### What is the ABL?

The Australian Baseball League (ABL) is a new company (officially formed in December 2008) charged with the responsibility of establishing a new professional baseball league in Australia. The company has two (2) shareholders; Major League Baseball (MLB 75% shareholder) and the Australian Baseball Federation (ABF 25% shareholder).

### What is the ABL's Organisational Structure?

The ABL has a centrally controlled organisational structure that will closely monitor all aspects of the league. This design has been implemented to remove the traditional reliance on private owners (and private equity) to keep the ABL afloat. MLB and ABF have made an initial financial commitment for five (5) years; with views towards long-term sustainability.

Initially, staffing levels for the league will be kept relatively low (again to ensure financial stability) – with central ABL administration to be supported by dedicated staff for each franchise.

To start there will be a League Chiarman/CEO and Baseball Operations Manager as well as General Managers for each franchise. During the season, Assistant GMs and administration staff will be added to each franchise. These staff will be dedicated to the ABL and while they will work closely with state associations, they will work independently and focus solely on the success of the ABL

### We have heard the ABL has been coming for years, what's the difference now?

The difference? In a word; "Reality". Until now the National League had been all about hypothetical plans and business models with no real tangible elements attached. There is now full-time staff in place, committed shareholders and money in the bank.

The ABL will run the Claxton Shield in 2009/10. We want to make it clear to everyone involved that this Claxton Shield is **NOI** the ABL; however we will start to implement all of the management structures and administrative elements that will complete the puzzle with the full Launch of the ABL's inaugural season in 2010/11.

There is not longer any "Ifs", "Ands" or "Buts" – the ABL is here, and it is real.

The full launch of the ABL, along with a national competition to name the teams, colours and mascots is set for November 2009.

### What the financial outlook?

The ABL has committed a significant amount of money to ensure the league will be around for a long time to come. We intend to do things right but make no mistake; the ABL will still have some considerable financial challenges ahead.

We have set ourselves some tough, but realistic targets in regards to attendance, sponsorship and other associated revenue streams - but even if we exceed theses goals, the ABL is forecast to make significant <u>losses</u> over the first few years. That's the commitment we are prepared to make to ensure there is a league here for Australian players and supporters.

That being said, we are optimistic that with the support of those same players and our ability to provide genuine low-cost family entertainment, the league will be a long-term success and is expected to turn a profit in most franchises by year five.

### What is the timing of the season?

This Claxton Shield season lasts from the beginning of November until mid-February. The first series is scheduled to be played November 6-7, 2009. There will be a two week break during Christmas/ New Year. The regular season ends at the end of January and the play-offs should conclude no later than the second weekend of February to allow for any scheduled returns to Spring Training.

Eventually the season may expand into late October, but we will always align ourselves to compliment minor/major league baseball – thereby becoming an officially recognised "winter" league in much the same vain as leagues in Venezuela, Mexico and other parts of Latin America.

### What is the proposed format of the league?

During the 2009/10 Claxton Shield five teams will play a home and away schedule with three game series usually consisting of a Friday night game and a Saturday (day/night) doubleheader for a 24 game regular season. Perth has already committed to playing 3-day series (Thu-Sat) while the inaugural ABL season in 2010/11 will definitely see an extra game day added, to make it a four game series, with a five game series in consideration for future seasons.

Initially we have tried to avoid clashes with traditional Sunday Club-ball in most states. It is important we work together with the club community for the long-term success of the league.

Ultimately the ABL will consist of a 60-game regular season.

This year the  $1^{st}$  place team after the regular season will qualify for the Final (3-game series), while  $2^{nd}$  and  $3^{rd}$  will play-off in a 3-game set.

Moving forward, the playoffs would incorporate two full rounds, with the ABL Championship likely to expand to a five game series.

## What are the teams?

The 2009/10 Claxton Shield will feature five teams based in Sydney, Melbourne, Brisbane, Adelaide, and Perth. Canberra is lobbying to be added for the inaugural ABL season in 2010/11; and expansion teams in Gold Coast, Central Coast, Geelong or 2<sup>nd</sup> teams in Melbourne and Sydney are a likely possibility after a few successful seasons.

## Who will play in the league?

The league will be open to everybody; however the emphasis from MLB is that this league exists primarily to develop young Australian professionals.

Of course there will be some amateurs and former pros on all rosters, but preference will be given to current professionals in most cases. As is usually the case, the MLB commissioner's office will seek clearance for all current pros who want to play in the ABL from their respective clubs.

Eligibility rules will be expanded starting with this season's Claxton Shield, allowing players to compete for teams outside the state they live in. (Individual approval must be obtained from the ABL in order to do so.) In certain circumstances Non-Australian residents (imports) will all be permitted this year.

Moving forward, assigned MLB and Asian imports are expected to join the league on a regular basis and may see as many as six (6) international players per team.

Permission for MLB contracted players to play will be handled through ABL negotiations with the MLB Commissioner's office and individual MLB clubs.

### Will players be contracted?

Yes, every player in the ABL will be under contract, starting with the Claxton Shield this year.

In an effort to make all teams as competitive as possible, some players may only be offered an ABL contract for a team outside their home state. For example, it is no use one club having three "star" shortstops who each have limited playing time; while another team doesn't have any infielders.

While Managers, coaches and GMs will naturally have major involvement in who ultimately plays for their team; and will manage the "active" playing roster; all contracts will be handled centrally and must be approved by the ABL.

Players under contract will be expected to commit to a minimum number of games for the season in addition to attendance at all scheduled practices and training sessions.

Contracts will also require players to commit to promotional activities, media appearances, development programs/clinics and sponsorship initiatives to ensure the ABL has a positive connection with the community.

Reaching out to our grassroots clubs and the existing baseball community will be vital to the early success of the league; and go a long way towards securing the long-term future for players.

### Will players get paid?

Yes, there is money budgeted to pay players beginning with this year's Claxton Shield. However even though everyone will be under contract, <u>not all players will be paid</u> and it will be more like a token allowance to begin with.

From the 2010/11 season (first official ABL year), pays will increase and most players will be eligible to receive a salary that will be scaled based on experience levels. These salaries will still remain modest and average around the \$800 mark per month (some more, some less) depending on experience. Precise pay scales are still being determined, but there will be several "tiers" or "levels" with all players at a given level earning exactly the same amount.

Payments would be made monthly in arrears and be based on the number of weeks or "series" spent on the active roster during the preceding month. So depending on the schedule, you may make more in some months than others (i.e if your team only plays 2 series in a given month you would earn less than one in which you play 5). From 2010/11 there will also be some pay available for pre-season workouts and during any Christmas breaks.

In addition players and coaches are paid a per diem of AU\$30 per travel day to help cover meals (Other than breakfast which is provided). Coaches and players might also receive additional compensation, on a case-by-case basis, for some baseball development activities/programs assigned by their team or the ABL itself.

As with all costs associated with running the league, salaries will be paid centrally by the ABL so there will be no team with an unfair advantage over another due to relative financial successes or failings.

There may be one or two "marquee" players who may be paid slightly more, but one of the flaws of the former national league is that players were paid at levels that the league could not sustain. Since that time it has taken 10 years and an enormous amount of work to get a second opportunity to run professional baseball in Australia – and if we fail here there may never be a third chance.

Again, our long term focus is to have a viable league that continues to grow for decades into the future – not just a "flash in the pan". So naturally, as the financial successes and support for the league grows, so too will player salaries, but only ever at a level that can be easily sustained.

### What will the roster look like?

The active roster size is 19 for the final Claxton Shield in 2009/10, going to 22 for the inaugural 2010/11 ABL season and eventually expanding to 25. Additional players might be carried on a reserve roster (size yet to be determined).

We expect the majority of the players to be Australian nationals playing professional baseball in the US and Asia, primarily at the Rookie to AAA level, a couple of international professionals from other countries, three to four Australian "veterans", and four to five Australian amateurs. (Obviously the balance here may change considerably from team to team)

We consider "veterans" to be those who either played professionally in the US or Asia, or who have been a consistent contributor at the Claxton Shield over many years, whereas "amateurs" are those players who are still looking to be signed and are strong prospects.

The ABL will employ a paid coaching staff of three (3) plus a medical officer/trainer for the Claxton Shield as well as for the inaugural ABL season. The coaching staff will increase to four (4) after that point. (NB: States may opt to add coaches at their own expense)

### Who takes care of housing and transportation?

Players and coaches are responsible for their own housing and transportation (except for away games.)

As with all other expenses, the ABL will fund team travel to and from games as well as hotel accommodation while on the road.

In most instances travel will be by air with the ABL's chosen airline and accommodation will be at 3-star minimum properties. Breakfast (or additional per diem) will be included for all overnight accommodations.

## **Anything else?**

There is obviously an enormous amount of planning and work to be done as we continue to develop the ABL model and build towards the official November 2010 start date.

I am sure you all have additional questions, some of which I will be happy to answer now, but some others we may not have the answers for yet.

In any case, the one thing we want to encourage from the outset is active feedback and engagement with the players.

As such, please feel free to contact me at any time, and I'll endeavour to pass on as much info and take on as many suggestions as possible as we create a new chapter in Australian Baseball.

Stay in touch,

### **Ben Foster**

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