



In a move to help speed up the sales process of the Chicago Cubs, Wrigley Field, and a 25 percent stake in Comcast SportsNet Chicago, the Tribune Co. is considering filing Chapter 11 bankruptcy protection for the Cubs. Sam Zell, the CEO of the Tribune Co. filed a separately for bankruptcy protection in December with the Tribune owned Cubs outside of that filing. If Tribune moves forward with the separate filing it will be the first time that a club has filed for bankruptcy since the Seattle Pilots did so March of 1970. The only other MLB club to come close to bankruptcy since then was the Baltimore Orioles in 1993.

The reasoning for the filing would be done to help move the sales process through more quickly, and is seen as more of a technical legal move than a statement on the sale's worth. Two Tribune approved offer sheets for the purchase of the club have been sent to the courts and MLB for review. One is from Thomas Ricketts of InCapital LLC chairman Thomas Ricketts, who is leading a group for his family, while another more debt laden offer has been submitted by Marc Utay, a managing partner with New York-based private equity firm Clarion Capital Partners LLC. The Ricketts offer is for less, but with more cash involved, is deemed to be less risky than Utay's offer.

The Ricketts offer is believed to be between \$850-\$900 million. As [reported by Bloomberg News](#) :

To Speed Up Sale, Cubs Could Become First MLB Club in 39 Years to Declare Bankruptcy

Written by Maury Brown
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A brief Cubs bankruptcy would be a legal maneuver to clear the team from any future liability in the Tribune bankruptcy, according to two of the people familiar with the matter. Sam Zell, chief executive officer of Chicago-based Tribune, pledged the company's interest in the Cubs as collateral when he negotiated the deal to take the publisher private in 2007, according to one of those people.

"You take it in the front door, and it's just like you're getting radiation," said Michael J. Cramer, a former president of the Texas Rangers who teaches sports business at New York University. "It comes out the other door about a half minute later. It's clean."

Representatives from Major League Baseball and the Tribune Co. would not comment on the deal.

Based upon the filing, "The entire process could take as little as 20 days, said Gregory A. Cross, the attorney who heads the bankruptcy practice at Washington-based Venable LLP and isn't involved."

That would bode well for Major League Baseball as their next quarterly owners meetings are set for August. If the process were to move through the courts with a motion to sell the team in the mix, it would then require a vote by 75 percent of baseball's owners to approve the ownership transfer and complete the process.



Maury Brown is the Founder and President of the [Business of Sports Network](#), which includes The Biz of Baseball, The Biz of Football, The Biz of Basketball and The Biz of Hockey. He is contributor to Baseball Prospectus, and is available as a freelance writer

[Brown's full bio is here.](#)

He looks forward to your comments via email and can be [contacted through the Business of Sports Network \(select his name in the dropdown provided\)](#)

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