Written by Maury Brown
Thursday, 01 July 2010 14:11

**UPDATE**: Evan Grant of the *Dallas Morning News* is reporting that a one day auction for the Rangers will take place on July 16th. As Grant reports that, "Prospective CEO Chuck Greenberg, whose Rangers Baseball Express Group has held exclusive negotiating rights on the team since January, had to agree to the auction process."

*Greenberg also holds "stalking horse" status. His bid of approximately $575 million will need to be beat by at least $10 million in order to select a new buyer, the source indicated. It is unclear if Greenberg can sweeten his bid between now and the time of the auction on the 16th.*

---

On Monday, for a column for Forbes entitled ***Is a Decision Pre-Ordained in the Texas Rangers Bankruptcy Case?***, I wrote:

*Some have seen the fact that the tongue-lashing [from Judge Lynn], along with bumping the court date, and court appointed mediation, as signs that Lynn is leaning toward the creditors in this case, will therefore not approve the prepackaged plan, and thus throw the case into disarray.*

*Those close to the situation believe Judge Lynn's tirade is cover for a decision that has been pre-ordained, and the bidding process will be opened back up for the likes of Houston businessman Jim Crane to step back in. In discussions, some analysts I have spoken to pondered whether the mediation process is a way to open the bidding back up "under the radar", that is, without officially doing so before Lynn rules on the prepackaged plan.*

It seems that this “nuclear” option stands a chance of becoming the truth.

According to Daniel Kaplan of the *SportsBusiness Journal*, William Snyder, the court appointed chief restructuring officer (CRO), has informed MLB President and COO Bob DuPuy that he is recommending that the bidding be opened back up in the Texas Rangers sale.
As reported
:

*Federal judge Michael Lynn is scheduled to approve or turn down the team’s amended bankruptcy plan next Friday.*

*If Lynn approves the plan, the creditors would likely appeal the decision to a federal appeals court in New Orleans. To do so, they would need an immediate stay and likely have to post a $525 million bond, the amount of principal owed. But the lenders might not need to if the judge and the chief restructuring officer decide there are better offers for the team.*

*At that point all eyes will turn to MLB. After a hearing in the case last week, MLB’s chief outside counsel Stephen Shimshak said on an open telephone line, as reported by the Fort Worth Star-Telegram and confirmed by multiple sources to SportsBusiness Journal, that if the judge turns down the plan, MLB would respond by taking over the franchise. Shimshak did not reply to a request for comment.*

As I said more than once on Dallas/Ft. Worth area radio last week, I believe MLB’s threat is very real. I also don’t see how any other group other than Greenberg/Ryan would be accepted by the league. They have repeatedly stated that they support only that group, and to change that direction would signal that MLB (and other sports leagues) no longer are in charge of who they select as part of the ownership collection within the league. As I further opined for Forbes on Monday (see ***Will the Texas Rangers Case Go Nuclear?*** **)**:

*This “nuclear winter”, that would likely pale what has already transpired, could wind up creating a landmark case in which the selection of an owner by a league, is at stake. In that, the case of the Texas Rangers would move well beyond the scope of just Major League Baseball. It would become the litmus test for all sports leagues. Where league control was part of the Phoenix Coyotes bankruptcy case, with relocation more the focus, the Rangers case could define it.*

**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, as well as a contributor to Forbes SportsMoney blog. He is available for hire or freelance. Brown's full bio is here. He looks forward to your comments via email and can be contacted through the Business of Sports Network.

**Follow Maury Brown on Twitter**

**Follow The Biz of Baseball on Twitter**

**Follow the Business of Sports Network on Facebook**