

Matsuzaka Deal Gets "Creative"

Written by Maury Brown

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With the **Red Sox**, **Scott Boras**, and **Daisuke Matsuzaka** at the midway point of their contract negotiation window (they have until Dec. 14 to try and reach an agreement), Red Sox president **Larry Lucchino**

has flown to Japan and has made an offer for Matsuzaka that he believes is, "fair and comprehensive, and offers a great deal of security and a substantial level of compensation." In other words, it's nowhere close with what Scott Boras is looking to get for the Japanese pitching sensation.

Boras will most assuredly be looking at the stratospheric salaries being offered up this off-season for the likes of **Soriano**, **Pierre**, **Matthews**, and **Ramirez**, droll over what his other client, **Barry Zito** will be fetching, and take all that into consideration with the Matsuzaka deal. All of the salaries offered to free agents this off-season are up... considerably. How much higher are they this year?

Nate Silver

, my colleague and Executive VP of

[Baseball Prospectus](#)

reports that

the market is up "approximately 70% versus last season."

As Silver points out:

*Now, that number **might** decline a bit once some bit pieces sign later in the cycle. On the other hand, we haven't yet experienced the nightmare that will be Barry Zito's contract.*

Things also appear to be a bit less non-linear than in years past. In other words, this is not really a stars-and-scrubs market. There are some bad contracts for top-tier talent, but there are also a lot of bad contracts for middle-tier talent (Wolf, Eaton, Nomar, etc.).

Which brings us back to Matsuzaka. Over the long Thanksgiving weekend, I corresponded with

Michael Silverman of the Boston Herald

. Today, Silverman reports on how the Red Sox might be able to wiggle out of part of the \$51.11 million posting bid for the rights to negotiate with Matsuzaka. As

[Silverman reports](#)

:

Lucchino's meeting with the Lions is significant, since the potential deal for Matsuzaka is a three-sided arrangement that includes the Lions, who will not receive the \$51.11 million if Matsuzaka and the Red Sox cannot come to terms. The spirit and letter of the U.S.-Japanese agreement on player exchanges allows for teams to enter into "working agreements," an open-ended term that in this instance could very well mean the Red Sox urging the Lions to apply a portion of their potential millions toward a long-term agreement between the Sox and the pitcher.

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Before today's announcement, Matsuzaka and the Red Sox were believed to be far apart in early negotiations, with the Red Sox talking about \$7-8 million while Boras was in the neighborhood of approximately \$15 million per year.

An example of what Lucchino and the Lions representatives could have discussed is a scenario where, for example, the Red Sox are unwilling to move beyond an average annual salary of \$9 million. If an acceptable middle ground of \$11 million per year for, say, five years would get the Matsuzaka deal done, the Lions could subtract \$10 million coming to them from the Red Sox in order to bridge the gap.

This causes the head to shake back and forth. I have to disagree somewhat with Silverman's assessment. Clearly, this isn't how the posting is **supposed** to function—loopholes aside. Altering the deal with kickbacks, in my opinion, breaks with spirit of the [US-Japanese Player Contract Agreement](#)

. One would imagine that

Fred Wilpon

and

George Steinbrenner

might think the same.

There are other points to consider in this.

My contention is that it is in the Lions' best interest to get this deal done. It also is in Scott Boras' best interest, as well, as this year sees a shallow free agency pool, and the aforementioned spike in salary figures. Next off-season sees a far deeper pool of talent, and it may well be that the giddy nature of owners, coupled with clubs like the Cubs driving values up, dissipating. Sending Matsuzaka back to the Lions would be embarrassing for Matsuzaka, and would bring up all kinds of questions about the entire posting process.

That is a case if Boras is just thinking of the Matsuzaka deal in a vacuum.

Derek Jacques, another one of my *Baseball Prospectus* colleagues plays devil's advocate when it comes to Boras. It may be that Barry Zito, another Boras client, fits into the equation, as well.

Jacques counters my point by saying:

I don't know if it's in Boras's best interests to make this fly. Boras's M.O. has been to use his

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clients to set new salary standards--which then benefit his other clients, and by association, his bottom line. He's done this to the point of occasionally sacrificing a particular client rather than missing an opportunity to set the market. I presume it wouldn't fit into this strategy if part of Matsuzaka's compensation were hidden through Seibu--if he takes a below-market bid on Matsuzaka, he can't use that contract to get the Mets to bid up on Barry Zito. It might be better for Boras if Matsuzaka hits the free agent market next off-season, so he can get a bidding war going without the posting fee complicating things.

What seems certain is that without some type of creative financing, the deal with the Red Sox is on thin ice. The comments by Lucchino don't make it sound as if the Red Sox are anywhere near the approximate \$15 million a year that has been rumored to be the figure Boras is shooting after. The question is, was that the plan all along: throw a posting bid figure out there so cartoonish in nature that the Lions would have no choice but to select it, and then work the back door to try and make the contract more manageable. The Red Sox need/want Matsuzaka. I don't think this was a defensive maneuver for the fact that as mentioned, if he goes back to the Lions he becomes a free agent after the '07 season. It wasn't a deal to keep D-Mat away from the Yankees. At that stage, the Red Sox get into a bidding war with the Yankees anyway. That doesn't seem to make sense.

If the sides do try to get creative, one thing is certain... look for changes to the posting process the next time the US-Japanese Player Contact comes up. With this "perfect storm" scenario (a premier player in a shallow free agency year), the way that the agreement is currently worded was ripe for looking at this type of loophole.

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