MAJOR LEAGUE BASEBALL PLAYERS

Chronological History of the Major League Baseball Players Association

The 1990's

1990

January 9, 1990. The PRC sends a letter to all clubs advising them that spring camps will not be opened.

February 5, 1990. The negotiations are moved to the Doral Inn in New York, the site of the 1981 talks. The union and owners agree to 30-day injury reassignments for pitchers with their permission, and the creation of a labor-management committee.

February 12, 1990. Commissioner Faye Vincent offers a proposal to try to resolve the labor impasse.

February 26, 1990. As negotiations appear to finally be making some progress, Fehr begins a series of meetings with the players to discuss unresolved issues.

March 6, 1990. After a hiatus in negotiations while Fehr meets with players, talks resume. Vincent proposes that the owners end the lockout in exchange for no-strike pledge from the players. The association rejects this idea.

March 16, 1990. Negotiations reconvene on this Friday and continue throughout the weekend. At 1:15 AM Monday morning (March 19), Vincent announces a new four-year (1990-93) agreement. (CBA-7) The agreement may be reopened by either the players or owners after three years; the minimum salary is raised to $100,000 from $68,000; the pension/benefit plan contribution by the owners increases to an average of $55 million over the four years, and salary arbitration eligibility stays at three years, but the top 17% of two-year players by service time are also now eligible. Known as “Super-2s”, this represents about 15 players per year.

July 18, 1990. George Nicolau decides for players in Collusion III (1987 group). He rules that the information bank was illegal.

August, 1990. With the growth of the pension pool, a new payout schedule is implemented. The top pension for recent retirees rises from $90,000 to $102,582 (the federal maximum).

September 17, 1990. Nicolau awards Collusion II players $102.5 million, bringing the total for the first two cases to $113 million.

October 26, 1990. With status of damages for Collusion III still undecided, the players and union agree to settle all three cases for $280 million, essentially calculated as the $115 million already awarded, plus Collusion III and any other remaining damages to be settled, plus interest. In total this works out to about $10.8 million per team.

1991

February 1991. Players win just seven of seventeen in arbitration cases, yet the average award (over all seventeen cases) equates to a 104% salary increase. Doug Drabek (Pirates) receives a record $3.35 million.

November 1991. The union announces the average player salary is $851,492, a 42.5% increase from 1990.

1992

February 1992. One hundred forty-nine players file for salary arbitration. Of the 21 who have a hearing, the players win ten and lose eleven. David Cone (NYM) receives a record $4.25 million award.

September 7, 1992. Commissioner Fay Vincent resigns under pressure. The commissioner's power transfers to baseball's Executive Council, made up of the two league presidents and eight owners, with Milwaukee's Bud Selig as the chair. Jerry Reinsdorf, White Sox chairman: "When we go to war with the union, I want [the commissioner] to have an obligation only to the owners."[i]

December 1, 1992. At the association's annual executive board meeting Don Fehr tells the membership that the union needs "to save the owners from themselves."[ii]

December 7, 1992. At the winter meetings in Louisville, the owners vote 15-13 to reopen the CBA one year early (as they have the right to do). Fehr calls a 1993 lockout a "foregone conclusion."

1993

February 17, 1993. The owners vote to link a proposal for revenue sharing with a salary cap.

Late July 1993. Don Fehr sends a letter to all players warning that a strike may be necessary on Labor Day if the owners demand a salary cap.

August 16, 1993. Richard Ravitch formally confirms the owners' decision a few days earlier not to lock the players out in 1994 nor to change the rules governing free agency and salary arbitration. Fehr responds by pledging not to strike during the balance of 1993.

November 1993. The union announces the average salary is up to $1,076,089, a gain of 4.6%, the lowest increase since 1987.

December 31, 1993. CBA-7 expires without much in the way of ongoing negotiations.

<u>1994</u>

January 18, 1994. The owners agree on a revenue sharing plan (details unannounced) but tie its adoption to the players agreeing to a salary cap. Bud Selig, head of the owners' Executive Council, tells the owners that if the players do not agree to a salary cap they should be prepared to lock the players out, and use replacement players.

January 19, 1994. The owners eliminate the PRC, vesting sole authority in labor matters with the commissioner's office (and Bud Selig as acting commissioner). Richard Ravitch remains the owners lead negotiator.

March 7, 1994. The two parties hold their first negotiating session in St. Petersburg. Richard Ravitch tells the 75 players in attendance that baseball needs a salary cap.

June 1994. The owners change their rules such that 75% of owners are required to ratify a new labor deal. This action gives more power to the small market group to squelch a pact.

June 14, 1994. Eighteen months after voting to reopen the contract, the owners finally submit a proposal, incorporating the salary cap they have been publicly lobbying for: the players would receive 50% of all revenue, *including players' licensing money*.

July 18, 1994. The union formally rejects the salary cap proposal, and in their response they ask for arbitration after two years and an increase in the minimum salary.

July 25, 1994. Concerned about the potential forthcoming strike, US Labor Secretary Robert Reich meets with NLRB Chairman William Gould.

July 27, 1994. Richard Ravitch rejects the union's counter proposal. The players vote to give the Executive Board authority to set a strike date. The next day the board approves a date of August 12.

August 12, 1994. The players go on strike, feeling they need to act well before the end of the season to give the two sides time to negotiate before the profitable postseason.

August 24, 1994. The players release a study by Stanford professor Roger Noll that says "baseball is financially healthy" and "the claim of widespread disaster in the sport is pure fiction."

September 6, 1994. The MLBPA files a complaint with NLRB over the owners' failure to pay the $7.8 million to their pension fund.

September 14, 1994. Owners cancel the rest of the season and post-season. Selig asks Fehr to make a joint announcement, but Fehr refuses.

September 15, 1994. The Association sends out the first checks from its $200 million strike fund.

October 31, 1994. The owners file an unfair labor practice charge against the MLBPA for alleged verbal threats made to Bobby Bonilla, Julio Franco, and Scott Kamieniecki. The complaint is denied on December 20.

November 29, 1994. The owners announce they are unilaterally imposing their salary cap and revenue sharing plan as of December 5 and will open spring camps with replacement players if the strike is not settled. Toronto is excepted because the scheme would violate Ontario provincial law.

Early December 1994. Usery asks the owners for more time to broker an agreement and is given until December 15, which the owners later extend to December 23.

December 10, 1994. The union offers up a revised counterproposal: a tax at a flat rate of 5.02% on payrolls in 1995 with the raised funds to be distributed among small market clubs. Also, players would qualify for unconditional free agency after four years, salary arbitration would be eliminated, and minimum salaries would be established for players with less than four years of service..

December 11, 1994. The owners counter with a new proposal: a flat payroll tax of 5% shared with low end clubs, plus a secondary tax, based on revenue growth, to ensure the players' share of revenue does not increase.

December 14, 1994. Both sides reject each other's plans. The NLRB announces it will issue a complaint because owners had failed to deposit the $7.8 million allocation from All-Star Game to the players' benefit/pension plan.

December 23, 1994. The owners declare an impasse in the negotiations that they believe allows them to unilaterally implement their November 17 plan.

December 27, 1994. The players file a complaint of unfair labor practice with the National Labor Relations Board office in New York and argue that the owner's declaration of an impasse in invalid. The case will be investigated by New York regional director Dan Silverman, reporting to NLRB general counsel Fred Feinstein.

1995

January 10, 1995. The union's Executive Board passes a resolution banning agents from representing replacement players.

January 26, 1995. The White House sets February 6 as the deadline for a settlement, pledging that the government will get more involved at that point.

February 3, 1995. NLRB counsel Fred Feinstein finds that the owners have negotiated in bad faith and plans to take the case before the NLRB for adjudication.

February 4, 1995. The players issue a counter proposal: a tax at 5% on payrolls between 50% and 130% of the average payroll, 15% on payrolls between 130% and 160%, 25% above 160%, and an end to salary arbitration if players are permitted unrestricted free agency after four years.

February 6, 1995. The NLRB's deadline passes.

February 7, 1995. Usery recommends a solution: a 50% luxury tax on payrolls above $40 million and free agency after four years, a plan the union quickly rejects. President Clinton unsuccessfully hosts the negotiators and Usery in the White House's Roosevelt Room for one final negotiating push, but the owners reject the president's exhortation to submit to binding arbitration.

February 16, 1995. Spring training begins with replacement players.

Early March, 1995. Orioles owner Peter Angelos refuses to field a team of replacement, despite numerous threats of fines and suspensions. Selig is forced to cancel all 32 Oriole preseason games.

March 14, 1995. The NLRB issues an unfair labor practice charge against the owners. Feinstein announces that he will ask for an injunction prohibiting the owners from implementing their scheme. Two days later he presents the case to the board.

March 26, 1995. The NLRB board votes 3-2 in favor of authorizing an injunction, the three Democratic nominees voting in favor, the two Republican nominees against. The next day the NLRB files in federal court for the injunction to prevent management from implementing its program.

March 29, 1995. The players vote to end strike if the injunction is upheld.

March 30, 1995. The owners vote to open the season with replacement players.

March 31, 1995. US Federal Justice Sonya Sotomayor upholds the NLRB's request for the injunction, returning the players' labor situation to the pre-strike system, and the players call off their strike.

April 1, 1995. All replacement players are released by their clubs.

April 2, 1995. The owners meet in Chicago to plan their next move. Many owners want to lock the players out, but they cannot get the required 21 votes to do so. Instead, the owners agree to open camps on April 5, and the regular season on April 26. There will be a 144-game schedule.

April 5, 1995. The players report to spring training.

September 18, 1995. The owners name Randy Levine as their new lead negotiator. Levine most recently had been the New York City labor commissioner.

September 29, 1995. The U.S. Appeals Court (Second Circuit) affirms Judge Sonya Sotomayor's March 31 ruling.

November 15, 1995. In the first negotiation since the injunction, the owners propose a 25% to 50% luxury tax on payrolls over $44 million and to limit salaries to 50% of revenue.

<u>1996</u>

February 8, 1996. The players respond with a counterproposal: a 2.5% tax on all player salaries for three years and a luxury tax starting in 1999 with the tax proceeds being redistributed to low revenue clubs.

February 21, 1996. The owners accept the 2.5% payroll tax but only for 1996. For 1997 the owners demand either a 5% tax or 25% luxury tax on revenues over $44 million.

March 21, 1996. The owners agree among themselves to a revenue sharing plan that will be implemented when the next CBA is signed and is subject to union approval.

April 30, 1996. The union responds with a 30% luxury tax on payrolls over $64 million in 1998 and 1999.

May 23, 1996. The owners counter with a 39.5% luxury tax on payrolls over $46.5 million.

July 1996. As talks continue the players come up to a 34% luxury tax and a $53.3 million threshold; the owners come down to 35% and $49.8 million.

August 7, 1996. Levine is authorized to make one final offer. If the union refuses they intend to ask Sotomayor to lift the injunction, allowing the owners to impose their own plan.

August 9-11, 1996. The parties meet 13 times over three days. At the end of this marathon negotiating session both sides feel they are on the verge of an agreement.

October 24, 1996. Fehr and Levine finalize an agreement.

October 26, 1996. Fehr and Selig get into a shouting match while attending Game 6 (the final game) of the World Series when Selig tells Fehr that the deal is not good enough, and he is not going to support it.

November 6, 1996. After lobbying from Selig and Reinsdorf, the owners formally reject the agreement by a vote of 12 in favor, 18 opposed.

November 11, 1996. The union rejects proposed changes to the agreement in a formal meeting at union headquarters.

November 19, 1996. The White Sox hard-line owner Jerry Reinsdorf signs Albert Belle to a record five-year, $52.5 million contract, with an added clause that ensures that Belle will remain one of the game's highest paid players for the life of the deal.

November 26, 1996. The owners approve the Fehr-Levine deal by a vote of 26 to 4.

December 5, 1996. The union formally approves contract (CBA-8), covering the years 1995 to 2000 (with a union option to extend to 2001). The terms of the new CBA include: A new luxury tax on team payrolls: 1997--35% over $51 million; 1998--35% over $55 million; 1999--34% over $58.9 million; 2000-2001---no tax.

December 1996 The MLBPA establishes the Players Trust, a 501 (c) 3 charitable foundation administered by the players, whose purpose is to give back to local communities through time, money, and celebrity. The organization is the first charitable foundation in professional sports overseen by the players.

1997

January 20, 1997. Curt Flood dies at UCLA medical center, having battled throat cancer for several months.

August 7, 1997. Donald Fehr criticizes the owners for not including the players in their ongoing realignment discussions and proposals, some of which are fairly sweeping.

1998

October 6, 1998. Mark Belanger, one of the first players active in the union leadership after his playing career, dies from lung cancer.

October 27, 1998. Congress passes the Curt Flood Act of 1998, legislatively reversing the Supreme Court's exemption of baseball from the antitrust laws, at least as they applied to labor relations.

1999

January 1999. MLB owners establish the Blue Ribbon Panel on Baseball Economics to examine the payroll disparity among teams and make recommendations on how to redress it. Twelve of its sixteen members own or operate MLB teams -- the other four have strong ties to teams, including former US Senator George Mitchell. There are no MLBPA representatives.

[i] *The Sporting News*, September 14, 1992.

[ii] Pessah, 37