build a stadium, which would be by far the largest cost of his project, Kapanke had his eyes on Copeland Park, site of a city-owned Little-League playing field. What's more, the spot where he envisioned a ballpark had once been home to the aforementioned Blackhawks, whose wooden grandstand and outfield fence were long gone, but whose feats still lived on in the memories of dedicated fans.

When asked about the construction of the ballpark, Kapanke remembered that "the biggest obstacle that the previous efforts of Gordon and his associates did not clear was financing. It is not as if people will never spend money. They will come out to the ballpark if they know that it won't break the bank. It is just that they will not spend it if they have no idea what it is going for. A group can't just demand this and demand that from the taxpayer and general public in regard to a stadium. There has to be give and take on each end. You have to spend money for them to spend money. Therefore, we ended up using our own money to fund a public park."[12]

Radatz and Kapanke did not once ask city hall for tax dollars.[13] As Kapanke recalls a decade and a half later, "for me, I think the notion that I spent $600,000 of my own money towards Copeland Park upgrades, along with a relatively similar amount coming from my group of investors, showed people around here that we truly had a plan to make this thing work."[14]

His approach demonstrates why La Crosse was finally able to attract a viable franchise, and how the Loggers have been able to succeed for more than 15 years. "I firmly believe that a city, a team, and a stadium have to form a three-way marriage, for lack of a better term. In that sense, we have *The Loggers Foundation*, which helps those in need at Gundersen-Lutheran Hospital, Mayo Clinic, and a bunch of other worthy causes around town."[15]

Kapanke, like the great Walter O'Malley *en grandeur* before him, was able to attract a team and a stadium by convincing the general community that he, as the owner and leader, was personally willing to invest his time and money in the team. Likewise, the ability to project a grandiose plan has much more merit if one has the rights to both a team and a stadium. Similar to O'Malley, Kapanke continued to cultivate relationships with the community after the initial process.

The Loggers brought 86,991 fans through the turnstiles in their inaugural season of 2003, an average of 2718 per each of the thirty-two home dates.[16] Two seasons later, more than 100,000 fans made their way through the turnstiles, ranking the Loggers second nationally in summer collegiate ball attendance, behind only their Northwoods League rival Madison Mallards.[17] That trend continues today. Considering that Madison has a population five times larger than La Crosse, there is no shame in second place.


Dan Kapanke, owner of the La Crosse Loggers

Kapanke recognizes that there are many other factors besides baseball games that make a team and stadium successful, although he is particularly proud of the 2012 NWL championship and its positive impact on attendance. He knows that with only 32 home dates, there need to be other attractions to make the stadium a financial success. Regardless if one is located in small-town Wisconsin or Big-League California, there needs to be continued promotion of one's line of business.

"We hold concerts and light shows at the park. Heck, last year we even held an MMA Event. You have to continuously keep forging that bond between the organization and the community."[18]

There is a dedicated core of baseball fans in La Crosse. That was as clear in 1989 as it is today.

However, the town hesitated to compromise itself fiscally by hastily bringing in professional baseball in either 1989 or 1996, as doing so seemed to be risking a plunge into the great unknown. Modeling his process similar on the precedent set by the Major-League Dodgers nearly fifty years prior, Dan Kapanke was able to bring a Northwoods League franchise to a brand-new Copeland Park by showing that there actually was a plan to cultivate a team-town-stadium relationship, and that taxpayer dollars would not go to waste on pipe-dream whims.

Notes

[1] Neil J. Sullivan. *The Dodgers Move West (*Oxford University Press, 1987). pp. 135.

[2] John Helyar. *The Lords of The Realm (Oxford University Press, 1995.) pp. 59*

[3] Baseball-Reference.com. "The La Crosse Blackhawks".

[4] Ted Vollmer. "Stadium Sparks Heated Debate". *The La Crosse Tribune.* June 9th, 1989.

[5] Jeff Brown. "Stadium Finds Benefactor" *The La Crosse Tribune.* September 19th, 1989.

[6] Jeff Brown. "Revised ballpark figure estimated at $3.6 million." *The La Crosse Tribune.* September 26th, 1989.

[7] The Tribune Sports Staff. "Stadium, Yes, Tax Hike, No." *The La Crosse Tribune.* October 17th, 1989

[8] Jeff Brown and The Tribune Sports Staff. "Stadium Deal Strikes Out". *The La Crosse Tribune.* November 29th, 1989.

[9] The Tribune Sports Staff. "Dogs Need New Home". *The La Crosse Tribune.* April 8th, 1997.

[10] Jeff Brown. "Firedogs backers not Ready to Give Up Yet". *The La Crosse Tribune.* January 8th, 1998.

[11] Dan Kapanke. Author's correspondence with, December 7th, 2017.

[12] Kapanke, December 17th, 2017.

[13] Jeff Brown. "Baseball almost a Reality". *The La Crosse Tribune.* September 7th, 2002.

[14] Kapanke, December 17th, 2017.

[15] Kapanke, December 17th, 2017.

[16] Northwoods League Record and Fact Book, 2007. p.278

[17] Northwoods League Record and Fact Book, 2007. p.279

[18] Kapanke. Author's interview with, November 17th, 2017.

Recently Published Research

This column highlights recently published articles on topics that may interest members of the Business of Baseball Committee. If you are aware of a source that publishes articles of interest to the readership, please alert me so that I can monitor it.

Carlson, Chad, "Doing Just What the Others Were Doing: The University of Kentucky Wildcats and the Debate over Commercialized College Athletics, 1946–1954," *Register of the Kentucky Historical Society* 115, no. 4 (Autumn 2017), pp 525-60

University administrators, professors, coaches, sportswriters, boosters, fans, and athletes have debated amateurism in college athletics since the end of the nineteenth century. These debates came to a head following World War II, as interested parties discussed eligibility rules and the increasing "commercialism" of college athletics. In the midcentury, complaints about commercialism typically came when players were paid or universities accepted large sums of money for playing certain games, especially in the postseason, both of which ran against the ideal of amateurism. Of course, the ideal of amateurism—as defined by the National Collegiate Athletic Association (NCAA) and university administrators—has changed over time. After the war, "reform-minded educators and the NCAA attempted to eliminate the widespread illegal subsidies and academic manipulations practiced at member schools by establishing uniform national standards," historian Charles Martin has noted. The advocates of amateurism, especially university administrators at midwestern and northeastern institutions, won a major victory in 1948 when the NCAA instituted new rules regarding amateurism. The new Sanity Code, as it was called, was hotly debated and ultimately lasted only a few years. Few college athletics programs endured more turbulence during the immediate postwar years than the University of Kentucky. Between 1946 and 1954, the Wildcats experienced the highest of highs and weathered the lowest of lows, making the period among the most successful and most penalized that any program has ever experienced. Register of the Kentucky Historical Society, 115, no. 4 (Autumn 2017) pp 561-610

Baker, S. Zebulon, "On the Opposite Side of the Fence: The University of Kentucky and the Racial

Desegregation of the Southeastern Conference," *Register of the Kentucky Historical Society* 115, no. 4 (Autumn 2017), pp 561-610

On Christmas Eve 1965, Mrs. Flossie Northington mailed a letter to Kentucky governor Edward T. Breathitt. Six days earlier, she and her family had been his dinner guests at the Governor's Mansion, where he persuaded her son, Nathaniel, an All-State running back at Thomas Jefferson High School in Louisville, to become the first African American to play football for the University of Kentucky (UK). In that moment, Mrs. Northington believed that her son "had made an intelligent decision." Now, she told the governor, "I am no longer of this opinion." Attending UK was her son's choice alone, but Breathitt's intense lobbying—including a limousine ride for the family from Louisville to Frankfort—was, by her account, "the determining factor in his decision to sign," which, "I think, is not good." He became "overawed by your advocacy," she warned Breathitt, "so much so that I am beginning to wonder if the influence you exerted was not too great." She worried that he might even have been "coerced" into signing with UK, since she was "certain that he has not given enough thought to the question." After all, he was being asked to integrate not only Kentucky football, which was challenge enough, but also one of the South's most impenetrable bastions of racial segregation, the Southeastern Conference (SEC).

Kim, Joon Kyoung, Holly K. Ott, Kevin Hull, and Minhee Choi, "Double Play! Examining the Relationship Between MLB's Corporate Social Responsibility and Sport Spectators' Behavioral Intentions," *International Journal of Sport Communication* 10, no. 4 (December 2017), pp 508-530

This study examined the impact of exposure to corporate social responsibility (CSR) messages on individuals' attitudes and behavioral intentions toward a Major League Baseball (MLB) team's CSR efforts. Using a 2 (information source: team source or a third-party source) × 2 (CSR initiatives: efforts to help cancer patients or military appreciation recognition) with two nonfactorial control conditions (team source or a third-party source) experimental design, this study aims to identify how factors such as information source, perceived sincerity, and different types of CSR activities impact a MLB team's CSR messaging on social media. Path analysis was used to examine significant paths between variables; results indicated that CSR messages generated a halo effect, thus providing implications for how MLB teams should develop CSR strategies and most effectively communicate about these efforts. Theoretical and practical implications of study results are discussed.

Brown, Daniel T., Charles R. Link, and Seth L. Rubin, "*Moneyball* After 10 Years: How Have Major League Baseball Salaries Adjusted?, *Journal of Sports Economics* 18, no. 8 (2017), pp 771-786

Michael Lewis' *Moneyball* describes how the Oakland Athletics exploited an imperfection in the way player productivity was being evaluated pre-2003. On-base percentage appeared to be more important in determining *team* success compared to more popular statistics. We test the hypothesis that in a competitive market, other teams will increase the weight given on-base percentage in the reward structure for their players. Our results show that in the post-Moneyball (MB) era, the return to on-base percentage has indeed increased for free agents, the group whose salaries we expect to be most affected by the MB philosophy.

Hill, James Richard, and Nicholas A. Jolly, "Revenue Sharing and Player Salaries in Major League Baseball," *Journal of Sports Economics* 18, no. 8 (2017), pp 831-849

This article analyzes how changes made to the revenue sharing agreement in the 2007 Major League Baseball collective bargaining agreement influenced the salaries of position players and pitchers. The tax rates associated with revenue sharing decreased following ratification of the 2007 agreement. Theoretically, these changes should increase players' marginal revenue product and, therefore, salaries. Results indicate that position players experienced an increase in salary following the 2007 agreement. Pitchers' salaries also increased, but by a smaller amount. The effect of the 2007 agreement was different throughout the salary distribution for position players, but uniform throughout the distribution for pitchers.

Nagy,Lindsey D., Donald J. Dale, and William E. Gryc, "Refinements to the MLB-NPB Posting System: A Clear Win for Japanese Players and Loss

for Japanese Teams," *Journal of Sports Economics* 19, no. 1 (2018), pp 113-152

We theoretically and experimentally analyze recent changes in the posting system used by Japan's Nippon Professional Baseball (NPB) organization and the U.S. Major League Baseball (MLB) organization to transfer the rights of NPB players from NPB teams to MLB teams. Under the old system—a sequential, first-price sealed-bid auction among MLB teams for player negotiation exclusivity rights—the NPB team enjoyed considerable surplus from lucrative posting fees. We predict that the revised system—an English auction with an entry fee—will transfer most of the NPB's middleman benefits (posting fees) to the players through higher salaries. Additionally, we analyze a third, proposed but not adopted, mechanism—a weighted-average sealed-bid auction. Our experimental results confirm our theoretical predictions. Furthermore, under the new system, efficiency is greatest, MLB teams spend less on Japanese players, and the players' salaries increase significantly.

Devlin, Michael B., and Natalie Brown-Devlin, "Using Personality and Team Identity to Predict Sports Media Consumption," *International Journal of Sport Communication* 10, no. 3 (September 2017), pp 371-92

The purpose of this study was to first examine the effects of individual personality on the average time spent consuming sport media each week, and then to examine the extent that team identification mediated the effects of personality on sport media consumption. Personality was assessed using the HEXACO Personality Inventory, which provides a theoretical framework to examine the degree to which six broad personality domains and several underlying personality traits influence behavior. A survey using a national sample of 715 participants indicates that personality traits significantly predict team identity, and directly and indirectly predict sport media consumption. Using this personality framework presents a new area of research for sport communication theories and offers practical application for targeting specific types of individuals when promoting mediated sports events. Future research examining the role of personality in a variety of sport communication areas are offered in conclusion.

Gale, Samuel Edward, "A Bitter Partnership: The Black Press' Contentious Relationship with the Negro Leagues in the Struggle to Integrate Major League Baseball, *International Journal of the History of Sport* 33, no. 16 (2017), pp 1885-1903

In the 30-year campaign to integrate Major League Baseball, the relationships between African-American newspapers and the Negro Leagues developed in three distinct phases. What began as a harmonious partnership where the two institutions worked together to publicize and improve the quality of the Negro Leagues gave way to bitterness and resentment, as each questioned the other's role in integrating the sport. By the early 1950s, however, some black sportswriters attempted to revitalize the Negro Leagues after recognizing that the integration of the sport had damaged this distinctly African-American social and economic institution. Analyzing the contradictory and complicated attitudes and actions of black journalists as they worked with and later disassociated from the Negro Leagues demonstrates the black press' shifting relationship with the Negro Leagues and illustrates the conflict among African-American journalists over how to transition from a segregated environment to an integrated one.

Kellison, Tiimothy B., and Yukyoum Kim, "Public attitudes towards no-vote stadium subsidies: the development and validation of an ex post proxy referendum," *International Journal of Sport Policy and Politics* 9, no. 3 (2017), pp 469-489

In most cases, professional sport stadiums are financed through a mix of public and private investment. The amount of public subsidy allocated for a stadium can vary greatly by project, as can the role of citizens in deciding such matters. With respect to public-stadium financing, research has focused chiefly on citizen participation through direct democracy (e.g. referendums and initiatives). However, the vast majority of stadium projects across North American professional sport receive public financing without any form of citizen vote. Cases of the so-called no-vote subsidy may be problematic to citizens, especially if public policy does not correspond to the public will, a fundamental principle of a democratic system of governance. Given the lack of research in this area, the purpose of this study was to develop a scale that measured citizens' attitudes towards and

consequences of a no-vote stadium subsidy. In this article, we introduce the Proxy Referendum on Public Stadium Appropriation (PROPSA), a 26-item instrument designed to measure 7 constructs: support of financing plan, perceived stadium impact, trust in civically paternalistic leadership, team attendance intentions, congruence with democratic norms, political apathy, and voting intentions. Three associated propositions are introduced, and the scale is tested using a sample of 401 voters registered in a county impacted by a recent no-vote subsidy. In the absence of a public vote, the PROPSA provides a tool for ascertaining the impact of the public will.

Cisyk, Jeffrey, and Pascal Courty, "Do Fans Care About Compliance to Doping Regulations in Sports? The Impact of PED Suspension in Baseball," *Journal of Sports Economics*, 18, no. 4 (May 2017), pp 323-350

There is little evidence in support of the main economic rationale for regulating athletic doping that doping reduces fan interest. The introduction of random testing for performance-enhancing drugs (PEDs) by Major League Baseball (MLB) offers unique data to investigate the issue. The announcement of a PED violation (a) initially reduces home-game attendance by 8%, (b) has no impact on home-game attendance after 15 days, and (c) has a small negative impact on the game attendance for other MLB teams. This is the first systematic evidence that doping decreases consumer demand for sporting events.

Nalbantis, Georgios, Tim Pawlowski, and Dennis Coates, "The Fans' Perception of Competitive Balance and Its Impact on Willingness-to-Pay for a Single Game," *Journal of Sports Economics* 18, no. 5 (June 2017), pp 479-505

The economics literature related to the uncertainty of outcome hypothesis reopens the discussion of whether the fans' perceptions of competitive balance (CB) are in line with Rottenberg's and Neale's theory. This article contributes to the literature by analyzing the effect of fans' perceptions of suspensefulness on their willingness-to-pay for a single-game ticket and evaluating monetarily the (un)importance of CB. Results suggest that fans' notions of competitiveness influence their spending behavior, rising as perceived balance rises, at least up to high levels of competitiveness.

Groothuis, Peter A., Kurt W. Rutthoff, and Mak C. Strazicich, "Structural Breaks in the Game: the case of Major League Baseball," *Journal of Sports Economics* 18 no. 6 (August 2017), pp 622-637

To search for eras in a sports league, we utilize time-series tests with structural breaks in Major League Baseball performance. Using data from 1871-2010, the mean and standard deviation of four different performance measures are examined. Throughout, rather than assume that a break point is known a priori, we identify breaks endogenously from the data. Perhaps most notable among our findings, we identify a deterministic trend in mean slugging percentage with breaks in 1921 and 1992. Interestingly, these years closely coincide with the early years of the free-swinging (Babe Ruth) era and the modern steroid era, respectively.

Bradbury, John Charles, "Monopsony and Competition: The Impact of Rival Leagues on Player Salaries during the Early Days of Baseball," *Explorations in Economic History* 65 (July 2017), pp 55-67

During the early days of professional baseball, the dominant major leagues imposed a "reserve clause" designed to limit player wages by restricting competition for labor. Entry into the market by rival leagues challenged the incumbent monopsony cartel's ability to restrict compensation. Using a sample of player salaries from the first 40 years of the reserve clause (1880–1919), this study examines the impact of inter-league competition on player wages. This study finds a positive salary effect associated with rival league entry that is consistent with monopsony wage suppression, but the effect is stronger during the 20th century than the 19th century. Changes in levels of market saturation and minor-league competition may explain differences in the effects between the two eras.

Baseball in Sauk Centre, MN 1908

Team Ownership Histories Project -- A subset of Bioproject and the Business of Baseball Committee

By Andy McCue

We've seen some real progress on the project this past six months. Jacob Pomrenke of the SABR staff created a webpage for our work at https://sabr.org/bioproj/topic/team-ownership-histories.

Posted so far are the Mets (Leslie Heaphy), the Boston Braves (Bob LeMoine), the Red Sox and Yankees (Dan Levitt and Mark Armour), the Indians (Dave Bohmer), the Dodgers (Andy McCue), the New York Giants (Bill Lamb) and the Diamondbacks (Clayton Trutor).

On the desk of demon copy editor Len Levin are the San Francisco Giants (Rob Garratt), the Phillies (Rich Westcott), the Mariners (Steve Friedman), the St. Louis Browns (Greg Erion), and the second Washington Senators (Andy Sharp).

Working on drafts are Mike Haupert (Cubs), Brian Erts (Reds to '68), Steve West (Rangers), Nick Waddell and Jeff Samoray (Tigers), Andy Sharp (original Washington Senators) and Gary Olson (Twins).

That leaves the Milwaukee Braves, Atlanta Braves, Milwaukee Brewers, St. Louis Cardinals, Miami Marlins, Montreal Expos, Washington Nationals, San Diego Padres, Colorado Rockies, Cincinnati Reds since 1968, Los Angeles Angels, Houston Astros, Philadelphia/Kansas City/Oakland Athletics, Toronto Blue Jays, Baltimore Orioles, Kansas City Royals, Chicago White Sox and the Pirates (where I hope to snap up a volunteer at the convention this summer).

Anyone interested in the un-assigned teams should contact Andy McCue at agmccue44@earthlink.net

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A Call for Submissions

The Business of Baseball Committee has more than 700 registered members. We are sure many of you are doing research that would be of interest to your fellow SABR members. Please consider sharing your work in the newsletter, which is especially well suited to preliminary versions of work you may wish to publish elsewhere. *Outside the Lines* is an excellent outlet for the publication of your research on any topic of baseball that occurs "outside" the playing field. Submissions can be directed to Mike Haupert at mhaupert@uwlax.edu.

A History of the New York Mets Franchise

By Leslie Heaphy

The New York Mets ownership history here is part of a joint project between the Business of Baseball Committee and the BioProject site. As they are completed, the histories will appear in this newsletter and be posted permanently at https://sabr.org/bioproj/topic/team-ownership-histories. *If you are interested in doing a team's history, or part of a team's history, such as the St. Louis Browns years of the current Baltimore franchise, please contact Andy McCue, agmccue44@earthlink.net, who will be coordinating the project. Several team ownership histories are already completed or under preparation, but many still need authors.*

The histories should be as comprehensive as possible, covering the changes in ownership, the price paid, the makeup of partnerships, the division of responsibilities among the partners, the reasoning of both the buyers and the sellers, and

economically significant events within the era of each ownership group. There is no need to talk about events on the field unless they have a direct impact on the bottom line or a change in ownership. It is likely that arguments with cities over stadiums and threatened (or actual) re-locations will play a role in the essays. The histories should be long enough to tell the story, but should be as tight as possible. There is no set word limit. The essays should include endnotes on sources. Heavy detail, such as the holdings of minor partners, might well be left to those endnotes.

Research guidance will be available if needed. Over the long run, it will be necessary to keep updating these essays and the original researchers will be given first opportunity to do those updates.

As part of the expansion of the National League in 1962 a franchise was given to New York City. From 1962 to the current day, the Metropolitans' ownership has been fairly stable. Joan Payson and her family maintained control of the club until they sold it team in 1980. Beginning in 1980, the Mets fell under the primary control of Doubleday and Co., which did not relinquish its control until 1986. Even then the ownership stayed with Nelson Doubleday and his partner Fred Wilpon. In 2002, Wilpon and Sterling Equities bought out Doubleday and as of 2017 have remained the primary owners. The relative stability in ownership for the Mets has not prevented them from experiencing incredible highs and lows during franchise history. Two World Series brought the Mets to the highest honor in baseball while they began with the worst record in MLB history in 1962.

Birth of the Metropolitans

In 1957, when the Brooklyn Dodgers and New York Giants left New York to go to the West Coast, New York fans were left reeling and looking for a replacement. A number of groups stepped in and talks developed about who might move in to take over the market.

Late in 1957, New York Mayor Robert Wagner Jr. appointed a committee to bring National League baseball back to the city. While luminaries such as former Attorney General James Farley, department-store mogul Bernard Gimbel and real-estate impresario Clinton Blume sat on the panel, the real power was attorney William Shea. Shea hoped to lure one of the league's weaker members to New York, but talks with the Cincinnati Reds, Pittsburgh Pirates, and Philadelphia Phillies all failed, so he decided to propose the creation of a third league, to be called the Continental League.

The league would have eight teams, including a New York entry, and would be led by Branch Rickey. After nearly half a century as a major-league player, manager, and executive, Rickey knew any challenger would need strong ownership to provide the money to develop a front office, sign players, and, perhaps, build a ballpark. In New York, the Continental League found its potential owners in the city's old money.

The group was led by Joan Whitney Payson and her husband, Charles Shipman Payson. Her minority partners included George Herbert Walker Jr., an executive with merchant banker Brown Brothers Harriman (and uncle of 41st President George Herbert Walker Bush) and Dwight F. Davis Jr., son of the founder of tennis's Davis Cup. Another was her stockbroker, M. Donald Grant.[i]

Joan Payson and The Old Perfessor

After two years of resisting the Continental League, the National and American Leagues finally came around to the idea of expansion in late 1960. Each would add two teams and the National League would take its ownership groups (New York and Houston) from the Continental League groups. National League play was to begin in 1962.

The decision gave Payson the distinction of being the first female baseball franchise owner in four decades and the first who did not own the team because her husband had died. She had first gotten involved in baseball by buying one share of stock in the New York Giants in 1950 and gradually increased her involvement to a 10 percent share by the mid-1950s. Before the Giants moved there was some thought that she might invest more heavily to keep the Giants in New York, but she sold her shares when the Giants followed the Dodgers to the

West coast. Payson's interest in baseball came from her mother but it was not her only sporting interest. She also invested heavily in horse racing, owning a stable with her brother Jock.[ii]

Joan Whitney was born in New York in February 1903 to a family with an impressive lineage. Her father, Payne Whitney came from a family line that included a Democratic senator from Ohio in the 1880s. His own father, William C. Whitney, served as secretary of the Navy during the administration of Grover Cleveland and owned a streetcar line. His uncle, Col. Oliver Payne, left his fortune to his nephew when he died in 1917. Her mother, Helen Hay Whitney (from Cleveland) was the daughter of John Hay, who began his career as assistant private secretary to President Abraham Lincoln. He went on to serve as secretary of state to both Presidents McKinley and Roosevelt. Joan inherited her father's fortune with her brother upon their father's death. Payne Whitney had not only inherited money but added to his fortune with investments in banking, tobacco, railroads, mining, oil, and Greentree Stables.

Saul Katz and Fred Wilpon celebrate the Mets 2015 NLCS victory over the Cubs

Joan Whitney married Charles Shipman Payson when she was 21. Their marriage at Christ Church was a huge social event uniting two old-time wealthy families in 1924. During the course of their marriage they had five children, three girls and two boys, but she continued to oversee and invest her own money in horses, art, and the New York Mets.[iii]

After paying $1 million for her primary investment, Payson moved quickly to organize and name her new ballclub. In March 1961, the first major management decision was made: to hire George Weiss as president and general manager. Weiss had been with the New York Yankees from 1932 to 1960 and been incredibly successful, as his election to the Baseball Hall of Fame in 1971 proved. Weiss insisted on bringing Casey Stengel on board as the new manager. Then, in May 1961 Payson hosted a gathering at her Manhattan home to name the new club. According to some of those present, Payson's personal favorite was the Meadowlarks but the New York Metropolitans was chosen. Payson herself announced the name at the Savoy on May 8, 1961, indicating that the team would be known by the nickname Mets. A new logo was commissioned from sports cartoonist Ray Gotto and unveiled in November 1961.

M. Donald Grant first met Joan Payson at a club in Florida in the 1940s. Over a game of cards the conversation shifted to what each of them would buy with their money, and Payson and Grant both wanted to buy the New York Giants. From there a lifelong friendship and working relationship began. Grant was born in Montreal, the son of Michael Grant, a professional hockey player. He eventually found his way to New York City to make his fortune. He started as a night clerk and worked his way up to being a managing partner in Fahnestock and Company while also serving on the board of the Mets.[iv] While Grant was a minority owner, Payson claimed that her investment was about 85 percent of the team.[v] Grant served as the chairman of the board until he resigned in 1978.

One of the biggest concerns for Payson and the other MLB owners was where the Mets would play.

Plans were immediately underway to construct what was to be known as Flushing Meadows Stadium, but it would never be ready for the first season. One proposal was to share Yankee Stadium, but the Yankees ownership was not interested in anything less than a long-term rental agreement. The team then turned to the Polo Grounds, the former home of the Giants, and the Mets played their inaugural home opener there on April 11, 1962, a game they lost 11-4 to the St. Louis Cardinals. The Mets went on to have the worst record (40-120) of any major-league team in the twentieth century, and attendance for the season was only 922,530.

When Shea Stadium finally opened for the Mets to play their home opener on April 17, 1964, it was supposed to be the state-of-the-art in ballparks. Sadly, the reality was different, though the outcome of that first game was as expected. The Mets lost to the Pittsburgh Pirates, 4-3. When Shea Stadium was first proposed, it was planned to be part of urban planner Robert Moses' vision for all of Flushing Meadows Park. Moses originally used the idea to try to entice Walter O'Malley to move the Dodgers from Brooklyn to Queens.

Shea and Moses had to find a way around a New York state law that prohibited the city from borrowing money to build a stadium. The only way around the law was to prove that the stadium could pay for itself from rent and event revenue. If the new team paid a substantial annual rent, then 30-year bonds could be paid off and no money would need to be borrowed. All Shea and Moses had to do was convince others that the idea could become a reality. With the endorsement of the *New York Times* and other dignitaries, the deal was made and stadium construction began. Sadly, the Mets were never able to live up to that monetary commitment and that would cause difficulties when Fred Wilpon wanted a new stadium three decades later. The Mets were also granted exclusive rights to Shea during the course of the baseball season by Parks Commissioner Newbold Morris. One of the other features of Shea Stadium was the fact that the ballpark was built for multiple tenants, a trend for municipal stadium development in the 1960s. Due to his efforts in bringing National League baseball back to New York, Shea became the logical person to name the new stadium after.[vi]

Shea Stadium was dedicated the day before the home opener with Shea, Mayor Wagner, Robert Moses, manager Casey Stengel, Joan Payson, and many dignitaries in attendance. Shea christened the new field with water from the Harlem River and the Gowanus Canal. The Polo Grounds had stood on the banks of the Harlem, and its water represented the lost Giants, while the canal ran through Brooklyn near an early field of the Dodgers.

Unfortunately, the new stadium would be plagued by financial issues and water concerns throughout its life. Being built on marsh land meant the new stadium had constant drainage issues. Those issues were not helped when the outfield fences were moved in and the drainage pipes were then outside the fences. The planned 80,000-seat expansion and dome did not happen due to financial shortfalls. The financial woes would continue to plague the Mets for their entire history. Shea Stadium's financial overruns affected how the city later dealt with the desire by the both Mets and Yankees for new stadiums.[vii]

Part of the blame for the terrible start can be placed squarely on the shoulders of the aging and increasingly disengaged Casey Stengel. But the 1961 expansion draft was the primary trouble. Each National League team had to make available players for the Houston and New York teams to draft. The draft was scheduled for the period before major-league teams had to add blue-chip prospects to their 40-man rosters and thus make them eligible for selection. The Mets' selections came primarily from players at the end of their careers or players with no big-league experience. Coupled with the declining skills of Stengel, who was the oldest manager in the major leagues at the time, the Mets got off to a dismal start.

Payson and her fellow board members did not lose heart, bolstered by attendance success that was unexpected given the team's on-field performance. The team drew over a million fans to the Polo Grounds in its second year, despite another dismal performance, and then shot to 1.7 million, second in the league, the year Shea Stadium opened. The success continued for much of the next two decades.

This helped the owners keep their faith in George Weiss, who was trying to build a farm system. But Weiss turned 72 during the 1966 season and Grant

looked for a younger man. In 1967 Bing Devine took over as general manager for one season before being replaced by Johnny Murphy for two years. Murphy guided the Mets to their improbable World Series win in 1969. When Murphy suffered a heart attack in December 1969 he was replaced by special-assignment scout Bob Scheffing and farm director Joe McDonald. There was no assistant GM at the time and Grant, as chairman of the board, made the assignment based on who was on hand. Scheffing, who had never held such a responsibility, remained in charge, guiding the Mets back to the playoffs in 1973. Joe McDonald was the last GM that Payson hired in 1975, before her death in October of that year. Until 1968, Payson was one of five vice presidents but with Devine's resignation she added president to her résumé. The other VPs were G. Herbert Walker Jr., James K. Thomson, John J. Murphy, and Casey Stengel.[viii]


FINAL DAILY NEWS

Mets Deal Stars:

SEAVER TO REDS; KINGMAN TO S.D.

The trading of Tom Seaver helped to seal M. Donald Grant's fate

While Payson was owner, she did not get involved in many of the day-to-day decisions of the ballclub. She preferred to remain in the background and be the team's number-one fan. She attended games regularly, took care of the players, and even decorated part of her house in Mets colors. One of the few personnel decisions she weighed in on was bringing Willie Mays to the Mets, as he had been her favorite player with the Giants. Much of the operational work was done by the GMs, front-office staff and M. Donald Grant, though Grant indicated in an interview that he was credited with more input in decisions than he ever gave. He claimed he never interfered in the choices made by the GMs but just offered advice and counsel.[ix]

After Joan Payson

After Joan Payson died, her shares were bought by her husband Charles Payson, making him the majority stockholder with nearly 90 shares. Mr. Payson was not really much of a baseball fan, preferring instead to remain involved in his own businesses and occasionally going out bird hunting at their home on the Florida Gulf Coast. Payson's other athletic interests were boxing and rowing. (He'd participated in the latter when he attended Yale.) He later attended Harvard Law School. He also took a keen interest in their horse farm in Kentucky. Given Charles's lack of interest, the family involvement fell to Payson's daughter Lorinda de Roulet, who became president and then chairwoman of the board after Grant resigned in 1978.[x] Payson gave about 33 percent of his shares to his four children, including de Roulet, making him still the majority stockholder, with about a 52 percent interest. The other stock was held by Fred Trask, who had been Mrs. Payson's financial adviser.[xi] Grant was asked to step down by de Roulet and the rest of the board, primarily due to his refusal to spend money on free agents. His frugality was given as the primary reason for the Mets' decline into the cellar from 1973 to 1978. The trade of the popular Tom Seaver may have been the final straw for de Roulet.[xii]

De Roulet had attended Wellesley College and married Vincent de Roulet, later President Nixon's ambassador to Jamaica. He died young, leaving her as a widow with three children and a ballclub to run. She relied on GM Joe McDonald for most decisions but did not expect to be a silent owner. As chairwoman, de Roulet needed to learn the business to work with VP for business James K. Thomson and William Murray, treasurer and controller.[xiii]

Under de Roulet's guidance, the Mets continued to struggle on and off the field. Their lowest attendance in franchise history came in 1979 with only 788,905 fans attending home games. These struggles led to speculation that Payson was trying to find a buyer for the team. The press had fun speculating on potential new owners but none materialized and de Roulet assured fans that her family was not leaving. Joe Torre, who managed the Mets manager under de Roulet, commented, "Her heart was certainly in the right place and she tried to make the club reasonable."[xiv] That promise remained true until January 1980, when the Mets franchise changed hands for the first time in club history. Payson invited bids for his club and 21 groups responded. New York Islanders chief

operating officer John Pickett helped bring together Doubleday and Wilpon to win the lottery for the Mets.[xv]

A New Day: Doubleday and Co.

On January 24, 1980, the Payson family sold their controlling interest in the Mets to Doubleday and Company and to Fred Wilpon, chairman of the board of Sterling Equities Inc., for a reported $21.1 million. Nelson Doubleday Jr. negotiated the deal on behalf of his family's publishing company, giving them 80 percent controlling interest. Fred Wilpon bought the remaining stock through his two companies, Sterling Investments and City Investment Corporation. Wilpon remained a minor partner until 1986, when he and Doubleday bought out the publishing company's interests after Doubleday and Co. was sold to a German company, Bertelsmann AG. At that point he moved from a 5 percent owner to 50 percent.[xvi]

Like the Paysons before him, Nelson Doubleday had an extensive pedigree. Born in Oyster Bay, Long Island, on July 20, 1933, Doubleday attended private academies before enrolling in Princeton University, where he played football, baseball, and hockey. Armed with a degree in economics Doubleday worked his way up through his grandfather's company, eventually taking full control in 1973. After taking over as president and CEO in 1978 Doubleday had the power to buy the Mets in 1980. Doubleday and his wife, Sandra, had four daughters, none of whom took any interest in the baseball franchise.[xvii] Doubleday was described by those who worked with him as patient, quiet, classy, and charming but also a hard-headed businessman.[xviii]

Fred Wilpon was born on November 22, 1936, in the Bensonhurst section of Brooklyn. At Lafayette High School he played baseball with Sandy Koufax. Koufax played first base while Wilpon pitched. Wilpon attended the University of Michigan on a partial scholarship but blew out his arm before the start of his sophomore season. He graduated in 1958 and continued to be supportive of the university financially. Wilpon and his wife, Judy, had one son, Jeff, and Judy worked in baseball for a time as well. She was hired in 1959 by Branch Rickey as a secretary. Unlike the Doubleday children, Jeff Wilpon took a big interest in the team and eventually became the chief operating officer.[xix]

Wilpon made his money in real estate, working with his partner Saul Katz. Katz was a CPA who graduated from Brooklyn College and was the brother of Wilpon's wife, Judy. Wilpon spent five years at Hanover Equities before branching out with Katz. In 1972 they founded Sterling Equities and their first project involved townhouses in Tarrytown, New York, up the Hudson River from Manhattan. Wilpon and Katz worked well together from the start as opposites in character. Those who knew them well described Wilpon as hands-on but calm while Katz was more aggressive and streetwise.[xx]

One of the first moves Doubleday and Wilpon had to make was hiring a new GM after Joe McDonald left to join the Rangers. Frank Cashen joined the team from Baltimore and would remain as general manager through 1991. Doubleday, as the principal owner, was not a meddler and left the day-to-day decisions to Cashen. He told reporters he would prefer that nobody knew who he was. Doubleday gave all the credit for the Mets' success to Cashen, telling a *New York Times* reporter, "The reason the Mets are a success is Frank Cashen – no ifs, ands or buts."[xxi] It would take a few years but gradually the new owners and Cashen were able to turn the Mets' fortunes around, on and off the field. The highlight of the partnership came when the Mets won the World Series in 1986 though they would not return again until 2000 in the Subway Series when they lost to the New York Yankees, their crosstown rivals.

After the World Series win in 1986 expectations were high for the Mets to continue to be at the top of the game, but that did not happen. Many of the stars of that championship team found themselves in trouble with drugs and alcohol. Pitcher Dwight Gooden ended up in drug rehab in April 1987. During the 1986 season the Mets were known around the league as boozers, womanizers, and brawlers. Ron Darling and Tim Teufel, for example, got into a scuffle with Houston police after a long night of partying. Doug Sisk, Jesse Orosco and Danny Heep were often referred to as "The Scum Bunch."[xxii]

While the Mets of the 1980s enjoyed seven good seasons, 1990 was the last winning season. After a tough start, Cashen, fired manager Davey Johnson on May 29, replacing him with third-base coach

Bud Harrelson. Harrelson managed to turn things around and the Mets ended the season with 91 wins, in second place behind the Pirates. But the 1991 season ended with Harrelson gone, Cashen resigning and the Mets in fifth place. From 1991 to 1996 the Mets had losing seasons again.[xxiii]

The club's troubles continued, leading Wilpon to make a strong statement about the need for change in 1993. "Our club is in last place, and we have been plagued all season by a series of embarrassing off-the-field incidents that have indirectly subjected us to local and national criticism. But that will change."[xxiv] One of those incidents involved Vince Coleman lighting a firecracker and throwing it into a group of fans. Three fans got hurt and Coleman ended up having to complete 200 hours of community service. Bret Saberhagen apologized to Mets fans and donated a day's salary to charity after he shot a water gun full of bleach into a room full of reporters.[xxv] The change Wilpon was talking about was replacing GM Al Harazin, who had taken over after Cashen resigned at the end of 1991. Harazin was replaced by Joe McIlvaine who served as GM from 1994 to 1997. The 1990s ended with Cashen returning as interim GM and Steve Phillips returning the Mets to the World Series in 2000, while serving as GM from 1998 to 2003.

Wilpon Era

In 2002 Wilpon finally bought out Doubleday for $135 million and became the single principal owner of the Mets, a position he has maintained as of 2017. Wilpon initially hoped to find partners but they all backed out after the terrorist attacks of September 2001. Wilpon and Doubleday had not agreed on how to run the ballclub for many years leading up to the split. Their disagreements forced even the members of the board to have to choose sides. Saul Katz and Marvin Tepper supported Wilpon while Dick Cummins supported Doubleday Jr. They disagreed on how involved to be, how much money to spend, and even on whether or not to build a new ballpark. Doubleday wanted to renovate Shea and Wilpon always wanted to build a new ballpark.[xxvi]

The sale of the Mets did not happen smoothly and required the help of outside arbitrators and Major League baseball to make the sale happen. Part of the issue was the value of the team determined by the assessor, Robert Starkey. In 1986 the Mets were valued at approximately $100 million but by 2002 that value had grown to $391 million. Due to previous agreements Doubleday had to sell to Wilpon and could not put the team out for bids on the open market. Wilpon wanted to be the principal owner in order to build a new ballpark. Doubleday thought Starkey and other appraisers had put the value of the team too low and he wanted to sue. He even accused Commissioner Bud Selig and Major League Baseball of conspiring to keep team values low to lessen the amount that had to be borrowed.[xxvii]

By becoming the majority owner of the Mets, Wilpon was able to make good on his desire to replace the aging Shea Stadium. It was a struggle. Shea had been a financial boondoggle for the city. In addition, when the Yankees wanted to rebuild Yankee Stadium in the early 1970s, they argued that the $28 million the city had spent building Shea for the Mets should mean an equivalent amount for their project. They were convincing, but escalating costs pushed the Yankees project well over $100 million at a time when New York City was having severe financial problems. City taxpayers clearly were opposed to spending municipal dollars on new stadiums, and the Yankees were looking for a new ballpark as well.

For the Mets, Wilpon solved the problem with a lot of persuasion and a dose of private funding. While taxpayers provided the majority of the money, a new operating arm called New York City Economic Development Corporation for Queens Ballpark LLC was created to oversee the funding and ongoing financial concerns related to the park. The 42,000-seat Citi Field opened in 2009 with much of the funding coming from over $613 million in Citi Field bonds. Installment payments, lease revenue, and another $82 million in insured debt financed the rest of the construction. Unfortunately for many of the bond holders between 2009 and 2014, the Mets attendance fell below projections by as much as 30 percent, meaning little revenue was gained. Their World Series run in 2015 helped to raise revenue by nearly $25 million, allowing the Mets ownership to pay down some of their debt.[xxviii]

After Wilpon became the sole majority owner, the Mets seemed to settle in to mediocrity. One reporter called the signing of manager Art Howe before the 2003 season as "desperately chintzy."[xxix] Howe was

not a risk-taker and seemed to settle for not shaking anything up. Wilpon did not want to spend any money and even indicated he would walk away before having to spend too much. The one exception seemed to be the signing of Tom Glavine for $35 million. By 2004 his attitude seemed to be changing as a member of his staff stated, "Fred believes in accountability. He's not going to sit by and allow things to just get worse."[xxx]

Jeff Wilpon also became increasingly involved in the club. He had always loved baseball and wanted a bigger role. He played in high school and caught batting practice for the Mets. He worked for a time with the Montreal Expos before coming back home. By 2004 he was running the minor-league Brooklyn Cyclones and serving as vice president for Sterling Equities. As he became the CEO for the Mets some blamed him for the club's poor performances. He was described by some as a "hot-tempered know-it-all and meddler."[xxxi] Other staff disagreed and said that unlike his father, Jeff was willing to spend money and he was not overbearing or abrasive. Jeff found himself the center of a lawsuit of his own in 2014 over the firing of a pregnant female employee. Leigh Castergine was the senior vice president for ticket sales when she was fired. Her suit charged that she was fired because she was pregnant and unmarried while Jeff Wilpon argued that Castergine was let go because she did not meet sales goals.[xxxii]

The biggest scandal in Mets history came with the revelation in 2008 of the Bernie Madoff Ponzi scheme. The financial issues coincided with the Mets' best attendance, just over 4 million fans, and the recent opening of their new ballpark. The future looked rosy and then the bottom fell out financially. The troubles caused by the Madoff scandal would affect the Mets for nearly a decade.

As a result of all the financial losses associated with the Madoff scheme ending their investment returns and his own real-estate decline, Wilpon needed to find an influx of cash. To cover basic expenses, they tried to sell some Mets shares in 2011 to David Einhorn. When that deal fell through, Wilpon had to look elsewhere. Einhorn wanted to become the majority owner with a $200 million investment, but Wilpon was not willing to relinquish his role as majority owner.

In 2012 the Mets sold 12 minority shares to stabilize the financial situation. Four shares were bought by SportsNet NY (SNY) while Steve Cohen of SAC Capital Advisors bought a single 4 percent share along with Bill Maher, a lifelong Mets fan. Bob Pittman from Clear Channel and venture capitalist Kenneth Lever bought one share together. Jeff Wilpon and Saul Katz also bought one share apiece. Sterling Equities, the investment company of Wilpon and Katz, owns nearly 65 percent of SNY, keeping those minority shares somewhat in the family. What the Mets ownership was really doing was transferring some of their debt from the team to the sports network. Another investor was James F. McCann, an executive of 1-800-Flowers. At the time McCann bought a share for his company it was under investigation itself for defrauding customers. McCann said he bought the share because he was a family friend of Fred Wilpon and a lifelong Mets fan. The influx of money from the minority sales helped to pay off bank debt and a loan from MLB. The new owners also worked out a deal under which they could sell back their shares in 2018 for their original cost plus 3 percent interest each year.[xxxiii]

In addition to the sale of the team, Wilpon and Katz cut salaries by over $50 million and shrank their workforce by 10 percent. They also eliminated a minor-league team and cut ticket prices to help boost falling attendance. To make up for the cut in prices, attendance would need to increase by over 500,000 to allow the owners to pay off what is owed on Citi field and interest on other debt. All of these measures were a one-time fix that would not correct long-term revenue issues. The key for the Wilpons was to improve the roster of the ballclub with no extra money.[xxxiv]

Citi field became a concern during the Madoff revelations as bond owners asked what would happen to the ballpark if the Mets went under. To help reassure wary buyers, the Mets bought bond insurance from Ambac Assurance Corporation, which would be required to pay if the Mets could not. What seemed like a workable solution got more complicated when Ambac filed for Chapter 11 bankruptcy in 2010. Ambac emerged from bankruptcy in 2013 and the Wilpon group was able to weather the financial storm and hold on to the team.[xxxv]

The situation for the Mets finally improved with the settlement of some litigation and the 2012 influx of cash. Wilpon was able to right the ship and begin spending again. David Wright was given the biggest contract in Mets history at $138 million for 10 years. At the same time the Mets were also still paying off Johan Santana's $137.5 million contract through 2014. With the increase in salaries and a new GM, Sandy Alderson (who took over in 2010 from Omar Minaya), the Mets began a climb that resulted in their return to the World Series in 2015, which they lost to the Kansas City Royals. The team pushed their 2016 season to a wild-card game that they lost. At the end of the 2016 season Alderson was able to re-sign Yoenis Cespedes for $110 million for three years, indicating willingness on Wilpon's part to commit some big funds for the future.[xxxvi]

With Fred and Jeff Wilpon still at the helm, the Mets continue to enjoy stability in ownership which has provided them with ups and downs over the years. Saul Katz continues to serve as team president.

Citi Field, home of the Mets since 2009

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