

GARDEN STATE CLE LESSON PLAN

A 1.0 credit course

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LESSON PLAN AND EVALUATION**

THE LAW OF BASEBALL: Representing Young Prospects

Featuring

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And

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Program description

The United States and Latin America is bubbling with young baseball talent. And if a young prospect is good enough, he's going to need representation. This 1.0 credit CLE program details a recruiting trip to the Dominican Republic and illustrates the needs of a young player for an attorney.

I. Introduction

- **Gary S. Goodman, Esq.**
- **Practice is mostly transactional work and land use planning – general practice**
- **Friendship with former Blue Jays player introduced him to individuals in the baseball industry, went to Dominican Republic – spent time with ball players and introduced to baseball in the country**
- **Created a business of representing ball players who were prospects and then opening a baseball academy in San Pedro de Macoris in 2009**
- **Have placed about 35 prospects with teams**
- **House, feed, and train prospects – age 15-18 and work with for up to 2-3 years**
- **Prospects live locally and attend academy after school**
- **Most of clients who sign play in Dominican Summer League and those who are viewed as high in talent may come to US to play for Florida Coast League**
- **30-40% of minor leagues are Latin and most teams have coaches who are fluent in Spanish**

II. Potential clients – Advice to Parents and Prospects

- **If parent believes child has potential for baseball career – how to address that?**
- **NCAA has strict guidelines about young amateur players employing agents – only can be a family advisor**
- **High school player – evaluate talent by former ball players or coaches who have a professional eye as to whether or not child's abilities are something that can make this a career**
- **If child has potential, what direction should the child go??**
- **Most kids should look to using baseball to further education – paying for college, etc.**
- **Pitchers have shorter career spans – maybe after evaluating an offer may want to take a shot at a career earlier than other players – different possible path from other players**
- **Left handed pitcher is the rarity teams are looking for – so need to evaluate the marketability and the offers**

- **Parents and child should focus on education – wait until 18 and matures to see what the prospect has – better command of the skills than at a younger age**
- **Must have significant offers (\$100K-\$150K as a signing bonus) on the table in order to forego an education – not going to make much money in the minor leagues**

III. Fee structure for attorneys

- **In US if representing high school or college ball player – limited to 5%**
- **In international market, 16 years old or over, can set own fee structure**
 - **Those who attend their academy – 35% fee**
 - **Simply represent but trained elsewhere – 10-15% fee**
- **Nothing in NJ is governing what is going on in Dominican Republic as to ethical considerations for fee arrangements**

IV. Dominican Republic

- **All 30 teams have facilities there and have a budget and looking for talent**
- **All teams are scouting amateur academies down there**
- **Market the talent that the academy has**
- **Major league baseball has instituted a cap of \$2.9M on international market recruiting for each team**
- **Historically the Latin American market was skill oriented – competing with various skills**
 - **Sprints**
 - **Batting practice**
 - **Simulated game of a few innings**
 - **Called a “showcase”**
- **More recently – criticism that players had skills but did not have enough games to be on par with American talent**
- **Latin Players League –field a few teams and a couple games per week**
 - **Regular 9 inning game and scouts can watch and doing statistical studies**
 - **Get academy teams to play against the prospects to see how players perform in a game situation**
- **Pitchers are evaluated based on bullpen session – even before they are put in the game**

- **If there is a player with the capability they are looking for with the demeanor and stature to present the command of pitches – that is something that teams can work with**

V. Role of the attorney

- **With players, interacting with teams who are looking to sign prospects and looking to finalize contracts**
- **Get players best deal they can get**
- **If goal is to get the most money then competition between teams will increase the price**
- **Get a feel for organizations and find that some players are a nice fit for the player**
 - **Small market team may push player through to the majors – longer term relationship between the team and the player**
 - **Larger market teams may get a player just to trade at a later date**
- **For most players and the families, the contract and the money is a life changing situation**
- **Standard contract**
- **One main issue is the tax issue**
 - **US treasury takes position that signing bonus is taxable because based on work being done in US**
 - **No deductions for trainer or agent fees**
 - **Try to address this issue in the contract negotiations**
- **How to advise clients on how to handle money from contracts**
 - **Counsel some degree of thought as to how to spend their money**
 - **Many of them are signed very young and parents/guardian are still in the picture – parent is really signing the contract and the agency agreement**
 - **Majority of young people who get larger contracts – money goes to family concerns**
 - **Refer to financial advisors**
 - **Majority of signing bonuses are usually spent on family needs and some other expenses to improve their lifestyle**

- **For many players it is the first time any institution has taken an interest in them – given an identity, part of a team, discipline, how to conduct themselves – for many they have still gained something in the process – even if don't go to major leagues**
- **Sometimes have to secure something now so that future can continue**

VI. Daily routine at academy

- **Exercise regiments**
- **Skills practicing**
- **Constant games**
- **Different educational programs, instructions in English and Math and life skills – to help them grow as individuals**
- **Players from the age of 15 through 18, 19, 20**
- **Those that can go home on weekends – others are there 7 days a week, may go home with one of the coaches for the holidays**
- **Many have struggled in school**
- **Some are psychologically or emotionally damaged and need to address those issues as well**
- **Cultural adaption**
 - **Trying to prepare them for what professional academies have to offer**
 - **MLB is trying to use Dominican Summer League so that young signee can have a 1 year transition to enter the US**
 - **Some go directly to Gulf Coast Academy League and it is difficult for some to adapt without any transition**
- **Wide disparity between learning ability and skills that players have**
- **Working with different groups to have some core skills and education programs**
- **Provide clothing and environment where they are well fed and well housed and can devote time to making themselves into great players**
- **Nutrition and supplements and weight training are part of the program**

- **Performance enhancing drugs – able to control players while they are at the academy but there are others who are coming from other trainers – no ability to control those who are represented, as opposed to those who are living at the academy**
 - **If there are suspicions about a particular player, may do urine testing**
 - **Before player is signed, MLB has a screening process**
 - **Part of training process is to educate them on the MLB rules**
- **Identity issues – trying to find the player and the documentation that supports his identity and his age to get a work visa in US**
 - **Deal with US Consulate and other agencies to confirm that players have appropriate documentation as to age, etc.**
 - **US Homeland Security v. lack of information in the native country**
- **Trainers and doctors available if there are injuries**
- **“Buscone” – street agents – “finders” - word of mouth people are looking around for players who have skills**
 - **Looking for young children to see if they have potential**
 - **People are scouting talent in elementary school**
 - **Working with 2-3 players after school and when they become 13 years old looking to place them in an academy**
 - **Try to develop relationships with these individuals to find talented young people**

VII. Acting as an agent

- **MLB and Player’s Association governs the relationship between agents and major league players**
- **Can try to maintain a relationship**
- **Once players go to minor leagues and talent is recognized – clubs are directing players toward agents they are comfortable with dealing**
- **Not easy to hold on to a player**

- **To become a certified professional baseball agent – must have a major league player designate you as his agent – without that cannot become certified**

VIII. Words of advice for attorneys to handle these types of clients

- **It is about the player, not about the attorney – don't get enamored with rubbing elbows with higher ups in the various organizations**
- **Do what is best for the client**
- **Functioning as a family advisor so need to listen to what the family is about**
- **Give them advice from your own experience and get them in touch with those who have the experience**
- **Get a professional evaluation of the talent level to make a meaningful recommendation to the family and the player**
- **Be well grounded regarding the finances and planning for the future, including college**