

= Vancouver Grizzlies relocation to Memphis =

The Vancouver Grizzlies relocation to Memphis was a successful effort by the ownership group of the Vancouver Grizzlies to move the basketball team from the Canadian city of Vancouver , British Columbia , to the U.S. city of Memphis , Tennessee . The team began play as the Memphis Grizzlies in the 2001 ? 02 season . It was the first of three National Basketball Association ( NBA ) franchise moves between 2001 and 2008 , and the third of four major league teams to relocate from Canada to the United States between 1995 and 2005 .

The Grizzlies had been created as an expansion team along with the Toronto Raptors in 1995 . For the six seasons in Vancouver , the Grizzlies performed poorly ; they only once finished better than last in the Midwest Division and never reached the playoffs . The Grizzlies were owned by Orca Bay Sports and Entertainment , who also owned the Vancouver Canucks of the National Hockey League ( NHL ) . In 1999 , Bill Laurie , owner of the NHL team St. Louis Blues , attempted to buy the Grizzlies , with the intent to move it to St. Louis . After interference by the NBA , the Grizzlies were sold to Michael Heisley . He immediately started the process to relocate the team , and seven U.S. cities were candidates for the team ? Anaheim , Buffalo , Memphis , New Orleans , Louisville , Las Vegas , and San Diego ? before settling on the move to Memphis at the end of the season .

The first four Grizzlies seasons had given average attendance in the middle third of the league . However , the last two seasons saw a reduction to among the league 's lowest attendances ; participating reasons were the team 's poor performance and the 1998 ? 99 NBA lockout . Contributing to the conditions for relocation were a weak Canadian dollar , unwillingness of some U.S. players to live in Canada , and lack of local ownership .

= = Background = =

Memphis has previously hosted a different major professional basketball team in the American Basketball Association ( ABA ) . Founded as the New Orleans Buccaneers in 1967 , the franchise moved to Memphis in 1970 , becoming known as the Pros . The team changed its name to the Tams and then the Sounds , before folding in 1975 prior to the ABA ? NBA merger in 1976 .

The Grizzlies were created as an expansion team for the 1995 ? 96 season which , along with the creation of the Toronto Raptors , saw the NBA expand into Canada . The Grizzlies were owned by Vancouver Canucks owner Arthur Griffiths . His company was in the process of building General Motors Place ( GM Place ) for the Canucks , and saw the Grizzlies as an additional tenant . Both Canadian teams ( the Vancouver Grizzlies and the Toronto Raptors ) were hampered by the NBA 's decision to deny them one of the top five picks in the first draft , and the teams would not be allowed a top draft pick in the following three seasons , even if they should win the lottery . The teams were also hindered from using their full salary cap the first two seasons . For all six seasons in Vancouver , the Grizzlies had a terrible record . They finished seventh of seven in five seasons , and claimed one sixth place in the Midwest Division , never close to reaching the playoffs . The team won 101 games and lost 359 , giving a winning percentage of .220 .

= = Change of ownership = =

On 7 March 1995 , the majority of the holding company was sold from Griffiths to Seattle @-@ based John McCaw , Jr . On 12 November 1996 , McCaw bought the rest of company . He stated that he was committed to retaining the team in Vancouver . Griffiths was forced to sell the Canucks and Grizzlies following the cost overruns that occurred on GM Place , and the expansion fees to start the Grizzlies had made his company illiquid .

In 1999 , McCaw started attempts to sell either Orca Bay or the Grizzlies , and at first negotiated an agreement with Dennis Washington , owner of Seaspan , who had a large portion of his operations in Vancouver . Washington initially agreed to purchase 50 % of Orca Bay , with the intent of keeping the teams in Vancouver . Instead , McCaw used Washington 's bid to leverage a higher sales price with Bill Laurie , who offered US \$ 148 million for the Grizzlies , and a US \$ 52 million bonus if the

team ultimately relocated to St. Louis . The announcement was made in September 1999 , one month after Laurie had bought the NHL team St. Louis Blues and their home venue Kiel Center ( now Scottrade Center ) . St. Louis had not been the home of an NBA franchise since the Hawks franchise relocated to Atlanta , Georgia in 1968 . Kiel Center had annual sell @-@ out for 15 to 17 basketball games for the Saint Louis University Billikens .

After the deal was announced , NBA Commissioner David Stern stated that he was opposed to a relocation , as no NBA franchise had moved since 1985 , when the Kansas City Kings relocated to Sacramento , California . He stated that his goal was that the Grizzlies remain in Vancouver and succeed there . The NBA Board of Governors ' Finance Committee also made negative statements , as the purchase agreement was structured with incentives to move the team . The deal was then renegotiated before the board could vote on the issue . On 21 January 2001 , Laurie announced that he had paid McCaw an undisclosed amount to walk away from the deal .

Four days later , on 25 January , it was announced that the Grizzlies was sold to Chicago @-@ based Michael Heisley for US \$ 160 million . At a press conference , he stated that he had the support of Stern , that he was committed to keeping the franchise in Vancouver , to making it a winning team , and that he was an owner that was committed to the market .

= = Reasons for relocation = =

Dick Versace , the Grizzlies ' president of basketball operations , stated in the final Vancouver season that the company was losing US \$ 40 million per season . These numbers were questioned by Richard Peddie , CEO of the Raptors , as the Grizzlies had a salary cap of US \$ 48 million . Retrospectively , Heisley stated that he lost US \$ 87 million on owning the Grizzlies , although that included a US \$ 30 million relocation fee to the NBA . Versace stated that he felt that the team did not get sufficient support from the business community . Colin Jones , University of Victoria professor in sports economics , stated that it was difficult to attract corporate sponsors as long as the team was losing so many games ; the Grizzlies lack of good draft picks lead to the team failing to win , thus losing revenue . He also noted that the team never sought help in the general business community regarding management issues .

Stu Jackson , general manager for the first five seasons , made several non @-@ optimal player selection decisions . This included selecting Bryant Reeves in the 1995 Draft , and signing him to a US \$ 65 million six @-@ year contract extension in 1997 , putting the Grizzlies in a salary cap squeeze . From then he consequently drafted point guards , including Antonio Daniels , who failed to develop . Jackson traded a 2003 first @-@ round pick for Otis Thorpe , who " hated Vancouver " . He signed free agent Tony Massenburg for US \$ 1 @. @ 5 million , just to sign Isaac Austin for US \$ 5 @. @ 5 million and leave Massenburg on the bench . Griffiths retrospectively stated that the draft conditions from the NBA did not allow the franchise to build a winning team in years , and that the NBA had asked too high a price for not providing the means of a suitable income . On the other hand , the Raptors succeeded in drafting Vince Carter , reached the playoffs in the 1999 ? 2000 season and played for a sell @-@ out crowd .

The location of the team in Canada was a major contributor ; at the time the exchange rate was 67 U.S. cents to the Canadian dollar . Because revenue was collected in Canadian dollars but player and coach salaries were paid in U.S. dollars , the team ended up spending an undue amount of its revenue on salaries . The 1998 ? 99 lockout was the pivoting point for home game attendance . While the whole league experienced a drop in attendance after the lockout , Vancouver experienced an even larger fall . The average attendance in 1997 ? 98 was 16 @, @ 108 , ranking 16th in the league , while it fell to 13 @, @ 899 in 1999 ? 00 , ranking 27th .

Retrospectively , Griffiths stated that Heisley intentionally ran the team financially aground by alienating people , running insufficient marketing , and claiming basketball did not work in Vancouver . While running the team , Griffiths had not lost " millions and millions " and he stated that Vancouver had a better fan base than most NBA teams . The statements were denied by Heisley .

= = Proposed cities = =

With the public announcement in mid @-@ February of the possible relocation of the team , Heisley and representatives for the Grizzlies set out on a road trip to consider several U.S. cities which wanted to have the franchise relocate to their city . Originally Heisley had until 1 March to apply to the NBA for a relocation , but the deadline was later extended to 26 March . A similar deadline was also awarded to the Charlotte Hornets , who were also considering a relocation .

In February 2001 , the Louisville Board of Aldermen contacted the Grizzlies in an attempt to relocate the team to Louisville , Kentucky . The city lacked a suitable venue , but state and local officials agreed to build a new US \$ 200 million arena if the NBA franchise relocated to the city . In addition , Tricon Global Restaurants ( now Yum ! Brands ) would offer Heisley US \$ 5 million per year for 20 years to locate the team in Louisville .

The Memphis relocation effort was led by AutoZone founder Pitt Hyde , who promised to purchase 50 % of the team . The city had a 1991 venue , Pyramid Arena , which could be used as a temporary home until a new US \$ 250 million venue was ready for use in 2004 . The venue would be publicly financed through sales tax rebates , government @-@ backed bonds and hotel and car rental taxes . The Memphis efforts to get an NBA team had started in 1997 , following the relocation of the Tennessee Titans of the National Football League to Nashville .

New Orleans , Louisiana mayor Marc Morial stated that he had approached Heisley in an attempt to attract the Grizzlies to his city . The city had opened the US \$ 114 million New Orleans Arena ( now Smoothie King Center ) in 1999 , and offered it as a home to the franchise . Metrovision , the area 's economic development chamber , stated that they had secured guarantees for purchasing suites , season tickets and club seating from businesses to the extent that there was a waiting list for suites . Also a relocation to St. Louis , under the same conditions as with Laurie , was considered .

Another option was to relocate to Anaheim , in the Greater Los Angeles area . The Houston Rockets had looked into relocation to Anaheim the previous season , with Arrowhead Pond of Anaheim ( now Honda Center ) as the home venue . However , the NHL team then known as the Mighty Ducks of Anaheim had an agreement that any other tenant at the Pond should share revenues with their then @-@ owner , The Walt Disney Company , although Disney stated they were willing to negotiate the terms . There are also two existing clubs in Los Angeles , the Lakers and the Clippers , which would make the media market small and limit revenue .

Buffalo , New York , announced interest in attracting the Grizzlies . The city had an appropriate venue in HSBC Arena ( now First Niagara Center ) , home of the Buffalo Sabres NHL ice hockey franchise . Mayor Anthony Masiello , a former college basketball star , stated that the attempt was " a long shot " , but worth the try . The city previously hosted an NBA franchise in the Buffalo Braves , which then relocated to become the San Diego Clippers in 1978 . The Clippers moved to Los Angeles in 1984 , and San Diego was also mentioned as a potential site for the Grizzlies , although the city lacked a suitable venue . Heisley visited Las Vegas , Nevada , where he negotiated with Mayor Oscar Goodman . The city offered the team free land for a new arena , but would not pay for construction . The other issue was Stern 's demand that casinos stop accepting bets on NBA games as a precondition of placing a team in Las Vegas .

The strongest bids were Memphis , Louisville , Anaheim and New Orleans . As the latter two had venues in place , they were seen as having an edge on the other two . Both Memphis and Louisville needed public funding for a new venue , and in either city , the team would have to play in a sub @-@ optimal location for several seasons . However , the construction of a new venue was seen as an advantage by the Grizzlies , as it could be tailor @-@ made for basketball , and the team would be able to control all revenue . The team also expected the highest local radio and television broadcasting rights in Louisville and Memphis , and that the two cities lacked other Big Four major league teams , granting the team preferred air times and increased attention from fans and media . A 2000 report from PricewaterhouseCoopers concluded that small cities often had higher attendance than larger cities because of team 's professional league exclusivity . It also pointed to the strong support for college basketball in Tennessee and Kentucky .

= = Relocation = =

In Vancouver , the organization Save the Grizzlies was established to find a local investor to purchase the team . Led by among others Peter Ufford , they had a plan to create a public entity which could take over ownership of the team . Ufford retrospectively stated that had the attempt been given more time , they may have been able to secure a deal to keep the team in town , but that the relocation decision came too quickly for any plan to be finalized . Heisley stated that he had been willing to sell the team with a 30 % discount to a Vancouver investor if he could secure a guarantee that the team would remain in town .

On March 26 , 2001 , Heisley announced that he had selected Memphis . Memphis and Louisville were the most promising cities , with Heisley selecting Memphis because it offered a better deal and because of poor local executive leadership in Louisville . The choice would still have to be studied by a five @-@ member NBA group before permission was granted from the league . The team 's final game at GM Place was a 95 ? 100 loss against the Houston Rockets on April 14 ; the team 's final game as a Vancouver @-@ based franchise was a road 95 ? 81 win against the Golden State Warriors on April 18 .

The NBA relocation committee gave its approval for the move to Memphis in late June , and on July 3 the Board of Governors unanimously approved the relocation . This also permitted Hyde to purchase a minority share of the franchise . By then the team administration had already relocated , and the day before the final decision , the team set up its rookie camp at Rhodes College . A relocation party was held on July 7 . A week before the move , the Grizzlies traded away two of the top players , Shareef Abdur @-@ Rahim and guard Mike Bibby , who therefore never played for the Memphis Grizzlies .

= = Aftermath = =

The move to Memphis did not solve the Grizzlies ' financial problems , and as of 2011 the team 's cumulative loss was US \$ 100 million . The team did manage a 50 @-@ win season , reach the playoff four times , but failed to advance in the playoffs until the 2010 ? 11 season . As of 2011 , the Grizzlies remain , according to Forbes , the third least @-@ valuable NBA franchise , at US \$ 266 million . Attendance never exceeded Vancouver levels ; in the inaugural season the Memphis Grizzlies had an average of 13 @,@ 737 spectators , and in the 2010 ? 11 season had 14 @,@ 650 .

The Grizzlies were the first NBA relocation since the Kansas City Kings relocated to Sacramento , California and became the Sacramento Kings in 1985 . It was followed by two others in the same decade . The first was the relocation of the original Charlotte Hornets to New Orleans in 2002 , with the team becoming the New Orleans Hornets ( now Pelicans ) . ( That relocation is no longer treated by the league as such ; after the 2013 ? 14 season , the franchise then known as the Charlotte Bobcats reclaimed the Hornets name and also received sole rights to the history of the Hornets in Charlotte . ) The second was in 2008 , when the Seattle SuperSonics relocated to become the Oklahoma City Thunder . In the NHL , two teams were moved from Canada to the U.S. during the mid @-@ 1990s : the Quebec Nordiques became the Colorado Avalanche in 1995 , and the Winnipeg Jets became the Phoenix Coyotes in 1996 and were rebranded as the Arizona Coyotes in 2014 ( a new Winnipeg Jets team returned to the city by relocation of the Atlanta Thrashers in 2011 ) . In 2005 , one of Canada 's two Major League Baseball teams ( the Montreal Expos ) relocated to Washington , D.C. and became the Washington Nationals . The failure of the Vancouver franchise was part of the reason the NBA changed the expansion drafting rules following the return of Charlotte to the league as the Bobcats in 2005 . The Bobcats were allowed to pick fourth in their first draft , and were later not restricted from first picks .

In a major change from 2001 ? when one unnamed former NBA executive stated that a franchise would not return to Vancouver in his lifetime ? Stern revealed in February 2011 that Vancouver was being considered along with Pittsburgh , Tampa and Kansas City . Reasons for considering Vancouver are the strengthening of the Canadian dollar , which for several years in the early 2010s was roughly at par with the U.S. dollar ; the influx of international players who would be more willing

to play in Canada ; sell @-@ outs for pre @-@ season exhibition games at Rogers Arena ( the new name of GM Place ) ; Vancouver having a state @-@ of @-@ the @-@ art venue ; and an increased realization among NBA executives that the Vancouver failure was not predominantly because of lack of interest for basketball in Vancouver . The city has also been through a resurrection in professional sports , with the creation of the Vancouver Giants in junior hockey , the 2010 Winter Olympics , and Vancouver Whitecaps FC joining Major League Soccer . However , the location of the city also allows for more varied sports experiences , such as skiing , hunting , fishing and golf , which could partially limit the interest for spectator sports .

In 2011 , the ownership group of the Canucks , now owned by Francesco Aquilini , announced they were considering purchasing the Hornets . In December 2010 , the Hornets were bought by the league , and there was potential for relocation due to the club 's financial difficulties . However , a Hornets move was effectively taken off the table in 2012 when Tom Benson , a New Orleans native who already owned the NFL 's New Orleans Saints , purchased the team . One year later , Aquilini denied rumours that he wanted to purchase the Sacramento Kings from the Maloof family . Aquilini expressed that while Rogers Arena is ready for basketball , having the NBA in Vancouver comes down to market support , which his company assesses to see if it has improved since the Grizzlies left .