

## Chronological History of the Major League Baseball Players Association

#### The 1970's

## <u>1970</u>

**January 16, 1970**. Curt Flood files the much anticipated lawsuit in federal court in New York, naming commissioner Bowie Kuhn, AL president Joe Cronin, NL president Warren Giles, and the 24 clubs, alleging that the reserve clause violated antitrust laws and the thirteenth amendment (which barred slavery and involuntary servitude).

**February 1970**. Marvin Miller sends a memorandum to the players summarizing the end of the two-year Joint Study Committee on the reserve clause, calling it "two years of long, fruitless discussion with the owners' representatives."

**April 5, 1970**. The CBA deadline passes without a new agreement.

**May 1, 1970**. The club owners submit a "final" offer to Miller, who writes up a summary of the proposal and sends it to the players without a recommendation. The players vote it down, 503-89. By this time there had been 35 negotiating sessions. Negotiations resume.

May 23, 1970. (CBA-2) Miller agrees to a new CBA, subject to a vote of the players, who subsequently approve in a 541-54 vote on June 8. It is a three year-deal covering 1970 through 1972. Noteworthy gains include: an increase in the minimum salary to \$12,000, \$12,500 and \$13,500 over the three years of the agreement; an increase in the players' share of the playoff pool; increased severance pay for players cut in the spring or during the season; an increase in the spring training allowance; additional travel guidelines; recognition that the MLBPA is the sole representative of players in all matters except salaries; and an acknowledgement that players may use agents.

Most importantly, however, an outside arbitrator will now be used for all grievances not involving integrity of the game.

**May 19-June 10, 1970**. The trial of *Flood v. Kuhn* takes place before Judge Irving Ben Cooper of the US District Court in New York. Testifying for baseball are Bowie Kuhn, Joe Cronin, Chub Feeney, John McHale (Expos), Francis Dale (Reds), Bob Reynolds (Angels), Bing Devine (Cardinals), Ewing Kauffman (Royals), and Joe Garagiola (broadcaster). Testifying for Flood are former players Jackie Robinson, Hank Greenberg (who had also been a long time executive), and Jim Brosnan; former owner Bill Veeck; and Flood himself.

**August 12, 1970**. Judge Cooper rules for baseball in *Flood v. Kuhn*, citing earlier Supreme Court rulings that antitrust laws do not apply to baseball.

# <u>1971</u>

**March 1971**. At his annual spring training meetings with each team, Miller makes a point to read section 10-A of the standard contract (the "reserve clause") word for word. Miller tells them he believed that they could play a year with a renewed contract and become free: "I'm confident that I'm right, and it's something to keep in mind."

**April 7, 1971**. US Court of Appeals for the Second Circuit upholds Judge Cooper in the Flood ruling.

**April 27, 1971**. After just 13 games, Curt Flood leaves the Senators, saying he could no longer play.

**June 20, 1971**. Players file an unfair labor practice charge with the NLRB, after the owners refuse to share details of their new national TV deal. The union argues that pension benefits were traditionally tied to TV contract proceeds, but the owners want to sever that link. The NLRB rules for the Association.

**October 11, 1971**. The US Supreme Court agrees to hear *Flood v Kuhn*.

## <u>1972</u>

**January 12, 1972.** With the pension agreement expiring on March 31, negotiations ramp up for a new deal. Equitable (the underwriters of the pension/benefit plan) had notified both parties that their premiums were going up and that it would cost an additional \$372,000 per year to maintain the existing medical portion of plan. The owners told Miller they would cover this increase. The players ask for a \$1.2 million increase per year in owner pension contributions (a 17% increase).

**March 8, 1972**. John Gaherin informs Miller that the owners received a lower bid for the players health and pension plan, and therefore would be reducing their agreed-upon commitment. Miller accuses the owners of bad faith, stressing that their commitment had been in writing.

**March 9, 1972**. As part of his annual spring training tour, Miller and Moss meet with White Sox players in Sarasota. He told them of the owners' change, and also that they had not responded to the players' offer calling for the 17% increase. The White Sox players, led by player rep Joe Horlen, vote 31-0 to grant strike authorization to the Executive Board. Within a few days, several other teams follow suit.

**March 16, 1972**. After 12 consecutive unanimous votes, the Red Sox vote to grant strike authorization 19-4. Carl Yastrzemski favors a one-day boycott, saying, "You'd think we'd been working in a factory these past five or six years." Red Sox player rep Gary Peters says that his team's four dissenting votes are due to the players' admiration for owner Tom Yawkey.

**March 17, 1972**. The Dodgers also have a few dissenters, players who appreciate Walter O'Malley. The overall vote totals for the Florida camps: 473-8.

- **March 22, 1972**. The club owners meet and hold firm at a \$490,000 increase, \$800,000 less than players request.
- **March 24, 1972**. A negotiating session between the PRC and player reps in Scottsdale proves fruitless.
- March 30, 1972. The final strike authorization vote is 663-10-2.
- **March 31, 1972**. At an Executive Board meeting (for player reps and their alternates) at the Ramada Inn in Dallas, the players vote 47-0 for an immediate strike, with Dodger first baseman and rep Wes Parker abstaining.
- **April 1, 1972**. On this Saturday, the first ever player strike begins. Miller announces that the players would end the strike with either a settlement, or an agreement to arbitrate.
- **April 1-2, 1972.** Marvin Miller meets with John Gaherin to propose a new idea. Instead of the owners coming up with the \$800,000 difference in the two proposals, the owners could agree to divert the money from surplus funds that were already in the plan.
- **April 3, 1972**: The owners reject Miller's offer. John Gaherin: "The perception on our side was that the union was still weak. This was the time to take it on."
- **April 4, 1972**. At an owners' meeting in Chicago, actuaries advised them against Miller's proposal to use excess funds. Miller responded that the pension already had an actuary, long respected by both sides, who thought the proposal was fine. John Gaherin privately hires a consultant who goes over the plan and agrees with Miller -- using the surplus (given that the fund's actuary has approved) is a fine solution.
- **April 5, 1972**. The first regular season games are cancelled.
- **April 7, 1972.** Miller says that players would end the strike for a two to three week period of negotiation if the owners agree to arbitration at the end of that period. Owners refuse.
- **April 9, 1972**. President Nixon asks that the two sides to meet J. Curtis Counts, director of the Federal Mediation and Conciliation Service. After the meeting, the owners agree to use \$400,000 of surplus, plus cover the increased premium cost, but players must forfeit pay for lost games and still play 162 game schedule.
- **April 11, 1972.** Sides agree to an increased annual contribution of \$500,000 reallocated from the surplus, plus money to cover increased premiums (which has been recalculated to \$490,000). Remaining issue is now scheduling and back pay.
- **April 13, 1972**. The owners and Association reach a settlement, with all missed games cancelled and no back pay. The total owner contribution now \$5.94 million, up from \$5.45 million (and \$2.85 million in 1966).
- **June 19, 1972**. In a 5-3 decision, the US Supreme Court upholds the lower court ruling in *Flood v. Kuhn*, reaffirming baseball's antitrust exemption. Oral arguments had been heard on March 20. The decision acknowledges that baseball is interstate commerce, but says that Congress, not the courts, should be the party to address the issue.

**August 9, 1972.** Catcher Ted Simmons signs a two-year contract with the St. Louis Cardinals, after playing on a renewed contract all year. Simmons is the first player ever to play into a season without a contract. Had he played the entire season without a contract, the union would have claimed that he was a free agent.

**December 31, 1972**. CBA-2 expires. Negotiations for a new CBA had begun in September. Players want salary arbitration and veteran players to be able to refuse trades (as Flood had not been able to do).

## **1973**

**February 8, 1973**. With CBA negotiations stalled, the owners announce that early training camps (held prior to the official March 1 opening of spring training) would be shuttered. Miller claims this is a lockout, and a violation of Taft-Hartley (the prevailing collective bargaining law). Kuhn claims that this is a routine decision.

**February 25, 1973.** (CBA-3) Miller and the owners agree to a new pact covering three years (1973-75). Key gains include: neutral binding salary arbitration for players with at least two years' service time; ten-five players (ten years in the majors, five with the current team) can veto trades; five year players cannot be sent to minors without consent; minimum salary increased to \$15,000 for 1973-1974 and \$16,000 in 1975; and an increased spring training allowance. In addition, clubs and players agree to a new three-year pension agreement, aligning the timing of the two agreements for the first time.

**March 27, 1973**. Jim Perry is sold by Minnesota to Detroit and approves the deal – this is the first ever use of the players' newly earned ten-five rights.

**April 1973**. Seven players begin the season under the renewal clause, having not signed a contract: Stan Bahnsen, Rick Reichardt, Mike Andrews (all White Sox), Jim Kaat (Twins), Fritz Peterson (Yankees), Jerry Kenney (Indians), and Dick Billings (Rangers). Four eventually sign, but Kenney is released in May, Reichardt in June, and Andrews in July.

**December 5, 1973**. Ron Santo vetoes his trade from the Cubs to the Angels, the first player ever to do so.

# <u> 1974</u>

**February 11, 1974.** Minnesota hurler Dick Woodson becomes the first player to have his salary arbitration case heard. Woodson asks for \$29,000 and the Twins offer \$23,000. The arbitrator rules for the player.

**October 11, 1974**. The day before the start of the World Series, the news breaks that Jim Hunter, a star pitcher for the AL champion Oakland Athletics, has charged club owner Charlie Finley with breach of contract.

**October 17-18, 1974**. Dick Moss files two grievances on behalf of Catfish Hunter: one against major league baseball, asking that Hunter be declared a free agent per Section 7A; and a second against the Athletics asking for remuneration of the \$50,000.

**November 26, 1974**. Arbitrator Peter Seitz hears the Catfish Hunter grievance at the offices of American Arbitration Association in New York.

**December 13, 1974.** Seitz finds for Hunter in the first grievance, declaring that Finley had clearly not met the terms of the contract, triggering Section 7-A, and that Hunter is therefore a free agent. In the second grievance, he rules that Finley must pay Hunter \$50,000 plus interest since August 1 at 6%.

**December 14, 1974**. Charlie Finley sues to overturn Seitz's ruling, and also files for a preliminary injunction to stop Hunter's free agency.

**December 19, 1974**. The bidding opens on Catfish Hunter. Fifteen clubs visit his lawyer's office in Ahoskie, North Carolina between December 19 and December 28.

**December 31, 1974.** Hunter signs with the New York Yankees for a total package (including bonuses and deferrals) of \$3.2 million over five years. This was three times larger than the largest annual contract previously given out.

# <u>1975</u>

**January 3, 1975**. Judge George W. Phillips (Alameda County, California) rules that arbitrator Seitz "acted within his jurisdiction" in the Catfish Hunter grievance.

January 1975. Sixteen salary arbitration cases are heard, with the owners winning ten.

**April 1975**. Three players go into the season without signing contracts: Andy Messersmith (Dodgers pitcher), McNally (Expos pitcher who retires in June), and Richie Zisk (Pirates outfielder). Zisk signs just prior to the NLCS, in which the Pirates participated.

**June 1975.** Negotiations begin for a new CBA (which expires on December 31).

**October 7, 1975**. Dick Moss files a grievance for Andy Messersmith, and two days later for Dave McNally. Both grievances ask for free agency.

**October 24, 1975**. Clubs, through their PRC, say the grievances "are not within the scope of the arbitration panel" and "it is our position that the substance of these claims is totally without merit and that both players remained properly reserved by their respective clubs." "

**October 28, 1975**. Kansas City owner Ewing Kauffman files a civil action with Judge John W. Oliver (of Western District, Missouri) asking for a preliminary injunction to enjoin the Messersmith and McNally grievances.

**November 21, November 24, December 1, 1975**. Arbitrator Peter Seitz hears both grievances, with Dick Moss litigating for the players, and Lou Hoynes for clubs.

**December 23, 1975.** Peter Seitz rules for Messersmith and McNally. In his decision, Seitz says he was only ruling on the wording of the contract not on the merits of free agency.

**December 31, 1975.** CBA-3 expires. Negotiations have not yet begun, but take on a completely different character as the reality of Seitz's ruling begins to sink in.

#### 1976

**January 1976.** Owners take Messersmith case back to Judge John W. Oliver of the Eighth Circuit in Kansas City, in *Kansas City Royals v. MLBPA*. The owners argued that the reserve clause was not a matter subject to arbitration by the CBA, and furthermore that the ruling would be catastrophic for baseball. To augment their legal team, the union engages Donald Fehr, a local labor lawyer with experience in Judge Oliver's court.

**February 2, 1976**. Negotiations open for a new CBA. Miller expresses frustration that the continued Messersmith appeals have delayed negotiations (as well as Messersmith's status for 1976).

**February 4, 1976**. Judge Oliver sustains Messersmith decision, ruling that the arbitration panel clearly fell within the terms of the basic agreement.

**February 11, 1976**. Owners offer free agency to players with nine or more years' experience.

**February 21, 1976**. Players reject owners' proposal. Miller countered that most players would be willing to sign off on a retroactive, modified reserve system.

**February 23, 1976**. The owners announce that camps will not open without a new agreement in place.

**March 9, 1976**. The Eighth Circuit Court of Appeals affirms the lower court decision that upheld the Messersmith decision. The owners decline to appeal to the US Supreme Court, ending the matter.

**April 10, 1976**. Andy Messersmith (a one-man free agency class) signs a three-year, \$1 million deal with the Atlanta Brayes.

**July 12, 1976**. (CBA-4) Miller and Gaherin agree to a new pact covering four years (1976-79). Key gains include: regardless of service time, all players can play out their option in 1976 or 1977 or whenever their current contract ends; players can become free agents after six years of service time and then negotiate with up to 12 clubs chosen through a re-entry draft, and players can demand trade after five years.

**November 4, 1976.** At the Plaza Hotel in New York, the first re-entry draft is held for 24 players who had played the season on a renewed contract. Teams could select up to 12 players, while players could be selected by up to 12 teams.

**November 6, 1976**. The first post-Messersmith free agent signing is pitcher Bill Campbell, formerly of the Twins, who signs a four-year \$1 million contract with the Boston Red Sox.

**November 29, 1976.** Reggie Jackson signs with the New York Yankees for five years and \$3 million -- the biggest contract in the first free agent class, and Jackson becomes the game's highest-paid player.

# <u>1977</u>

**March 1977**. Philadelphia third baseman Mike Schmidt signs a six-year contract for \$560,000 per year, making him the game's highest paid player. The 1976 free agents had set a new market, and now teams scramble to sign their best players to keep them from testing free agency themselves.

**July 29, 1977**. Dick Moss resigns as general counsel (later becoming a player agent). His replacement is Donald M. Fehr.

**November 4, 1977.** At the Plaza Hotel in New York, the second re-entry draft is held for 89 players, up from 24 in 1976. Several sign huge contracts, notably Richie Zisk, Larry Hisle, Goose Gossage, Oscar Gamble, Mike Torrez, and Lyman Bostock.

# <u> 1978</u>

**July 31, 1978**. John Gaherin, the owner's chief negotiator, resigns under pressure. The owners hire Ray Grebey, formerly a negotiator for General Electric, to replace him. This was a sign that the owners are gearing up for a fight at the expiration of the CBA in December 1979.

**November 27-28, 1978**. At their annual meeting, the Association votes to raise a war chest in preparation for a possible strike in 1980.

**December 5, 1978**. Cincinnati Reds third baseman Pete Rose, 37, signs a free agent contract with Philadelphia for 4 years and \$3.2 million, the largest contract in sports history.

## 1979

**November 2, 1979.** The fourth re-entry draft is held at the Park Plaza in New York City for 44 players. Ultimately the biggest contract goes to Angels pitcher Nolan Ryan, who signs with Houston for four years, \$4.5 million.

**Mid-November, 1979**. Negotiations begin on the new CBA to replace one that will expire on December 31. The owners vote to put 2% of their 1980 gate receipts into a "mutual assistance fund" to prepare for a strike.

**December 31, 1979.** CBA-4 expires. The owners' first proposal includes: (1) in a player's first six years he would receive a defined salary based on experience and performance (thereby ending salary arbitration), and (2) teams that lose "premier" free agents would receive a player from the signing team. The players first proposal includes: Free agency at four years (rather than six), and (2) an end to the current requirement that a free agent must wait five years before becoming a free agent again.

<sup>i</sup> Helyar, 124.

<sup>&</sup>quot; The Sporting News Official Baseball Guide, 1973.

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