A's News Clips, Thursday, November 18, 2010

A's trade Rajai Davis to Blue Jays for two minor league relievers

By Joe Stiglich, Oakland Tribune

The A's traded outfielder Rajai Davis to the Toronto Blue Jays on Wednesday for minor league relievers Trystan Magnuson and Danny Farquhar.

Davis, 30, has been one of the A's most productive offensive players -- and one of their healthiest -- over the past two seasons. But with a logjam of outfielders on the roster, particularly after last week's trade for David DeJesus, it wasn't a surprise Oakland unloaded somebody.

It continues a flurry of activity for the A's in the early going this offseason, and if they have their way, there may be more news coming. ESPN Deportes is reporting that Oakland has offered free agent third baseman Adrian Beltre a five-year, \$64 million contract.

That has yet to be confirmed by anyone associated with the team.

Davis, one of the major leagues' fastest players, hit .284 with five homers, 52 RBIs and a career-high 50 stolen bases in 2010. He ranked third in the majors in steals and became the seventh player in team history to reach the 50-steal mark.

He was heading into his second year of arbitration and likely would have garnered a raise from his \$1.35 million salary in 2010. This development points to the likelihood that the A's will keep outfielder Conor Jackson, another arbitration-eligible player whose status appeared to be in limbo.

Neither Magnuson nor Farguhar have cracked the majors yet.

Magnuson, 25, was a 2007 sandwich pick between the first and second rounds for Toronto. A 6-foot-7 right-hander, he went 3-0 with a 2.58 ERA in 46 appearances with Double-A New Hampshire last season. He struck out 63 and walked 10 in 73 1/3 innings.

Farquhar, 23, was 4-3 with a 3.52 ERA in 53 appearances. A 10th-round selection in 2008, he tied for third in the Eastern League with 17 saves.

In the past 10 days, the A's have dealt Davis, acquired DeJesus in a trade from Kansas City, claimed third baseman Edwin Encarnacion off waivers from Toronto and won bidding rights for Japanese right-hander Hisashi Iwakuma.

They're currently trying to negotiate a contract with Iwakuma.

Oakland A's make big-money push for free agent third baseman Adrian Beltre

By Joe Stiglich, Oakland Tribune

The A's reportedly are making a push for third baseman Adrian Beltre, throwing a lucrative offer at the free-agent slugger and hoping history won't repeat itself.

ESPN Deportes reported Wednesday that Oakland offered a five-year, \$64 million contract to Beltre, who turned down the A's overtures last winter to sign with the Boston Red Sox.

The A's declined to comment on the report, but they desperately need an impact middle-of-the-lineup hitter. Beltre, 31 -- a two-time Gold Glove winner who hit .321 with 28 home runs and 102 RBIs for Boston -- is considered among the top five free agents available.

As that speculation swirled, the A's made a more concrete move Wednesday, trading outfielder Rajai Davis to the Toronto Blue Jays for minor league relievers Trystan Magnuson and Daniel Farquhar.

No team has been busier than the A's early this offseason. Over the past 10 days, they have dealt Davis, acquired outfielder David DeJesus from Kansas City, claimed third baseman Edwin Encarnacion off waivers from Toronto and won the negotiating rights to Japanese pitcher Hisashi Iwakuma.

"It's as busy a stretch as we've had since I've been working here," assistant general manager David Forst said. "(But) an opportunity comes up, and you don't have a choice. You've gotta do it."

How realistic is the Beltre opportunity? The A's offered him a reported three-year deal worth \$24 million last winter. Beltre instead took a one-year, \$9 million offer from the Red Sox.

Boston is interested in re-signing him. The Los Angeles Angels need a third-base upgrade, but outfielder Carl Crawford is their top free agent target.

The A's are considered just a hitter or two away from being an AL West contender, so they might be more attractive to Beltre than last winter.

Oakland has third basemen Encarnacion and Kevin Kouzmanoff in the fold. Both are arbitration-eligible, and one of them could be nontendered even without Beltre in the picture.

Were the A's to land Beltre, they might forgo signing a free agent DH-type and use Encarnacion at DH.

The acquisition of DeJesus left the A's with an outfield logjam, so it wasn't surprising the A's traded Davis, who was arbitration eligible. His absence will be felt, as Davis was one of Oakland's most productive offensive players over the past two seasons -- and one of the healthiest.

Davis, 30, said he looks forward to a new opportunity but added, "The A's gave me every opportunity to show what I could do."

The A's figure to start an outfield, left to right, of DeJesus, Coco Crisp and Ryan Sweeney (provided he's recovered from knee surgery).

Conor Jackson, who appeared a nontender candidate, looks more likely to stay as a fourth outfielder.

Magnuson, 25, and Farquhar, 23, are right-handed and both pitched at Double-A last year. Neither was ranked among Toronto's top 10 prospects in Baseball America's latest rankings.

Chin Music: More on the Rajai Davis trade

By Joe Stiglich, Oakland Tribune, 11/17/2010 9:23PM

A few thoughts on the Rajai Davis trade ...

-The A's are going to miss his daredevil baserunning and the spark he provided. Davis' game is rough around the edges. On the hitting side, his strike zone can get out of whack. On the glove side, he doesn't have the natural instincts that Coco Crisp does in center field. But Davis was instrumental in all that's gone right for the A's offensively the past two years (granted, not much has). And he was the main thrust behind the team's shift to a more aggressive, base-stealing oriented attack once it was obvious there was no power to speak of.

But I believe this trade shows two things: 1) Once the A's decided to trade an outfielder, Davis definitely was the most appealing option to other teams. Assistant GM David Forst told me that the phones started ringing with inquires about Davis as soon as the A's traded for David DeJesus. 2) It looks like the A's still want to give Conor Jackson an extended look to see if he's a fit for this team. They didn't get much of a look last year because of Jackson's injury problems. How healthy can Jackson stay next season? That's the question. But considering the A's traded to get him in June, I'm not surprised to see them holding on to him. Of course, they don't have to tender Jackson a contract until Dec. 2, the deadline to offer contracts to players who are arbitration-eligible. "There's obviously a lot of moving pieces between now and then," Forst said.

-As for the scouting report on Trystan Magnuson and Daniel Farquhar, the two relievers obtained for Davis: <u>Farquhar</u> is just 5-foot-11 but reaches 95-96 mph with his fastball, according to Forst. "He has a closer's mentality, just outstanding stuff."

By contrast, <u>Magnuson</u> stands 6-foot-7. His command is a strength, and his slider is a swing-and-miss pitch. "We got two young arms that we feel will be part of our major league bullpen sooner rather than later," Forst said.

Time will tell. The A's need a nice return on this one, because they gave up an important piece to their puzzle ...

<u>Chin Music: A's trade Rajai Davis to Toronto Blue Jays, reportedly make offer to Adrian Beltre</u>

By Joe Stiglich, Oakland Tribune, 11/17/2010 3:31PM

The news keeps coming from A's headquarters. ESPN Deportes is reporting that Oakland offered free agent third baseman Adrian Beltre a five-year, \$64 million contract. Then a more concrete development was announced: The A's have traded outfielder Rajai Davis to Toronto for minor league relievers Trystan Magnuson and Danny Farquhar. You can read a full story on that trade. The A's had too many outfielders and not enough spots, so it wasn't a shock they dealt someone. Davis is a big loss — he's an electrifying player that often sparked the A's with his speed. He was also one of the team's healthiest position players the past two years. That made him a very valuable player — and also one other teams would covet.

A potentially bigger story would be if the A's land Beltre, one of the cream-of-the-crop hitters of the free agent class. Would he consider the A's after turning down a three-year offer from them last winter?

A's trade Rajai Davis to Jays for 2 relievers

Susan Slusser, Chronicle Staff Writer

Oakland used its overabundance of outfielders to acquire two highly regarded minor-league relievers, but in exchange, the A's lost 50-base stealer Rajai Davis.

Davis was traded to Toronto on Wednesday for right-handers Trystan Magnuson, 25, and Daniel Farquhar, 23. Just one week earlier, Oakland had swung a deal with Kansas City for David DeJesus, who will start in left for the A's next season.

"It was getting a little crowded in the outfield," Davis said by phone from his home in Connecticut.

Davis thanked the A's for claiming him on waivers from the Giants in 2008, which he said has helped him become established as a big-leaguer. Davis, who hit .284 with five homers, 66 runs and 52 RBIs last season, is arbitration-eligible for the second winter in a row.

Davis' 50 steals were a career high and third most in the majors; the A's led the league in that category and assistant general manager David Forst said the team will remain aggressive on the basepaths even without Davis.

Forst added: "It's difficult to trade a guy like Rajai because we really enjoyed having him here and he also brought a different dynamic to the team."

With Davis, 30, gone, Conor Jackson is expected to be the fourth outfielder behind DeJesus, Coco Crisp and Ryan Sweeney.

Magnuson, a 2007 first-round pick who is the nephew of late Blackhawks defenseman Keith Magnuson, is 6-foot-7 and he walked 10 and struck out 63 in 73 1/3 innings at Double-A last season. Farquhar throws in the mid-90s and he has a 2.62 ERA in 122 minor-league games.

The A's have made four significant transactions in a 10-day span, including winning the rights to negotiate with Japanese pitcher Hisashi Iwakuma and acquiring DeJesus and third baseman Edwin Encarnacion.

"The last six weeks have been by far the busiest we've had since I've been here," said Forst, who is entering his 12th season with the A's. "It's unbelievable."

It could get busier: The A's got their first free-agent rumor with actual numbers attached Wednesday, when ESPN Deportes reported that Oakland has made a five-year, \$64 million offer to third baseman Adrian Beltre. The A's do not comment on negotiations with free agents.

Drumbeat: Davis traded to Toronto, updated, plus Beltre rumors

From Chronicle Staff Writer Susan Slusser 11/17/2010 2:26PM

It's official, the A's have traded Rajai Davis to the Blue Jays for two minor-league right-handers, Trystan Magnuson and Daniel Farquhar.

That solves the team's outfield crunch some, but of course takes away a good fourth outfielder who stole 50 bases last year. David DeJesus is a good addition in left, but he doesn't have the kind of speed Davis has. Coco Crisp will now be the primary basestealer, and he put up a career high last year despite missing much of the season with injuries.

The bigger news of the day might be the five-year, \$64 million deal that ESPN Desportes is reporting that the A's have offered third baseman Adrian Beltre. I can't get any official independent confirmation of that - the A's do not discuss free agents - but no one is denying the report, at least to this point. If those numbers are accurate, it's actually more per year than the A's gave their own Gold Glove third baseman, Eric Chavez, whose six-year, \$66 million deal has just ended. Beltre is a two-time Gold Glove winner at third, and he was an All-Star last season.

Beltre rebuffed the A's overtures last offseason, though they apparently were willing to offer him more guaranteed years than Boston, which is where Beltre went on a one-year, \$9 million deal that included a \$5 million player option for 2011 with a \$1 million buyout. Beltre opted out, got the additional \$1 million, and the question is, if he turned down more years from Oakland last year, will he do it again when it's these kinds of numbers?

The A's have Kevin Kouzmanoff and Edwin Encarnacion as options at third, and Encarnacion could be a DH option if need be, but Beltre continues to be the big prize.

Oakland does remain in the mix for some of the other big-bat free agents, especially Lance Berkman and Hideki Matsui. Many A's players, and many around baseball, felt that the team needed to add two bats to really contend this offseason. Would Beltre plus Encarnacion as a DH or even a platoon DH with Jack Cust be enough? Or do both Kouzmanoff and Encarnacion go if Beltre comes aboard? They're both arbitration eligible.

A's general manager Billy Beane has said since obtaining Conor Jackson last year that Jackson is in the plans for 2011, and with Davis gone, it's clear that Beane has not changed that stance.

There has been an assumption that the A's would have to overpay to get any free agents to come to the Coliseum. Does this count as overpaying? It will be interesting to see what offers Beltre gets from other teams and if Oakland has come in high. That's not usually the situation the A's find themselves in - making the super high offer to a free agent. There has been thought that a free agent or two in recent years (hi, Rafael Furcal) has used an A's offer to just pump up offers from other clubs, and well, maybe it happens again.

Magnuson, 25, and Farquhar, 23, are both well-regarded relievers, and Magnuson was a first-round pick in 2007. Magnuson is the nephew of the late Keith Magnuson, a defenseman whose number was retired by the Blackhawks.

Mugnuson, who is NHL defenseman-sized at 6-foot-7, 210 pounds, went 3-0 with five saves and a 2.58 ERA in 46 relief appearances at New Hampshire last season, with 63 strikeouts and 10 walks in 73 1/3 innings. Farquhar is 8-9 with a 2.62 ERA with 39 saves in 122 career minor-league games; Billy Owens tells me he throws a variety of pitches from several angles - and he hits 92-95 mph.

As I mentioned on Twitter a while ago, the last time an A's regular went to Toronto, it didn't work out so well: Marco Scutaro was traded for minor-league pitchers Kristian Bell and Graham Godfrey. Like Davis, Scutaro wasn't really supposed to be an everyday player, but injuries also led to plenty of playing time and some exciting contributions. Lots of echoes in this trade.

The A's then tried to get Scutaro to return to Oakland last winter. Like Beltre, he spurned a better offer from the A's to go to Boston.

Davis, 30, hit .284 with five homers, 66 runs and 52 RBIs last year and he played all three outfield spots. He's also among the most popular players on the team, always cheerful and respected by his teammates for his deep faith and work with his church.

UPDATE: Davis tells me he's just thankful the A's claimed him off waivers from the Giants and gave him a chance to establish himself as a big-league player, and he calls this trade "a new adventure." A great, upbeat attitude as always. Another plus for him, Toronto is not that far from his home in Connecticut.

Davis wasn't too suprised to be dealt. Like everyone, he knew the A's had more outfielders than they needed. "It was getting a little crowded out there," he said.

I just spoke to assistant general manager David Forst, who said that trading Davis was very difficult because the A's really liked Davis as a person and they also really liked the job he did for the team, but both relievers are players the A's have rated highly, and as with the DeJesus trade, the A's felt they were dealing from an area of strength. (In this case, strength is really just sheer numberssooooo many outfielders.)

Like Owens, Forst mentioned that Farquhar throws in the mid-90s, and Forst said the A's like Magnuson's impressive athletic bloodlines, his size - and the small number of walks last year.

In the past 10 days, the A's have won the bidding on the rights to negotiate with high-profile Japanese pitcher Hisashi Iwakuma, they traded for DeJesus, they claimed Encarnacion and they traded away Davis. Forst called the past six weeks the busiest he can recall in his 11 seasons with Oakland; he's been at the office from 8:30 a.m. to 6:30 p.m. every day, and he said he interviewed candidates for head trainer all day today....and completed the Davis trade at lunch. Beane was away attending the general managers meetings in Orlando, and he made the deal while both he and Forst were conducting lots of other business on opposite coasts.

Also, as our sister paper the Houston Chronicle reported earlier today, Triple-A Sacramento manager Tony DeFrancesco has been hired to manage the Astros' Triple-A team. Ex-River Cats manager Todd Steverson will be on Sacramento's coaching staff for sure this year; it's uncertain if this means he'll now become the manager, however.

A's clear outfield crunch, deal Davis to Jays

Oakland picks up pair of Minor League relief prospects

By Jane Lee / MLB.com

A crowded A's outfield dropped in number Wednesday when speedster Rajai Davis was sent to Toronto in exchange for Minor League pitchers Trystan Magnuson and Daniel Farguhar.

The transaction came a week after Oakland acquired outfielder David DeJesus from Kansas City -- a move which immediately made the arbitration-eligible Davis expendable, given the depth at the position. With DeJesus and Coco Crisp already in the fold, Davis was set to fight for time on the field with Ryan Sweeney, Chris Carter and non-tender candidate Conor Jackson.

"We were dealing from a position of excess," A's assistant general manager David Forst said. "It certainly felt like there were a number of teams who had interest in Raj, and he had value on the trade market. This allowed us to bring in two young arms that we believe will be contributors to the Major League bullpen hopefully sooner than later."

Much of Davis' playing time this year came as a result of injuries to several teammates, including Sweeney and Jackson. He posted a .284 average with five home runs, 52 RBIs and a career-high 50 stolen bases in 143 games for the A's and was a large part of the club's success on the basepaths. Oakland's 156 stolen bases this season represented the ninth-best single-season total in franchise history.

Davis, speaking by phone from his home in Connecticut on Wednesday, first learned of the news by way of a call from the A's front office, a move he appreciated rather than hearing of it elsewhere.

"When you get a call from the front office in the middle of November, what does that mean?" Davis said with a laugh.

The outfielder, admittedly still taking in the news, expressed excitement in knowing he could be landing a full-time gig in Toronto. For that, he thanks the A's, who claimed him off waivers from the Giants in April 2008 after he spent parts of the previous four years with San Francisco and Pittsburgh.

"I'm definitely grateful for the opportunity the Oakland A's gave me because they actually saw something that other teams missed," he said. "I'm thankful for that, that they gave me the opportunity to compete."

Despite Davis' speed and ability to stay healthy, the 30-year-old outfielder never appeared to have a defined role with the club. His departure, which eliminates some of the outfield crunch but at the same time rids the A's of an exciting player,

means Jackson may be in Oakland's 2011 plans after all -- a notion general manager Billy Beane has stressed since the beginning of the offseason. However, the A's are not ready to claim anyone safe at this point.

"The 25-man roster as a whole is still a work in progress," Forst said. "We have a lot of pieces in place, but certainly nothing has been decided and won't be until we get past the tender dates, until we get to Spring Training. There's always room for pieces to move around."

By dealing Davis, who not only showcased speed on a daily basis but also constant smiles and a well-liked personality around the clubhouse, the A's received a pair of Double-A relievers in Magnuson and Farquhar.

The last time the A's dealt a regular player to Toronto was nearly three years ago to the date, on Nov. 18, 2007, when Marco Scutaro was sent to the Jays for Minor League pitchers Graham Godfrey and Kristian Bell. Neither has made it to the Major League level. Forst, though, feels confident in the club's pair of newcomers.

Magnuson, 25, posted a 3-0 record with a 2.58 ERA in 46 relief appearances for the Blue Jays' Double-A New Hampshire affiliate this season. A first-round supplemental pick by Toronto in the 2007 First-Year Player Draft, he is 8-10 with a 3.53 ERA over three Minor League seasons and will need to be added to Oakland's 40-man roster to be protected from the Rule 5 Draft.

"He's got the pedigree," Forst said. "I think it took him a while to sort of figure it out, but he just had a phenomenal year at Double-A. He's 6-7 with a swing-and-miss slider."

Farquhar, meanwhile, recorded a 4-3 record with a 3.52 ERA and 17 saves alongside Magnuson in Double-A. The 23-year-old hurler was chosen by Toronto in the 10th round of the 2008 Draft and has posted an 8-9 record and 2.62 ERA with 39 saves in three professional seasons. According to A's director of player personnel Billy Owens, who has seen Farquhar pitch this fall, the righty maintains velocity in the 92-95 mph range and his "breaking stuff complements his velocity well."

"Farquhar has a big arm," Forst said. "He's only 5-10, but he throws up to 95, 96. He has a fantastic Minor League track record. He's always pitched at the back end of the bullpen in the Minor Leagues, so he has that closing mentality."

Farquhar is pitching in the Arizona Fall League for the championship game-bound Peoria Javelinas, with whom he's posted a 4.50 ERA with 12 strikeouts through 10 innings. He was initially believed to be involved in a potential trade to the Marlins for Dan Uggla before the second baseman ultimately landed in Atlanta on Tuesday.

"There apparently were rumors I was getting traded yesterday," Farquhar said. "That didn't go through. I was joking with my roommate today, 'Hey, I'm going to get traded today.' I got to the field and got the call that I'm going to Oakland.

"I'm definitely going to miss all my buddies with the Blue Jays, but it's exciting. It's a change in scenery. Going out to Arizona for Spring Training is different because I was born and raised in Florida. I've got some family in California, so I'll move a little closer to them but away from all my family in Florida."

The A's brass has always been a fan of the "can't have enough pitching" mantra. The organization is set in terms of outfield depth, and Forst said bullpen help at the Minor League level was an area of focus this winter.

"I feel very good about the guys we have in place, but we all know you can't get through the season with just six or seven bullpen guys," he said. "Considering health is a big concern for us, this is something we had talked to Toronto about, and these are two guys we liked."

Deal gives A's pair of relievers with promise

By Jonathan Mayo / MLB.com

While the Blue Jays got outfielder Rajai Davis from the A's, Oakland got a pair of relievers in Trystan Magnuson and Daniel Farquhar. Here's some more information on the right-handers:

Magnuson was taken in the supplemental first round (No. 56 overall) in the 2007 First-Year Draft. The 6-foot-7 University of Louisville product spent his first season of pro ball, in 2008, as a starter but has relieved the past two years (he worked exclusively out of the bullpen in college). In 145 innings during that span, Magnuson posted a 2.48 ERA, allowing 130 hits and 38 walks while striking out 115.

Born in Vancouver, British Columbia, Magnuson played in the 2010 Futures Game for the World Team. He gave up a run on two hits and two walks over two-thirds of an inning. He also was an Eastern League All-Star, retiring the two batters he faced in that game.

The 25-year-old right-hander will throw four pitches at times, highlighted by an above-average fastball that comes in at 89-92 mph. He's got slightly below-average command of the pitch, but it does have average life. He also throws an average cutter, 88-89 mph, which could serve as an out pitch in the future for him. He throws a slider (82-83 mph) and a changeup (83-86 mph), but both are graded out as below-average offerings. As a 2007 college selection, the A's will have to put Magnuson on their 40-man roster or leave him unprotected for December's Rule 5 Draft.

Farquhar was taken by the Blue Jays in the 10th round of the 2008 Draft out of Louisiana Lafayette. The 23-year-old Florida native has pitched only in relief as a pro, posting a 2.62 ERA over his three seasons in the Jays' system.

In 2010, the 5-foot-11 right-hander saved 17 games for Double-A New Hampshire, a year after saving 15 for the Fisher Cats. He struck out 79 in 76 2/3 innings and held hitters to a .189 batting average. He has 39 saves in his career. Farquhar spent the fall in the Arizona Fall League, posting a 4.50 ERA over 10 innings for the championship-bound Peoria Javelinas. He's allowed just eight hits and struck out 12.

Farquhar is a two-pitch reliever, featuring an above-average fastball that he throws 91-93 mph. He's had some trouble with command (4.78 walks per nine innings), and it doesn't have a ton of life. He also has a fringy-average curve that is a little slurvy when it comes to the plate.

STOCKTON ATHLETIC HALL OF FAME

HONOR HITS HOME

A'S PITCHER BRADEN STILL OVERWHELMED BY HIS '15 MINUTES'

By Bob Highfill, Stockton Record 11/18/2010

STOCKTON - In closing his induction speech, Dallas Braden couldn't help but take a jab at a certain Yankees third baseman.

"And to A-Rod, my 15 minutes aren't up," Braden said.

Not by a long shot.

The Stagg High graduate and Oakland Athletics pitcher, who forever etched his name into baseball lore by throwing a perfect game on May 9, was inducted into the Stockton Athletic Hall of Fame on Wednesday at Stockton Memorial Civic Auditorium.

"I don't know where to start talking about this," Braden said before the ceremony. "This is crazy. I've seen people I've known since I was 4 or 5 years old. I'm fortunate to be able to do my job this close to home and to have so many people here."

Also inducted were Lincoln High and Cal softball standout Candace Harper; former Franklin High boys basketball coach and contributor Dean Janssen; former Pacific football coach, athletic director and athlete Jack "Moose" Myers; contributor Donald Schrader; and former Delta College track and cross country coach Merv Smith.

In his induction speech, Braden, 27, thanked those who helped turn his life around from near high school dropout to the pinnacle of his profession. Braden's eventful 2010 season included a tete-a-tete with Alex Rodriguez, who said he didn't want to extend Braden's 15 minutes of fame after drawing the pitcher's ire for running over the mound in a game on April 22.

Harper, a member of Cal's 2002 NCAA championship team, thanked her family, teammates and coaches, including her college coach, Diane Ninemire, who attended the banquet.

St. Mary's senior Alex Michaels received the Frank Alustiza Award as the outstanding local high school football player who exemplifies excellence in leadership and academics. Lincoln senior Kelli Leabo received the Jack O'Keefe Memorial Award as female athlete of the year, and St. Mary's graduate Louis Lechich, a freshman at Cal, was named male athlete of the year.

The Division III state champion St. Mary's girls basketball team was named team of the year, and the athletes of the month included golfer Ricky Barnes, a Lincoln graduate who had his best season on the PGA Tour with \$1.9 million in earnings.

Former major league catcher Mike Macfarlane traveled from his home in Leawood, Kan., to be inducted with his brother, Pat, and their father, John.

"This is my home," Mike Macfarlane said. "This is about my father and what he's done, teaching us in so many things other than sports."

New Exotic Investment: Latin Baseball Futures

By MICHAEL S. SCHMIDT, New York Times, `11/18/2010

SANTO DOMINGO, Dominican Republic — Investors from the United States believe they have found an exotic new prospect: Latin American baseball players, some as young as 13 and many from impoverished families.

Recognizing that major league teams are offering multimillion-dollar contracts to some teenage prospects, the investors are either financing upstart Dominican trainers, known as buscones, or building their own academies. In exchange, the investors are guaranteed significant returns — sometimes as much as 50 percent of their players' bonuses — when they sign with major league teams. Agents in the United States typically receive 5 percent.

The investors include Brian Shapiro, a New York hedge fund manager who, along with <u>Reggie Jackson</u>, tried to buy the <u>Oakland Athletics</u> several years ago; Steve Swindal, the former general partner of the <u>Yankees</u>; Abel Guerra, a former White House official under President <u>George W. Bush</u>; and Hans Hertell, a former United States ambassador to the <u>Dominican Republic</u>.

Other, less prominent investors have had no previous connections to baseball or the Dominican Republic. Those investors include a real estate lawyer from New Jersey, a dentist from California and a computer salesman from upstate New York.

Educators and Major League Baseball officials worry because there is no oversight of the investors' academies, and they question why the investors want to be part of a system that takes teenagers out of school and has been involved in scandals over steroid use and players lying about their ages.

"If the investment is benefiting the player in some way and improving his circumstances, providing, as I said, educational opportunities, etc., then it can be a good thing," said <u>Sandy Alderson</u>, who oversaw the revamping of baseball's operations in the Dominican Republic until he was named the <u>Mets'</u> general manager last month. "But generally speaking, there is no assurance that is happening."

At academies run by investors from the United States, the players are typically 13 to 19 years old and forgo formal schooling to train. Several of the players said they would return to school if they were not signed to a professional contract.

The conditions of the academies vary from less than desirable to impeccable — like the one run and financed by Mr. Swindal, Mr. Guerra and Mr. Hertell.

Gary Goodman, a real estate lawyer from Cranford, N.J., opened his academy with a former Dominican minor league player in 2009.

"Are we there to make a profit? Absolutely," said Mr. Goodman, who, like many investors, wires thousands of dollars a month to feed, clothe, house and train the prospects, many who cannot read and do not attend school.

Mr. Goodman and several other investors said their money helped to improve the lives of prospects and their families. They also take a smaller percentage of the players' contracts than other trainers typically do, they said.

Some of these investors have gained a foothold in the market by lending money directly to prospects' families, who agree to repay the loans and give the investors a significant portion of the prospects' signing bonuses.

These practices are worrisome for critics like David P. Fidler, a professor of international law at Indiana University.

"Buscones in the Dominican Republic are in the business of selling children," he said. "And it's very disturbing that American investors would come in to profit from a system that exploits and discriminates against young children." An hour and a half by car from Santo Domingo, at the end of a dirt road in the town of Don Gregorio, a piece of the Dominican baseball system can be found in a small house surrounded by concrete walls and metal fences topped with shiny barbed wire. The entrances are locked.

Inside is a pensión, a dormitory for about a dozen prospects as young as 14. They are trained by California Sports Management of Sacramento, a firm run by the agent Greg J. Maroni and financed by his father, Greg G. Maroni, a dentist who owns several fast-food franchises.

Along with using the academy to produce teenage Dominican players they can represent, the younger Mr. Maroni represents Neftali Feliz, the <u>Texas Rangers</u>' closer.

The dormitory, which was built in 2007, contains one large bedroom with bunk beds and a small bathroom with two showers. The barbed wire was installed a few months ago, after a player hopped the fence to look for girls in town, said Carlos Paulino, a Dominican trainer who runs the dormitory for California Sports Management.

Although one coach supervises the dormitory at night, two other prospects had gone over the fence earlier this year, Mr. Paulino said in September. "It's to make sure they don't get out," he said.

A few weeks later, though, the younger Mr. Maroni and Mr. Paulino said that Mr. Paulino's characterization of the barbed wire was incorrect and that it had been installed to prevent break-ins.

"We're not running a concentration camp," Mr. Maroni said.

Mr. Maroni's father said that he had invested about \$200,000 in the academy since 2007 and that he wired about \$2,000 a month to the Dominican Republic to operate it. When a prospect signs a contract with a major league team, the Maronis take 10 percent to 30 percent of the bonus and split the profit with their Dominican trainers.

The elder Mr. Maroni said he did not know whether his players went to school. "It would be a sure nice goal in the long term," he said. "Maybe we can give them some English and basic arithmetic classes so they know what a <u>Social Security</u> number is and know a checkbook."

The academy property features an outdoor weight lifting area, a batting cage, a pitcher's mound and space to park a midsize school bus, which shuttles players to a field for practice.

A loan to a player's family led Mr. Goodman, the real estate lawyer from New Jersey, to start his academy. He traveled to the Dominican Republic in 2008 with Alfredo Arias, a former Dominican minor leaguer, to explore investment opportunities. Around that time Jose Canó, an independent trainer and the father of Robinson Canó, the Yankees' second baseman, said he had a business opportunity for Mr. Goodman and Mr. Arias, his longtime friend. The family of Jorge Martínez, one of Mr. Canó's players, needed money for food and equipment for the boy, who would be eligible to sign with a major league team later that year.

Mr. Goodman and Mr. Arias lent \$15,000 to Mr. Canó to give to the Martínez family. In return, they were allowed to represent him and promised 7 percent of his signing bonus.

"Ultimately, the young man signed with the <u>Indians</u> and received a significant signing bonus of \$790,000," Mr. Goodman said. "We got our percentage, and Canó got his percentage, and the player got his."

Mr. Goodman and Mr. Arias said that they received \$50,000 from the signing bonus along with the \$15,000 they had lent, and that Mr. Canó received \$200,000.

By 2009, Mr. Goodman and Mr. Arias had founded their own academy, Arias y Goodman in San Pedro de Macorís.

Mr. Arias, who makes his home in a gated community several miles from the dormitory, said he believed the academy would make a profit of about \$1 million in signing bonuses this year. He said that he, Mr. Goodman and another investor each put about \$400,000 into the venture.

At their dormitory, about a dozen players live in a house with small bedrooms, the players jammed in as if on a ship. In one, three bunk beds line a wall. At one point, Mr. Arias said, 30 players lived there.

"We need to upgrade the facility," Mr. Goodman said. "I mean, we functioned this year without air-conditioning in the dormitory."

Mr. Alderson said he hoped the American investors realized their investments were teenagers, many who will never reach the major leagues.

"These are people who have given up other possibilities, forgone other opportunities, have not gone to school," Mr. Alderson said.

"It's not just mailing in a check to some mutual fund and hoping that you're going to get a return."