

Negotiating lessons from the sports world

The business side of sports can be a rich source of instruction on what to do and not to do in negotiation. Contract terms for athletes, trades between teams, labor negotiations, broadcast licensing, etc., are in the news regularly. Dig into the details of a particular deal and you might find some interesting lessons that can inform your own negotiations.

Consider Franco Harris, the famous running back for the Pittsburgh Steelers. For those of us old enough to remember, Harris was very close to breaking the all-time pro football rushing record when his contract was up for renewal.

Thinking the Steelers would want Harris to be in a Steeler uniform when he broke that record, Harris' agent starting negotiating with Art Rooney, owner of the Steelers. Rooney reminded Harris' agent that Harris' knees were not good.

Nonetheless, Rooney recognized Harris' value to the team and the city of Pittsburgh. Even though Harris was not as strong and capable as in previous years, Rooney proposed a one-year deal with no change in the terms. Harris' agent countered, asking for a big increase that was guaranteed. Remarkably, Rooney agreed to the increase and the guarantee, even though he believed Harris would not make it through the

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entire season.

But Harris' agent pressed on, asking for a second year with an increase and a guarantee. Moreover, he threatened to go to the media if the Steelers rejected the demand. Rooney refused and talks broke down.

Instead of wearing a Steelers' uniform at the end of his career, Harris landed a modest deal with the newly established Seattle Seahawks. Unfortunately, the story does not end well for Harris. According to one report, Harris was cut from the Seahawks midway through the season. According to another, Harris' knees gave out and he could not perform.

Regardless, he did not finish the season and did not break the league's rushing record. Although Harris got more money, the Seahawks did not get the running back they sought.

What happened between Harris and the Steelers? In my opinion, the negotiation failed because Harris' agent threat-

ened to go public. Any strategy based on blaming and shaming the other side through the media usually intensifies, polarizes, and complicates the dynamic.

Behind the scenes, numerous stakeholders and influencers are often connected to the situation. Once public, additional parties get involved and their interests have to be satisfied, creating more complications that will interfere with and delay the prospects of a deal.

Harris' agent could have saved the negotiation by recognizing Rooney's status as owner of the team. In an effort to assuage any offense or resentment on Rooney's part, Harris' agent could have asked for an opportunity to resubmit a counter offer. Rooney could have offered more money in the form of a bonus if Harris broke the rushing record.

What is the prize?

Good negotiators do not drive hard bargains in every case. Rather, they read the situation accurately and adapt in order to obtain the prize.

In Harris' case, after numerous Super Bowl victories with a legendary team, "the prize" was not a two-year deal, even with guaranteed money. The prize was Harris' place in the history books as a Steeler, where all of the players, coaching staff, front office, and the fans would come together to help him

break that record. And he was offered a guaranteed raise for one year to boot.

Sometimes disappointing outcomes result from the decisions athletes make regarding their personal assets. Boxer Mike Tyson bought a house in Connecticut for \$2.7 million dollars. He invested another million for upgrades and listed the home for sale one year later for \$22 million. Not surprisingly, he received no offers.

Tyson dropped the asking price to \$12.9 million. Still no offers. He dropped it again to \$5 million. Again, no offers. Tyson then took the house off the market. Eventually rapper 50 Cent bought the house for \$4.1 million. Astonishingly, 50 Cent did the same thing. He invested \$6 million and listed the house for \$18.5 million. Seventeen years later it sold for \$2.9 million.

The lesson here is whether you can support your numbers. You need not make your best argument, but a plausible one will suffice. Credibility and respect come from acknowledging what is speculative or questionable. Keeping it real can generate a better deal. And keep the media out of it.

Jeff Trueman, Esq., is an independent mediator, arbitrator and adjunct professor at the University of Maryland Francis King Carey School of Law. He can be reached at jt@jeftrueman.com