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The Clubs' Stacked Deck

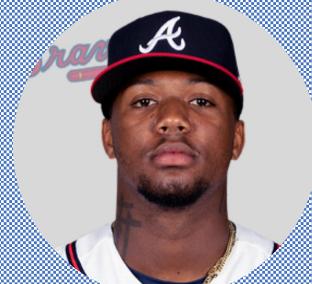
*A brief evaluation of current team-friendly pre-arbitration contracts,
the factors that hinder players' collective earning potential,
and why Bo Bichette may be an outlier*

Date: July 2021 (+ Nov. Update)
Conor Furey
caf2193@columbia.edu



Surplus Value, League Leaders

(annual average of future value)*



Ronald Acuña, Jr. ATL RF
8/10 years, \$12.5MM AAV → **\$39.87**
Int'l signing bonus: \$100,000 (201st in class)



Shohei Ohtani LAA TWP ^
2 years, \$4.25MM AAV → **\$38.53**
Int'l SB: \$2.315MM (6th)



Ozzie Albies ATL 2B
7/9 years, \$5.0MM AAV → **\$34.64**
Int'l SB: \$350,000 (68th)



Ketel Marte ARI 2B/CF
5/7 years, \$4.8MM AAV → **\$19.71**
Int'l SB: \$100,000 (2010)

Acuña, Jr. was raking this year (161 wRC+ through 82 games)[&]; carries a mild health concern

Ohtani is producing at an unforeseen rate (league-leading 33 HR with a splitter sitting at 2nd-best run-preventing pitch on avg., min. 60 PA); inherent injury risk



Aaron Nola PHI RHS
4/5 years, \$11.25MM AAV → **\$21.49**
Rule 4 draft SB: \$3.3MM (6th)



Germán Marquez COL RHS
5/6 years, \$8.6MM AAV → **\$19.42**
Int'l SB: \$225,000 (2011)



Freddy Peralta MIL RHS
5/7 years, \$3.1MM AAV → **\$18.35**
Int'l SB: \$137,500 (131st)

Nola is shoving for the Phillies, premium value derived from his workload (since start of deal has faced 7th-most batters) and elite CSW% on K-CB (39.8)

Marquez: GB tendencies (54.1%), and durability (since start of deal, has faced 2nd-most batters), Coors Field SP recruiting factor, are three primary drivers of value for COL

& As of All-Star break

As of July 2021

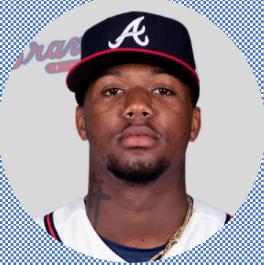
* This list is forward-looking, consisting of leaders in annual surplus value for remainder of contract; past value/back-loaded standouts include Buster Posey SFG C, José Ramírez CLE 3B (\$50,000 in 2009), Max Muncy LAD IF, Alex Bregman HOU 3B/SS; Potential for breakout: OF Lourdes Gurriel, Jr., OF Randal Grichuk, SP Lance McCullers; Unique cases: Walker Buehler LAD RHS,^ Fernando Tatis, Jr. SDP SS (long-term deal lowers SV/year); Eloy Jimenez CHW LF, Luis Robert CHW CF, Luis Severino NYY RHS each dealing with injuries

[^] Both Ohtani & Buehler reached 2-year extension agreements after the filing deadline, to each re-slot in 2023 with considerable value; modified bWAR used for Ohtani's 2021-22 projections



Ronald Acuña, Jr. ATL RF & Leadoff Hitter

(prior to 7/10 injury)



Ronald Acuña, Jr. ATL RF (23.6)
8 years, \$12.5MM AAV
\$39.87 Surplus Value per year

Acuña, Jr.'s early deal contains the classic security/savings trade-off, but its grand scale leaves myriad earning potential on the table

#1 Exploitative power of club leverage vs. players who are late-bloomers (low signing bonus, often in the international J-2 system)

#2 Spike in contract payouts coincides with projected revenue returns from Atlanta's *The Battery* mixed-used real estate development

16

July 2, 2014 (International Signing Bonus): \$100,000 (7th among 2014-15 ATL international signings)

20

2018 (Pre-ARB-3): \$465,870 (league minimum)

21

2019 (Pre-ARB-2): \$1M

22

2020 (Pre-ARB-1): \$1M

23

2021 (ARB 1, ROS): \$2.87M

24

2022 (ARB 2): \$15M

25

2023 (ARB 3): \$17M

26

2024 (ARB 4): \$17M

27

2025: \$17M

28

2026: \$17M

29

2027: Club Option* @ \$17M (no escalator)

30

2028: Club Option* @ \$17M

| zWAR | Free Market Value | Surplus Value ^ |
|-----------|-------------------|-----------------|
| 3.7 (ROS) | \$ 30.31 | \$ 27.44 |
| 5.9 | \$ 51.54 | \$ 36.54 |
| 6.5 | \$ 57.67 | \$ 40.67 |
| 6.2 | \$ 55.87 | \$ 38.87 |
| 6.2 | \$ 56.74 | \$ 39.74 |
| 6.2 | \$ 57.62 | \$ 40.62 |
| 6.2 | \$ 58.52 | \$ 41.52 |
| 6.2 | \$ 62.41 | \$ 45.41 |
| 47.1 | \$ 39.87 | \$ 318.92 |

Note: no upfront signing bonus (disproportional leverage)

* Assumption: Club Options to be picked up

^ Surplus Value = Free Market Value (zWAR * Model's Cost per Win) – Year's Salary

Ronald Acuña, Jr.



Opportunity Cost, Player

Market for Corner Outfielders*
 AAV, Mookie Betts LAD RF: \$30.42M
 Length, Bryce Harper PHI RF: 13 years
 Total Value (ceiling), Betts: \$365M
 Total Surplus Value (floor): \$83.64,
 Eloy Jimenez CWS LF (original)

Market for Faces of a Franchise/
 Baseball: Trout, Betts, Tatis, Jr., Lindor
 → added premium that Ohtani & Soto
 will look to take advantage of

Final club option set for age-30
 season[^] — team is assuming minimal
 risk with **Acuña, Jr.** entering FA
 market on back-end of career

Cost per Win, Team

WAR inherently worth more for a
 team going from 90 to 97 wins
 → premium value provided by
Acuña, Jr. for NL East contender

Braves afforded the position to
 explore mid-level free agent
 market early on (i.e., Ozuna in
 2020, Morton in 2021), however
*surplus dollars not proportionally
 reinvested in team*



Potential Solutions

Concept: Union's collaboration
 with smaller agencies on loan
 programs to carry breakout
 players over until free agency

Caveat: Each player's situation is
 different; for some, other interests
 like club stability outweigh the
 financial component

Alternate routes: prospect
 awareness of options with FanTex
 or X¹⁰, BLA, RockFence

Concept: Bargaining priority
 placed on obtaining one-year
 reduction in team control → players
 reach market in value-providing years

Caveat: Comes down to league's
 cooperation/appraisal of ROI for
 bargaining chips offered in exchange

* Not entirely transferrable comps (stages in career, proof of statistical consistency) → further evidence for
 revisions to a system that tilts negotiating leverage away from the players

[^] Per Tom Tango's rule of thumb in player projections to subtract -0.5 WAR each year after an age-30 season

CAA Clients Under Team Control – Contract Extension Discussions



Leverage Dynamics

**Team Holds Leverage
(Seller Beware)**

Medium Risk

**Player Holds Leverage
(Due for a Big Pay Day)**

Jake Cronenworth SDP IF (27.5)
1 TC + 3 ARB & 12.7 wins
'15 R-4 SB: \$198,000



Will Smith LAD C/3B (26.3)
1 TC + 3 ARB & 13.1 wins
'16 R-4 SB: \$1.775 MM



Corbin Burns MIL RHS (26.8)
3 ARB & 10.3 wins
'16 R-4 SB: \$536,400



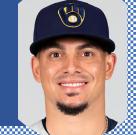
Max Fried ATL LHS (27.5)
ARB 2-4 & 7.8 wins
'12 R-4 SB: \$3.0MM



Bryan Reynolds PIT CF (26.5)
4 ARB & 11.8 wins
'16 R-4 SB: \$1.35 MM



Willy Adames MIL SS (25.8)
3 ARB & 9.2 wins
'12 Int'l SB: \$420,000 (48th)



Alex Reyes STL RHR (26.8)
ARB 2-3 & 1.6 wins ^
'12 Int'l SB: \$950,000 (12th)



Zach Plesac CLE RHS (26.5)
1 TC + 3 ARB & 8.6 wins
'16 R-4 SB: \$100,000



Lucas Giolito CHW RHS (27.0)
ARB 2-3 & 8.7 wins
'12 R-4 SB: \$2.925MM



Sandy Alcántara MIA RHS (25.8)
3 ARB & 8.9 wins
'13 Int'l SB: \$125,000 (148th)



Note: Bichette sits in an interesting middle ground, possessing significant leverage for a lucrative extension while also on track for free market-resetting value

Bo Bichette TOR SS (23.4)
1 TC, 3 ARB & 19.1 wins &
2016 R-4 SB: \$1.1MM



Additional Batters, ascending in leverage: Andrew Vaughn CHW 1B/OF, Carson Kelly ARI C, Jasson Dominguez NYY CF (2019, \$5.1 MM; T-1st)

Add. Pitcher, asc.: Michael Kopech CHW RHP, Garrett Crochet CHW LHR, Josh Hader MIL LHR (made it this far off '12 \$40K R-4 SB), Tanner Houck BOS RHS

* zWAR projection estimates based off [ZiPS Update](#) and/or FanGraphs '21 trade values & Bichette's conventional projection taken from FanGraphs' '21 TVs ^ fWAR not kind to RP

Bo Bichette TOR SS & #4 Hitter



CAA
Creative Artists Agency



CTD

MLB's 1st player to collect 30+ homers, 200+ hits, 20+ stolen bases, 40+ doubles, 100+ RBI, 100+ runs and a .300 AVG in his first 162 career games

Career vs. AL East

| | |
|--------------------|--------------------|
| vs. Orioles | .368 wOBA (85 PA) |
| vs. Red Sox | .446 wOBA (79 PA) |
| vs. Yankees | .408 wOBA (113 PA) |
| vs. Rays | .276 wOBA (112 PA) |

SS through 162 games since 2012

4. M. Machado – 5.5 fWAR (AS, Y2)
5. C. Correa – 5.3 fWAR (ROY, Y1)
6. **Bo Bichette** – 5.2 fWAR (AS, Y3)
7. T. Turner – 4.5 fWAR (ROY-2, Y2)

2021 Performance Adjustments

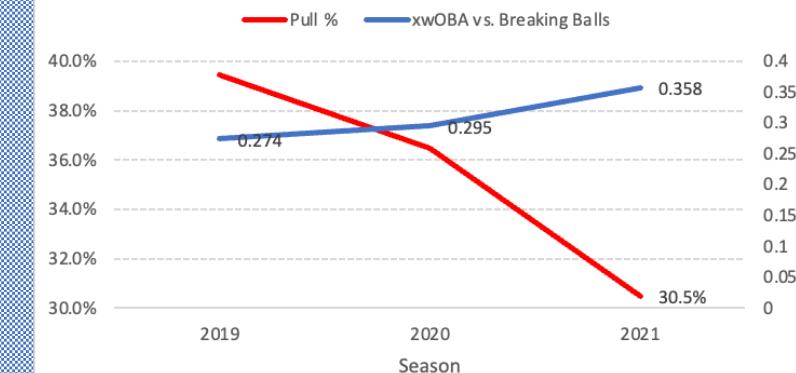
Elite Combination of Raw Power and...

Contact: Bichette and Freeman* are the only batters this season within 90th perc. HH% who also hold a sub-25% CSW-rate (95th perc.) &

Speed: Bichette (6.3 speed metric per FanGraphs) trails only Tatis, Jr. (6.6) and Ohtani (7.1) for fastest players in top 30 of HH% &

Punishing Pitchers: 8th-most runs generated (13) from pitches thrown down heart of plate, over ½ off sliders

Bo Bichette's Adjustment Unlocks Power to All Fields



Data Source: Baseball Savant

ARB Projections – Baseline Value

| Year | Age | Contract Type | Comp | Yearly Raise | B.B. Annual Salary |
|------|-----|---------------|-----------|--------------|--------------------|
| 2022 | 24 | TC | -- | -- | \$ 700,000^ |
| 2023 | 25 | ARB 1 | T. Story | \$ 5,000,000 | \$ 5,100,000 |
| | | | J. Baez | \$ 5,200,000 | |
| 2024 | 26 | ARB 2 | J. Baez | \$ 4,800,000 | \$ 10,000,000 |
| | | | J. Schoop | \$ 5,025,000 | |
| 2025 | 27 | ARB 3 | T. Turner | \$ 5,550,000 | \$ 15,850,000 |
| | | | C. Seager | \$ 6,150,000 | |

First 4 years: \$ 31,650,000

Note: Adjustment vs. breaking balls has allowed Bichette to use more of the field (98.6% of PA not shifted) →

premium value available in a batter like Bichette or D.J. LeMahieu whose tendencies operate outside of defensive predictive positioning

Bo Bichette TOR SS



SS Extension Market

Stage: 1 year remaining of TC

24.9 y/o Alex Bregman 3B/SS: \$100M / 5 years (\$200M proj.)

24.8 Yoán Moncada 3B: \$90M / 6 years (\$110M proj.)

22.2 Fernando Tatis, Jr. SS: \$340M / 14 years (\$600M proj.)

Ideal Timing: Market about to take shape in '22 FA; hold until spring training (post-Correa/Seager)

Ideal Length: Maintain ability to enter FA at 30 (like Semien, Didi) under what will likely be first year of next CBA through a Player Option (like Bogaerts)



Projection Scenarios

Scenario 1: Development ceiling reached; repeated 2021 production

Scenario 2: Improved plate approach, same fielding (slightly below avg.)

Scenario 3: Improved plate approach, improved fielding ^

Assumption: Continued progression of baserunning skills and slugging (96th perc. Max Exit Velocity (+6.3mph from '19) is a promising sign of health and game power)

Earning Potential by Scenario

| Year | TC | | ARB | | | FA | | |
|----------------|---------|---------|---------|---------|---------|---------|---------|--|
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | |
| Age | 24 | 25 | 26 | 27 | 28 | 29 | 30 | |
| Scenario 1 | 4.8 | 4.9 | 4.8 | 4.6 | 4.4 | 4.3 | 4.0 | |
| \$1 Salary (M) | | | 35.00 | | \$27.00 | \$27.00 | \$27.00 | |
| Scenario 2 | 5.0 | 5.1 | 5.0 | 4.8 | 4.6 | 4.5 | 4.2 | |
| \$2 Salary (M) | | | 38.00 | | \$30.00 | \$30.00 | \$30.00 | |
| Scenario 3 | 5.4 | 5.7 | 6.0 | 5.8 | 5.3 | 5.0 | 4.8 | |
| \$3 Salary (M) | | | 48.00 | | \$40.00 | \$40.00 | \$40.00 | |
| Cost per Win | \$ 8.49 | \$ 8.62 | \$ 8.75 | \$ 8.89 | \$ 9.03 | \$ 9.17 | \$ 9.50 | |
| | CBA | | | | CBA | | P.O.* | |

Bottom Line, Contract Offer

Total Value < \$25 Annual Surplus Value for consideration

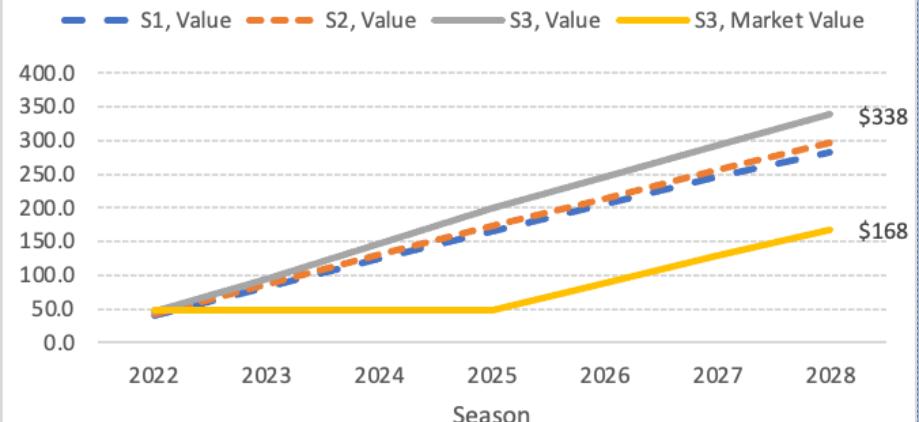
6/7 years, \$24MM AAV (\$168MM total) → **\$24.33** SV/year

Club Factors

#1: TOR holds **100% ownership** of Rogers RSN — untaxed in MLB revenue sharing (revenue certainty in an uncertain marketplace) → *able to do a deal now*

#2: TOR's Divisional, ALCS, and WS chances will grow; Springer's signing suggests TOR ready to compete, club interest will be in **minimizing franchise SS's future AAV** in relation to CBT → *incentivized to do a deal now*

Bo Bichette, Production vs. Market Value



* Higher walk rate, better swing selection (connect with A-swings and get more lift on pulled balls)

^ Less a question of range (athleticism, arm) than the glove (can be improved upon)

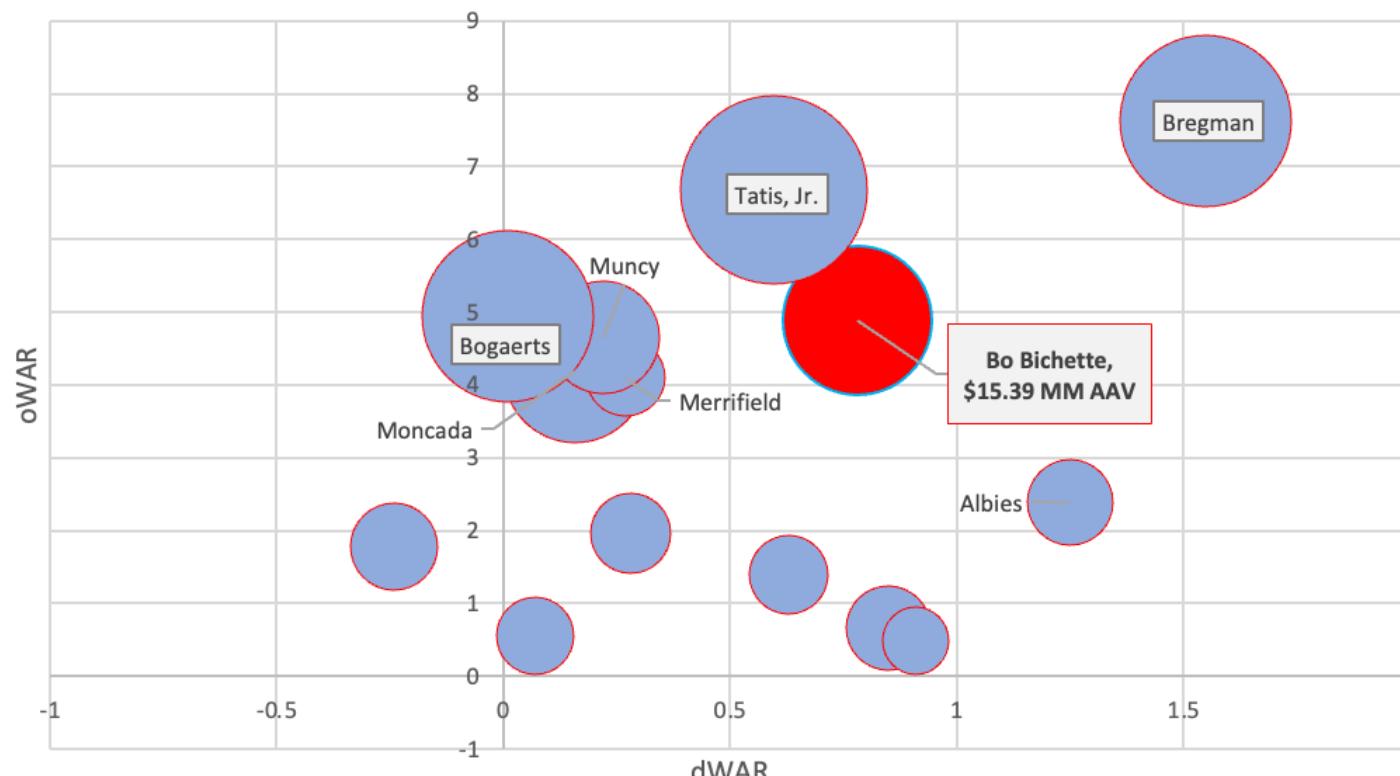
& Assumption: playoffs expanded under next CBA, more slices of the pie; incremental WAR remains inherently more valuable for a team on cusp of playoffs

Looking Back, Planning Ahead



Pre-Arb Extensions Received by Infielders, 2017-21

Performance in platform (0.7x) and platform-1 seasons (0.3x) measured by Baseball Reference's offensive and defensive wins above replacement. Circle size represents average annual salary.



Note: MiLB performance, MLB projections not incorporated into visualization

History

Looking through the scope of extensions for short-track-record-maybe-breakout-star types, the deals are effectively the same now as they were at the beginning of the CBA term.*

Bubbles smaller in diameter signify players ^ whose pro performance did not match amateur development/evaluation (e.g., low prospect ranking, low international signing bonus).

Forecasting

While leaguewide revenues continue to rebound from the pandemic-shorted 2020 season, a spike in spending is to be expected following an agreement to the next CBA.

- *Next Step:* How much growth can we expect to be reflected into extension contracts?

Both the Dodgers' 11/8 acquisition of Andrew Heaney (like the Jays' Robbie Ray signing on 11/7/2020) and Tigers' 11/15 multi-year signing of Eduardo Rodriguez signal a healthy market amidst uncertain CBA negotiations.



Looking Back, Planning Ahead

Upcoming Arb-Eligibles

SS Bo Bichette — 2023
RHS Alek Manoah — 2024
C Alejandro Kirk — 2024

Expected 2022 Acquisitions

Infielder — Can afford short-term*
Bullpen Support — Short-term
Starting Pitcher — Flexible ^
Corner Outfielder — Flexible

Risk - Reward

Locking Bichette into the roster picture long-term would bring the club *payroll stability* and *roster flexibility*, vital for WS-level 2022-24 promotions & acquisitions

November Update

| TORONTO BLUE JAYS PLAYER PAYROLL ▾ | | | | | | | | | | | | | | |
|------------------------------------|------|--------------|--|--------------|--------------|---|--------------|--------------|--------------|--------------|--------------|--|--|--|
| Estimated 2022 Payroll: | | | \$115M | | | Legend: FREE AGENT Club Option Player Option Mutual Option Vesting Option | | | | | | | | |
| Estimated Final 2021 Payroll: | | | \$141M | | | Estimated Value Money Owed to Team | | | | | | | | |
| Players With Guaranteed Salaries ▾ | | | | | | | | | | | | | | |
| Player | Age | Service Time | Contract | AAV | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | | | |
| George Springer | 32.2 | 7.166 | 6 yr, \$150M (2021-26) | \$25,000,000 | \$29,666,667 | \$24,166,667 | \$24,166,667 | \$24,166,667 | \$24,166,667 | FREE AGENT | | | | |
| Hyun Jin Ryu | 34.6 | 9.000 | 4 yr, \$80M (2020-23) | \$20,000,000 | \$20,000,000 | \$20,000,000 | FREE AGENT | | | | | | | |
| José Berrios | 27.5 | 5.044 | 7 yr, \$131M (2022-28); can opt out after 2026 | \$18,714,286 | \$11,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | \$20,000,000 | | | |
| Randal Grichuk | 30.3 | 7.033 | 5 yr, \$52M (2019-23) | \$10,400,000 | \$10,333,333 | \$10,333,333 | FREE AGENT | | | | | | | |
| Lourdes Gurriel Jr. | 28.1 | 3.094 | 7 yr, \$22M (2017-23) | \$3,142,857 | \$4,928,571 | \$5,828,571 | FREE AGENT | | | | | | | |

Projected Arbitration Salaries For 2022 are courtesy of [MLBTradeRumors](#) Legend: Estimated Arb

| Players Eligible For Arbitration ▾ | | | | | | | | | | | |
|------------------------------------|------|--------------|------------------|-----|--------------|------------|------------|------------|------------|------|------|
| Player | Age | Service Time | Contract | AAV | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
| Ross Stripling | 32.0 | 5.115 | 1 yr, TBD (2022) | | \$4,400,000 | FREE AGENT | | | | | |
| Teoscar Hernández | 29.1 | 4.097 | 1 yr, TBD (2022) | | \$10,000,000 | ARB 3 | FREE AGENT | | | | |
| Adam Cimber | 31.3 | 3.156 | 1 yr, TBD (2022) | | \$1,500,000 | ARB 3 | ARB 4 | FREE AGENT | | | |
| Danny Jansen | 26.6 | 3.050 | 1 yr, TBD (2022) | | \$1,500,000 | ARB 2 | ARB 3 | FREE AGENT | | | |
| Ryan Borucki | 27.6 | 3.060 | 1 yr, TBD (2022) | | \$800,000 | ARB 2 | ARB 3 | FREE AGENT | | | |
| Trevor Richards | 28.5 | 3.084 | 1 yr, TBD (2022) | | \$1,100,000 | ARB 2 | ARB 3 | FREE AGENT | | | |
| Trent Thornton | 28.1 | 2.130 | 1 yr, TBD (2022) | | \$900,000 | ARB 2 | ARB 3 | ARB 4 | FREE AGENT | | |
| Vladimir Guerrero Jr. | 22.7 | 2.157 | 1 yr, TBD (2022) | | \$7,900,000 | ARB 2 | ARB 3 | ARB 4 | FREE AGENT | | |
| Cavan Biggio | 26.6 | 2.129 | 1 yr, TBD (2022) | | \$1,700,000 | ARB 2 | ARB 3 | ARB 4 | FREE AGENT | | |
| Tim Mayza | 29.8 | 2.156 | 1 yr, TBD (2022) | | \$1,200,000 | ARB 2 | ARB 3 | ARB 4 | FREE AGENT | | |

Source: FanGraphs Roster Resource

* Team control of 3B/2B Cavan Biggio + imminent arrival of 3B/SS Jordan Groshans: strong contact skills, strong arm (to begin 2022 at AAA); eventual arrival of SS/3B Orelvis Martínez: plus raw power, strong arm (to begin 2022 at High-A)

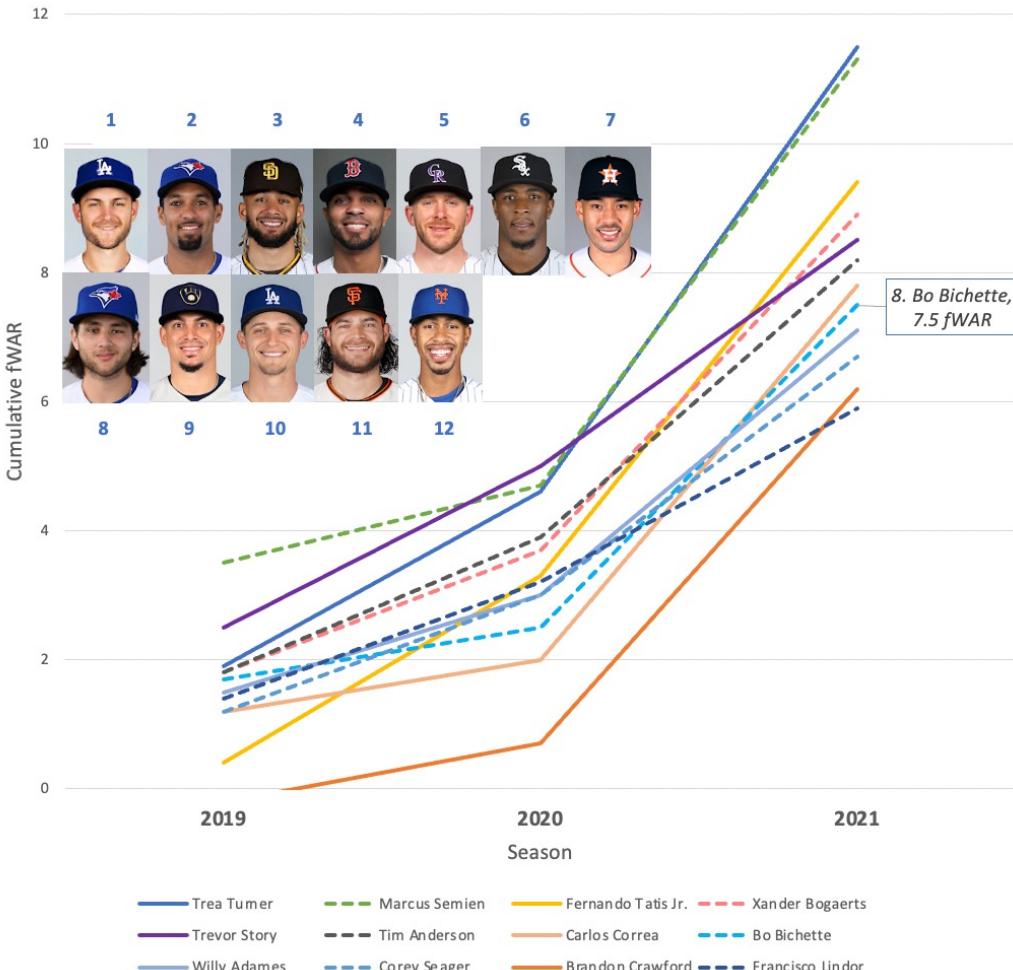
^ As of 11/16, long-term rotation pieces resemble: Berrios (R), Ryu (L), Manoah (R), Pearson (R) + another lefty (Ray/Matz/Rodón/Kikuchi/Paxton)



Club Factors

Shortstops by Cumulative fWAR Since 7/29/2019

Bo Bichette has produced the 8th-most value among SS since his debut, min. 850 PA



November Update

* Ideal timing: build out package in preparation for delivery after offseason moves, during Spring Training
^ While capitalizing on plate opportunities is largely unpredictable of future success, Bichette's comfort in high-leverage situations seems to already be stabilizing in Y3

Career: 8th-most valuable SS since his debut

Season numbers: Availability from a consistent, clutch player

Rate stats: .354 wOBA (.353 xwOBA) & 122 wRC+

- Counting stats: 159 games, led MLB in hits
- 1st (T) among SS in GFP/DRE shows def. potential while negative PART score shows room for imp. in club's positioning (DRS)
 - 30th in WPA & 27th in RE24 ^
- Top-30 fWAR (4.9 wins), 10th highest offensive bWAR (5.7 wins)

This is a franchise cornerstone

- Step 1: Assess player's place within team need (slide 9)
- 2: Match on-field production projections to next CBA financial outlook and economic environment (slide 8)
- 3: Gauge interest from Bichette and his team
- 4 Initiate negotiations *

Bo Bichette's 40-Game Rolling Average

Batting stats, 2019-2021

Source: FANGRAPHS

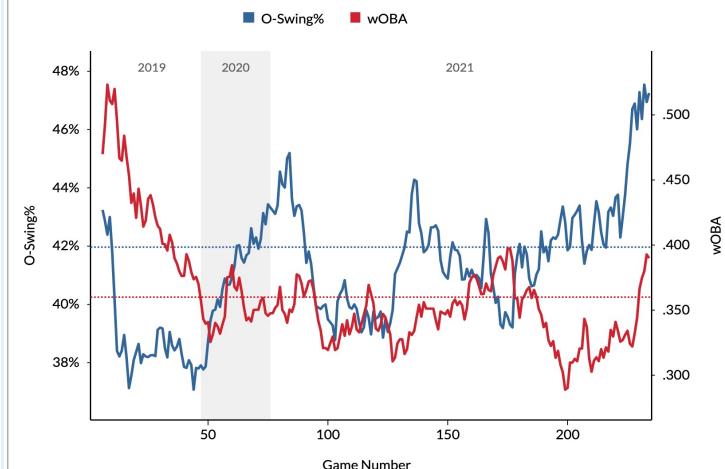


Figure B: Rolling Relationship between **chase rate** (selectivity) and **wOBA** (power output)

Club Leverage: Growth Opportunities to Capitalize on Now

Advantage 1: slow finish to the season (Figure B)

Advantage 2: average to below-avg. fielding metrics that appear primed for improvement in 2022 and beyond