GOING, GOING, GONE: MINOR LEAGUE BASEBALL FRANCHISE RELOCATIONS IN THE NORTHEAST

Jonathan I. Leib Syracuse University Department of Geography Syracuse, NY 13244

Within the past five years a number of cities in the northeast have explored the possibility of building baseball parks in order to attract minor league baseball franchises. In New York State, Binghamton, Buffalo, and Brooklyn have examined the economic feasibility of building their own stadia. Such studies have also be carried out in Scranton, Pennsylvania; Springfield, Massachusetts; and Wilmington, Delaware.

The main public sector expense involved in trying to attract a minor league baseball franchise is the building and maintenance of a baseball stadium. However, Okner argues that stadia and arenas occupied by *major* league franchises do not generally operate at a profit.¹ Rees, Greytak, and Leib make the same argument for minor league ballparks.² One reason why minor league stadia do not generally operate at a profit is that attendance at games is substantially lower than in the major leagues. In 1988, for example, the average major league team drew over two million fans. At the highest level of the minor leagues (AAA classification) the average team drew just under 320,000 spectators, while at the middle level (AA classification), the average team drew about 150,000 fans.³ Given the possible low return from attendance receipts, it is not surprising that a city government may hesitate to build an expensive stadium.

Although a stadium that is intended for a minor league team generally loses money, a baseball franchise does bring benefits to a community. It attracts money from direct-spending by fans, players,

¹Benjamin A. Okner, "Subsidies of Stadiums and Arenas," in Roger G. Noll, ed., *Government and the Sports Business* (Washington: The Brookings Institution, 1974), pp. 325-47.

²John Rees, David Greytak, and Jonathan Leib, *Economic Impact Study of a Multi-Purpose Stadium in Binghamton* (Binghamton, NY: The Valley Development Foundation, 1986).

³Dave Sloan, ed., *The Sporting News Official Baseball Guide: 1989 Edition* (St. Louis: The Sporting News Publishing Company, 1989), p. 284, 345, 355, 377, 389, 399, 410.

administrators, umpires and scouts. Money is also generated through purchases made in the community and a multiplier effect. In addition, a stadium can have a slight positive influence on property values in the area near the park.⁴ Certainly a team can provide a boost to a city's "civic ego," particularly when it is winning. If, however, a minor league franchise has a history of frequent relocation, the benefits of building a stadium for it could be short-lived.

In his study of four major league spectator sports in the United States and Canada (baseball, basketball, football, and hockey), Johnson concludes that only baseball franchises have demonstrated "locational stability" (i.e., they rarely move from one city to another). The question that this paper examines is: Are minor league baseball franchises as stable as those in the major leagues? If such franchises tend to be permanent, then cities may be more willing to build a quality stadium and provide inducements to entice minor league teams to move into their stadia. Conversely, if franchises tend to be mobile, then cities should be more prudent in deciding about building a ballpark.

This paper examines the mobility of teams in middle level (AA classification) and upper level (AAA classification) minor leagues in the northeastern United States and Eastern Canada--the AA Eastern League and the AAA International League. The study period is from 1960 to 1988.6

These leagues were chosen for two reasons. Firstly, capital investment in a ballpark for a team at these levels is generally higher than for a team at the A and Rookie levels, which is due to larger seating capacities and better player and fan facilities. Secondly, franchise mobility is a key investment consideration in the AA and AAA leagues because each major league team has only one affiliate at each of these levels; thus, barring expansion at the major league level, the only way that a city can acquire a AA or AAA franchise is through the relocation of a franchise from another city.

⁴Rees, Greytak, and Leib, op. cit., footnote 2, p. 27.

⁵Arthur T. Johnson, "Municipal Administration and the Sports Franchise Relocation Issue," *Public Administration Review* 43 (November-December 1983): 519-28.

⁶Minor league franchise locations from 1960 to 1988 are taken from these annual publications: *The Sporting News Official Baseball Guide* (St. Louis: The Sporting News Publishing Company, 1960-1988) and *Baseball Blue Book* (Fort Wayne, IN or St. Petersburg, FL: Blue Book, Inc., 1960-1980).

EASTERN LEAGUE 1960-1988

In 1960 the Eastern League consisted of six franchises. Four teams were located in Pennsylvania (Williamsport, Allentown, Reading, and Lancaster), a fifth team was located in Binghamton, New York, while the sixth team was located in Springfield, Massachusetts (Figure 1). Just ten years later, in 1970, only one of these six cities, Reading, was still in the league. At this time the Eastern League had, for the most part, left Pennsylvania and spread across New England. Four of the league's franchises relocated in New England: Waterbury, Connecticut; Pittsfield, Massachusetts; Pawtucket, Rhode Island; and Manchester, New Hampshire. The league's sixth franchise moved to Elmira, New York.

By 1975 the Eastern League had expanded to eight franchises, but only three of the six 1970 franchises remained: Reading, Waterbury, and Pittsfield. The league had added two new Connecticut franchises, West Haven and Bristol, and three teams in Quebec: Quebec City, Trois Rivières, and Thetford Mines. Thus by the end of the 1960-75 period the league had changed from a league composed primarily of Pennsylvania teams to one based mainly in Quebec and southern New England.

By 1980 the focus of the Eastern League had shifted again. Only four of the eight cities that had been in the league in 1975 remained. The league had totally abandoned Quebec, but it retained the three Connecticut franchises as well as the Reading franchise. It added new clubs in Holyoke, Massachusetts; Lynn, Massachusetts; Glens Falls, New York; and Buffalo, New York.

In 1988 only Reading and Glens Falls remained from the 1980 eight-city Eastern League; the Glens Falls franchise, however, moved to London, Ontario for the 1989 season. Franchises added during the 1980-88 period included: Burlington, Vermont; Albany, New York; New Britain, Connecticut; and Harrisburg, Pennsylvania. Pittsfield returned to the league in 1985 after losing its franchise at the end of the 1976 season. Williamsport returned to the league in 1987.

It is apparent that franchise instability has been a hallmark of the Eastern League since 1960.

Between 1960 and 1988 the league had franchises in thirty cities. This instability has continued to the present: During 1989 the Glens Falls franchise moved to London, Ontario; the Burlington, Vermont

franchise moved to Canton, Ohio; and the Pittsfield, Massachusetts franchise replaced the team at Williamsport, which moved to Hagerstown, Maryland.⁷

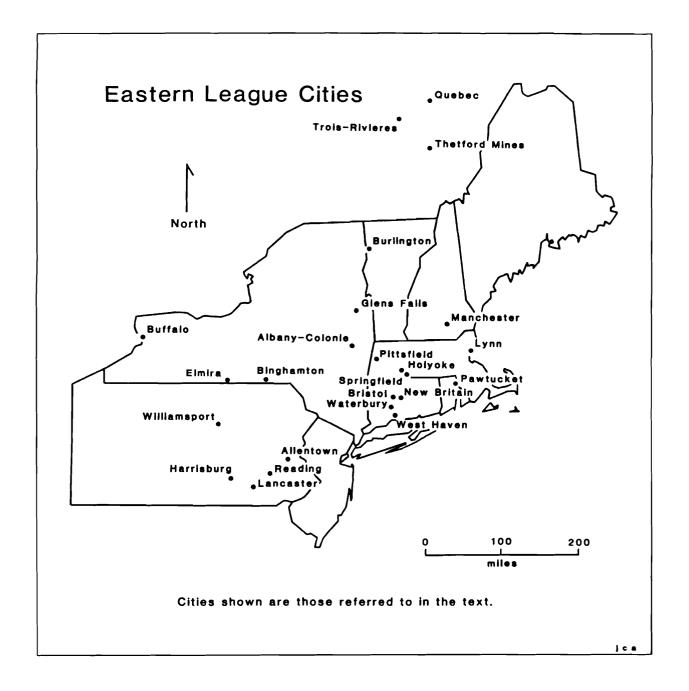


Figure 1

⁷Jon Scher, "Doing the EL Shuffle," Baseball America (10 April 1989): 11.

INTERNATIONAL LEAGUE 1960-1988

The International League was truly international in 1960 with franchises in Montreal, Toronto, and Havana. However, the Havana franchise moved to Jersey City partway through the 1970 season. The league also had franchises in Buffalo and Rochester, New York; Columbus, Ohio; Richmond, Virginia; and Miami, Florida (Figure 2). By 1970 four franchises had dropped out: Toronto, Montreal, Miami, and Havana. The league had two teams in New York (Rochester and Syracuse), two in Virginia (Richmond and Norfolk), two in Ohio (Toledo and Columbus), and one in Kentucky (Louisville). The eighth franchise started in 1970 in Buffalo, but was transferred to Winnipeg, Manitoba early in the season. By 1975 the International League had added three new cities: Pawtucket, Rhode Island; Charleston, West Virginia; and Memphis, Tennessee. These cities replaced the Columbus, Winnipeg, and Louisville franchises.

In summary, the eight-member International League had franchises in twenty-two cities during the 1960s and 1970s. From 1975 to 1988, the league appears to have stabilized; there were only two franchise shifts, the Memphis franchise moved to Columbus, Ohio in 1977 and the Charleston franchise moved to Old Orchard Beach, Maine in 1984.

MINOR LEAGUE VERSUS MAJOR LEAGUE FRANCHISE STABILITY

How does the franchise stability of the minor leagues in the northeast compare with baseball's major leagues? The answer: Not very well. From 1960 to 1988, the AA Eastern League, a six- to eight-team league, had teams in thirty cities. The AAA International League, composed of eight teams, had franchises in twenty-four cities during the same time period. The major leagues, with franchises currently in twenty-four cities, have had teams in only twenty-six cities since 1903 (Table 1). Obviously, franchises in the middle and upper level minor leagues in the northeast are far less stable than those in the major leagues.

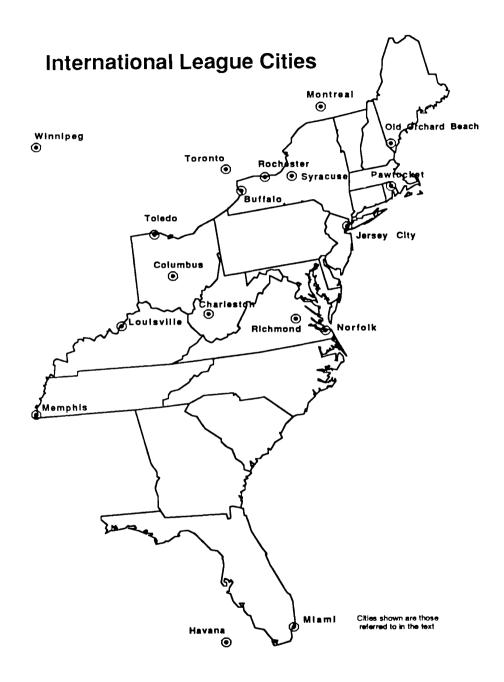


Figure 2

Table 1: Cities Per League

	Years	Franchises Per Year	Cities
Eastern League	1960-88	6-8	30
International League	1960-88	8	24
Major League	1903-88	16-26	26
All AA & AAA	1960-88	38-52	110

Throughout the U.S. and Canada, minor league baseball franchises at the AA and AAA levels have been less stable than major league franchises. In 1960 there were thirty-eight AA and AAA teams and in 1988, there were fifty-two, but during this period these franchises were located in 110 cities in the United States, Canada, and Cuba. Only ten cities had a team for the entire 1960-88 period.

MINOR LEAGUE FRANCHISE STABILITY IN THE NORTHEAST

There is no question that franchise stability is substantially lower in the minor leagues, but, if one examines the other AA and AAA leagues across the U.S. and Canada from 1976 to 1988, the degree of stability in the northeast seems to be associated with the level of the league involved.

At the AAA level, franchises in the northeastern International League have been more stable than franchises in the midwestern American Association and the western Pacific Coast League (Table 2). Over this thirteen-year period, cities that had franchises in the International League during 1976-88 held onto their teams for an average of 10.4 years, compared to 8 years for cities in the American Association, and 7.9 years for cities in the Pacific Coast League. Franchise stability is also apparent in the percentage of cities that retained their franchises during the entire 1976-88 period. The cities in the International League retained 75% of their franchises compared to 63% for the American Association and 60% for the Pacific Coast League.

At the AA level, cities in the Southern League retained a franchise for an average of 9.7 years for the 1976-88 period. Cities in the Texas League held a franchise for an average of 9.5 years. Cities in the northeast's AA Eastern League, on the other hand, had a franchise for an average of only 5.6 years. The percentages of cities that had a franchise every year from 1976 to 1988 were 75% for the Texas League and 70% for the Southern League. As for the Eastern League, franchise retention was just 13%; Reading was the only city out of the eight that started the 1976 season.

It is apparent that there is a marked contrast in franchise stability betweem the northeastern minor leagues. Since the mid-1970s, franchises have been remarkably stable in the International League, whereas, franchises in the AA Eastern League have moved frequently. Indeed, of the six leagues examined, franchise location is least stable in the Eastern League; a stable franchise such as the one in Reading is very much the exception for this league.

Table 2: Franchise Stability (1976-88)

League		Regional Location	Franchise Years Per City	Cities With Teams Every Year
AAA	International	northeast	10.4	75%
	American Assoc.	midwest	8.0	63%
	Pacific Coast	west	7.9	60%
AA	Southern	southeast	9.7	70%
	Texas	south-central	9.5	75%
	Eastern	northeast	5.6	13%

CONCLUSIONS

Franchises in the International League have become more stable in recent years, but the Eastern League has remained unstable, with frequent franchise shifts. The newspaper Baseball America noted in 1988 that stability has long been one of Eastern League's goals, but the league continues to be in a

state of flux.⁸ One explanation for the instability of this league is that its teams play in the smallest cities of all the AA and AAA franchises nationwide. This situation limits ticket sales and other potential revenue. Clearly, however, factors other than population size affect a franchise's mobility, such as the economic health of the community, expertise and financial stability of the franchise ownership, promotion of the team in the community, existence of ancillary recreational opportunities, and quality and accessibility of the stadium itself. Further study into specific cases of franchise relocations need to be carried out in order to determine the relative significance of these other factors.

⁸Kevin Iole, "Everybody Knows the Trouble New Britain's Seen," Baseball America 8 (10 August 1988), p. 15.