

MLB Media Conference

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Commissioner Rob

Manfred

Press Conference

ROB MANFRED: Good morning. I'm sure you can hear me one way or the other. I'm not that quiet, unfortunately.

I am going to talk a little bit about labor, but let me cover the other things that we did during the two and a half days of meetings that we just completed.

We did elect two new members to the executive council, Ken Kendrick of the Arizona Diamondbacks and John Stanton from the Seattle Mariners. They replace Messrs. Reinsdorf and Attanasio whose terms expired.

Typically through all of the committee meetings and the joint meeting, there were certain things that we spent a lot of time on; the local media situation, the RSNs, was a big topic. The competition committee, the product on the field, the experiments with rule changes in the Minor Leagues.

Tremendous conversation on the topic of diversity. Mike Hill made a presentation to the owners on that topic.

Great report from Tom Ricketts, who's the chairman of the international committee on international strategic planning, and a lot of focus on new business initiatives, particularly those related to the blockchain, which is NFTs plus. A lot of other topics, as well.

With respect to labor, let me start with the most important point. The clubs, our owners fully understand how important it is to our fans that we get the game on the field as soon as possible. We want to reach a fair agreement with the Players' Association, and we want to do that quickly.

We have listened carefully throughout this negotiation, and we have moved towards the players on key areas in an effort to address their concerns. We've proposed an agreement that is better in every respect than the expired contract.

For the first time in history, and despite substantial opposition by some clubs, we've agreed to institute a draft



lottery to address the players' concern about clubs not competing. The players have said throughout the process that a key priority is getting young players paid more.

We agree, and we actually share that goal. That's why we've proposed to increase pay to young players through significantly increased minimum salaries and by accepting the concept brought forward by the players of a bonus pool for the game's best young stars.

Under our proposal on the table, every single pre-arbitration player would be better off than under the previous agreement.

We've agreed to a universal designated hitter and the elimination of draft choice compensation. These changes will improve the free agent market by creating additional jobs that are often filled by veteran players, and by reducing -- actually eliminating -- the drag from compensation.

We've made a meaningful proposal directly responsive to the players' longstanding concern about service time of young players. We'd like to expand the playoffs, which is good for players and for clubs. It's also good for our fans, the vast majority of whom enjoy playoff baseball.

We think the new format will encourage more clubs to compete while giving more players the opportunity to participate in the postseason.

In total, the proposals we've made would move the agreement decidedly in the players' direction. Where the clubs have been and remain unwilling to move is in response to player proposals that we believe will undermine the competitive balance in our game.

For example, the players' insistence that we reduce revenue sharing will without question lead to less competition, not more. Changing the current agreement by taking resources from clubs with relatively limited revenue will make the game less competitive, and when you think about it, it's like asking people to take a pay cut.

Lastly, on timing, we're doing everything we can to get a deal done for our fans. We had hoped that a federal mediator could provide some assistance to help the parties work through their differences and break the deadlock. We



believe that the involvement of an impartial third party could help bridge some of the gaps and facilitate an agreement.

The FMCS is there exactly for these types of labor disputes, and we thought it would be productive, given the tightening calendar.

While it's unfortunate that it was rejected, we remain committed to offering solutions and will once again offer the Players' Association a proposal on Saturday in an effort to move the process forward.

Okay, happy to take questions if anyone has one.

Q. What is the status of Spring Training?

ROB MANFRED: Look, the status of Spring Training is no change right now. We're going to have a conversation with the MLBPA about the calendar. We understand where the calendar is, but until we have that conversation and until we see how this session on Saturday goes, it's no change.

Q. Just back on December 2nd when you announced the lockout, you said, We hope this lockout will jump start the negotiations, and then there was nothing until January 13th. How do you reconcile those two facts?

ROB MANFRED: We have consistently tried tactics to move the process. We hoped the lockout would do it. We thought the mediation suggestion might help do it. We've reached out and made proposals when there were gaps.

In terms of any delay in the process, that's a mutually -- or a mutual responsibility of the bargaining parties. Phones work two ways.

Q. You mentioned on the list of things that you just went through that the Players' Association does share your views on a number of those factors as important things. Now it seems all along you guys have talked kind of in the general framework of things that had to be done with the game. What's really kind of holding it up? I know this negotiation has to be done. Are we talking about a big gulf in things like the revenue sharing that you mentioned and also things like the competitive balance tax number I know they want to go up? Are those so far apart that it's not a situation of a day or two, it just seems longer?

ROB MANFRED: The best answer I can give you is actually something that I said in Dallas. You're always one breakthrough away from making an agreement. That's the art of this process. Somebody makes a move, and that's why we'll make additional moves on Saturday that creates

flexibility on the other side, and what seemed like a big gap on this topic or that topic isn't such a big gap anymore. It's hard for me to answer that better than that.

Q. One of the things we've seen from players on social media and stuff is just a lack of trust in the league and you and sort of the good faith part of these negotiations. Is that something that's important to you to address, and how do you go about rebuilding that trust, if so?

ROB MANFRED: Yeah, look, I don't pay a lot of attention to social media, I'll be honest with you. I think most of the commentary that's out there is tactical.

Q. In 2020 I know that negotiations --

ROB MANFRED: By the way, I really should say one other thing.

In the history of baseball, the only person who has made a labor agreement without a dispute, and I did four of them, was me. Somehow during those four negotiations, players and union representatives figured out a way to trust me enough to make a deal.

I'm the same person today as I was in 1998 when I took that labor job. I just don't know what else to say in response to that.

Q. In 2020 it seemed like the issue of full prorated pay or not was something that we could all grasp onto is the principle that the two sides were in dispute over. This time is it clear to you what the principle is the players are fighting for? I know it's probably not one thing, but is there something you feel is their principle, their top priority in this round?

ROB MANFRED: Let me say this: I don't mean this as a criticism; I do think one of the difficulties in this process is that from our perspective, and it's all about people's perspective, there's been a mismatch between rhetoric and proposals.

Q. Your clubs play Grapefruit League and Cactus Leagues games with exclusively non-4D players if there were no deal?

ROB MANFRED: I don't intend, and the clubs don't intend, more importantly, to play what would otherwise be Major League activities with Minor League players.

Q. Do you believe that we will have opening day on March 31st?



ROB MANFRED: I am an optimist, and I believe we will have an agreement in time to play our regular schedule.

Q. You're an optimist, but are you prepared to miss regular season games if it comes to that, and have you sort of given consideration to what both the short and long term adverse effects that might have on the sport's vitality?

ROB MANFRED: If I hadn't given consideration to what it would mean to miss games, I wouldn't be doing my job. Obviously I pay attention to that. I see missing games as a disastrous outcome for this industry, and we're committed to making an agreement in an effort to avoid that.

Q. Is there a point at which missing games would be more costly than just meeting the union where they are with their proposals?

ROB MANFRED: That's -- I just can't answer that. I mean, I really can't. It would depend on where the union is with their proposals and how many games you're talking about.

Q. Between the moment a settlement is reached and being able to start Spring Training, how long is that? And also, how long is the minimum that players would need to be ready for -- in a Spring Training?

ROB MANFRED: Yeah, we do have some logistics that would have to be handled between an agreement and actually opening the camps, the biggest of which is the players getting where they need to be.

We also have to ratify, right? They have to ratify and we have to ratify, and we won't open the camps until it's ratified. But both of those activities can take place at the same time, concurrently, and they're not -- it's a few days. It should all be able to be done in a few days.

Spring Training, look, we unfortunately have some experience with this. We thought 20, 21 days, whatever we had in 2020, was a problem for us; the injury data supports that idea.

We'd like to be 28 -- I'm trying not to be hard and fast, but we think more like four weeks makes sense.

Q. You said a few days between settlement and being able to open camps, so less than a week is realistic?

ROB MANFRED: Yeah, yeah, I think it would be less than a week.

Q. If you could explain I guess in the proposals in the CBT penalties and tax rates, they have gone up in

MLB's proposals recently. Could you explain the reasoning or thinking in that?

ROB MANFRED: The tax rates are status quo. The same rates that are in the expired agreement.

I think one may have a 5 percent change, 5 percentage points, but they're essentially status quo rates.

The only change in the non-monetary side is because of the elimination of draft choice compensation. Some of the old non-monetary penalties wouldn't work anymore because they were keyed off draft choice compensation, and there is a proposal for something to substitute.

It's a substitute for what we're giving up by the elimination of draft choice compensation.

Q. I think the drug testing has stopped; is that accurate? Is that of any concern to you?

ROB MANFRED: It is. It is accurate. Our legal authority to conduct drug tests expired with the expired agreement. It's a topic of concern. Labor disputes make topics of concern. It's another one caused by the dispute.

Q. In declining to say that Spring Training will be delayed today and making a proposal on Saturday, does that indicate you're hoping your proposal is significant enough or viewing it as significant enough to make realistic an agreement -- we're talking now if you looked at a calendar a few days, right, and then reporting on time, that would mean agreement very quickly?

ROB MANFRED: Yeah. Look, I said two things: Number one, we need to have a conversation with the union about calendar before I get into making those sorts of decisions.

With respect to the proposal, we're going to make a good-faith positive proposal in an effort to move the process forward.

Whether or not that happens, it's a product of the process. I just don't know. It's a good proposal.

Q. You said you're the same guy since 1998. You've gotten all your deals done. That's technically true, but 2020 obviously was a unique situation, but that could have started earlier if the two sides had agreed quicker --

ROB MANFRED: I'm going to stop you right there. I 100 percent disagree with that. If you go back and look at the governmental authorities, who was giving us permission to

 . . . when all is said, we're done.®

play, there was no way we were going to -- whether we made an agreement or not, there's no way we were starting earlier.

Q. Would you dispute that there was considerable tension between the two sides in 2020?

ROB MANFRED: No, I stopped you only on the idea that we could have played more.

Look, the history of what happened in 2020 is what it is. It was a contentious negotiation.

Q. And it's the same principles on both sides.

ROB MANFRED: Yeah, that's true.

Q. So it's --

ROB MANFRED: Like I said, we had a contentious negotiation in 2020 over one issue in the middle of a pandemic.

The longer track record is we made four basic agreements without losing a game. We made some agreements early, and most of them without any public rhetoric surrounding them.

Q. I guess my question is is this group of people on both sides, is this a factor in this issue? This is the first time with Tony and Bruce and you -- with these specific people.

ROB MANFRED: Yeah, look, we conducted negotiations, Michael and I, in a certain way. 2020 and this negotiation have been a little different, maybe a lot different, than those negotiations. I mean, that's true.

Q. You said you were being optimistic and you're an optimist. Is it by nature or is it a sense of where you're headed?

ROB MANFRED: Look, I think that to be a good labor relations person, to work in what is an extraordinarily difficult process, you have to be optimistic by nature. You have to keep in your mind what I said earlier, and I'll say it again: One correct move sometimes opens the way to an agreement.

My view of the world has always been you keep looking for that one move that creates the opportunity.

Q. As you would expect, after the rejection of the Montreal plan, what is the level of urgency from your perspective on the Rays' stadium situation, and who is

the onus on now? Is it on the Tampa Bay community or is it on the Rays?

ROB MANFRED: Look, we do have a sense of urgency with respect to the Tampa situation. I think the club being in, and they have been in, a substantial period of uncertainty as to where they're going to play, which in turn dictates the economic outlook for the franchise, that's a bad thing.

It's a bad thing for a business and hampers the ability of the business to operate and the club to operate in the most effective way. So we do have a sense of urgency.

My hope is that Tampa, the officials in Tampa Bay and the region -- I've gotten educated on that. I'm pretty good. In the region, and the Rays can work together to find a solution that will keep a full season of baseball in Tampa. We think Tampa is Major League market, and we want to find a solution that makes the club economically viable in that market.

Q. Have you heard enough to think that's possible?

ROB MANFRED: I'm encouraged by -- I thought Mr. Sternberg's tone the day of the announcement was -- I said this in the executive council. I thought it was pluperfect. I mean, in an extraordinary difficult situation I thought his tone was great. I think some of the comments from civic leaders in the region have also been encouraging.

Q. Would you say that owning a baseball team is a good investment?

ROB MANFRED: You know, it's interesting, we actually hired an investment banker, a really good one, actually, to look at that very issue. If you look at the purchase price of franchises, the cash that's put in during the period of ownership and then what they've sold for, historically the return on those investments is below what you'd get in the stock market, what you'd expect to get in the stock market, with a lot more risk.

Q. I know you talked about how some of what the players were saying is rhetoric, but they are quite often using your name in those comments. How much responsibility do you personally take for this work stoppage?

ROB MANFRED: Look, it is part of my job to get us to an agreement that keeps the game on the field. I take that responsibility really seriously. What somebody says on social media really doesn't affect my thinking in that regard.

It's my responsibility to do everything we can to make an



agreement that the industry can live with and keep the game on the field, and we are trying to do that.

Q. You were talking about the different ways you were making proposals to improve the players' situation. Can you put a number or an estimate on, in the totality of your proposals, how much the players would gain? Is it \$10 million? Is it \$100 million? How much more is going to the players?

ROB MANFRED: I mean, over the term of the agreement, between the minimums -- just the minimums and the bonus pool numbers would be in the hundreds -- it would be in the hundreds of millions of dollars. That isn't even getting into valuing things like additional DH jobs, which are high paying jobs rather than low paying jobs, the elimination of draft choice compensation which would tend to increase player salaries.

You're talking about a lot of money.

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