

THE WITNESS: I will, sir.

DIRECT EXAMINATION BY MR. IVERSON:

Q Mr. Eagleson, what is your occupation?

A I am a lawyer.

Q And do you have any contact with professional hockey?

A Yes. I am the executive director of the National Hockey League Players Association.

Q And could you describe the operation and activities of the Players Association for us?

A It encompasses the bargaining between players and owners and is -- encompasses total membership, from every player in the National Hockey League.

Q And how long have you been affiliated with the Players Association?

A Since its birth, in June of 1967.

Q Now, sir, approximately how much time do you devote to the activities of the association?

A I devote two days a week, two and a half days a week.

Q In the course of your activities, you have had occasion to become familiar with the rules and the contracts and constitution of professional Hockey?

A Reasonably familiar, yes.



MR. IVERSON: I have three documents which I would like to have marked.

THE COURT: Please do so, Mr. Clerk.

MR. IVERSON: Plaintiff's Exhibits 18, 19 and 20.

(Plaintiff's Exhibits 18, 19 and 20 marked for identification.)

Q The first document is a printed form, with one page on both sides entitled the Standard Players Contract. Would you look at this and state whether it is the contract signed by players?

A Yes; it is.

Q And some material is stricken out on the back?

A Yes; it is.

Q Are those changes that have been made --

THE COURT: Just a minute.

Mr. Hughes?

MR. HUGHES: Your Honor, the same continuing objection.

THE COURT: Yes, indeed.

A Yes. That's correct.

Q It is correct that the material stricken out has been deleted from the Standard Players Contract?

A It has been deleted, and certain adjustments have been made to the contract by agreement between the Players



Association and the owner through a group that is known as the Player-Owner Council. The one reference that has been deleted is replaced by a -- excuse me -- under Clause 17 with respect to arbitration of salaries in a contract, a new arbitration system was adopted last year.

Q I see. Well, we will describe that later.

Exhibit 19 is a printed document in 13 pages, entitled, "The Constitution of the National Hockey League."

Will you examine that and describe its operation?

A Yes. This document sets out the arrangements between the partner or the members of the National Hockey League and spells out the way in which the clubs handle the operation of their league.

Q Yes. And Exhibit 20 is a printed document entitled "The National Hockey League Bylaws," in 51 pages. Are these the bylaws of the National Hockey League?

A Subject to --

Q With many changes in them?

A With that, I am sure that is the list of the bylaws.

MR. IVERSON: If there is no objection, I should like to submit these into evidence.

THE COURT: And by "these" you mean --

MR. IVERSON: Plaintiff's Exhibits 18, 19 and 20,



1  
2 your Honor.

3 MR. HUGHES: As to Exhibit 18 for identification,  
4 no objection except relevancy.

5 THE COURT: Yes. Received. Mark it, Mr. Clerk,  
6 please, in evidence.

7 (Plaintiff's Exhibit 18 for identification  
8 received in evidence.)

9 MR. HUGHES: On Exhibit 20, no objection except  
10 as to relevancy.

11 THE COURT: Exhibit 20, the bylaws, received in  
12 evidence.

13 (Plaintiff's Exhibit 20 for identification received  
14 in evidence.)

15 THE COURT: That leaves Exhibit 19 for identifi-  
16 cation.

17 MR. HUGHES: No objection to 19 for identification  
18 except relevancy.

19 THE COURT: Received.

20 (Plaintiff's Exhibit 19 for identification received  
21 in evidence.)

22 MR. IVERSON: Exhibit 19 is the constitution, your  
23 Honor.

24 Q Mr. Eagleson, the National Hockey  
25 League: is that the highest professional hockey league?



1  
2 A Yes.

3 Q There is no higher caliber of hockey played anywhere  
4 on the North American Continent?

5 A No.

6 Q I see. Now, I would like to read Section 17 of the  
7 Standard Players Contract, which reads:

8 "The club agrees that it will, on or before  
9 September 1st next following the season covered by  
10 this contract, tender to the player personally or  
11 by mail, directed to the player at his address set out  
12 below hereto a contract upon the same terms as this  
13 contract save as to salary. The player hereby under-  
14 takes that he will at the request of the club enter into  
15 a contract for the following season, upon the same  
16 terms and conditions as this contract, save as to  
17 salary, which shall be determined by mutual agreement."

18 Could you describe to the Court the operation of  
19 that section?

20 A It is considered by me, and I am sure by most, to  
21 be simply a life-time option clause and that a player once  
22 he signs the contract, since that is the standard contract  
23 of the league, signs with a team for life.

24 Q And every player in professional hockey or in the  
25 National Hockey League signs a standard contract?



1  
2 A To my knowledge, yes.

3 Q To your knowledge, have any contracts that have been  
4 signed not contained a paragraph similar to Paragraph 17?

5 A No. To my knowledge they all have that clause in-  
6 cluded.

7 Q I would like to read Section 11 which reads:

8 "It is mutually agreed that the club shall have  
9 the right to sell, sign, exchange and transfer this  
10 contract and to loan the player's services to any other  
11 professional hockey club, and the player agrees to  
12 accept and be bound by such sale, exchange, assignment,  
13 transfer or loan and will faithfully perform and carry  
14 out this contract with the same purpose and effect as  
15 if it had been entered into with the player and such  
16 other club."

t6/2 17 Now, this section obviously allows the club to  
18 trade players, as the phrase is used.

19 To your knowledge, have any contracts signed by  
20 National Hockey League players not contained such paragraph?

21 A To my knowledge, most or all of them contain that  
22 clause, but some contracts have additions to them which  
23 would give players greater privileges.

24 Q Could you describe the nature of those additional  
25 provisions?



A There would be an additional clause in some cases that would simply say, "No cut, no trade" or spell out these details out at length.

Q Some --

A There would be --

Q Some contracts do allow the player a veto over any trade?

A Yes, and others include a clause which would permit the player to renegotiate with his new club, if he is traded. This power generally rests with the stars.

Q I see.

A Or the super-stars.

Q What would be in your experience -- what is the effect of the renegotiation clause? Do players in fact renegotiate their salary, and do they normally receive a salary increase?

A Yes. I would say it is beneficial to have that clause included, so that the player who has then been traded for is now an asset of the new club. He is in a better position to bargain.

Q And in some cases is that increase in salary a substantial one?

A Yes.

Q I would like to read Section 1, which says at the



beginning:

"The club hereby employs the player as a skilled hockey player for a term of one year commencing October 19\_\_ and agrees subject to the terms and conditions here to pay the player a salary of \_\_\_\_."

Aren't most professional hockey league contracts in fact signed for a period of one year?

A Yes, the bulk of them. But there is no restriction, to my knowledge, against long-term contracts, and in fact there are some.

Q There are. Do you know of contracts that have lasted for five years?

A Yes.

Q Are those normally what we would call bilateral contracts, in that the club agrees to employ the player for five years, and the player agrees to play for the club for five years?

A On the surface, that would appear to be the case, but indications show that it is not the case, in that the player is bound to the club for the five-year term, but the club is not bound to the player for the same term.

Q I see. Perhaps it might be helpful if I read Section 13, which states:

"The club may terminate this contract upon written



notice to the player but only after obtaining waivers from all other league clubs. If the player shall at any time fail, refuse or neglect to obey the club's rules governing training and conduct of players, fail, refuse or neglect to render his services hereunder or in any other manner breach this contract or fail in the opinion of the club's management to exhibit sufficient skill or competitive ability to warrant further employment as a member of the club's team" --

Now, would this section normally be included in a multi-year contract?

A Yes.

Q So that if it was included the club would, although the contract was nominally for a term of five years, have the right to cut the player, release him at any time?

A That's correct. I think they have to give, as I recall, two weeks -- two weeks' notice.

Q There are additional provisions regarding --

A In other words, it could be a five-year contract for the player and a two-week contract for the club.

Q I see. Now, to your knowledge, have there been any professional hockey contracts for a period of one year which did not contain a termination provision of this sort?

A To my knowledge, that clause has always been included in such contract, but again additions have on occasion



1  
2 been made which would undermine the strength of that section.  
3 In other words, the phrases, again, "No cut, no trade" would  
4 indicate that the club was bound as well as the player.

5 Q So there have been contracts for a period of more  
6 than one year assigned, which by additional language pre-  
7 vented the club from cutting the player?

8 A Correct.

9 Q Now, do professional hockey teams have a reserve  
10 clause? Could you describe the operation of that reserve  
11 list?

12 A They have -- there are several lists in professional  
13 hockey, but the reserve list as such or the protected player  
14 list -- I suppose it is better known as -- is a list that  
15 is compiled by the clubs before the annual intra-league  
16 draft, and at each session, usually in June of each year,  
17 the club lists the players it will protect, and generally  
18 that number is 18 players, and after that list is in total  
19 submitted to the league itself, all other players who are  
20 not on that protected list are subject to draft by the other  
21 member clubs in the league.

22 Q You say that normally the reserve list or player  
23 protected list is limited to 18 players. Could you perhaps  
24 from your familiarity refer me to the provision of either  
25 the constitution or the bylaws that states that?



1  
2 A Perhaps I can. This is amended by the owners  
3 with respect to draft lists for new clubs. For example,  
4 on the draft list they are allowed to protect 15 players  
5 plus two goal tenders.

6 Q Yes?

7 A But I can't -- let me take a look -- excuse me --  
8 Section 4, entitled "League Player Lists" -- this refers,  
9 "4, subsection 1: The president shall keep with respect  
10 to each member club the following player lists:

11 "(a) Reserve list.

12 "(b) Goal keepers' reserve list.

13 "(c) Negotiation list.

14 "(d) Voluntarily retired list.

15 "(e) Play-offs' eligibility list.

16 "(f) Sponsorship list.

17 "(g) Protected list.

18 "(h) Inactive list."

19 The list I was referring to , then, is 4(1)(g).

20 Q Yes. And now --

21 MR. IVERSON: Excuse me, your Honor. This is the  
22 first time we have had this document.

23 THE COURT: Yes. Take your time.  
24  
25



1 Q Referring to your Section 16A of the bylaws,  
2  
3 Exhibit 20, 16A provides that:

4 "Not later than three hours after the completion  
5 of the annual selection (drafting) of players from other clubs  
6 of other leagues, each member of the club shall file with  
7 the president a full list of eighteen players and two goal-  
8 keepers who are eligible for claim under this bylaw which  
9 list shall be known as the club's 'Protected List' and the  
10 players thereon shall be exempt from the operation of this  
11 bylaw."

12 Could you describe the purpose of the protected  
13 list and its operation?

14 A The results of the protected list -- I am not  
15 sure of the purposes -- the results of the protected list --

16 MR. HUGHES: Your Honor, I object.

17 THE COURT: Sustained.

18 MR. IVERSON: I will rephrase the question,  
19 your Honor.

20 Q Could you describe what the players protected  
21 list is?

22 A The protected list is the group of eighteen  
23 players who are on then the playing roster for the following  
24 season of the National Hockey League clubs and the specific  
25 provision that applies to those eighteen players that does



not apply to non-protected list players is that those players may be sent indiscriminately to minor leagues without being waived.

MR. HUGHES: I object to characterizations. He can describe the facts. I move to strike the word "indiscriminately."

THE COURT: Would you read for me, please, the answer?

(Answer read.)

THE COURT: Motion denied.

Q Could you continue?

A Just give me the last phrase. Oh, without being waived on by the other member clubs in the National Hockey League. So that a player can be sent to the minor hockey systems without being given the opportunity to play in the National Hockey League with another team.

Q Let me read to you Section 16A.3 of the bylaws which states:

"The distribution of the protected lists supplied by the member clubs shall constitute an offer by each member club to sell to any other member club for the amount of \$30,000 U.S. currency each" -- and then subsection (a) -- "any professional player, other than a 'first-year' professional, not included on its Protected List whose services



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1 belong to that club whether the player's name is on its  
2 own Reserve List or the Reserve List of any other club  
3 when that member club has a right of repurchase or other  
4 proprietary interest in the player, or"--subparagraph (b)  
5 deals with amateur players.  
6

7 Would the operation of 16A.3, subsection (a) be  
8 that any player not included on a protected list is subject  
9 to draft at the stated purchase price by any other club?  
10

11 A That is correct.

12 Q There are apparently twenty players on a protected  
13 list, eighteen players and two goalkeepers. What is the  
14 size of the active roster of a National Hockey League team?

15 A It varies. Some clubs carry as many as twenty-  
16 two players during the course of a season. There have been  
17 instances of twenty-three and twenty-four. Generally they  
18 carry twenty players on a roster, and at certain dates  
19 they must have specific players who are considered to be  
20 active and that number is eighteen to a certain date, and  
21 then reduced, I think, to seventeen during the season.

22 Q For those of us that are unfamiliar with how  
23 professional hockey is played, can you tell the Court the  
24 extent to which these 20, 21, 22, 23 players would normally  
25 be active players playing in a substantial part of the game?

A Generally speaking, teams have three forward



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1 lines, a center, a right wing and left wing, three  
2 full lines; two or three defense pairs. So that's another  
3 generally they carry five, but often they carry six defense-  
4 men. Then they have specific duty players, penalty killers,  
5 for example, people who are players who are more defensive-  
6 oriented than others.  
7

8 Q Are they placed in the game when there is another  
9 player in the penalty box --

10 THE COURT: Please wait until the question is  
11 finished and please wait, counsel, until the answer is  
12 completed.

13 MR. IVERSON: I am sorry, your Honor.

14 Q So adding those up it would be, if there were  
15 three forward lines and three defense lines, that would add  
16 up to fifteen players and two or more penalty killers, plus  
17 a minimum usually of two goalkeepers?

18 A That is correct.

19 Q So that the active roster of number of players  
20 who can be expected to play in a given game would be approx-  
21 imately nineteen or twenty?

22 A Eighteen or nineteen.

23 Q So that the protected list is, for practical  
24 purposes, the same size as the roster of players who  
25 actively play in games?



1  
2 A Yes.

3 Q Now let me read to you Section 4 of the Standard  
4 Player's Contract from Exhibit 18. That states that:

5 "The Club may from time to time during the  
6 continuance of this contract establish rules governing  
7 the conduct and conditioning of the player, and such rules  
8 shall form part of this contract as fully as if herein  
9 written. For violation of any such rulings or for any  
10 conduct impairing the thorough and faithful discharge of  
11 the duties incumbent upon the player, the Club may impose  
12 a reasonable fine upon the player and deduct the amount  
13 thereof from any money due or to become due to the player.

14 "The Club may also suspend the player for viola-  
15 tion of any such rules. When the player is fined or sus-  
16 pended he shall be given notice in writing stating the amount  
17 of the fine and/or the duration of the suspension and the  
18 reason therefor."

19 From your experience do professional hockey league  
20 teams from time to time fine or suspend players?

21 A Yes.

22 Q Could you describe the process by which this  
23 is carried out, whether there is a hearing, whether there  
24 is an appeal to the president of the league?

25 A With respect to any fine, the player presumably



1 has the right of appeal although it is not spelled out  
2 specifically in any agreement. The Players Association  
3 will carry the burden for a player in any given instance.  
4 When it involves matters of discipline, if a player is  
5 overweight or if he breaks training curfew, if the fine is  
6 reasonable no challenge is made to it. In other cases,  
7 however, where suspensions have been made by clubs without  
8 what the Association considers to be without proper grounds,  
9 the Association then appeals that matter to the president  
10 of the National Hockey League.  
11

12 Q And the president reviews and has power to set  
13 aside or modify the discipline?

14 A Yes.

15 Q To your knowledge, has any player ever been  
16 disciplined for talking with a lady in a hotel lobby?

17 A Not to my knowledge.

18 Q To your knowledge, has a player ever been dis-  
19 ciplined because of the length of his hair?

20 A No. I should amend that. About three years  
21 ago Mr. Imlach, Hunch Imlach -- the name "Hunch" connotes --  
22 at any event, there was an issue of sideburns at training  
23 camp, and the players were advised not to come to camp  
24 with sideburns. Most complied but some didn't, and  
25 although there were threats of fines, to my knowledge none



were levied.

Q And the sideburns remained?

A On some, yes.

Q On some players.

THE COURT: You seem to be challenging that yourself.

Q Mr. Eagleson, is there what might be called a minor league system affiliated with professional hockey? If so, could you describe it to the Court?

A Yes. There are three leagues, professional leagues. One is the Central Hockey League, the second is the American Hockey League and the third is the Western Hockey League. As to how they operate, they run their hockey leagues in the same manner as the National Hockey League except that in many instances the players on the rosters of the clubs in the American and Western Leagues are loaned by National League Clubs and in the Central League the clubs are in fact owned, I think now, 100 per cent of the cases by National League Clubs themselves.

Q So to summarize your testimony, the Central League, and I take it that is the lowest or the lower of the two minor league tiers --

A The Central League people would question it insofar as ability is concerned, but I would think it is



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1 fair to say that the Central League is the primary level,  
2 the secondary level includes the American and the Western  
3 Leagues on an even basis, and the National League at the  
4 third level.  
5

6 Q The Central League teams are owned by NHL teams?

7 A Yes.

8 Q And the American and Western League teams,  
9 you say that these players frequently are on loan from the  
10 National Hockey League teams. Are they loaned on an individ-  
11 ual basis or will commonly a NHL team have an agreement  
12 with a particular club or clubs?

13 A In most cases a working arrangement exists between  
14 a specific club. However, there have been examples of  
15 a player being loaned from one National League organization,  
16 one National League club, on one occasion to three different  
17 Central League teams in one year. So it depends on the  
18 circumstances.

19 Q From your knowledge, do the National Hockey League  
20 teams contribute substantially to support these minor league  
21 teams and leagues?

22 A Yes, they do. To the Central League particularly.  
23 I think the extent of financial participation in the Western  
24 and American Leagues is limited, to my knowledge, to player  
25 help.



Q Finally, from your knowledge of the game, would you say that professional hockey, while you have been affiliated with it and following it, has been characterized by the highest order of integrity and public confidence in the sport?

A I think that is a fair statement, yes.

MR. IVERSON: Could I consult with my colleagues?

THE COURT: Certainly.

(Pause.)

MR. IVERSON: No further questions, your Honor.

MR. HUGHES: Your Honor, as I understand it, the plaintiff subpoenaed the National Hockey League and Mr. Lawrence Campbell, the president of that league, I am informed is here in court today. I am not aware whether Mr. Eagleson was subpoenaed or not. In any case, I rise to inquire as to whether the plaintiff intends to call Mr. Campbell because it may have some bearing on the nature and extent and scope of the cross-examination of Mr. Eagleson.

THE COURT: Let's find out. Is Mr. Campbell in court, actually in court?

A VOICE: Yes, sir.

MR. TOPKIS: If your Honor please, at the time that we sought to obtain Mr. Campbell's testimony we didn't know Mr. Eagleson would be available. We were trying



to do the best we could.

I can now advise the Court that in view of Mr. Eagleson's testimony I see no reason to take up the Court's time with Mr. Campbell's.

I realize we have inconvenienced him and for that he has of course our apologies, but I don't really think we need him.

MR. HUGHES: May we have a few minutes recess?

THE COURT: Certainly. Announce a short recess, Mr. Clerk.

THE CLERK: A short recess. All rise.

(Recess.)

End 7