Expansion in Professional Sports

Richard C. Crepeau
University of Central Florida, richard.crepeau@ucf.edu

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The big news in Florida sports last week was expansion. The Florida Marlins sent two farm teams onto the field for the first time, and the dreams of future glory were put into motion. Also the Tampa Bay Lightning began stocking its roster, first with the castoffs of other teams, and then in the entry draft. The big news this week in Orlando was the drafting of Shaquille O'Neal, finally.

And so the Marlins and the Lightning join the Miami Heat and the Orlando Magic as expansion franchises operating in the state of Florida. It is an exciting time but also a time that calls for considerable patience.

Expansion is driven by several imperatives. First, it is a by-product of the greed of owners, all of whom will be paid a portion of each entry fee, and for both the NHL and the National League these are excessive to the point of gouging.

Second, owners are at times driven by political considerations sending out new franchises to award politicians for considerable political favors. Such was the case when New Orleans received the Saints in return for the work done by Senator Long and Congressman Boggs in guiding the Football Merger Act through Congress which exempted the AFL-NFL merger from anti-trust legislation. The Saints were awarded to New Orleans a mere nine days after the law was passed.

And why do owners want teams? Despite the conventional wisdom that there is no money to be made in professional sports ownership, we in Orlando know first hand that this is not the case. It is clear also in Seattle, supposedly a financial black hole, that Jeff Smulyan turned a tidy profit on his investment in the supposedly financially strapped Mariners.

Owners want these franchises as toys. Having made their billions in ships or soap they want that ego trip that comes with sports owning celebrity, or with the opportunity to rub elbows with big name sports stars.

Whatever the case, there seems to be no real shortage of owners for the ever growing number of limited sports franchises in the United States.
What is interesting is to look at what an expansion franchise demands of the fans; why some franchises do very well, either on the field or at the bank; and what is involved in producing a successful expansion team.

For the past four years NBA fans in Florida have debated the expansion strategies of the local teams. Miami has been praised for its pursuit of young players building a franchise for the future, while Orlando has been criticized for signing too many veterans to long term big money deals. In the end this argument will only be settled by the long term results, namely which of these teams becomes a consistent contender for the NBA championship.

The one thing that history tells us about expansion franchises is that they demand extraordinary patience from their fans. In the NBA one need not look any further than the L.A. Clippers, the New Jersey Nets, and Dallas to get three examples of futility which tries the patience of the most longsuffering of fans.

The NBA has also produced the most successful expansion franchise in the history of sport with Milwaukee. The Bucks came into the league in 1968 and were in contention the next season, as they landed Lew Alcindor in the draft. They won the NBA title in 1970-71. But this was the great exception that proved the rule, as Kareem's don't grow on trees.

In hockey expansion was fast and furious, with the NHL doubling its size in 1967 going from 6 to 12 teams, and then adding another six teams between 1970 and '74. Many of these clubs struggled, several moved from one city to another, and one folded. On the ice success came slowly with the Philadelphia Flyers the first to break through to the Stanley Cup, and the Islanders following a few years later.

In baseball the story of expansion has been even more painful, with franchises struggling for nearly a decade before showing signs of respectability. The Seattle Mariners reached a winning percentage of .500 for the first time last season, fourteen years after entering the league. On the other hand the Mets went from a record setting 120 losses in their first season, 1962, to a World Championship in 1969, the year of the Miracle Mets.

For most winning franchises the formula has been simple. Develop a plan and stick with it. Stability in the front office and in the managerial position seem very important, and for the most
part building from the ground up with young players seems to be the best strategy.

For those who win at the turnstiles the formula again looks fairly simple. Market your product aggressively, if you don't have a superstar sell those on the visiting team. Game production and fan comfort in all its facets are a key to success. Nothing brings back fans more, than an enjoyable experience at the game.

A friend mentioned to me the other day that there are stages that all sports franchises go through: birth, growth, maturity, aging, and death. The successful franchises enter each stage with a plan to maximize assets. Those that do, succeed, those that don't, fail.

On Sport and Society this is Dick Crepeau reminding you that you don't have to be a good sport to be a bad loser.

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