

9-17-1992

NFL: Some Labor History

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

 Part of the [Cultural History Commons](#), [Journalism Studies Commons](#), [Other History Commons](#), [Sports Management Commons](#), and the [Sports Studies Commons](#)
Find similar works at: <https://stars.library.ucf.edu/onsportandsociety>
University of Central Florida Libraries <http://library.ucf.edu>

This Commentary is brought to you for free and open access by the Public History at STARS. It has been accepted for inclusion in On Sport and Society by an authorized administrator of STARS. For more information, please contact STARS@ucf.edu.

Recommended Citation

Crepeau, Richard C., "NFL: Some Labor History" (1992). *On Sport and Society*. 344.
<https://stars.library.ucf.edu/onsportandsociety/344>

SPORT AND SOCIETY FOR ARETE
September 17, 1992

Over the past three months an antitrust suit was before a jury of eight women in a Minneapolis Federal Court. Eight players brought suit against the National Football League claiming that the Plan B free agency system was illegal. The verdict rendered last week ruled Plan B too restrictive and awarded four of the players considerable damages, while leaving the NFL to pay the legal fees for both sides. These fees are in excess of \$10M. Other matters of free agency arising from the decision are yet to be ruled upon by the judge.

Attorneys for the players claimed victory and predicted far reaching affects on the NFL. Owners representatives also claimed victory noting that the jury found that Plan B restrictions were too severe, while leaving the door open to restrictions of some kind.

It would seem obvious that the next step in this process would be for the owners and players representatives to sit down in a collective bargaining session and hammer out a new free agency plan. But there may be too many complications and too much at stake.

One technical complication stems from the fact that the NFL Player's Association is no longer the collective bargaining agent for the players. The Association was decertified in late 1990 after a federal court ruled that league regulations could not be attacked in an antitrust suit as long as there was a union representing the players.

In addition the collective bargaining process all but ceased to function in 1987 when the contract ran out, and no new agreement was reached. The players went on strike, but that failed when owners brought in scabs (replacement players) to break the strike. Labor negotiations never got back on track, and the players have been working without a contract ever since.

The owners proposed and then unilaterally implemented Plan B in 1989 claiming it offered greater free agency even though each team could protect 37 of its players. Protected players under this system could sign with another team, but the current team had right of first refusal, or compensation with first round draft choices over the next two years. Plan B has resulted in the movement of some older and marginal players only.

Free agency has long been a major issue in the NFL and all professional sports. Technically free agency always existed in the NFL because the player contract contained a one-year option clause which allowed a player to play out his option and then become a free agent. However prior to 1975 the league operated under the Rozelle Rule which required compensation when a team signed a free agent, and if the two teams involved could not agree on compensation then Commissioner Pete Rozelle would dictate the compensation. In practice this made player movement virtually non-existent as compensation was too steep.

In 1975 the Mackey Case came to the federal courts. John Mackey, head of the NFL Player's Association and Baltimore Colt tight end brought suit against the NFL arguing that the Rozelle Rule violated antitrust law. The federal courts so ruled, and the Rozelle Rule was dead. What happened after this remains one of the most amazing developments in the history of labor-management relations. After winning the 1975 case the union turned around and gave nearly everything back to the owners, reinstating compensation with first-round draft choices in the 1977 collective bargaining agreement. The 1982 contract was a slight improvement in terms of overall player compensation but offered virtually no change in free agency. This is where things stood when negotiations broke down in 1987.

What will happen in the wake of the Plan B Case remains to be seen, but the coming of Free Agency in both basketball and baseball may offer some insight.

The coming of free agency in baseball as a result of the 1975 Messersmith\McNally cases quickly produced a new negotiated system between players and management. Time limits were placed on free agency, and a several minor restrictions were added. The overall results have been two-fold: There is much greater player movement with much greater competitive balance in baseball; and the salaries have gone up, although salary escalation may be related more to salary arbitration than free-agency.

In the NBA the coming of free agency had a similar impact. In 1975 the NBA went into court seeking approval of the draft and a player reserve system. The courts indicate that the entire system might well be illegal. As a result the Player's Association and the NBA reached an agreement on free agency in the collective bargaining process. It involved compensation and time limits, and it too produced an escalation of salaries, which were already high because of competition from the ABA. There were negotiated modifications over the years with the

salary cap created in 1988 along with unlimited free agency for seven year players.

Note that in both baseball and basketball free agency has been restricted, and the form of restriction has been negotiated in the collective bargaining process. If the NFL problems are to be solved, that would seem a likely solution. However the residue of bitterness between owners and players, as well as the desire for total victory on each side, may make such a solution impossible to achieve.

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.

Copyright 1992 by Richard C. Crepeau