NATIONAL PRESS CLUB HEADLINERS LUNCHEON WITH MAJOR LEAGUE BASEBALL COMMISSIONER ROB MANFRED

SUBJECT: THE STATE OF BASEBALL, AMERICA'S GAME

MODERATOR: MICHAEL FREEDMAN OF THE NATIONAL PRESS CLUB

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MICHAEL FREEDMAN: Good afternoon. Welcome to the National Press Club, where news happens. My name is Michael Freedman. I'm a member of the National Press Club's Board of Governors and Executive Producer of The Kalb Report Public Broadcasting Series with Marvin Kalb. I'm very pleased to welcome today's Headliner guest, the Commissioner of Major League Baseball, Rob Manfred.

Before we begin our conversation, I'd like to remind our in-house audience to please silence your phones. And I'd like to invite everyone who is watching or listening to today's program to please follow the discussion live on Twitter, using the hashtag #NPCLive.

Now it's my pleasure to introduce head table guests. I'd like to ask each of you to stand briefly as your name is announced. And I will ask our audience to please hold your applause until everyone is introduced. And I will bet that's not going to happen today. [laughter] From your right, Marc Schanz, Director of Publications at Mitchell Institute for Aerospace Studies. Heather Forsgren Weaver, freelance journalist and NPC Headliners team member. Tyler Weyant, Deputy Production Director at Politico Pro. Mark Lerner, principal owner of the Washington Nationals Baseball Club. [applause] Mark and his family— [applause]—Mark and his family will be hosting the 2018 Major League Baseball All-Star Game at Nationals Park tomorrow evening. Mark, we're very pleased to have you with us today. Courtney Norris, National Affairs Producer at PBS NewsHour. Marvin Kalb, the last correspondent personally hired by Edward R. Murrow at CBS News. [applause] Senior Advisor to the Pulitzer Center on Crisis Reporting and moderator The Kalb Report Public Broadcasting Series.

Kevin Wensing, retired United States Navy Captain, Executive Director of FIRST Global, and the NPC Headliners member who organized today's luncheon. Thank you, Kevin. [applause] Jonathan Salant, Washington correspondent at NJ Advance Media and former National Press Club President. Joe Torre, Major League Baseball's Chief— [applause]—He's going to get another one when I'm done. [laughter] Major League Baseball's Chief Baseball Officer, a nine-time All-Star as a player. National League Most Valuable Player in 1971. Two-time American League Manager of the Year. And winner of four world championships as one of the greatest managers in New York Yankee and baseball history. [applause] And inducted into the Hall of Fame in 2014. [laughter]

Amy Fickling, Assistant News Editor at McClatchy-Tribune Information Services. Joe Luchok, freelance writer, NPC Headliners team member, and an organizer of today's event. Josue Lopez Calderon, co-founder of The Baseball Foundation and a consultant for the World Health Organization. Clay Kaufman, head of the Siena School in Silver Spring, Maryland, and coach of the National Press Club Softball Team. [laughter] [applause]

I would also like to acknowledge additional members of the Headliners team responsible for organizing today's event, Lisa Matthews, Laurie Russo, Tamara Hinton, Danny Selnick, and Bill Lord, as well as the National Press Club staff, led by Lindsay Underwood, Laura Coker, and Executive Director Bill McCarron. May we have one round of applause for everyone.

[applause]

The late comedian George Carlin had a wonderful routine in which he compared the intimacy of baseball with the combativeness of football. According to Carlin, baseball begins in the spring, the season of new life. Football begins in the fall, when everything is dying. [laughter] Football is concerned with downs. What down is it? Baseball is concerned with ups. Who's up? Football has hitting, clipping, piling on, personal fouls, late hits, and unnecessary roughing. Baseball has the sacrifice. [laughter] Football is played in any kind of weather, rain, snow, sleet, hail, fog. In baseball, if it rains, we do not go out and play. [laughter] baseball has the seventh inning stretch. Football has the two minute warning.

In football the quarterback is also known as the field general. With long bombs, he marches his troops into enemy territory, balancing this aerial assault with the sustained ground attack that punches holes in the enemy's defensive line. In baseball, the object is to go home and to be safe. I hope I'll be safe at home. [laughter]

At the helm of that home front today is Rob Manfred, who grew up as a fan of the New York Yankees because his dad was a Yankee fan. His favorite player was Mickey Mantle. And in the first game he ever saw at Yankee Stadium, Mickey Mantle hit two home runs.

In August of 2014, Rob Manfred was elected as the 10th Commissioner of Major League Baseball. He took office in January of 2105. Previously he served as baseball's Chief Operating Officer, Executive Vice President for Economics and League Affairs, and as Executive Vice President for Labor Relations and Human Resources.

He is a graduate of the School of Industrial and Labor Relations at Cornell University and holds a law degree from Harvard Law School. Please join me in formally welcoming back to the National Press Club the Commissioner of Major League Baseball, Rob Manfred.

[applause]

ROB MANFRED: Thank you.

MICHAEL FREEDMAN: Your dad lived to see you become Commissioner. That must have been a source of great pride to him.

ROB MANFRED: You know, I think it was. My dad was a great sportsman. He liked all sports. As a matter of fact, it was broader than sports. I don't think there was a sport or a game that he didn't know how to play. I was actually out visiting my mom the other day, and I noticed she still has his cribbage board hung up in the living room. Who knows how to play cribbage other than my father? But I think he was proud. It was actually nice, on his 80th birthday, I was able to give him the first baseball that was produced with my name on it. And I think it was something that was special for him.

MICHAEL FREEDMAN: Did he give you any advice coming into the Commissioner's role?

ROB MANFRED: I'll tell you. You know, my dad only gave me one piece of advice early in my career. And it really has served me well. He told me that I should always think about doing the job I had as well as I could, and that the next job would take care of itself. And that actually turned out to be true for me in my career. And it is, I think, a thought that every once in a while you should refocus on.

MICHAEL FREEDMAN: According to a report in *Forbes Magazine*, Major League Baseball set a record for industry revenues for the 15th consecutive years in 2017. Revenues exceeded \$10 billion dollars. So while baseball is everything George Carlin said it is, nostalgic, traditional, intimate, it's also a business and a big one. How would you assess the health of the game at this midpoint of 2018? And how would you compare it with, say, the National Football League, the National Basketball Association, and the National Hockey League today?

ROB MANFRED: Well I'm happy to talk about our business. I'm always reluctant to talk about anybody else's. But I think baseball is in a great spot. You know, I was just in Sun Valley at the Allen and Company conference. And I think the dance card for me, in terms of meetings, was indicative of how interested both traditional media and new media is in our content. And one great thing about baseball, 2,430 times we go out there, we got lots of content. And I do think that it provides an opportunity for baseball to be a leader.

In terms of making our content available on a variety of platforms, our big experiment this year is our generally Wednesday afternoon games with Facebook. It's been a really positive experience for the game, in the sense that we're attracting an audience that has a very different demographic than our traditional broadcast audience.

On the field, we think we have a generation of young players that may be as talented as any in decades. And they have made their mark on the game early and often. And it seems like every year, there's just a new player. Ronald Acuna is a great example, who comes along, and you say, "Wow. We haven't seen anybody this good in a long time." So we're really positive about our product.

Third, I make the point that baseball has been a leader in the technology space. We have a nice little technology business known as Baseball Advance Media. We've sold a part of that business to Disney last year. We think it was a great transaction, a transaction that's part of a larger relationship that we have with ESPN and Disney. But more important, I think it gives the great technology group that stayed with baseball, an opportunity to refocus on the next big thing.

MICHAEL FREEDMAN: So the other part of technology would be the use of analytics, both off and on the field. Talk about that for a bit.

ROB MANFRED: Well look. You know, in general, I am an analytics-based decision-maker. I've never believed that I had the sort of intuition that would allow me to reliably make good business decisions based on how my gut felt. So I like data. I like information as a basis for decision-making. I think that that same sort of thinking has permeated the individual clubs. It has driven the way that they've decided to put teams together. And I think, probably know, that analytics are here to stay, no matter—you can't change the way people want to think about their businesses.

Now, it has had results on the field. It has changed the way the game is played on the field. It's—I mean I just think that's beyond debate. Anybody who's any sort of a baseball fan knows that. So I think the issue from the industry with analytics is, you can't change the way people want to think. So there's only one path available to you. That is, do you want to alter the rules of the game in a way that manages that change, and prevents it from making the product something different than what it has been traditionally?

MICHAEL FREEDMAN: So we have sitting at the head table today Joe Torre. Nobody would argue with his record as a player or as a manager. And he works for you. Does he argue your calls?

ROB MANFRED: I think of it as he works with me, to tell you the truth. I think, you know, it's sort of a big undertaking to say that Joe works for you. Joe is an invaluable resource in the Commissioner's Office. You know, I think broader than baseball, certainly broader than my job, it's always important to know what you don't know. And, you know, I never played in the big leagues. I played as an amateur, but I never played in the big leagues. I never had the opportunity to manage like Joe did in the big leagues. And I think,

particularly when you get involved in issues that revolve around changing or trying to manage the way that the game is changing on the field, you need insight from someone like Joe, because you're predicting that if I change—You know, I don't like—Let me just pick one. I don't like defensive shifts, right. So you decide you're going to adopt a rule about defensive shifts, well really, the toughest part of it, that's all easy, you know. You can decide that shifts are bad. I want to adopt a rule. There's the rule.

The hard part is, what's going to happen in response to that rule? And one of the things that we've learned over the years, as Joe and I and the rest of the group in New York has navigated these changes, predicting the outcome of a rule change can be difficult, difficult.

MICHAEL FREEDMAN: So you're in your fourth year as Commissioner now.

ROB MANFRED: That's right.

MICHAEL FREEDMAN: What would you say are some of the best lessons you've learned on the job so far?

ROB MANFRED: Well, let me start with the public part of the job. I think that probably at the beginning, I was too inclined to talk about, you know, changes that could be made to the game. I think that I've learned you need to be very, very careful about articulating what sort of changes you'd be open to. And that's because our fans are so passionate about the game, they care so deeply about the game, that you know, even if you're not 100 percent committed to the change, you can evoke a very, very strong reaction. I'll give you an example.

The first interview that I did after I became Commissioner, the reporter kind of kept after me and after me about, you know, "What would you change? What would you change?" And I said, "Well, one of the things I might think about changing was defensive shifts. You know, I didn't really like them." And I got phone calls, voicemails, emails. I actually received two papers on what a stupid idea that was, that had footnotes. I swear to you, had footnotes in the paper. I'm thinking, "Oh my God, what have I done here?" So you have to be really careful about that. And that's a good thing. I mean it's the passion that people feel for the game, that that's a great thing.

Secondly, I have—The one thing I've learned from our internal activities, in terms of working with the owners, I think transparency gets you a long way in life. You know, I have tried to over-communicate, if there is such a thing, with owners, about what we're thinking about, what we're planning on doing. I've tried to rework our internal governance in a way that gives particularly the 30 stakeholders—there are really 30 stakeholders in our game—an opportunity not only to get direct communication with me, but to get direct communication with each other. And it is the trick, in terms of building a consensus among a very competitive and high powered group. So those are a couple of things that I would mention.

MICHAEL FREEDMAN: Do you feel, when the right thing comes along, that you could be bold in making some change?

ROB MANFRED: I mean that's a loaded question. It sounds like there's some doubt as to whether you could be bold or not. But yeah, I think—Look. I think that we are at a point in the evolution of the game where the owners—and it's more important, because it's their game, at the end of the day, where the owners feel that the game has changed in a way that we do need to be more aggressive with respect to managing that change.

We are not out there or up there in New York sitting around thinking, "You know, baseball, it's been this way a long time. How are we going to change it?" right. That's not the question. The question is, we're watching it change organically in response to decisions that are made by 30 general managers in 30 different markets, in an effort to win two more games in a year. And I think that we have come to the realization that that change is going to affect the product on the field. And we have to be a little more aggressive about managing that organic change.

MICHAEL FREEDMAN: So looking at—just back to that, we're bold. It brings to mind, say, 1947, a Jackie Robinson breaking baseball's color barrier. For people here at the Press Club, 1978, Melissa Ludtke, who was a reporter for Sports Illustrated, winning a Supreme Court decision, allowing women into baseball locker rooms. Do you feel that, with the progress that's been made, that changes are going to come and continue to come in this organic way, rather than some earth-moving decision?

ROB MANFRED: No. I think it is going to be a more proactive decision-making process. That's why I made the comment that I made about consensus among the ownership group. This is a very, you know, historically—and I was around for some of this history—You know, it's been kind of a fractious group of owners. You know, I think some people still have that perception. It couldn't be further from the truth.

I think our owners are very united. I think that they share a common view about what's going on with respect to the game. And I think that puts the institution—And it really isn't about me, it puts the institution in a position to be bold about managing what is a treasure, as part of our culture.

MICHAEL FREEDMAN: So in terms of people that may be in the pipeline, could you see a woman Major League umpire, manager, general manager, player, or perhaps the next Commissioner?

ROB MANFRED: Well, I'll tell you, I do think that we have made tremendous progress in terms of inclusion, diversity in the industry. I think it's 100 percent possible that we could have a woman umpire. I think it's 100 percent possible that we could have a woman Commissioner. There are a lot of talented young women working in our game, have every chance of ascending to that role.

I think the player issue is a really interesting one, although I'll tell you a great story about it. It happened just Saturday. I went over to the National Academy. And for those of you who don't know about it or haven't heard about it, you ought to read a little bit about it or go visit it, because when you go there, and you see what's going on, and hats off to the Lerner family on this, you'll realize some great work's going on there for young people, whether they turn out to be professional baseball players or not.

But I went over there. We have academies around the country. There's nine of them. All of them sent their best baseball and softball teams to compete in a tournament here, in conjunction with the All-Star game. So I had been around. I had seen some softball, seen some baseball. And I'm walking, getting ready to leave. And the team from Philadelphia gets off the bus. And I'm walking along, and I noticed the last person off the bus has a boot on. It's a player, has a boot. And I realize it's Monet Davis, who was the young woman who had pitched in the Little League World Series. I actually was there when she pitched one day. And we had a very funny exchange, where she said to me at the Little League World Series. I said, "What do you want to do when you grow up?" She said, "I want to play basketball for UConn." I said, "Monet? You're killing me. What are you doing?" [laughter]

So it was really funny. So Monet is still playing, okay. And this is a high school boys' tournament, right. Still playing. She's a phenomenal athlete. So she came, she saw me. I saw her. We walked over. We had a quick exchange. I said, "What is going on with that boot?" And she looked at me like this. "Basketball." [laughter] So I said, "I told you, you know." So look, there are female athletes out there that are phenomenal.

I'll tell you another interesting thing that we've learned about women and baseball, okay. And I say that. You know, we have great softball programs that we've supported for years. But last year, and I wish I was smart enough to have these ideas. One of my guys came and said, "Look, we want to have the first Major League Baseball sponsored women's baseball tournament." And I said, "Well, that's a great idea." So they had this tournament in California.

And I'll tell you two things that we learned about it. Number one, there does seem to be something very attractive about identity of the games. And what do I mean? I mean women and men playing exactly the same game as opposed to softball, which is viewed as a different version of the game, number one. Number two, we had a lot of scouts go. I think it was sort of interesting and novel thing. And the quality of play was really, really high. So who knows on that front? It is something that we're going to continue to invest in, I can tell you that for sure.

MICHAEL FREEDMAN: You've negotiated labor contracts. You talked about working with the owners. You've worked a long time, now, with the Players Association. How do you balance today these roles in protecting the interests of the players, the fans, and the owners, when clearly, their desires are not always in sync?

ROB MANFRED: You know, I have a little different view, I think, than some of my predecessors that probably is based on how I came up in the business. I know, as a matter

of law, that it's Tony Clark's job to protect the interest of the players in the bargaining process. I think it's my job to represent the interest of the owners in that bargaining process, and to make sure that that process goes forward in a way that is positive and results in a working relationship with our players that allows us to continue to grow the game.

MICHAEL FREEDMAN: And Tony Clark has recently been talking about what he considers the intrusions of the front office into the dugout and the calling of plays. Do you care to comment on that?

ROB MANFRED: Well, I mean, I think it's interesting. Let's talk about where we have common ground. I think if you read all of Tony's comments, he agrees, and his players agree, that the game is being played differently on the field. And that is not necessarily a positive thing. Tony ascribes that phenomenon to intrusion of analytics and off-field personnel into how the game is played. That may in fact be correct. But that is a product of business decisions that are made by people who want to make more money, win more games, and run their businesses that way.

I think where we will ultimately find common ground with Tony is that those changes that are being driven by these management decisions may have to be regulated. And you can't regulate it by telling people, "Don't think about your business that way." That is not a strategy that's likely to be successful. Instead, what you have to do is look at the outcomes of those decision-making processes, decide which of the outcomes need to be managed, and adopt some rules that are designed to do that. And ultimately, I think that's where we'll end up.

MICHAEL FREEDMAN: I'm going to intersperse some questions that we've received from our National Press Club members here in the audience today, along with some of the other questions we have. Let's talk about expansion, the prospects for expansion at this point. When you were here three years ago, you discussed the possibility of Mexico and Canada perhaps being excellent expansion team candidates. Where is baseball on that?

ROB MANFRED: Well, I think where baseball is, we have two situations, stadium situations, Oakland and Tampa. We will not expand until those situations are resolved. It's just not realistic. The appropriate sequencing of the necessary business decisions are to get those two situations resolved. Hopefully in the markets where they currently exist. And then move onto consideration of expansion. So it's not a front burner issue for us right now. We need to get those two situations resolved.

On the good news front, we have a number of viable expansion candidates out there. We have candidates that are in Canada, candidates that are in Mexico, and some that are here in the United States. I think over the longer haul, post-these two issues that I've alluded to, 32 would be a good number for us. It helps us in terms of scheduling flexibility, because it's an even—You know, fours work better than fives in the schedule. It's not just even numbers, it's fours and fives. Fours work much better. Expansion would also give you an opportunity to look at how we're aligned and what our post-season format might look like. And there are some positives in that as well. So I think we will someday be 32.

MICHAEL FREEDMAN: There's a lot of interest in Montreal in getting a team again. Would you see them as a viable candidate?

ROB MANFRED: Yeah. I mean Montreal, Montreal is interesting. Montreal had a great baseball tradition, both before the Expos as a minor league city, and during that time the Expos were there, they were actually successful. It's an interesting kind of historical phenomenon. The strike in '94 hurt the Canadian teams more and in a more lasting way than it did here. Did damage everywhere, and it's important to remember that. But Canada, for some reason, it was really worse. Montreal got hurt by the strike and the confluence of a facility situation that was not positive. But I think with the right facility, it's a big city, with a baseball tradition, it could be just fine for us.

MICHAEL FREEDMAN: So you mentioned the right facility. What would you see as what you would consider the requirements for a potential expansion team?

ROB MANFRED: Well, I think that you need a well-financed ownership group. I think that you need a plan for a facility that would be what we regard to be a Major League quality facility. It's pretty clear what that means. I mean you look around the league. And why do I say a plan? I always think it's a mistake if a—for example, you know, municipality decides, "I'm going to build a stadium to get a team."

And why is that? Because stadium decisions are uniquely driven by the ownership's view of their business. The owner needs to be involved in everything, from location to—I mean how many thousand of decisions did you have to make after you took over, right? I mean everything from the layout of the suites. Are your bathrooms in the suites? Are they outside the suites? All these decisions need to be made. And they need to be made based on that individual owner's local business interests.

Because it's important to remember, baseball is—You know, people think about New York, right. We generate revenue in New York. The fact of the matter is, we run a really local business. Each one of those local businesses has 81 dates that they have to sell. And those 81 dates are salable largely based on what that facility looks like. So that's a long answer to the second criteria.

And then, I think that you want to be—There is a certain critical mass in terms of population size, just because the volume of games that we have to sell. And the last thing is competition in the market. You know, some markets of a particular size are competitive if there's one other professional sport in that market. If you're going to be the third or the fourth into that market, maybe a little different calculation.

MICHAEL FREEDMAN: Where would you say we are in terms of the so-called steroid era in baseball?

ROB MANFRED: Well, I think that—I know that baseball has the best testing program, best drug program. Let me use a broader term. Not only in professional sports, but

in all of sports. I mean even if you talk to people from Olympic groups like Wata[?] Yosata[?], they will tell you that baseball's overall program is the best that's out there. And why? We test more than anybody else. We test urine and blood, blood being very expensive and hard to do. And we're fortunate, we have the resources to do that. We do longitudinal testing, individual portfolios that are important to keeping track of what each athlete looks like over time, in order to detect changes. And we have an investigative staff that really is the best anywhere in sports, because no testing program is good enough by itself.

So I feel really good that we have done everything humanly possible to limit the use of performance enhancing drugs in baseball. But we will remain constantly vigilant on this topic. We are not resting on our laurels. And the reason for that is, you know, I remember the very first conversation I ever had with a doctor about performance enhancing drugs. It was over two decades ago. And he said to me, "Rob, here's the problem with performance enhancing drugs. They work, okay. And because they work, it is a constant temptation for athletes, because of the potential economic benefits that are available if they work." So we're on it. I do not believe there is widespread use of performance enhancing drugs in baseball anymore. But we will remain vigilant on that topic.

MICHAEL FREEDMAN: Great athletes push themselves to gain every advantage over their opponents. So are there ways that you help players in that quest while infusing them in the integrity not to cross the line?

ROB MANFRED: Oh, we have training programs starting way before players ever see a Major League clubhouse that deal with the issues of performance enhancing drugs. What are the health risks? What are the risks to your career? Why is it important to play clean? And I do believe that those types of programs are every bit as important as the deterrents, the testing and the investigation.

MICHAEL FREEDMAN: I'll go to one of the questions we have. What does Major League Baseball plan to do, now that sports betting has been legalized?

ROB MANFRED: Well, look. We were not advocates of the idea that sports betting should be legalized. As a matter of fact, those of you who are familiar with the case, we were actually a litigant in the case, trying to prevent New Jersey from adopting a sports betting law. We're realists, however. Once the Supreme Court took cert in the case, if you look at the numbers, the betting odds if you will, on those sorts of cases, we realized it was likely that the case was going to be reversed, and that we were going to be in a new environment.

So what's the challenge? And what's the opportunity? The challenge for us is to make sure that, whether it's a uniform federal scheme, which we think would be the best, certainly the easiest to operate in, or, you know, 50 state schemes, that those laws develop in a way that allow us to protect the integrity of the sport. You know, we will never delegate responsibility for those integrity issues to state regulators, whatever their expertise in the gambling area may be. We have our own expertise. And no one is more motivated than the Commissioner's Office in Baseball to make sure that there is no threat to integrity to our sport. So that's the challenge. We need to make sure that the legislation gives us an opportunity to defend our integrity in the way that we need to.

The opportunity. Look, you do—I said before, I'm a data guy. You do the research. The research is really, really clear. Sports betting can be a great source of fan engagement. I think the trick for us in that regard is to take advantage of the opportunity to drive fan engagement without letting gambling become too pervasive in the sport. And what do I mean by that? Look at, you know, some European broadcast of soccer, and there's been a lot of commentary about this surrounding the World Cup and whatever. You know, on the uniforms, actual betting information in the broadcasts. We don't—We like the engagement piece. But we want to be very careful to make sure that our product maintains a certain pristine quality.

MICHAEL FREEDMAN: Gambling is the reason the Commissioner's Office was established in the first place. I'm not sure if records exist from the time of Judge Landis. In the course of your research, do you look back historically to see how some of the decisions have been made over the years, starting with the Black Sox scandal?

ROB MANFRED: Yeah, I think it's really important to be fully versed in the history of the institution that you lead. And, you know, some of the most controversial—You know, you talk about the Black Sox scandal, obviously one, the whole Pete Rose issue. These gambling related issues have to color your thinking. But I think most of those are easy, or relate to the easiest part of our current situation, no matter what happens, where we end up, either from the legislative or business perspective, you can count on one thing. On-field personnel, off-field personnel from clubs, anybody employed by baseball, whether it's legal or illegal, will not be allowed to bet on baseball. We are always going to have that rule.

MICHAEL FREEDMAN: You mentioned Pete Rose. Is the Pete Rose issue off the table at this point? What's the status?

ROB MANFRED: You know, from my perspective, Pete exercised the right that Commissioner Giamatti gave him to file a request for reinstatement. I did a thorough investigation of what happened originally, and where Pete was today, including a very long conversation with Pete and his lawyers. And you know, I ruled on that request for reinstatement. That's where it is, as far as I'm concerned.

MICHAEL FREEDMAN: Baseball records and career stats, in particular, are such key elements of this game. Is it possible to construct a history of stats that perhaps better recognizes different eras? Or is it best for baseball just to continue with one set of stats?

ROB MANFRED: I think it's really best to leave the statistics alone and leave the interpretation of those statistics to, you know, the fans, the writers, the historians. You know, you think about the task of the baseball writers of America. They elect members to the Hall of Fame each year. They're asked to vote on players who played in different eras, under different circumstances. And you know, their awareness of that history, the backdrop against

which individual players develop their statistical record, I think is the best way to get to commonality. I don't think there's a quantitative answer to that question.

MICHAEL FREEDMAN: Could you envision a time when, say, Washington might get its records back? In other words, Walter Johnson played his entire career in Washington. But his records reside with the Minnesota Twins. Do they belong in the city where he achieved his greatness?

ROB MANFRED: No, I think they belong to the franchise. I really do believe that. I mean I think an important part of the history of the Minnesota Twins was where they came from. And I think that continuity is actually quite important.

MICHAEL FREEDMAN: Everyone seems to want to speed up the games. Yet the ability to challenge plays appears to be slowing things down. How do you hit the happy medium on this?

ROB MANFRED: Oh, I think we—I actually believe we have the happy medium. So over the course of a season, let's start with the facts. Over the course of the season, right, replay. The replay system adds one minute to each game, right, because basically, it takes a minute-plus for most replay reviews from challenge to the end. Not every replay, not every game even has a replay in it. So from my perspective, adding a minute to our game time in order to ensure that we get important calls correct—and I do think we have a system that is designed, it's not perfect, but it's designed to get at important calls, that that's a fair price to pay I'm willing to live with.

So when I look forward, what I think is, the best way to make it even tighter is the answer to all problems in today's society, right, technology. Just keep getting our technology in the replay system better and better, and it's going to get faster and faster. I mean Joe and I used to play a game, we'd get a recap of all the reviews the morning after, right. And you can actually go in, and it tells you, you know, what was challenged, what the outcome was. And then there's a video clip.

So I started going to the video clip before I read the summary in the early years. And I'm telling you, like out and safe at first base, he used to laugh at me. I mean I wasn't a 50/50 guy. I couldn't get them right. I mean it was just so—in real time, they're just so tough. And it makes you realize how good our umpires are.

But now, today, sine we've gone to super slow motion cameras at first base almost everywhere, anybody could do it. You know, my 11 week old grandson can do it. I mean it's easy, right? And so you know, it just, you keep using that technology to keep the benefit of getting the most important calls right, and minimizing the fan disruption associated with the delay.

MICHAEL FREEDMAN: What's the reaction you're getting to the pitchless intentional walk?

ROB MANFRED: It's down to nothing. I will tell you, you know, both my phone number and my email are probably too available. And I may have to work on that. [laughter] But I'm telling you. When we went to the no-pitch intentional walk, we analyzed all the data. I think it was—Bear with me, it was like one out of every 1,000 intentional walks, something happened other than the guy going to first base, all right. There would be some crazy thing, where the ball would get thrown away, whatever, something else happened other than the guy ending up on first base. So it was a very rare event.

And it was not a huge time saver. In a lot of ways, it was more symbolic. You know, let's do whatever we can to get things moving along, get people thinking about the need to move things along. Well, so we announced the change. Oh my. You really would have thought that I had committed a sacrilege based on what people were saying. I mean it really—And, you know, it's a great thing. You realize, people care so much, that they try to figure out what your phone number is. And they call you up to tell you what they think about the change. You know, it's a great thing. So it is what it is.

MICHAEL FREEDMAN: I don't think we'll take a vote in the room about that. [laughter] In the *Washington Post* this past weekend, fans were asked to suggest ways of improving the game. Their ideas included limiting the number of foul balls, moving the mound back by two feet, reducing the size of gloves, automating the strike zone, and restoring the general admission ticket. What do you think about those ideas? And what are some of the more interesting suggestions you've received in addition to the fan passion about the decisions that are made?

ROB MANFRED: Well, look. I think that the good news is, there are lots of ideas out there about how you might change the game. Or let me correct myself, okay. How might you respond to the changes that are taking place in the game. In general, I like ideas that are directed at additional action in the game, getting away from the focus on what people refer to as the three true outcomes. And I think there's a variety of ways that you might get at that issue. But I think it takes a lot of analysis to decide which of these changes produce the desired outcome. Probably the best example.

Let me go back to shifts, right. When we started seeing a lot of defensive shifting, just to give you an idea, seven or eight years ago, there were probably 2,500 pitches during a season where there was a shift, right. There will be 36,000 this year, okay. That's how much more pervasive this phenomenon has become. And you know, when it started to happen, started to escalate, people said, "Oh, we know what's going to happen. Hitters will just learn to hit the other way, because they will adjust, and they're great athletes."

Well two parts of that were correct. They did adjust, and they are great athletes. Unfortunately, the way they adjusted is they decided to try to hit it over the shift, as opposed to hit it the other way. And why did they do that? They did that because analytics tell you that the homerun is worth the—even discounting how often it's going to occur, is worth so much more than that hit to the opposite field. So whatever those changes are, and even things like moving the mound back, there's not a consensus on what that outcome is going to be. The strike zone, I mean we've had—I've had three—well two Hall of Fame, one either going to be or should be Hall of Fame manager in a room. And when you ask them about a particular change in the strike zone, they will not all give you the same answer as to what's going to happen if you change the strike zone.

MICHAEL FREEDMAN: How important is the overall fan experience today versus going to see the game? Is there a happy medium of the broader inclusiveness while protecting the interests of those who come to watch the game and perhaps just keep score?

ROB MANFRED: Well, you know, we think about our product as two products, right. We think the in-park experience is a very different product than the broadcast product that you watch—and I use broadcast generically, whether it's on Facebook or on [00:45:21]. It's the same, as far as I'm concerned. And I do think that the tension you refer to, in terms of, you know, entertainment in the ballpark that captivates younger people and is interesting to them on the one hand, which some people might see as a distraction or an annoyance on the other, is part of a really fundamental tension that we wrestle with every day, in terms of the business of baseball. And that is, we never want to alienate that core fan base that we have and always have.

On the other hand, we want to do everything we can to attract the people who are not part of that fan base. As with any business, you need new customers. And when you see things happening in the in-stadium experience that are a little different, that's part of the clubs trying to innovate, to capture that new fan base, which is really important to the future of our sport.

MICHAEL FREEDMAN: And with all the things that are changing, and all of the broadening of thinking, there were, as with the game on the field, there are certain things that haven't changed. And I'd be remiss being a radio person if I didn't mention the endearing and enduring quality of radio. Charlie Slow is the great radio play-by-play broadcaster of the Washington Nationals is with us today. Talk about the continuing impact of radio on the game.

ROB MANFRED: Well, I can tell you, I only have one AM station programmed in my car. And it happens to be the station that carries Yankee radio broadcast. I am a radio fan myself. I think it's an important part of the history of the game. I think it is an important way that we serve our fans. Not everybody can be in front of a television every time they want to be consuming our product. And I, for one, think that radio has a long, long life in front of it as part of our game.

MICHAEL FREEDMAN: I will say that one of the terrific games the Lerner family does at Nationals Park is a broadcast, the radio version of the game, throughout the ballpark. So you can continue to follow the game in your mind's eye, no matter where you are.

ROB MANFRED: We actually noticed this yesterday. We were watching—I'm smiling at Mark. We were in the suite for the Futures game. And we're watching the game, and we're hearing the radio. We finally figured out why we were not exactly in sync that we were hearing the radio broadcast and watching the television.

MICHAEL FREEDMAN: Has MLB engaged in any studies on US millennials and their interest in baseball, both as, say, a participant sport and as spectators?

ROB MANFRED: Yeah. If I answered that question no, I think that, you know, they'd be looking for a new guy. [laughter] So look, we've been really focused on millennials in a couple of different ways. I think the clubs have done a phenomenal job, based on information that we've developed, that they've developed, of actually altering or offering an alternative experience in most ballparks that is more tailored to the millennial tastes. It begins with how you buy a ticket. Probably the biggest change has been the ballpark pass. You buy 30 days, you go when you want to go. You don't necessarily have a seat. But there's a standup bar or a general admission area when you get in the ballpark. We then hope you're using the ballpark app, which gives you an opportunity to buy up into a seat, or find an area that is to your liking. That's an effort to cater to millennial tastes, which usually involve less planning, a more fluid entertainment experience.

With respect to participation, there has been no effort that has been as extensive as our effort to encourage young people to play the game of baseball. And I guess what I would say to you about this, is for a relatively modest investment, in terms of the magnitude of our overall business, we have had phenomenal returns. In an environment where youth participation is shrinking, right, and youth participation in sports across the board is shrinking, why is that? It's the devil technology, right, is causing that shrinkage.

The only major sport, and bad news for it, it includes all the ones people talk about. Soccer, lacrosse, hockey, all of them. The only major sport the last three years that's grown in terms of youth participation is baseball. We've grown at an average annual growth rate of six percent. We remain the most played sport by athletes under the age of 12. Our casual participation number went up 12.6 percent last year. This was a real focus of ours. You know, people think about baseball, they tend to think about it in the modern youth way, 18 kids, full uniforms, parents coaching on both sides, umpires, parents screaming from the stands, right.

Casual participation, we're talking about engaging with the game the way I did as a kid, five kids figure out some way to play a baseball game, you know. I mean it takes some fields out, and whatever you're doing, you find a way to engage with the sport. We think these efforts are really important. In addition, these efforts have helped us. I alluded to the academy project, increase the diversity of the next generation of players. About nine percent of our Major League players are African-American right now. The last five years, 20 percent of our first rounders have been African-American. And almost every one—I think without exception, there may be one, all of those players picked in the first round have some connection to a Major League Baseball funded program that was designed to get them interested in and playing the game.

So it is—And, you know, last, and I really would be remiss if I didn't say that, we have not tried—We have tried to be involved in the youth market in strategic ways. We certainly have not tried to occupy the field in that market. Instead, we've tried to find good partners. And let me tell you, there are some great ones out there. Just Little League, Steve Keaner[?] in Little League, you could not ask for a better partner. That's why we went to Williamsport and played a Major League game last year. And we're going back to Williamsport in the Little League World Series to do it again this year.

Cal Ripken Baseball. Cal Ripken, one of the most innovative thinkers in terms of getting kids engaged, altering what you're doing with them, how the game is being played in order to keep them engaged, all with the goal of developing a skill set that they could actually be a Major League player. Cal's been absolutely outstanding. Can't say enough about him.

MICHAEL FREEDMAN: So in essence, you're making your own luck in that regard.

ROB MANFRED: Yeah. I mean I think it's—You know, it's like investing in research and development. I mean what's our future? Our future is creating a pipeline of players so that we still have the best athletes in the world. If you doubt that we're attracting the best athletes, you know, you should see these kids that were playing over at Nationals Park this week. I mean some outstanding athletes, number one.

Number two, it's good for our business. The single biggest determinant of whether an individual is going to be a fan as an adult, is whether they play as a kid. So we think we're building not only our athlete base, but our fan base as well.

MICHAEL FREEDMAN: Reports indicate, though, that attendance is down. The number I heard was six and a half percent, as of mid June. If the number's accurate, what—

ROB MANFRED: The number today is five and a half. That number was accurate as of mid June. As of today, it's five and a half percent. And I see that as we're making progress, okay.

MICHAEL FREEDMAN: Okay. Are there things that you can attribute both the downtick and the uptick to?

ROB MANFRED: Yeah. I mean the one thing we know for certain is we got in a hole in April because of the weather. And here's the best way—We set a record for the number of games that were canceled, okay. When you cancel a game, again, I'm going to smile at Mark, you never quite get the same crowd on the rescheduled date. I mean that's just, you know, the way humanity works, right. So number one.

But worse than the cancelations, in 2017, we played two games the entire season where the game time temperature was less than 40 degrees. In the month of April, we played, in addition to all the games we canceled, we played 35 games where the game time

temperature was less than 40 degrees. You know, I love baseball. You know, I would submit to you, as much as anybody. But less than 40 degrees, I was actually at one of them at City Field. You know, it gets swooping around, off Flushing Bay there, it's not all that pleasant sitting outside.

So we got in a hole. A big part of it was weather. And we have been working our way out of it. Now, having said that, we're also—we are also cautious about a really important part of our business. So we're paying real attention to whether there's something else out there, other than just the weather. But we do think the weather was the predominant factor.

MICHAEL FREEDMAN: When will baseball change the regional contracts so I can stream in-market games? Most businesses do not make it this hard to take my money.

ROB MANFRED: You can stream in-market games today. Every Major League club has—We turned those rights back to the clubs. And I think all RSNs offer some in-market streaming opportunity.

MICHAEL FREEDMAN: Can you talk a bit about the status of the—

ROB MANFRED: By the way, let me be clear about that. I'm talking about authenticated in-market streaming. What do I mean by that? What I mean by that is, I am a subscriber to some package where I'm paying for Fox Sports Southwest, right. And I can use my cable credential to authenticate and stream that game in market. Major League Baseball sells a separate over the top package known as MLB.tv. And that package always contains local blackouts. And the reason it contains local blackouts is those rights have already, they belong to the clubs, not to baseball. And they've already been sold to the RSN that I just talked about.

So games are available, both in and out of market streamed. It's just a question of what credentials you have to have.

MICHAEL FREEDMAN: In that same vein, can you talk about the status of the Nats-Orioles MASN situation, and whether we can get that fixed soon?

ROB MANFRED: Well, look. I think that we have made some progress on this issue. We unfortunately had to litigate extensively in order to get to this progress. But I think it is now clear, whatever challenges the Orioles have decided to mount, that ultimately, the revenue-sharing committee of baseball will decide the rights fees of the Washington Nationals and the Baltimore Orioles going forward. That was the agreement that was originally struck. As I said, it's unfortunate we had to litigate to defend that agreement. But we're back in front of the body that was originally agreed upon. That body will begin the process here shortly about setting those rights fees. And I'm hopeful that we will get to a resolution that will not require or will not motivate someone to attempt further litigation to delay, you know, the payment of monies that should be paid.

MICHAEL FREEDMAN: A couple quick last questions. Could you see the World Series returning to day games on the weekends?

ROB MANFRED: That's an interesting thing there. [applause] We play more daytime post-season games than any other sport, right. Division series, a lot of days we have three daytime games, three daytime post-season games during the Division series. So we do in fact play post-season baseball. When it comes to the World Series, what we try to do, along with our broadcast partners, is what any good business would do. We try to put the game on at the point in time that we are going to attract the largest audience, the point in time that we can get most people watching the game. That will continue to be our guidepost.

I understand, I understand that there is a romantic notion out there about a World Series game played during the day, and that children will be flocking from everywhere in order to watch that game. The fact of the matter is, we know who watches. We play day games during the post-season. We do not, in fact, attract more children to those games. And given that fact, we will continue to put games on at the point in time we can get the audience we can possibly draw, because we feel that's how we serve our fans.

MICHAEL FREEDMAN: Commissioner, we have one final question for you. Before we get to it, I'd like to share some upcoming Headliners events with our audience. This Thursday, July 18th, NIAID Director Dr. Anthony Fauci will update us on his quest for a universal flu vaccine. Next Tuesday, July 24, Miss America Chairwoman Gretchen Carlson and CEO Regina Hopper will discuss the recent controversy over changes to the organization and pageant. And next month, August 13, Sean Spicer will share his new book *The Briefing*, about his brief tenure as White House Press Secretary.

And now, Commissioner, are you ready for our final question?

ROB MANFRED: I am.

MICHAEL FREEDMAN: Who's on first?

ROB MANFRED: Yes. You got it. [applause]

MICHAEL FREEDMAN: And so I'm glad you didn't say, "I don't know," because he's on third base. Commissioner, thank you very much.

ROB MANFRED: Thank you.

[applause]

MICHAEL FREEDMAN: On behalf of my colleagues, it's my honor to present you with our official National Press Club coffee mug.

ROB MANFRED: Thank you.

MICHAEL FREEDMAN: And also, in turnabout being fair play, we will present you with an autographed baseball from the playoff team of the National Press Club Softball Team.

ROB MANFRED: Thank you so much.

[applause]

ROB MANFRED: I will say, this is my—This is my second best gift of the week. A Chinese broadcaster that we have a partnership with gave me a stuffed animal yesterday, which I'm giving to my grandson. So thank you very much.

MICHAEL FREEDMAN: I hope your grandson enjoys that too. Thanks to our audience here in the Ballroom of the National Press Club. To all of those listening and viewing on radio and television, online, thanks again, Commissioner, and everyone. Have a good afternoon.

ROB MANFRED: Thank you.

[applause]

END OF INTERVIEW