

gwb-21

Clark-cross

CROSS-EXAMINATION BY M R. TOPKIS:

Q Dr. Clark, in your report and in your testimony you made various analyses of the cost of player development.

A Yes, sir.

Q And you also have some material in your report which was inquired into in the robing room relating to the profitability of the clubs, do you not?

A Yes, sir.

Q And that portion or those portions, rather, of your report are based on the Arthur Andersen report, Exhibit 7, is that right?

A Yes, sir.

Q You have done arithmetic and applied arithmetical and other techniques to that data, is that right?

A Yes, sir.

Q Now, you have observed, I take it, that the Arthur Andersen report is unaudited, have you not?

A Yes, sir.

Q That is to say, Arthur Andersen does not certify or otherwise vouch for the accuracy or reliability of any of the figures contained in that report, isn't that right?

A That's right.

Q And that means to you, does it not, that the

2 statements made in the Arthur Andersen report could be
3 true and could be a pack of lies and neither Andersen
4 knows and you don't know, is that right?

5 A That's right.

6 THE COURT: Not a pack of lies. You don't mean
7 that. It could be true, it could be accurate, but upon
8 closer verification errors might be discovered. Will you
9 accept that?

10 MR. TOPKIS: I will accept that, your Honor.

11 Q I would askyou, Mr. Witness, if those figures
12 showed that a club had lost money, you wouldn't have any way
13 whatsoever of knowing whether that lost was the result of the
14 clubs doing its best and nonetheless losing money or the
15 loss was generated by the fact that there were 20 relatives
16 of the club owner on the payroll; you wouldn't know one way
17 or the other, would you?

18 A No.

19 Q And so those portions of your report that we
20 have been talking about could be based on proper business
21 expenses and could be based on having a pack of relatives
22 on the payroll, is that right?

23 A Yes, sir.

24 Q Have you ever heard the suggestion that any
25 club in the major leagues has as many as 20 relatives of the

principal owner on its payroll?

A No, I haven't.

Q You have not?

A No.

Q You haven't heard one way or the other, is that right?

A Right.

Q Now, could I have your employment history in brief again? Did I understand -- well, when did you go to work for Arthur D. Little?

A June 10, 1953.

Q June 10, 1953. And how long did you stay with Little?

A until 1966, about June 8 or 9 or 10, somewhere in there.

Q You left in 1966?

A Yes.

Q With whom did you go?

A Cresap, McCormick and Paget.

Q That is another firm engaged in management consulting, is it not?

A Yes.

Q You came back to Little when?

A I believe it was May of -- either April or May

of 1967.

Q When you left Little, was it understood that you would return within a year?

A No.

Q It was a total severance of your relationship, is that right?

A Yes.

Q Tell me, when you went to the Cresap, McCormick firm, did you move from one city to another?

A No.

Q You stayed in Boston?

A No, stayed in New York.

Q You are based in the Arthur Little New York office?

A I was at that time.

Q Did you receive an increase in your compensation when you went to Cresap, McCormick?

A Modest, yes.

Q And when you came back to Little did you receive a further increase in your compensation?

A Very modest.

Q What percentage each time?

A Oh, 10 per cent the first time, 5 per cent the second.

2 Q You are being paid to testify here?

3 A Yes.

4 Q Tell me, how would you like to have no choice
5 but to work for Arthur D. Little forever?

6 A Well, actually I enjoy it a great deal.

7 Q That is why you left for Cresap, McCormick?

8 A No, I left because I would prefer not to move
9 back to Cambridge.

10 Q Oh, that's why you left Little?

11 A Yes.

12 Q Because you didn't want to move to Cambridge?

13 A Yes. I like New York.

14 Q Ever hear of a man Curt Flood liking St. Louis?

15 A Yes.

16 Q You sympathize with him then?

17 A Yes, I certainly do sympathize with him.

18 Q I didn't hear you testify, Doctor, about how you
19 regarded that aspect of the reserve system in baseball
20 which let the player be traded any time the club owner wishes.
21 Does that strike you as appropriate?

22 A Do you mean not saying anything or the ability
23 to be traded as appropriate?

24 Q The ability to be traded.

25 A It could have some undesirable points to it.

Q So far as the player is concerned?

A Yes.

Q Tell me this, if you will. Suppose the reserve system were modified so that a player let us say of ten years standing had the right to veto a trade so that he could stay in the town in which he had spent the first ten years of his baseball life. Would you think that the foundations of baseball would tremble or do you think baseball could survive?

A I think it could have --

MR. KRAMER: Just a moment, please.

Your Honor, could we have the phrase "the first 10 years of his baseball life" changed to "the first ten years of his major league life"?

MR. TOPKIS: Gladly, your Honor. I will accept that.

THE COURT: With that change in mind, would you answer the question, Dr. Clark?

THE WITNESS: I think there would still be some substantial effects or possible substantial effects of the stronger clubs being able to attract players because a number of players do have very effective careers of over 10 years and so the stronger club could still, I think, have an advantage in getting the stronger player.

2 Q Perhaps I didn't make myself clear, Doctor.
3 I am not talking about the player having the right to dic-
4 tate the trade. I am talking about his having the right
5 to veto a trade so that if he is in St. Louis, St. Louis
6 couldn't trade him, if he had been in the majors for 10
7 years, without his consent.

8 Now, that wouldn't result in his going to any
9 stronger club?

10 A Well, it could or it couldn't.

11 Q It would keep him in St. Louis unless he were
12 traded to a club where he was willing to go.

13 A I think that there is a possibility in my mind
14 that towards the end of a player's career, which would be
15 longer than 10 years in my estimation for many players,
16 that he might well have something to say about it, but I
17 would think more on the version of 15 years than ten years.

18 Q How many players survive 15 years in organized
19 baseball?

20 A Well, according to the work I have been doing,
21 I would say a relatively small percentage, but nevertheless
22 there are a number who are established stars and have been
23 in a given city for a fair amount of time.

24 Q Five per cent?

25 A Oh, not over that.

2 Q Two or 3 per cent?

3 A Somewhere around. Of all of the players who
4 come up to the major leagues.

5 Q Right. Now let's talk about a player having
6 a veto. How would that, assuming he had the veto after
7 being in the majors for 10 years, how would that adversely
8 affect the level of competition or otherwise adversely
9 affect baseball?

10 A Well, one possibility that I see that could
11 be involved here would be where let's say Boston is trying
12 to strengthen its pitching staff and they want to obtain
13 a picture from another club and the only way they can
14 do it is by giving up somebody that the other club wants
15 and if they were unable to make that trade and there was
16 no other player on the roster that the other club wanted,
17 conceivably this would result in their being unable to
18 trade to strengthen the club.

19 So there would be an effect on the trading
20 process.

21 Q So that there would be a certain contraction
22 of the freedom of trading, is that right?

23 A Yes.

24 Q Would you regard the contracting as being so
25 significant as significantly to affect the level of

gwb-29

Clark-cross

1
2 competition in organized baseball?

3 A You know, I can't really forecast that in
4 detail because I really don't know how often this would
5 happen.

6 Q How often what would happen?

7 A That there would be a question of a 10-year
8 player or 11-year player or 12-year player being able to
9 stop a transaction.

10 Q You know how many players there are in the
11 majors who have had 10 years of major league experience,
12 don't you?

13 A No, not exactly.

14 Q You haven't calculated that?

15 A No.

16 Q Six or 7 per cent?

17 A Oh, no. Actually, if you notice, on the average
18 of six years, seven years, eight years, if you take the
19 players with over four years experience the average
20 player's life becomes around 9 years without taking military
21 service into account. So there are a fair number over
22 the nine or ten year limit.

23 Q I see. But do you think that baseball as it
24 exists today would be adversely affected to a truly sig-
25 nificant extent by giving the ten year player a veto

over his trade?

A I think it would be adversely affected. To what degree, I can not say.

Q You testified, I think, Doctor, that you had looked at the salaries in baseball and compared them with salary changes -- may I start again, please?

I think you testified, Doctor, that you looked at average salary changes in baseball between 1965 and 1969, and you looked at average salary changes in other businesses and you saw that baseball's changes were not significantly above or below those of other industries and, accordingly, you concluded that the reserve system did not operate to affect the players seriously. Is that a fair summary of your testimony?

A Well, you have to add the analysis about the established players and what happened to them over a four or five year period.

Q With that exception, does it reflect your testimony accurately?

A Yes, it was my impression, with the substantial increases that were enjoyed by the established players, that it would be hard to say that they could have been substantially greater.

Q Let me put it to you this way, Doctor. Suppose

1 you saw a slave who over the course of four years got a
2 26.5 per cent increase in his food. Would you therefore
3 conclude that since 26.5 per cent is about what other wage-
4 earners had their incomes increased by over four years,
5 therefore slavery had no effect on his food or wage level.
6

7 MR. KRAMER: Objection.

8 THE COURT: Sustained.

9 Q It depends on where you start, doesn't it,
10 Doctor?

11 A Yes.

12 Q And if ballplayers in 1965 were receiving
13 salaries lower than they would have obtained in a free
14 market or a freer market, then the fact that their salaries
15 went up by a certain percentage between 1965 and
16 1969 shows nothing whatsoever about the effect of the re-
17 straint on their negotiations, does it?

18 A Except for the absolutely level of the salaries
19 in question.

20 Q Yes. So what you are saying is this, isn't it,
21 that because ballplayers had a 20 or 25 or 26 per cent
22 increase in their salaries, and their salaries were in the
23 many thousands, you concluded that they are making out
24 all right and the reserve system doesn't affect them?
25

1
2 A I think that I am concluding that they are
3 making out very well and that the established players
4 made out extraordinarily well.

5 Q But you have no idea how much better they
6 might do, have you?

7 A No, and I don't think there is any possible
8 way to measure that.

9 Q One way, of course, might be to abolish the
10 system to see what happens?

11 A Yes, and you might find that the entire market
12 situation, the whole structure of baseball might change
13 so you might get a number of other side effects.

14 Q Doctor, you compared the salary advances of
15 ballplayers with those in the manufacturing trade, industries,
16 lawyers, computer scientists and so on. Did you compare
17 the experience of ballplayers with the experience of bas-
18 ketball players?

19 A I did not have any basketball data.

20 Q Did you ask for it?

21 A No.

22 Q Did you compare their experience with the exper-
23 ience of hockey players?

24 A No.

25 Q Did you ask for it?

2 A No.

3 Q It has been suggested, I believe, in the
4 press that the median figure of basketball players in
5 the National Basketball League or at least in the New York
6 entry there is over \$50,000 a year. Have you ever heard
7 that report?

8 A No.

9 Q Did you compare the experience of baseball
10 players with that of motion picture stars?

11 A No.

12 Q Did you compare the experience of baseball
13 players, major league baseball players, with the experience
14 of any other group which was at the top of its profession?

15 A No, there is no statistical breakdown that I
16 know of of that sort of information.

17 Q And you didn't ask for any information about
18 motion picture stars or anything like that?

19 A I really wouldn't know who to ask.

20 Q You did talk with counsel from time to time?

21 A Yes.

22 Q You didn't ask them?

23 A No.

24 Q Did it occur to you, Doctor, that you were
25 making essentially meaningless comparisons when you

1
2 compared major league baseball players with accountants
3 and teachers and computer scientists?

4 A No.

5 Q You thought it perfectly valid comparison
6 to compare people at the pinnacle of their profession,
7 namely, baseball, major league, baseball players with the
8 average run of wage earners in the manufacturing industries
9 and with the average run of attorneys and accountants
10 and computer scientists?

11 A I thought that a number of the occupations
12 used were reasonably alternative occupations if a person
13 had not gone into ball playing.
14
15
16
17
18
19
20
21
22
23
24
25

t4/1

Q And you didn't compare either, did you, Doctor, the experience of baseball players, not major league baseball players, but baseball players with the experience of people in these other industries?

A No.

Q And what proportion of players in organized baseball do major league players account for, do you know that, Doctor?

A Not precisely, no.

Q Do you have any idea?

A Oh, I would expect not over a third.

Q And it could be a good deal under a third, couldn't it?

A Yes, I was thinking of the 40 players control, but I am not sure of what the percentage would be.

Q Doctor, did it occur to you that there was anything unusual or unreasonable even about comparing the wage trends of major league baseball players with that of other industries when major league baseball players have remarkably short careers as compared with the other industries?

A No. Would you repeat the question? I am sorry.

THE COURT: Would you mind, Mr. Court Reporter?

(Question read.)

A No.

Q You think that a perfectly reasonable comparison?

A Well, the subject of the case is the salaries and relationships and benefits and conditions of major league baseball players, so I was concerned with that.

Q And you didn't try to find any other group of people to compare them with whose careers might similarly be of relatively short duration?

A Well, I think it is a rather unique situation, and I found no other group that I knew of that was an exact comparison.

Q Did you look for any?

A Yes, I looked around, among statistics and sources and tried to get some on the theater where actually the incomes are much lower.

Q Incomes are much lower in the theater?

A Yes.

Q What figures are you referring to, Doctor?

A Some figures in the Saturday Review covering the situation of the performing arts.

Q Those are figures, are they not, which deal with the earnings of everyone connected with the performing arts?

A Yes.

Q And what I would like to know is whether you found

jkbr 3

Clark-cross

any figures on what people at the top of the performing arts received?

A No.

Q You didn't find any such figures?

A No.

Q Did you look for them?

A Yes.

Q For those specifically?

A I looked for the theatrical and performing arts and I found no good collection of information.

Q But most specifically you did not look for any tabulation of data on earnings of people at the pinnacle of the performing arts professions?

A I was looking to try to get any data I could get on a comparable basis and I couldn't.

Q But not specifically for the kind of data that I have just suggested?

A Oh, yes, I was looking for the high level side but I did not find any.

Q I see. Whom did you ask for it?

A I used library sources.

Q Did you ask counsel?

A No.

Q Do you happen to know, Doctor, the fact that

jkbr 4

Clark-cross

2 Columbia Broadcasting System owns the New York Yankees?

3 A Yes.

4 Q Did it occur to you to ask that the resources of
5 the Columbia Broadcasting System be consulted to help you with
6 your search?

7 A No.

8 Q Now, you made a comparison of annual salaries in
9 your report between 1965 and 1969. I am referring to major
10 league baseball players.

11 A Yes.

12 Q And you took the players who were on active rosters
13 as of August 31, '65, didn't you?

14 A Yes.

15 Q And you compared the average salary of those players
16 in 1965 with the average salary of those players in 1965 with
17 the average salaries of those players who still remained in
18 baseball on August 31, 1969, didn't you?

19 A Yes.

20 Q And you also compared the '65 figures with the average
21 salaries of that fewer number who still remain in baseball
22 today, isn't that right?

23 A Yes.

24 Q Now, the result of using that technique was that you
25 dropped out of consideration the players who dropped out of

baseball between '65 and today, isn't that right?

A Yes. They had no salary information for '69 or '70 since they were not in baseball.

Q In any event, you dropped them out, right?

A Yes.

Q Now, the result was to drop out of your calculations the high salary established stars who dropped out in between, isn't that right?

A And also low salary players who dropped out in between. A number of those who dropped out were ones who were at a modest level as well as those at the high level.

Q Well, you dropped out such publicly known figures as Sandy Koufax and Don Drysdale, didn't you?

A Drysdale, yes.

Q Koufax also?

A I would have to check to see if he was on the '65 roster or not.

Q Whitey Ford and Elston Howard?

A Howard, yes.

Q And Rocky Colavito?

A If he was on the August 31st roster, yes.

Q On the 1969 rosters there are a lot of new players who have come in since 1965, aren't there?

A Yes.

Q And they are still at the low end of their wage history, aren't they?

A Yes. In fact, they would be the group who would bring the overall average in '69 down to \$24,957.

Q Right, but the result of that, that is, the result of excluding them, excluding all of those low salaries is to raise your 1969 figure, isn't that right?

A Oh, yes.

Q And the same is true of your 1970 figure?

A Yes. I was trying to follow the same players through the four and five-year period respectively so obviously if I added new players I wouldn't be following the same group through.

Q Doctor, let me ask you this: Wouldn't the fairer and more meaningful comparison have been to compare the average salaries in 1965 of players who then had four years of major league baseball experience with the average salaries in 1969 of players who then had four years of major league baseball experience? Wouldn't that have given you a fairer and more meaningful comparison?

A That was not the analysis I was making. I was trying to follow a player, a group of players who had gone through the negotiating processes over a four and five-year period, to see how well they had fared, so I think the

1
2 comparison you mention is a fairly interesting one and I am
3 quite it would show there has been some change in salaries
4 over the period, but what it is, I don't know. I would
5 point out that the average salary of all players on the
6 roster is given in August 1965 as 19,500 and the comparable
7 figure for all players on the roster again in '69 was
8 24,957, which does indicate there has been some escalation
9 in wages generally.

10 MR. TOPKIS: Excuse me a moment.

11 (Pause.)

12 Q You have told us, I think, that you know that
13 CBS owns the Yankees.

14 A Yes.

15 Q Do you think that CBS, in making that acquisition,
16 was motivated by economic considerations?

17 A Yes.

18 Q You testified, I believe, that a marginal player
19 will have little or no bargaining power, whether he negotiates
20 with one or several clubs. Was that your testimony?

21 A Yes.

22 Q But isn't it true, Doctor, that a player may be
23 marginal with one team but may be far more valuable with
24 another team, and to make perfectly clear what I have in
25 mind, let us suppose that I am a good catcher but I am playing

2 behind, to use a figure from my youth, Elston Howard. I
3 would be fairly marginal so far as the Yankees were concerned,
4 but I might be far more than adequate with another club,
5 isn't that right?

6 A I think what you have to take into consideration,
7 if you have a player in such a situation and he is good, the
8 practice would be to reward him enough to let him be content
9 with staying behind there.

10 MR. TOPKIS: I am sorry, could I have that answer?

11 THE WITNESS: He would not -- I am sorry.

12 MR. TOPKIS: Your Honor, may I have the answer read
13 back?

14 THE COURT: Surely. Mr. Court Reporter, would you
15 be good enough to read it.

16 (Answer read.)

17 Q You say that is what you think the practice would
18 be, is that right?

19 A I think it would be making a mistake if they didn't.

20 Q I agree with you, but do you base your expectation
21 on the conversations you say you have had with representatives
22 of management?

23 A No.

24 Q What are you doing, just making a general forecast?

25 A Well, in several instances among the salary records

there was some backup players that were, you know, paid above the marginal level.

Q Whom do you have in mind, doctor?

A The player with Baltimore, Rettenmund, I believe his name is.

Q Again, please? What is his name?

A I believe it is Rettenmund.

Q How do you spell it?

A I can't spell it.

MR. TOPKIS: May we have the Baltimore roster and maybe we can help the doctor.

(Pause.)

Q I am told that the spelling is R-e-t-t-e-n-m-u-n-d, first name Merv. Is that right?

A Yes.

Q He is a catcher with Baltimore.

A Yes.

Q An outfielder. I beg pardon.

A Outfielder, yes.

Q As I said, Elston Howard was my dad. And you say that he is being paid by Baltimore what he could be paid for playing first string with, let us say, the Yankees?

A No, I said if Baltimore is intelligent they would be paying him enough so that he is content to stay with

2 Baltimore.

3 Q But you have no idea whether Baltimore has that level
4 of wisdom?

5 A No, I don't.

6 Q Tell me, Doctor, you have salary figures here for
7 the players beginning in 1965. Why did you start there?

8 A That was a fairly recent period. There was no
9 reason to pick '65 over any other year.

10 Q Well, you could have gone back a good deal farther,
11 couldn't you?

12 A Well, I could have gone to '64 or '63. I wanted
13 something relevant to the current, recent past.

14 Q Well, in making trend analyses, do economic
15 statisticians usually content themselves with a four-year
16 trend when there are data available going back for 30 or 40
17 years?

18 A Well, the salary history was -- I don't know which
19 part of the analysis you are speaking of, but the salary
20 history that we took of all the players on the roster, some
21 of it went for 20 years. It went over the entire career to
22 date of the player.

23 Q Yes, but your figures on average player earnings
24 and the like, those go back only four years?

25 A Yes. They refer to the last five years experience.

2 Q And I say to you, is it not regarded as sound
3 economic statistical practice in finding a meaningful trend
4 to use more than four years data when you have far more than
5 four years data available to you?

6 A Well, I am afraid you are under the impression
7 I made a trend analysis. I did not.

8 Q You just made a comparison?

9 A I made a comparison of salaries of recent date.
10 I calculated no trends.

11 Q Do you happen to know what the prior history re-
12 veals?

13 A I remember in a general way from the Celler Report
14 some salary information.

15 Q You have read the Celler Report?

16 A Yes.

17 Q You have observed there, I suppose, then, that in
18 1929 team salaries accounted for 35.3 per cent of major
19 league expenses?

20 A I know that in earlier days salaries were a larger
21 part of the total.

22 Q And you observed then this statement in the Celler
23 Report:

24 "This share has continued to drop, reaching 32.4
25 per cent in 1939, 28.9 per cent in 1943, 24.8 per cent in

1946, and 22.1 per cent in 1950."

You observed that language?

A Yes.

Q And you still thought that the meaningful comparison was between 1965 and 1969?

A I think there has been enough changes in sources of income and the role of the minor league operations and the necessity for spending a larger percentage on player development costs so that the pattern has changed. I did make a comparison of the material that was supplied to the Celler Committee along about '56 or '57, which included financial data for the American League and the National League, for a period of several years, and the salary and bonuses for playing -- Cleveland had an arrangement in which a substantial amount of the salary income was in the form of bonuses -- I made a comparison for the information available there with the current time and the information at that time was about 19 per cent for the overall cumulative period and it is around 19 per cent or 20 per cent now.

Q You say the information for 1953 was around 19 per cent?

A This was for '52, '53, '54, '55 and '56. For '55 and '56 they had both leagues and for the other years they just had one league. I totalled up all the salary in-

2 formation against the revenue information and it was just
3 as it was done in the report, over the five-year period, with
4 the Arthur Andersen report, and it was around 19 per cent
5 then and it was 19 per cent in this period.

6 Q Doctor, going back to the methodology that you used
7 in analyzing change in the salaries of what you call established
8 players, that is the comparison you made between the wage
9 levels of those players in 1965 and the wage levels of
10 those who survived until 1969 -- you remember that?

11 A Yes.

12 Q Now, let me ask you some questions about your
13 methodology, and I will ask you to make an assumption with
14 me. Let us suppose that you took not a four-year spread
15 but let us say a 12 or 14-year spread. Do you follow that
16 assumption?

17 A Yes.

18 Q Now, eventually we would reach a position, would
19 we not, where the only players who were included in the
20 second column, that is to say, the year at the end of the
21 14 years, would be those who had been rookies or maybe second
22 year players in the first year and who were stars in the last
23 year; isn't that right?

24 A Yes.

25 Q And all the players who were stars when the study

1 began would surely have been retired and all the players who
2 were young players when the study began and who didn't rise
3 to prominence would be off the rosters?
4

5 A Yes.

6 Q So that if we take the method that you used and
7 elongated over time, that is to say, make our spread 12 or
8 14 years, eventually we would be comparing the first year's
9 salary of players who went on to become stars with the salaries
10 that they earned when they were established stars 12 or 14
11 years later, isn't that right?

12 A Yes. I might point out that his period was four or
13 five years along, which would not go quite to the extremes
14 that you described, and again I would like to emphasize that
15 the average that we are referring to, the increases that we
16 were referring to again was to focus attention on players
17 who went through several bargaining years and very recent
18 date, because we are talking about current bargaining arrange-
19 ments.

20 Q Players who survived?

21 A Yes.

22 Q But the result of your method is that if we used
23 a 12-year span we would be comparing Curt Flood's first
24 year salary of \$5,000 with his salary 11 years later of
25 \$90,000, isn't that right?

MR. HOYNES: Objection, your Honor. There is no indication that the witness used any such method in preparing his study.

THE COURT: I think the witness is capable of responding nevertheless. Objection overruled.

THE WITNESS: Well, would you repeat it?

THE COURT: Yes, sir. Mr. Court Reporter, would you please.

(Question read.)

A Yes, with this comment: I did not use a 12-year period. Secondly, that would indicate that over the 12-year period he managed to increase his salary rather substantially.

Q Yes, I appreciate that, but what would that show, Doctor, other than it pays to become a star?

A What it showed in my analysis was that over a period of time, five negotiating periods and four negotiating periods, that the players who underwent these enjoyed substantial increases in salaries. It shows nothing more, nothing less.

Q Doctor, when you decided to make a four-year spread for making salary comparisons, were you aware that the first increase in the minimum player's salary in more than ten years occurred during that four-year period?

A I knew that the salary had gone up to 10,000, yes.

Q From 7,000?

THE COURT: There is a pending question. From 7,000?

A I am not positive what the salary was before, either seven or 7,500.

THE COURT: All right.

Q You didn't check that?

A No.

Q You didn't regard it as significant?

A No. I would say that the increase from 10 to 12 will have an effect. I think it is part of the increase. But the players in question were all well above the minimum level.

Q That is so far as your so-called experienced players are concerned.

A Yes.

Q But how about the computation of overall salaries?

A Well, from whatever source it came, the amount paid to players in average salary increased between 1965 from 19,500 to 1970 it is 28,088, so they have enjoyed the increase.

Q Incidentally, Doctor, on this table, Exhibit T, of salaries for established players on the '65 roster, do

1
2 you have that in front of you?

3 A Yes.

4 Q The third column headed 1969?

5 A Yes.

6 Q Do you see the number 3 there?

7 A Yes.

8 Q Indicating that three players received salaries
9 under 10,000?

10 A Yes.

11 Q Do you have any explanation of that fact in view
12 of the salary minimum?

13 A Yes. They were not up for the full year. They
14 were paid at the rate of, but for less than a year.

15 Q I see. Doctor, when you use so short a period as
16 four years to make comparisons, don't you run the risk, if
17 you see a sharp increase, don't you run the risk that you
18 are only seeing a catch-up by the industry that you are look-
19 ing at with other industries that have had normal slower
20 growth rates through the years?

21 A That would be a possibility.

22 Q Now, you say that this is the sixth assignment
23 that Arthur D. Little has had for baseball?

24 A Yes.

25 Q And you have worked on four of them?

2 A Five.

3 Q What was the other one, Doctor?

4 A The first one?

5 Q Well, whatever.

6 A The one I did not work on?

7 Q That's right.

8 A It was one about eight or nine years ago, having
9 to do with consideration of Kansas City and other locations
10 on a franchise.

11 Q Now, these various reports were embodied in written
12 form, I take it?

13 A Yes.

14 Q Do you have copies of them with you?

15 A No.

16 Q They are in the Arthur D. Little offices?

17 A I would hope that some are in files elsewhere, yes.

18 Q To whom were these reports rendered?

19 A There were three to the American League, one to
20 combined leagues, one to the National League and this cur-
21 rent one.

22 Q Three to the American League, one to the combined
23 leagues, one to the National League --

24 A And the current report.

25 MR. TOPKIS: Your Honor, I would like to call for

the production of those reports.

THE COURT: Will you confer with counsel?

It is coming to the close of the trial day and counting on the wonderful cooperation between all counsel I am sure you will come up with a satisfactory answer by tomorrow morning.

MR. TOPKIS: Well, I have a good bit of additional material to go through with this witness, Your Honor. Would this be a good time to recess?

THE COURT: Whatever you say. When a lawyer has the burden that you lawyers have I like to accommodate you. I can sit a little while or stop right now.

MR. TOPKIS: I think, your Honor, as perhaps we have been able to demonstrate to your Honor, that if I had a little more time to prepare I would have a little shorter time of the Court's.

THE COURT: Very well, sir.

Gentlemen, we will meet promptly tomorrow morning at 10 o'clock. I take it that in all likelihood our forecast will be kept as to the length of time required to complete the case. In other words, we will be through by Wednesday so far as you can see it, the close of Wednesday?

MR. HUGHES: That depends, I think, more upon the plaintiff than it does upon us. Your Honor, on the com-

pletion of this testimony, with a few odds and ends, we expect to rest.

THE COURT: Yes, very well.

How does it look to you?

MR. TOPKIS: I think we will meet that deadline, your Honor.

THE COURT: Do you?

MR. TOPKIS: I certainly expect to right now.

THE COURT: Very well. Would you spare a couple of minutes for me in the robing room after we adjourn court?

Adjourn court until tomorrow morning, please, Mr. Clerk, until 10 o'clock.

(Adjourned to Tuesday, June 9, 1970, at
10 o'clock a.m.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

WITNESS INDEX

1' 89A

Name

Direct Cross Redirect Recross

John Clark, Jr.

1637

1756

EXHIBIT INDEX

Defendant

Feeney et al

In

Identification Evidence

S

1653

165

T

1661

166