



NEWS RELEASE

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Vice President Stand Brand's Opening Session Speech

NASHVILLE---My remarks at the Winter Meetings usually focus on political or legislative events that impact our industry, whether those events involve threats to baseball's antitrust exemption (as I have reported on several times in the past), hearings into the use of performance enhancing drugs in sports or the status of foreign players under our immigration laws and the difficulties we faced in bringing them into the country under a revised quota system. Today, however, I would like instead to spend a few minutes reflecting on the last 16 years and how the outside challenges we have faced have shaped our industry and prepared us for what lies ahead.

This is a year of transition for Minor League Baseball. We close the books on the Mike Moore era and look ahead to a new President. Many of you here today were not around in 1991 when I attended my first Winter Meetings in Miami as a then candidate for President of the NA. When I came upon the scene as a complete novice in the business of baseball and an outsider, what I found could best be characterized as the uncertain and highly unsettled state of Minor League Baseball. In 1990, there had been an acrimonious negotiation between MLB and the Minors over the Professional Baseball Agreement and a nearly cataclysmic break in the historic relationship between Major and Minor league baseball. There was even talk that Major League Baseball would abandon the PBA, form complex baseball leagues of their own and that surviving NA clubs would create independent leagues. The minor league owners and executives I encountered wondered whether the Minors would survive as we knew them under the newly forged agreement. For one, "special consideration" – the compensation that had been paid to the Minors by the Majors in recognition of lost revenue due to televising major league games into our territories – was gone. In its place was a ticket tax paid to MLB based on a percentage of receipts on our attendance to defray major costs in supporting player development. In addition, rigorous new stadium standards were imposed rendering many of our stadia venues obsolete and requiring investment of hundreds of millions of dollars in new and renovated facilities. In short, the economic world of Minor League Baseball as it was then known had been turned upside down. Obviously, I found great concern about where the Minors were headed in light of this new economic order and how we would survive these changes.

Ironically, the greatest threat to our existence – repeal of baseball's antitrust exemption – came in the next year when the major league owners forced the then Commissioner out and replaced him with one of their own. While we didn't know it at the time, this threat presented the opportunity to restore our relationship with MLB and to revitalize the grassroots strength of our industry. It was the impetus of vigorously defending the antitrust exemption against the combined might of the players union, powerful members of Congress, the American Bar Association and the Department of Justice that opened the door to a renewed alliance with MLB and with those in Congress dedicated to preserving baseball at the grassroots. It was a defining moment, a moment that we seized. We marched to the front of the line in the battle in Congress to protect the antitrust exemption – a battle that lasted fully seven years – at the end of which we had reenergized our partnership with MLB and by this time renegotiated a new PBA over a longer period that provided certainty and stability to our industry and preserved a critical number of PDCs.

In addition, we turned the once dreaded new stadium standards into a positive – forming partnerships with our communities in building new and renovating old facilities to the tune of over \$1 billion dollars in the last decade or so. This, in turn, provided a formidable set of allies to argue for preservation of existing PDC's with MLB – communities that invested millions of dollars in facilities in reliance on a long-term relationship with their minor league clubs.

Since 1998 we have successfully renegotiated the PBA several times, each time reaffirming the critical and enduring role of the Minor Leagues as the player development arm of MLB and the minors place in the fabric of national life.

(more)

The era of prosperity and good will with our Major League partners that has characterized the NA presidency of Mike Moore did not happen by accident. It happened through hard work, relentless planning and above all, vision. It would have been easy in the tumultuous post 1991 period to slip back to old habits and old ways and hope for the best, but that was never the path we chose.

Only weeks after the 1991 Winter Meetings, the new President called a convention in Dallas to reform our internal governance structure and make it more responsive to the demands of our industry, most notably, creating a Board of Trustees reflecting ownership on an industry-wide basis. The concept of the Board of Trustees, as it is with all modern business organizations, is to provide guidance and policy direction to the President and staff. It replaced an antiquated structure that too often micromanaged the NA and often fostered decision-making that was grounded in parochial interests instead of the best interests of the entire industry. This is what has, as much as anything we have done, made us stronger, more independent and more able to weather the business and political cycles that buffet our industry from time to time. It has made us the strong partner with Major League Baseball that we have become, instead of the stepchild that we were in 1990.

The leadership that Mike Moore has provided as President over the past 16 years has resulted in the longest and most sustained period of prosperity and stability in minor league history and we are grateful to him for this. But of the many lessons I learned from Mike, none is as important as his repeated admonition that we achieve nothing alone and succeed only because of our collective and cooperative efforts, and we have achieved for 16 years because of that cooperative spirit.

And we have also succeeded because we have, as my grandmother always said, "stuck to our knitting," that is we have preserved and advanced the core values and traditions of the game by doing what we do well . . . nurturing customers, giving them value, innovating and being productive community participants and supporters. In 1991 who among us would have predicted the arc of success we have experienced in the last 16 years: record attendance growth; stable and cooperative relations with MLB; over 100 new and renovated state-of-the-art facilities; and dramatic increases in franchise value. We are the envy of many industries in the United States and stewards of the National Pastime at the grassroots and let's not forget it.

As we head off to conduct our business and prepare for next season and a new era in NA leadership, I leave you with some very simple, but I think irrefutable, advice based on the last 16 years; don't try to fix what's not broken and don't needlessly tinker with a governance structure under which the greatest stability and prosperity in Minor League history has transpired. No owner or executive in any other industry would think of doing that based on the record of our success. And lastly, choose your leaders wisely, which I believe you have done, and then trust the judgment you have made. For sure, hold them accountable and measure their performance, but let the NA fulfill the promise of the 1991 structural reforms by acting in the best interests of the industry. This is the formula that has delivered success for 16 years.

On a personal note, this is an emotional and bittersweet moment for me, as the man for whom I've served with for 16 years as his Vice President, moves on. From my first conversation with Mike Moore on a telephone in the Denver airport 16 years ago, a call I remember like it was yesterday, I knew, as Humphrey Bogart said in *Casablanca*, that this would be a beautiful friendship and it has been that. I have had no more rewarding, supportive or exciting professional relationship than the one I've had with Mike Moore. I have had the honor and privilege to carry the Minor League banner before Congress, with MLB, indeed with the country and I am deeply indebted to you Mike for having given me that opportunity. God bless you and keep you and reward you with a joyous retirement.

To all of you, have a great Winter Meetings and a great 2008 season.

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