

NFL FREE AGENCY IS A STUDY IN POWER AND CONTROL

By DeMaurice Smith March 16, 2023

The history of control by the owners of professional sports teams—as well as players and their unions fighting back against this—literally dates back more than a hundred years. Our stories are brutal and tell a cruel legacy of power and those who are brave enough to confront it. It is an entirely American story.

The victims of management's power have been men, women, black, white, war heroes, fathers, daughters, gold medalists, national champions and Hall of Famers across sport. The pursuit of raw power in sport does not discriminate; anyone and everyone is the target. So when athletes fight back, while the language may be about compensation, the landscape is about whether and to what extent they will be controlled.

Curt Flood, Oscar Robertson, John Mackey and Bill Radovich all shared the traits of bravery and vision in the face of owner power. They also all shared the reality of sacrifice because they never benefited as much as those who followed them.

Within our current sports landscape, this battle over control is most evident when it comes to the significance of free agent signings and the fully guaranteed nature of contracts. First, let's start with the facts. **There is no sports CBA that mandates that free agent contracts be fully guaranteed. Can we be done with that myth once and for all?** In leagues where fully guaranteed contracts do thrive, it is because the free agents have leveraged their power and signed them.

What I believe to be the watershed moment in the history of guaranteed contracts happened in 1983. That's when Larry Bird signed a contract with one critical detail that was different than the contract of Moses Malone. Unlike Malone's contract, where the max value was determined by annual incentive bonuses, Bird's contract became fully guaranteed at signing. From that point forward, free agents in basketball, as well as other sports, adopted this same "fully guaranteed" at signing framework for future contracts. Free agent signings, therefore, created the "custom" of guaranteed contracts in sports rather than their CBAs.

However, this "custom" of fully guaranteed contracts hasn't materialized across all of the NFL, despite the deals signed by Kirk Cousins and Deshaun Watson. Why not?

Some will say that it's because football players have such short careers and the owners shouldn't give them fully guaranteed contracts. That makes sense only if you ignore the fact that even large, non-fully guaranteed NFL contacts come with standard injury guarantees, which pay out the contract even in the event of season- or career-ending injuries. It also flies in the face of the facts that each of the owners has to spend at least 90% of the salary cap as a team over a three-year period in cash, that the salary cap grows at a healthy clip every year and that large sums are already spent on players in guaranteed cash.

For example, the fully guaranteed structure for franchised players in the NFL CBA was created precisely because we as a union know that owners have colluded in the past—and might do it again, as they are potentially doing right now—when it comes to highly sought-after players. So for those people out there



who chant the power of a mythical NFL "free market"—the market that would supposedly work to secure the highest and best contracts without a draft because all the owners want to win just the same—wake up and look at a market that is supposed to be but isn't, and teams that should be doing everything to win but do not.

The NFL Draft and the franchise-tag system exist because owners have colluded in the past to both depress and restrict markets. This time, they are criminally gaming the game itself.

We are all staring at the same answer to the obvious questions. Why did Cousins and Watson get fully guaranteed contracts while others didn't? Or to be more specific, why have the Baltimore Ravens and other teams publicly (at least initially) made such a point to say they are not going to compensate Lamar Jackson with a fully guaranteed contract like Cousins' or Watson's? Let's be clear, in my nearly 15-year career as executive director, I have never witnessed teams being so quick to publicly announce their lack of interest in an MVP quarterback, who is in his prime and who is also going to get an injury guarantee, regardless of his contract.

The fact of the matter is that NFL owners hate fully guaranteed contacts because they are better for the players than they are for the owners. As such, these contracts shift control to the player, allow them to benefit the most from the arrangement, and limit the control of the owner and the team.

More important, however, is the fact that right behind Jackson await quarterbacks like Joe Burrow, Jalen Hurts and Justin Herbert, who have performed at extremely high levels under their rookie deals. A fully guaranteed contact in Jackson's instance means that all quarterbacks on expiring rookie contracts will (and should anyway) demand them in the next cycle. **Make no mistake, what is occurring right now is their effort to block the same cycle that ushered in fully guaranteed contracts in other sports**, and it is exactly what we are seeing in the NFL in the aftermath of both the Cousins and Watson contracts.

The NFL wants to send a message to all of the above-named stars that they will not get a fully guaranteed contract, simply because other first-ballot Hall of Famers didn't get them and—if they can help it—because Jackson didn't get one, either. The message for the non-quarterback free-agent market is equally harsh: You don't stand a chance of getting this type of contract.

So as we enter another round of free agency, the message is clear from the league: We will control you. The unions and players have fought this for years, and it will undoubtedly continue.

Our union will take our steps, but also players have taken notice. They know what kind of league this is and nothing reminds them of a brutal business more than a brutal conspiracy against one of their own. The kicker is that in a few months, clubs will call players and expect them to show up to voluntary workouts for free ...again.

Players throughout history have made difficult decisions that have changed destiny. In the face of this aggressive use of their collective power, players are encountering what Mackey, Flood, Robertson and Radovich stood up against decades ago.

DeMaurice Smith has been the executive director of the NFL Players Association since 2009. He was elected to a fifth three-year term in 2021, which he has said will be his last.

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