



Outside the Lines

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The 1921 New York Yankees

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A History of the Chicago Cubs Franchise

This is part three of three. The first two parts were published in volume 26 of Outside the Lines

By Mike Hauptert

The Chicago Cubs 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, agmcue48@gmail.com, 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.

A History of the Chicago Franchise in the 19th century (part 3 of 3)

Part III: A change of leadership: from Spalding to Hart

In April of 1891, after an exhausting off season, Albert Spalding turned in his resignation as President of the club in order to devote more time to his sporting goods business. He “washed his hands of the Chicago club’s affairs and turned the entire business over to James Hart, who was unanimously elected President of the club for the ensuing year.” Spalding explained that he had intended to retire upon returning from his world tour, but put it off



James A. Hart

due to the Brotherhood revolt. “Now that this matter has been settled and the National League reestablished on a good, firm basis, I feel that I can quietly retire from active base-ball management without being accused of deserting the old organization in time of adversity.” He retained stock in the ball club, and expressed his confidence in Hart, “a man thoroughly competent and well qualified.”¹

Hart had recently joined the White Stockings front office as club secretary. He had a history with Spalding, having managed the team of All Stars facing the White Stockings during the 1888-89 world tour as well as serving as the tour’s business manager. Hart was an experienced manager at the time, and also had success touring baseball teams. His managerial career began with his college team, the Grand River Institute in Ohio, in 1874. For the next several years he managed a variety of amateur teams before purchasing stock in the Louisville franchise of the American Association, where he was named Vice President in 1884. The next year he was named manager. He led his team on a post-

season tour to the West Coast after the season and managed the club again in 1886. He sold his stock and left Louisville in the spring of 1887 when he bought the Western Association’s Milwaukee franchise, which he managed until selling it following the 1888 season.² During the winter of 1887-88 he took three National League teams, including the White Stockings, to California on tour and “through the most careful management prevented the scheme from being an utter failure.” Slight praise for a trip that was a financial success.³

Hart was born in Girard, Pennsylvania on July 10, 1855. Prior to his baseball connections, he had been a successful businessman, owning stores in four states at various times. He also dabbled in the theatre, as half owner of a venue in Milwaukee. After working with Spalding on the world tour he spent the 1889 season managing the NL Boston team, and then returned to England in 1890 to start the British Base Ball League, organized by Spalding. The league failed after one season, sending Hart back to the US, where he joined the White Stockings.⁴

Chicago’s decline in the standings paralleled the ascent of James Hart to the club presidency. The transition was not a smooth one. Adrian “Cap” Anson was not happy to have been passed over for the presidency. Despite conciliatory words from Spalding, who assured him that Hart was merely a figurehead, the incident opened a rift between Spalding and Anson.⁵ Anson also had problems with Hart, and the two began to butt heads almost immediately. “Hart regarded Anson as a relic of the past who was unwilling to change with the times. Anson countered by calling Hart a usurper who undermined his authority by encouraging rebellion among the players.”⁶

Hart’s conflicts stretched beyond the White Stockings. He capped his first season as president by accusing New York of throwing its games against Boston late in 1891 in order to deny the pennant to the White Stockings. He claimed to have information that there had been “either downright dishonesty on the part of the New York

² Caillault, p 298

³ *New York Clipper*, undated from James Hart file, National Baseball Hall of Fame Library

⁴ Nemeč 2011, p 127

⁵ “Anson Replies to Hart,” *Chicago Tribune*, January 7, 1900, p 17

⁶ Ahrens 1991, p 141

¹ “Hart is President Now,” *Chicago Tribune*, April 15, 1891, p 5

club, or gross incompetency on the part of those in control of the team in the games played in Boston.”⁷ He insisted the league investigate the matter. The Giants executive committee met with the players on October 8th, and exonerated them of any wrongdoing. A few years later he went after one of his own, accusing pitcher Jack Taylor of throwing games to the crosstown White Sox in the post-season city series. In this case, it appeared that Hart was correct in his suspicions. Taylor was reported to have been overheard saying “Why should I have won? I got \$100 from Hart for winning, and \$500 for losing.” Things got worse for Taylor, who was hauled in front of the National Commission on charges of throwing games, and was fined, though avoided any harsher penalties.⁸

His most dramatic confrontation came during league meetings in March of 1899, when he tangled with Philadelphia owner John Rogers. During a dispute about enforcing fines, Hart “tried to land a knock-out blow on Colonel John I. Rogers of Philadelphia, and Rogers in turn made an effort to draw his pistol.”⁹



The 1908 Cubs, two-time World Series Champions

Quick thinking by President Young, who jumped between the two would-be combatants, prevented any injuries beyond personal pride.

At the conclusion of the 1891 season, NL champion Boston refused to play the AA champions from the same city. By the following spring, the AA folded and the NL absorbed four of their franchises.¹⁰ In so doing, the NL bowed to the popular 25 cent ticket, a hallmark of the American Association, directing all teams to dedicate a portion of their seats for the lower priced admissions. Ever the businessman, Spalding rejoiced at the elimination of another competing league, predicting lasting peace

and prosperity. He firmly believed that profitability and contentment were a function of monopoly. Peace, if not prosperity, lasted the rest of the decade, before the NL finally met a foe it could not vanquish.

The dramatic decrease in the number of available jobs for ballplayers was quickly exploited by the National League, which cut salaries by as much as 40% for the 1892 season. Hart described the cuts as “only the natural consequences of baseball history,” pointing out that “the same thing is done every day in other lines of business, only no talk is made of it.”¹¹

Before the 1892 season, President Hart announced that the White Stockings would play all their games at the South Side grounds, temporarily abandoning the west side.¹² The move seemed practical for a

number of reasons. The team had drawn more fans at the south side location in 1891. Hart was looking forward to the anticipated 1893 World’s Fair crowds spending their afternoons at the nearby South Side grounds, and the team was planning to build

a new stadium at a west side location, announcing that “it is probable that we will play there next year, as the West Side is the best part of the city for ball games.”¹³ Beginning in 1892 the NL allowed Sunday games, but the Colts’ lease at the south side grounds prohibited Sunday ball.

It was the potential profits of Sunday ball that eventually led to a major reorganization of the White Stockings franchise. President Hart believed in the future of playing on the Sabbath, but majority stockholders Spalding and Walsh were not interested in pursuing the opportunity. However,

⁷ “President Hart is Angry,” *New York Times*, October 4, 1891, p 7

⁸ Ahrens 1976, p 93

⁹ “Hart Attacks Rogers,” *Chicago Tribune*, March 25, 1899, p 6

¹⁰ Baltimore, Louisville, St. Louis and Washington

¹¹ Seymour, p 267

¹² They would return in 1893, to the newly built structure designed by James Addison, also to be referred to as the West Side Grounds.

¹³ “Chicago Gleanings,” *Sporting Life*, April 22, 1893, p 3

they were not against selling their shares to someone who was. So, in the fall of 1892 Hart, along with Charles M. Sherman, an attorney, and Thomas Barrett, a member of the Chicago Board of Trade, purchased the White Stockings.

The sale involved creating a new stock company, the Chicago League Ball Club, capitalized at \$100,000. It took over the franchise and the lease on the south side grounds. The original stock company was still held by Spalding, Walsh, and Charles T. Trege.¹⁴ It no longer had any direct control over the team. Instead, the old corporation managed real estate. They owned a large parcel of property at Polk and Lincoln (later Wolcott), not far from the West Side Grounds, where a new ballpark was to be built at an estimated cost of \$30,000. The site was large enough that it could also accommodate other building lots. Among other real estate held by the old corporation was the property in Hot Springs, Arkansas where the team held its spring training. Hart's new corporation, of which he was president, signed a ten year lease to play ball on the yet to be built west side grounds, owned by the old corporation. The new corporation was chartered by Hart, Sherman and Barrett, but all of the original stockholders had the opportunity to buy into the new corporation.¹⁵ Spalding, Walsh, and Anson all took advantage of the opportunity, and Anson stayed on as field manager.

The reorganization was finalized on December 17, 1892, and when it was done A.G. Spalding, his brother Walter, and John R. Walsh held 640 shares, the estate of J.W. Brown held 132 shares, Anson owned 130 shares, and Hart held 83 shares. The remaining 15 shares belonged to Frank Andrews.¹⁶ Hart increased his holdings over the next decade, until assuming majority ownership in 1902. Spalding incorporated his holdings of real estate, his sporting goods business, and his White Stockings

stock in New Jersey with capital stock of more than \$4 million. He also purchased the Reach Sporting Goods Company for \$100,000 after Reach defaulted on an 1887 loan he had obtained from Spalding.

Spalding stood at the peak of the sporting goods industry, with offices in 23 US cities, stores in 65, and a payroll numbering 3500 employees, who turned out more than one million baseball bats a year.¹⁷ After the new incorporation, he still had a substantial financial interest in the White Stockings, but stepped back from active involvement with the club, and over the next decade reduced his financial interests in the club as well, selling his remaining shares in 1902.

He eventually moved to California and made an unsuccessful run for the U.S. Senate. Through his sporting goods company he continued to publish the annual NL official league guide and he wrote *America's National Game*, part memoir, part history, in 1911, which, despite its many shortcomings, was the first true effort to tell baseball's history. He remained a force in the game until his death in 1915. Referred to as the Father of Baseball by the early 20th century, Spalding used that respect to help promote his desire that baseball be recognized as a purely American sport in origin. That overzealous desire led to one of his more dubious "contributions" to the game – the propagation of the myth that Abner Doubleday invented baseball.

Spalding died of apoplexy at age 65 on September 9, 1915 at his home in Point Loma, California. He was survived by three children and his second wife, to whom he left the bulk of his estate, valued at \$600,000.¹⁸

In 1893 Hart moved the team again, to the newly constructed West Side Park,¹⁹ which was regarded as the finest baseball edifice of its day. He had a telephone installed in his box seat so he could conduct business while watching games. The field was huge, 540 feet to left and right (150 feet longer than the old west side grounds). The grandstand contained 3000 folding chairs and 500 opera chairs.

¹⁴ The original capital of the Chicago ball club (the old organization) was \$20,000, in shares of \$100 each. Some time prior to 1890 the capital stock was increased to \$100,000. "Hart Writes of Anson," *Chicago Tribune*, December 31, 1899, p 18

¹⁵ Stockholders in the old corporation were invited to surrender their stock in the old company at the rate of five shares of the old for one share of the new, and were privileged to buy four shares for each one share so received at the rate of \$25 per share. "Hart Writes of Anson," *Chicago Tribune*, December 31, 1899, p 18

¹⁶ "Chicago Club Sold," *Chicago Tribune*, December 18, 1892, p 6; "New Owners for a Ball Club," *New York Times*, December 18, 1892, p 3; "Walsh sells his stock," *Chicago Tribune*, May 21, 1902 p 18

¹⁷ Voight, p 217; Di Salvatore, p 225; Seymour, p 352

¹⁸ unidentified newspaper, October 2, 1915, Spalding file National Baseball Hall of Fame Library; "Spalding Enters Game's Valhalla," unidentified source, September 16, 1915, Spalding file, National Baseball Hall of Fame Library

¹⁹ bounded by Polk, Taylor, Wood, and Lincoln (later Wolcott) streets

For the gentler class, 500 armchairs occupied 56 private boxes. There were 4500 seats in the covered pavilion and another 8000 in the open bleacher seats. Two bathrooms were located on the top floor of the brick building used by the ticket sellers. The ground floor also featured a director's room and the ladies retiring room. Dressing rooms with hot and cold water, shower baths and closets, were provided for each team.²⁰

On August 5, 1894 a fire broke out during a game at West Side Park, causing \$15,000 in damages. While there were no deaths, a reported 500 people were injured, mostly while trying to escape through a barbed wire fence that separated the bleachers, where the fire originated, from the field. "The wires were strung with hair and strips of skin and flesh." The tightly wound barbed wire fence, which reached to a height of eight feet and extended along the length of the 25 cent seats, had been erected to "keep the ardent 25-cent crank from getting down in the field and killing the umpire. Its necessity had been suggested from a little incident that happened on the South Side grounds two years ago when the crowd swarmed out into the field to curse the umpire and stopped a game that Chicago stood sure to win."²¹

Quick thinking by some of the players and President Hart probably saved the lives of the 1600 patrons seated in the bleacher section. "The imperiled and fear-crazed crowd bucked against the barbed fencing. Their mad rush to get away from the advancing flames resulted in the injury of scores." Players Ryan and Wilmot helped fans escape through the barbed wire fencing by "using their bats like blacksmiths" to create a gap. Hart directed the destruction of a fifty foot section of the fence to allow access to the field. "Five minutes after the last spectator had got out of reach of the flames every seat was being consumed." A cigar stub tossed among the rubbish in the stands was blamed for the fire.²²

"Four hundred feet of the buildings extending from the grand stand along Lincoln Street was burned to cinders . . . nearly one-half of the stands of the park [were] either completely destroyed or badly

damaged." The damage extended outside the ballpark to the sidewalks and street. During the blaze, many onlookers gathered outside, and as many were interested in the fires and casualties as wanted to know "how the game between Chicago and Cincinnati had been going when interrupted. And even in the presence of calamity there were many expressions of satisfaction that Chicago was so well ahead [they led 8-2 in the 7th inning] that the game had been practically won before the fire king called it off."²³ Despite the disaster, nary a game was missed. The damaged section of the ballpark was roped off, and the park was ready for play the next day.

Adieu to the Captain

James Hart and Cap Anson had a strained relationship stemming from Anson having been passed over for president in favor of Hart. Anson was also bitter over a failed attempt to buy the club, and he blamed both Hart and Spalding for impeding him in those efforts. He publicly blamed Hart for the team's struggles on the field, complaining that he was miserly and refused to obtain good players because he didn't want to pay the salaries they would command. This was merely a continuation of the budgetary penury practiced by Spalding, under whose stewardship the team developed a reputation for cheapness. As president, Spalding frequently sold off high priced players, replacing them with younger and cheaper talent.



A not so fond farewell for Cap Anson

Anson's long term contract expired in January of 1898 and Hart did not renew it, almost certainly with the blessing of Spalding, even though, as president, Hart did not need Spalding's approval. By this time Spalding was no longer the majority shareholder, having sold shares to Walsh, who

²⁰ "Chicago's New Park. It Is Located on the West Side and Is a Hummer. Something About the New Buildings and New Grounds," *The Sporting News*, April 22, 1893, p 2

²¹ "Panic at a Fire," *Chicago Tribune*, Aug 6, 1894, p 1

²² "Flames Stop a Ballgame," *New York Times*, Aug 6, 1894 p 1

²³ "Two Theories as to Fire's Origin," *Chicago Tribune*, Aug 6, 1894, p 2

became the majority shareholder by the end of 1897.²⁴ The following month, perhaps in consolation of his dismissal, Spalding offered to sell Anson controlling interest in the team at \$150 per share and gave Anson 60 days to raise the funds. But at the April 15th deadline, Anson did not have the money and the deal fell through. An incensed Anson accused Spalding of duplicity, charging “there was never any intention on the part of A.G. Spalding and his *confrères* to let me get possession of the club.”²⁵ Anson was probably right, in that Spalding certainly realized the likelihood of his coming up with the necessary cash was highly unlikely. For his part, Anson was more likely speaking out of frustration, as he was genuinely angry at having been denied for a second time an opportunity play a significant front office role with the club. The end of the Anson era in Chicago was bitter and ugly. Hardly becoming the career of a legend. The *Chicago Tribune* estimated that since he began to play ball as a teenager in Marshalltown, Iowa he had piled up 7000 hits.²⁶

Hart explained that the decision to let Anson go was made by the stockholders, who felt the fans desired a change of management. He praised Anson’s long and faithful service to the club, wishing him the best in his future endeavors. “There is not now, and never has been, friction between Captain Anson and myself.”²⁷ Hart and Anson belied this “lack of friction” in a contentious exchange of letters published in the *Chicago Tribune* later that year.

Seeking to defend his motives, Hart explained Anson’s financial connections to the White Stockings. His contract called for a fixed salary plus a percentage of net profits each year. However, according to Hart, for a variety of reasons, there were no profits in any year from 1890-93. Nevertheless, in two of those years Anson was paid a sum “nearly double that called for in his contract.” And in a third a debt to the club in the amount of \$2600 for previously purchased shares of stock was forgiven. In 1897, Anson once again took an advance from the club, this time in the amount of \$2400, “which at the present time stands

charged to him on the books of the club, and it has never been paid.”²⁸

Anson rebutted, claiming that Hart overstated losses in the years 1890-93. Regarding the corporate reorganization, he claimed that Spalding had offered him the chance to “swing the deal myself.” While he was unable to take over the club, he did purchase 130 shares in the new corporation. “When I took the extra shares of the stock . . . I was guaranteed that my contingent fees should pay for the stock that was assigned to me. I deny emphatically that I owe the club \$2400 . . . I worked for the club for a period of time extending over twenty-two years, my contract calling for a stated salary and 10 per cent of the net profits . . . but I have never been allowed to see [the books], and whether I have had all that was coming to me or not is an open question in my mind.”²⁹

After Anson was released the sportswriters began referring to the team as the Orphans, which was just as well, since Hart changed the team uniform to maroon stockings to better hide the dirt.³⁰ They were never to bear the moniker “White Stockings” again, as the upstart AL christened its Chicago team the White Stockings, shortened by writers to White Sox, forever coopting the name.

Spalding planned a testimonial dinner for Anson, raising \$50,000 for a tribute to the long time star. “It seems a pity,” said Spalding, “that a man like Anson should be allowed to drop from sight without the people being given a chance to show their high esteem of him.”³¹

Anson, however, refused the honor, saying “I don’t know as I am yet ready to say that I am out of baseball. I am neither a pauper nor a rich man, and prefer to decline. The public owes me nothing . . . the kind offer to raise a large public subscription for me . . . is an honor and compliment I duly appreciate . . . At this hour I deem it both unwise and inexpedient to accept the generosity so considerately offered.”³²

In the fall of 1899 Hart made a costly error when he granted Charles Comiskey the right to relocate his

²⁴ Bales 2019, p 191; Murnane, Tim, “Anson’s Future,” *Sporting Life*, November 20, 1897, p 9

²⁵ Porter, p 106

²⁶ “Played 3000 Games,” *Chicago Tribune*, February 1, 1898, p 4

²⁷ “Good-By to Anson,” *Chicago Tribune*, February 2, 1898, p 4

²⁸ “Hart Writes of Anson,” *Chicago Tribune*, December 31, 1899, p 18

²⁹ “Anson Replies to Hart,” *Chicago Tribune*, January 7, 1900, p 17

³⁰ Bales 2019, p 193

³¹ “Tribute to Anson,” *Chicago Tribune*, February 4, 1898, p 4

³² “Anson Won’t Take It,” *Chicago Tribune*, February 6, 1898, p 7

St. Paul franchise to Chicago's south side, where Comiskey erected a stadium just north of the South Side Grounds the White Stockings had abandoned just a few years earlier. At the time the American League (nee Western League) still held minor league status, and did not seem a threat to Hart's business. However, when the new team adopted the nickname White Stockings, no longer used in reference to Hart's club, and the American League declared itself a "major league" the following year, the situation took on a whole new light. And when one-third of the 30 players who donned the NL Chicago uniform fled to the new league in 1901, and another eight the following year, it became apparent that the interlopers were far more threatening than Hart had assumed. Chicago lost so many players in the early days of the AL-NL war that sportswriters dubbed them the "Remnants."

Al Spalding briefly returned to active involvement in league affairs at the winter meetings in December of 1901. He had not been publicly involved since turning over control of the franchise a decade earlier, but was determined to head off the John Brush proposal to turn the league into a trust consisting of eight franchises. The battle was played out in the contest for league president. Spalding ran against his old pal Nick Young, who was nominated by the Freedman trust faction. The vote was deadlocked at 4 for 25 rounds of balloting, at which point "the Young faction left the meeting room, whereupon Col. Rogers, acting as chairman, declared Mr. Spalding elected. Mr. Spalding then assumed charge of the league's records, but the Young faction refused to acknowledge Spalding's election and secured an injunction, to which Mr. Spalding filed a demurrer."³³ The case dragged on for three months before the Spalding demurrer was overruled. The league then met on April 1, whereupon Spalding resigned his challenged presidency, declaring "I am prompted in this action solely by the belief that prolonging a factional political warfare into the playing season would be distasteful to the public, injurious to the National League in particular and to professional base-ball in general."³⁴ Young was elected secretary-treasurer and the executive duties were turned over to a three

man commission consisting of Brush as chair, Soden, and Hart.

Murphy Buys a Dynasty

In the summer of 1901 rumors abounded that Cap Anson was on the verge of making a comeback by purchasing the team.³⁵ But the rumors proved unfounded. Instead, it was his nemesis, Jim Hart, who took over majority control.



Charles W. Murphy

Hart prospered financially, despite the war with the AL, and in 1902 he bought out Spalding and Walsh, assuming majority ownership. He then hired Frank Selee as manager, whose emphasis on youth led the sportswriters to dub the team "Cubs," shorter and easier to work into headlines than Orphans or Remnants. It did not catch on instantly, however. During the first decade of the new century sportswriters variously referred to them as Colts, Orphans, Remnants, Cubs, Chicagos, Nationals, Sprouts, Seedlings, Recruits, Hartites, Microbes, Seleeites, Selee's Colts, and the Tribe of Selee.³⁶ Selee fell ill and had to step down midway through the 1905 season, by which time he had assembled the parts of what would become the next great Chicago dynasty. The Cubs won pennants in 1906-08, and 1910, and back to back world titles in 1907-08. Hart himself departed just before the reign of dominance, selling out to Charles W. Murphy, who also succeeded him as president, in 1905, for \$165,000.³⁷

After selling his interest in the team, Hart left baseball and turned to his business interests. He died of heart disease on July 18, 1919 in Chicago at age 64, leaving a widow and two children. At the time he was president and part owner of the

³³ Richter, Francis C., "Heroic Figures Passes From the Stage," *The World of Baseball*, September 18, 1915, p 3

³⁴ letter to NL and AA Base Ball clubs from Spalding, March 8, 1902, Spalding file, National Baseball Hall of Fame Library

³⁵ "Anson May Get in Games," *Chicago Tribune*, July 15, 1901, p 2

³⁶ Bales 2019, p 198

³⁷ "Hart to Retire Oct 15" *Chicago Tribune*, Jul 29, 1905, p 4. Three months later *Sporting Life* reported the deal was for only \$105,000: "The New Magnate" *Sporting Life*, November 11, 1905, p 7

Chicago Gravel Company. He was cited as a baseball pioneer in his *New York Times* obituary. As chair of the rules committee he was largely responsible for the foul strike rule, the abolition of the foul bound, confining coaches to boxes, altering the shape of home plate to its current form, and instrumental in changing the pitching box to a rubber fixed at its present distance of 60 feet six inches. He was an innovator, having first suggested putting numbers on player uniform backs in 1894, and a savvy businessman who served on the committee that hashed out peace terms with the AL.³⁸

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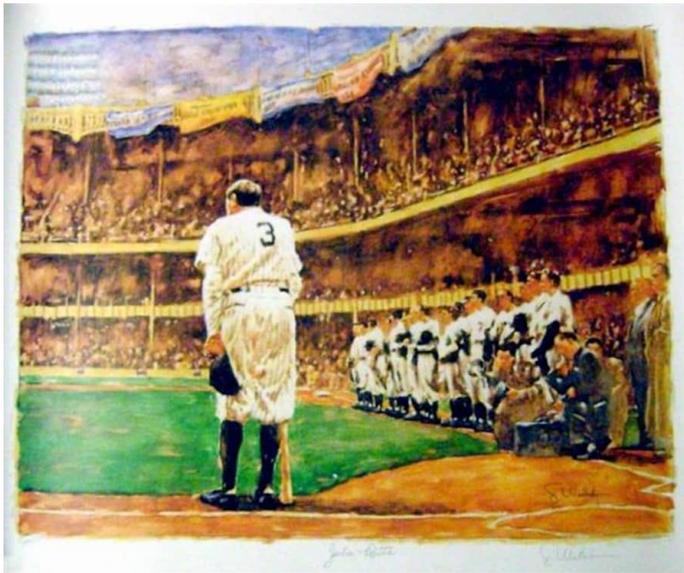
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Recently Published Research

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.

Eddy, Terry, B. Colin Cork, Katie Lebel, and Erin Howie Hickey, "Examining Engagement With Sport Sponsor Activations on Twitter," *International Journal of Sport Communication* 14, no 1 (2021): 79-108

Research on sport sponsors' use of social media has begun to emerge, but, to date, limited research has examined how sponsors are using social media as an activation platform to engage with followers. Thus, the purpose of this research was to examine differences in follower engagement with regard to sponsored Twitter posts from North American professional sport organizations, based upon the focus, scope, and activation type of the sponsored messages. This manuscript consists of two related studies—Study 1 employed a deductive content

analysis, followed by negative binomial regression modeling, to examine differences in engagement between message structures defined by focus and scope. Study 2 featured an inductive content analysis to investigate differences in engagement between different types of activations. The findings suggest that, in general, more passive (or less overt) forms of sponsor integration in social media messages drive more engagement among followers.

Grix, Jonathan, Paul Michael Brannagan, Holly Grimes, and Ross Neville, "The impact of Covid-19 on sport," *International Journal of Sport Policy and Politics* 13, no 1 (2021): 1-12

The Covid-19 pandemic has had an unprecedented impact on society, leading to a rapid closure of businesses, places of work, worship, social engagement, schools and universities. Sport is often seen – along with the arts – as a trivial pursuit, categorised under 'hobbies' or things to do once the serious business is over. However, this critical commentary argues that sport and sports events play a crucial social role even under normal circumstances. To this end we analyse the impact of Covid-19 on three areas of sport: first, the nature of elite sport played 'without spectators' is discussed and what this means for the necessary 'feelgood' factor associated with watching and following it; second, we look at Covid's impact on the provision of sport for those in less well-off areas, drawing on a case study of Oldham during the pandemic. Finally, we analyse the severe economic and social impact of the pandemic on grassroots sports, including the relationship between mass and elite sport. This commentary seeks to stimulate wider interest on how Covid-19 has changed sport at elite and grassroots level and how the pandemic has led to differential outcomes for people from a variety of socio-economic backgrounds. Based on the above, the commentary assesses the likely long-term consequences of the Coronavirus pandemic on sport.

Ted Hayduk, "The impact of ownership political ideology on firm performance: evidence from major league baseball (MLB) franchises," *International Journal of Sport Policy and Politics* 13, no 1 (2021): 65-83

This paper utilises the political ideology literature in conjunction with frameworks of sport ownership to investigate the link between franchise owners'

political ideology and organisation-level performance outcomes. A sample of 300 PSF-year observations tied to 43 unique owners was used to investigate the proposed relationships. The results do not support the idea that an owner's political leanings impact many facets of how the PSF is managed. However, and contradictory to what was hypothesised, it is shown that liberal owners are associated with a higher cost of attendance, controlling for a range of other factors at the owner, team, city, league, and national levels. The results provide a foundation that can inform the continued discussion of powerful stakeholder groups and how their ideologies impact the strategic management of their organisations.

Nola Agha, Daniel Rascher, "Economic Development Effects of Major and Minor League Teams and Stadiums," *Journal of Sports Economics* 22, 3 (April 2021)

Professional teams and leagues claim new stadiums lead to economic development. To test this, we utilize data from the Census Bureau on net establishment and employment changes across 871 Metropolitan and Micropolitan Statistical Areas from 2004 to 2012. Difference-in-differences and panel data techniques allow for a cross-sectional and time series comparison for both teams and new stadia in both professional and development leagues. Nearly all results from hundreds of models are insignificantly different from zero. Results from between- and random-effects models suggest that teams move into markets that already have higher employment and establishment growth.

Hasaan, Ali, Rui Biscaia, and Stephen Ross, "Understanding athlete brand life cycle," *Sport in Society* 24 no 2 (2021): 181-205

The purpose of this study was to present a framework to aid understanding athlete brand life cycle and how to extend it. A thorough review of the literature was conducted to create the proposed framework. Five stages were identified including brand introduction, brand growth, brand maturity, brand decline and brand reinvention, as well as athlete capital that may occur for some athletes. This study extends prior research by providing an initial idea on how to develop and manage an athlete brand life cycle throughout his/her career.



Team Ownership Histories Project

By Andy McCue

The project (<https://sabr.org/bioproj/topic/team-ownership-histories>) continues to grow and evolve.

In the past few months, we've added John Bauer's essay on the ownership history of the Padres and Mark Stangl's piece on the Cardinals is in the editing process.

Also in the editing process is Bill Lamb's ownership history of the Indianapolis Hoosiers of the Federal League. This is part of an expansion of the project in which we search for ownership histories of teams in the Negro Leagues, AAGPBL, Federal League, Players League, Union Association, American Association and even the National Association. Several defunct National League franchises have already been completed and posted.

The newest work joins earlier essays on 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), the Diamondbacks (Clayton Trutor), San Francisco Giants (Rob Garratt), Miami Marlins (Steve Keeney), Phillies (Rich Westcott), Blue Jays (Allen Tait), Mariners (Steve Friedman), St. Louis Browns (Greg Erion), both versions of the

Washington Senators (Andy Sharp), the Montreal Expos (Joe Marren) and the Royals (Dan Levitt).

Working on drafts are Mike Hauptert (Cubs), Brian Ertz (Reds to 1968), Steve West (Rangers), Nick Waddell and Jeff Samoray (Tigers), Ed Edmonds (Reds from 1968), Ken Carrano (White Sox), Gary Olson (Twins), Seattle Pilots (Andy McCue), Pittsburgh Pirates (Joe Wancho and Blake Sherry) and Dennis Degenhardt (Brewers).

That leaves the Milwaukee Braves, Atlanta Braves, Washington Nationals, Colorado Rockies, Los Angeles Angels, Houston Astros, Philadelphia/Kansas City/Oakland Athletics, Tampa Bay Rays, and Baltimore Orioles.

Anyone interested in the un-assigned teams or those of defunct franchises should contact Andy McCue at agmccue48@gmail.com or amccue@sabr.org.

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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 Hauptert at mhauptert@uwlax.edu.



100 Years Ago The Babe Ruth Bonus³⁹ By Michael Hauptert

In one of the most famous transactions in baseball history, the Yankees announced the purchase of

Babe Ruth from the Boston Red Sox in January of 1920. Just a year before he joined the Yankees, Ruth clouted a single season record 29 home runs. He out-homered 10 other teams that year, as well as his own Red Sox teammates, who combined for four round-trippers. In doing so, he broke Ned Williamson’s long-standing record of 27 home runs. The following year, Ruth’s first in New York, he nearly doubled his record-setting total, belting 54, more than every other team but the Philadelphia Phillies. Ruth’s penchant for hitting home runs was well established. Yet in 1921, for the first and only time, the Yankees saw fit to give Ruth a financial incentive to hit home runs.

A season for the ages

Ruth saved arguably his best career performance for 1921, a season in which his 59 home runs led the league for the fourth consecutive year, and he broke the single-season mark for the third year in a row. However, in a sign of the changing nature of the game, he managed to personally out-homer only half the league’s teams.

Ruth’s 1921 season is considered by many to be the greatest hitting exhibition in baseball history. In 693 trips to the plate, Ruth led all players with 177 runs scored, 59 home runs, 168 runs batted in, 145 walks, a .512 on-base percentage, an .846 slugging percentage, and 457 total bases. He finished in the top ten in batting average (.378, good for fourth), doubles (44, second only to Tris Speaker’s 52), and triples (16, ninth) among his 204 hits (tied for eighth). Just for good measure, he stole 17 bases and earned the win in both games in which he pitched.

Ruth didn’t just lead the league in those hitting categories - he dominated it. He hit more home runs than eight other teams that year, and equaled Brooklyn’s output. He hit 35 more home runs than runners up Ken Williams and Bob Meusel, and nearly 10 times as many as the average major leaguer hit that year. His 177 runs scored were 45 percent more than anyone else, and 140 percent more than the league average. His .846 slugging average was 32 percent higher than the nearest rival (Rogers Hornsby, .639), and more than double the league average.

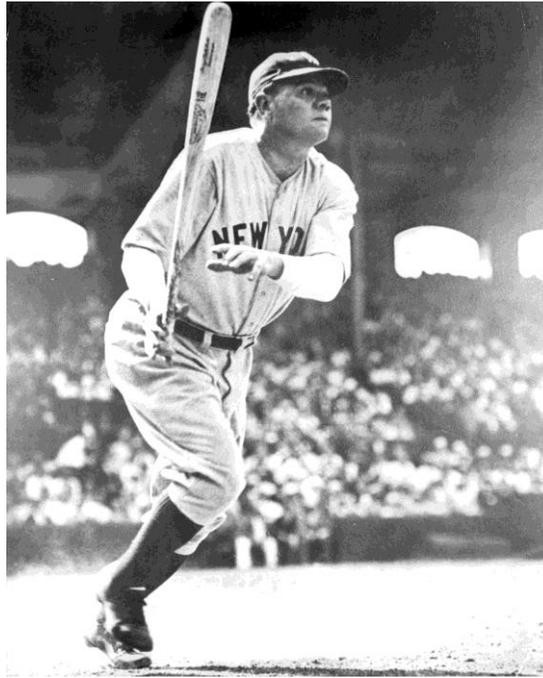
³⁹ This article is adapted from “Bonus Performance: Babe Ruth and his 1921 Contract.”

One crown that Ruth did not wear in 1921 was that of salary king. For the only time in his Yankee career, someone else was promised a bigger salary. Ty Cobb was paid the princely sum of \$25,000 in 1921 to serve as Detroit's player-manager. Meanwhile, Ruth was playing in the final year of his contract, which called for a base salary of \$10,000 plus a \$10,000 signing bonus. Despite the higher base salary, Ruth would actually earn more than Cobb when the books were closed at season's end.

Ruth's 1921 contract

Before he ever donned Yankee pinstripes, Ruth had already renegotiated the remaining two years of his three-year Red Sox contract with his new employers. Ruth was no stranger to haggling over his contract, and was certainly neither naïve about his value nor shy about making it known. After all, he had negotiated a hefty three-year, \$30,000 contract with the Red Sox before the 1919 season. The \$10,000 annual salary paid him four times more than the average player earned, and the multiyear pact was a rarity. In 1919 fewer than 15 percent of major-league contracts covered more than one year, and virtually all of them contained the dreaded 10-day clause, which allowed a team to cancel the contract on 10 days' notice.⁴⁰ Free agency has changed the nature of contracts. Today they are all guaranteed, and the average team has one-third of its roster on multiyear contracts, some extending more than a decade into the future.⁴¹

The 1919 season was barely in the books when Ruth began making noise about wanting to renegotiate his contract. When his sale to the Yankees was announced, he renewed his demands for a new deal, adding a demand for a share of the sale price. He got the former, but not the latter. The Yankees doubled his annual salary by adding a \$10,000 signing bonus to each of the remaining two years of his contract. Anticipating just such a demand from Ruth, they had made provisions with



the Red Sox to cover a salary increase, resulting in the Red Sox paying the Yankees \$5,000 each of those years to cover Ruth's amended contract.⁴²

Ruth put his negotiating skills to work again in 1921. On February 18th of that year the Yankees and Ruth agreed to a contract addendum that would pay him a \$5,000 bonus for playing in exhibition games, plus a retroactive \$5,000 bonus for participating in exhibition games the prior year. In addition, he negotiated a performance bonus that would pay him for what he did best: hitting home runs. The

performance bonus, a rarity for the Yankees, rewarded Ruth \$50 for each home run he hit during the 1921 season. His 59 home runs generated an extra \$2,950 for the Bambino. The total of his bonuses pushed his compensation for the season to \$32,950,⁴³ well north of Cobb's total compensation of \$25,000.

Paying Ruth a bonus to ensure his appearance in exhibition games seemed reasonable if projections about his popularity were accurate. Just days after the purchase was announced, the *New York Times* reported that "the Yankees, with Babe Ruth as the headline attraction, are going to be billed through Florida like a circus." According to the report, the Jacksonville Tourist and Convention Bureau planned to launch an extensive advertising campaign around the Yankees and Dodgers, both of whom trained locally. The festivities would continue as the teams made their way north for Opening Day.⁴⁴ Before he ever donned a Yankee uniform, his marketing potential was recognized.

The exhibition game bonus required Ruth to do extra work beyond that specified in his standard player contract. (Never mind that teams routinely exploited their players by squeezing in exhibition

⁴² Haupt 2019.

⁴³ American League Base Ball Club of New York Records 1913-1950, National Baseball Hall of Fame Library, Cooperstown, New York.

⁴⁴ "To Boost Yanks' Visit Jacksonville Will Advertise Spring Trip Like Circus," *New York Times*, January 9, 1920: 18.

⁴⁰ Haupt Baseball Salary Database.

⁴¹ Cot's Baseball Contracts.

games to earn an extra gate while sharing none of it with the players.) Ruth was nobody's fool. He could develop a sore muscle, eat too many hot dogs, or "get lost" while driving to the ballpark easily enough to skip many of those games. The Yankees knew this, and paid him to avoid any such transgressions.

Home runs, however, seemed to be a different issue. Ruth had proven himself to be quite proficient at hitting them without needing an added incentive to do so. In his first season with the Yankees, he hit one home run every 2.7 games. But as it turned out, the Yankees may have been on to something. After adding the bonus, Ruth increased both his home run total (59) and frequency (one per 2.6 games). Though the bonus did seem to have its intended effect, it also resulted in the Yankees paying him \$2,950 they may not otherwise have had to.

Ruth's outsized earnings dramatically tilted the Yankee payroll. He earned nearly a quarter of the total payroll, nearly as much as the next three highest paid players combined. His home-run bonus alone was higher than the total pay earned by four of them.⁴⁵

Bonus clauses

While bonus clauses are commonplace in modern baseball contracts, such was not the case during Ruth's career. Only about ten percent of contracts contained bonus clauses at the time he joined the Yankees. In 1921, the Yankees added bonus clauses to 15 percent of their contracts. This pales in comparison to modern day practice, where about half of all contracts contain some sort of bonus clause.⁴⁶

There were several types of bonus clauses in standard player contracts in the first half of the twentieth century. The most common were team performance clauses (attendance, position in the standings, and profitability), signing and roster bonuses, and nonpecuniary bonuses, such as payment of college tuition, extra train tickets, or allowance of late arrival for spring training. Less

common were performance bonuses, such as Ruth's home run bonus.⁴⁷

Bonuses were rare going into the 1921 season. Performance bonuses that provided a realistic opportunity for the player to earn additional pay were even more rare. And performance bonuses offered by the Yankees were almost nonexistent. No player was granted a performance bonus by the Yankees until 1919. Throughout the rest of the league, just over a third of all bonus clauses in major-league baseball contracts were performance-based during the decade ending in 1920.

The first Yankees to be offered a chance to increase their base pay as a direct result of their own performance were Frank "Home Run" Baker and Ernie Shore. In 1919 Baker earned a \$200 bonus for playing in more than 75 games. That same year Shore was promised a \$500 bonus if he won 15 games and the team finished either first or second. Neither he (five wins) nor the Yankees (third place) met the requisite condition for the bonus.

Ruth was not the only Yankee with a bonus clause in his contract in 1921. The Yankees added bonus clauses to seven contracts that year, but Waite Hoyt was the only other Yankee to have a performance clause. He was promised \$1,000 if he could win 20 games and help the Yankees to a top-three finish in the league. The Yankees won the pennant, but Hoyt's win total fell one short of earning him a sizable pay bump from his \$4200 base salary. Ruth, of course, cashed in big time with his bonus. It was the largest performance bonus the Yankees were to pay out during his tenure with the club in both amount (\$2,950) and percentage of base pay (29.5 percent). It was also larger than any performance bonus paid by any other team during the same time period.

Ruth's performance bonus was in theory unlimited, since he was promised \$50 for each home run. No other player in either league was granted a performance bonus during the period 1911-34 that had an open-ended payout possibility. There were, however, performance bonuses that promised a payout that would have exceeded \$2,950, though none of them were earned.

⁴⁵ Earning less than \$2950 were Thomas Connelly, Al DeVormer, Nelson Hawks, and Tom Rogers, who appeared in a combined 73 games. After Ruth, the three highest-paid Yankees were Home Run Baker (\$13,000), Carl Mays (\$12,000), and Bob Shawkey (\$8,000).

⁴⁶ Haupt Baseball Salary Database.

⁴⁷ For a further discussion of bonus clauses in baseball contracts see Haupt 2007.

After 1921, Ruth's base salary exploded to \$52,000, then \$70,000 in 1927 before peaking at \$80,000 in 1930-31. In return for higher base salaries, the Yankees eliminated bonus clauses from his contract until 1930. For the last five years of his career with the Yankees, Ruth's salary was padded each year by 25 percent of the gate for any exhibition games in which he played at least five innings.

Why bonus clauses?

In the modern era of competitive sports labor markets, the presence of a bonus condition in a contract is simply part of the negotiation process. The greater the demand for a particular player, the greater his ability to negotiate bonus clauses. But why negotiate a bonus clause when you can simply opt for the guaranteed salary?

The answer lies in the disconnect between what a team is paying for, and what they actually receive. Salaries are determined in advance of a player's actual performance, thus a team is not paying for what is actually being produced, but rather is buying an expected level of production, which is based on past performance. Bonus clauses are one way of reducing the downside risk to the team that they will pay for under-performance. If an MVP performance is what the team expects to buy, then an MVP bonus clause will be paid only if the player delivers. Of course, this means the risk of under-performance is now borne by the player. But the presence of the clause should incentivize the player to put forward his best effort, and does reward him for doing so.

A common argument for bonus clauses is that they provide players with the proper incentive to put forth their best effort. In the case of Babe Ruth's 1921 contract, the exhibition-game clause certainly gave him the incentive to show up for those lucrative (for the Yankees) contests. Perhaps the home-run bonus provided him incentive to stay fit and keep his batting eye sharp, thus avoiding any potential letup in effort that might result in decreased production. It may have worked. After all, with no home-run bonus in 1922, Ruth belted only 35, fourth best in MLB.

There is a good reason to use bonuses in an effort to give players an incentive to give maximum effort. It is hard for a team to monitor and enforce player effort. It is not always clear when a player is slacking, actually fatigued during the dog days of

August, or playing through a nagging injury. So how to entice a player to monitor himself and deliver his best effort at all times? Give him the incentive via a performance bonus. After all, who better to make sure he is giving his best effort than the player himself?

Conclusion

While bonus payments were not common during Ruth's career, when they were used, they could prove to be quite lucrative for the players involved. And if that player was Babe Ruth, they could be a bonanza. After a record-setting home-run barrage in 1921, perhaps aided by the financial incentive provided by the bonus, the Yankees chose to reward Ruth directly with a higher salary in future contracts instead of incentivizing him with a performance bonus. It is impossible to know if they made the right decision. Perhaps if they had continued to include home-run bonuses in his contracts it wouldn't have taken him six years to break the single-season home-run record for the fourth and final time. Is it possible the Yankees lost a few dozen Ruthian clouts for the want of a few thousand dollars? The world will never know.

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MLB Team Employee Directory Project Update

The [Business of Baseball Committee](#) has embarked on building a historical database of major league baseball employees. Sean Lahman has been helping compile the data, and we are in the queue with SABR's web consultant to turn our efforts into a more formal database.

We have a terrific group of volunteers who have made this project possible: to date we have completed roughly 1500 team-seasons and have another 100 or so assigned. All the media guides

that we have access to either electronically or in hard copy have been either assigned or entered (other than 2020 and 2021). If you have access to historical media guides or other sources of employee information and would be willing to either copy the key pages for others or enter the data yourself, please let us know, and we can let you know if we need the team-seasons. We are also working on tracking down additional media guide team employee pages.

Please contact project coordinator Dan Levitt at dan@daniel-levitt.com with any questions or comments.

BUSINESS OF BASEBALL COMMITTEE

The Business of Baseball Committee co-chairs are Dan Levitt dan@daniel-levitt.com, and Mike Hauptert (mhauptert@uwlax.edu). Hauptert edits *Outside the Lines*. The committee's website is at <http://research.sabr.org/business/>. You should stay in touch with the site as we improve the look and add content.

