

**Jonathan T. Weisberg**

For Larry Lucchino, watching his Red Sox play a ballgame in Fenway Park is like a full day—work, recreation, socializing, meals—compressed into three hours and punctuated by the crack of the bat and the passions of the fans.

His luxury box, hanging thirty feet above the field, is a mix of board room, living room, and dining room—all with a view of the action.

On September 17, the Sox are playing the Cleveland Indians in a night game. Lucchino confers with the principle owner of the team, John Henry, and the team's chairman, Thomas Werner, at the table, and they all keep track of the game by glancing at the version projected on the TV—or by glancing out the window.

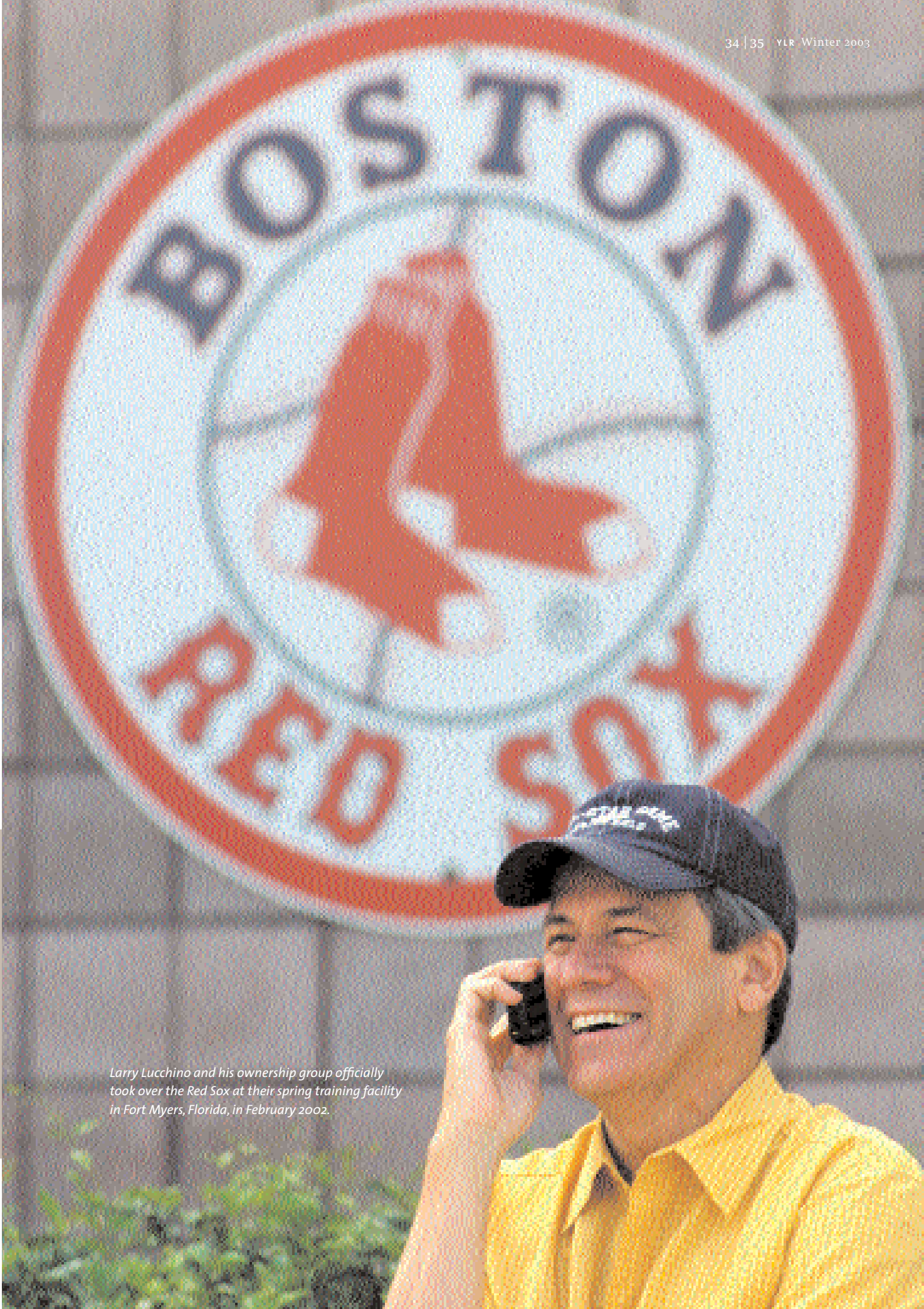
Then Lucchino gets up and walks to the balcony, which suspends three rows of seats out almost directly over the grass, just on the third base side of home plate. If there's a best seat in the house, it's in this patch of real estate. But Lucchino kneels in the aisle to chat with his wife, keeping one eye on the game.

At the moment, the Red Sox have men on first and second. Benny Agbayani pulls a line drive just fair over third base. "Yes! That's a hit!" Lucchino calls and swings his fist in an arc, one version of the simultaneous celebration of about thirty thousand fans, as the Sox score the first run of the game. ➤

# LARRY LUCCHINO:

## IT DOESN'T GET BETTER THAN THIS

In the late months of 2001, Larry Lucchino '71 joined a group that won the bidding battle for the Boston Red Sox. He is now the team's CEO and president. "It doesn't get any better than this for a baseball executive," he says.



*Larry Lucchino and his ownership group officially took over the Red Sox at their spring training facility in Fort Myers, Florida, in February 2002.*

Soon, he's back inside the box, talking with one aide about a player's contract, then peering at the television, trying to spot a new type of electronic advertising the team is experimenting with tonight. He takes a phone call and sits on the couch, but keeps adjusting his position, swinging the phone cord through a sort of workout routine.

A few minutes later, the Sox are again threatening, with two men on base and one out, and Lucchino moves out to the balcony. But when Tony Clark hits a ground ball to third, the twenty-two-year baseball veteran recognizes the implications a moment before the crowd. "No, no," he calls out, just before everyone else moans at the inning-ending double play.

During an interview in his office earlier in the day, Lucchino explains that while he always gets wrapped up in the game, he has mellowed over the years. "I take the losses hard, but not as hard.... It does affect my mood and disposition, as it would any fan." Of course, he's not just a fan. He helped put the team together, and the people on the field are his employees and coworkers. "There is a danger that your work can impair your enjoyment of the game," Lucchino says. "So much rides on the game: the financial success of our investors, the sense of personal and professional satisfaction."

Other fans may have an emotional investment in their team, but Lucchino and his ownership partners have a \$700 million investment in the Red Sox. And so the game is always serious business for them.

"It's actually three sides to a baseball organization," Lucchino explains. "There's the baseball operations side, the business operations side, and the administrative finance side." As the president and CEO of the team, he has responsibility for all three. He oversees the hiring and firing of personnel, the marketing of the team, the budget process, and describes himself as a "participant" in the baseball decisions. "A participant," he emphasizes, "not someone who will necessarily gainsay the decisions of other people more expert in the area."

The success of the organization is determined by an inseparable interaction of the baseball and business decisions. "Our ability to sell tickets and maximize concession revenue or media contracts directly correlates to the size of the payroll that we are likely to have on the baseball side or the ability to sign draft picks." At the same time, a successful team makes more money.

Is it a game inside a business or a business inside a game? Lucchino's office serves as an illustration of this conundrum. It's a simple cube, with a computer on the desk beeping every few minutes with incoming email. You might

think you're in the office of an insurance executive—if one who loves baseball. The pictures on the walls are all of players and games, and a hat rack in the corner holds nothing but baseball caps. If you stroll across the hall for a meeting in the conference room, you get a sweeping view of the green field and the brown, humpbacked diamond. By mid-afternoon, a few players are out lazily jogging and shagging fly balls. The office is inside Fenway Park.

Lucchino suggests that a statement by Phil Wrigley, the former owner of the Chicago Cubs, is as good an explanation of the relationship as any. "He said that baseball is too much of a sport to be a business and too much of a business to be a sport."

## After a few more innings, Lucchino

decides to walk down to a second-row seat beside the visitor's dugout—a president's prerogative. The route passes back through the administrative offices, and beside a cluster of cubicles, Lucchino opens a door to the stands.

The aisles are narrow and fans have to turn sideways to pass each other. At a crossway, Lucchino stops to help a lost fan find his seat. He looks at the young man's ticket, and then points out the correct section and row. A Red Sox employee following Lucchino is impressed with this enactment of a management expression he's heard a thousand times this season: "Now that's micro-marketing."

"Micro-marketing" is a catchword for one aspect of a new attitude Lucchino and his partners are hoping to bring to the Red Sox. It's a way of looking at the relationship between the fans and the team that Lucchino has developed over his career with three baseball teams and a football team. He defines "micro-marketing" as "we want to be here for people on a retail basis, one-on-one." This means responding to individual fans, as well as focusing on improving the fan experience for anyone who comes to the ballpark.

Lucchino has now spent more than twenty years as a sports executive, but he didn't grow up dreaming of being a team president—he played ball. He was a middle infielder in high school, and in college he played point guard for the Princeton basketball team alongside Bill Bradley. He didn't start for Princeton, but teammates remember him being an intense competitor and a hard worker—both in practice and in the time he got out on the floor.

Lucchino's path to the front office wound, improbably, through the offices of a prominent law firm. Shortly after graduating from YLS, Lucchino joined Williams & Connolly in Washington, D.C., intrigued by its intense litigation practice. The firm's senior partner, Edward Bennett Williams, also controlled the Washington Redskins football team, and



*Opening day, April 1, 2002. Players from the Boston Red Sox and the Toronto Blue Jays lined the field as an American flag was draped over the Green Monster at Fenway Park in Boston. This was the first official Red Sox game under Lucchino's leadership.*

one day Lucchino was called off the bench to handle a case for the Redskins. “It did remind me of getting to play in the last few minutes of a game, and the coach saying, ‘Do one thing well, even though it’s a relatively small role you’re being asked to play, and then something good will come from it.’” Lucchino got to know Williams and did more work for the team, eventually becoming general counsel and an operating officer.

In 1979, Williams purchased the Baltimore baseball team, the Orioles. Lucchino did much of the legal work on the transaction and then assumed the same executive roles for both the football and baseball teams. “I can say quite directly that my entire career in professional sports is directly attributable to Edward Bennett Williams,” says Lucchino.

“I was pretty excited about the Orioles,” Lucchino admits, and he was anxious to begin working with the team. He is a lifelong fan of sports, and especially baseball. He praises the “daily-ness of [baseball], the traditions and history of it, and the inherent charm of it,” as qualities that distinguish it from other sports. But Lucchino also says that the drama of competition inherent in athletics, which he enjoyed as a player, was part of what drew him to sports management. “I’m a pretty competitive guy—and that’s both an attribute and a vice.”

When Williams died in 1988, Lucchino, along with two other YLS graduates, Sargent Shriver ’41 and Eli Jacobs ’64, bought the team. Five years later, Lucchino moved to the San Diego Padres, where he remained until the end of the 2001 season.

One man who has worked with Lucchino for nearly his whole career, with the Orioles, Padres, and now with the Red Sox, is Charles Steinberg, the executive vice president of

public affairs for the Boston club. He remembers that even back in the 1980s—while they were happy with the Orioles—they talked about how fun it would be to run a team like the Red Sox. “We mused about it, because it is such a romantic franchise,” says Steinberg.

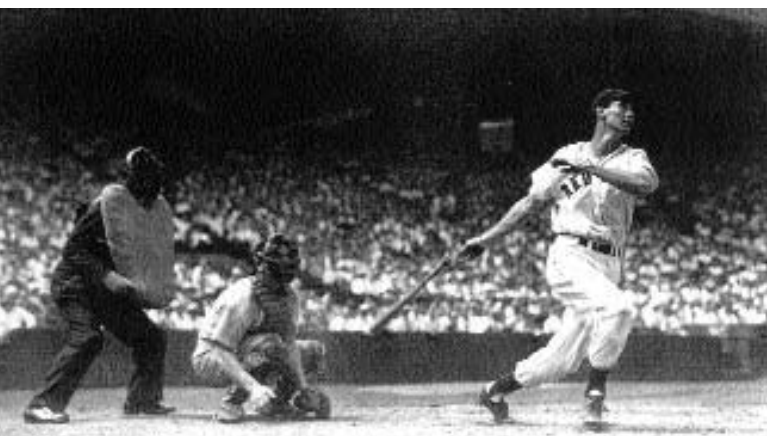
The ownership group that made that notion a reality took form with a phone call Lucchino received while sitting in the Yale Bowl, watching a Yale-Brown football game in November 2001. Tom Werner, a television executive and former owner of the Padres, had earlier approached Lucchino about forming a bid for the team. Werner says he immediately sought out Lucchino once he left the Padres. “Larry is the most widely respected baseball executive in the game,” says Werner. “He approaches the game not only with love but with a keen intellect.”

Werner and Lucchino were still looking for another big investor, though, when Lucchino received that phone call. John Henry, then the sole owner of the Florida Marlins, called to inquire about joining the group. “I said, ‘John, you’re just what the doctor ordered,’” Lucchino remembers.

The sale process culminated on December 20. Lucchino’s team had submitted a bid of \$660 million plus the assumption of \$40 million in debt for a total offer of \$700 million. This was more than anyone had ever paid for a baseball team before, but the Red Sox came with their own cable network, NESN, which had a subscriber base of 3.6 million people. And the Red Sox are the Red Sox—one of the oldest, most storied franchises in baseball (even if their legend is currently constructed around heartbreak), and thus a team with an almost unshakable fan base. But Lucchino and his partners still had to wait for the previous ownership to make a decision on which bid to accept. They waited all day. By 8:00 in the evening, when they hadn’t received any word, Lucchino says they assumed they hadn’t gotten the team. “Tom and John and I actually changed clothes, put on some sweaters and blue jeans and were going to go out and find some place to have some pizza.”

But the phone call they’d spent all day waiting for interrupted their outing, and within a few minutes they learned that they’d gotten the team. It would be announced officially at 8:30 p.m. “This being Boston, they interrupted the evening television programs to go live to Fenway Park for the announcement at 8:30 on Friday night,” says Lucchino.

Even after their bid was accepted, however, the new owners had to wait for Major League Baseball to approve the sale and the Massachusetts attorney general to investigate the sale, before arranging a highly complex financial transaction in which John Henry sold the Marlins just before he bought the Red Sox. All of this delayed the closing of the



*The legendary swing of Ted Williams, who spent his entire career with the Red Sox and was the last Major League player to hit over .400 for an entire season.*



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deal until February 2002, which Lucchino explains, hampered their efforts to shape the team. The season for the front office runs from October to October. By February, most of the free agents available for that year had already signed with clubs and most teams had completed whatever off-season trades they would make. “We viewed this year largely as a long transition year,” says Lucchino.

Nonetheless, they owned the Red Sox. They began making improvements to 100-year-old Fenway Park—cleaning it, repainting it, and adding some new field-level seats. They brought in a new general manager and manager and made what player personnel moves they could at the late date. Spring training was already under way, and Lucchino says he was thrilled at the beginning of a new season with his new team. “We had our hands on the steering wheel at last.”

Even before a game was played, a predominant question on the minds of many denizens of Red Sox Nation was, What will the new owners do with Fenway Park? The previous administration had declared the ballpark untenable and fought for the support to build a new home for the team—meaning that they would demolish a baseball landmark. Lucchino asked for the forbearance of the fans to give him time to consider whether to renovate the park or build a new one, and he admitted that he would first try to save Fenway. “We thought it was presumptuous to try to make a historic decision about Fenway before we had even one season under our belts.”

Lucchino is in a unique position to make this judgment, as he was a motivating force behind the most significant shift in stadium design in a half century. Oriole Park at Camden Yards, by far the most admired and beloved stadium built in the last fifty years, was conceived, designed, and constructed under Lucchino’s watch.

Stadiums built in the 1970s and 1980s followed the model of the drab Houston Astrodome—they were built around design parameters that had nothing to do with the game of baseball. To fit as many people as possible, they were immense. To accommodate other sports, such as football, the stands were set back from the field. They were often placed in the middle of prairie-sized parking lots, and made out of the cheapest material, concrete.

But in about 1984, Lucchino noticed that the baseball teams he most admired, the Yankees, the Red Sox, the Cubs,

all played in dedicated baseball facilities. He began to suggest the idea of building a *ballpark*, not a *stadium*. And Lucchino’s analysis was strengthened by his personal memories. “I grew up in Pittsburgh, where we had Forbes Field, which was a charming, old-fashioned ballpark, built in the early part of the century, relatively small in size, quirky, idiosyncratic, warm, et cetera. It was replaced by a concrete donut called Three Rivers Stadium and forever changed the charm and nature of baseball in Pittsburgh.”

Lucchino wanted to resurrect the spirit of the old ballpark. “It should be possible to build a new ballpark and capture some of the traditional sacraments of baseball.” He wanted to build with brick and steel, make the stands smaller and closer to the field of play, and place the park within the city.

The Orioles pushed the idea and it picked up support. After the new park was approved, Lucchino negotiated for the team to have significant input into its design, and he pored over all of the little details. “He scrutinized the plans and the words and the construction,” says Charles Steinberg. On the weekend before the park was to host its first official game, Lucchino and one of the architects still weren’t satisfied with the screen behind home plate—it was too dark. They brought in a new one and installed it less than forty-eight hours before the game. “There was not a detail that was unimportant,” says Steinberg.

Camden Yards was immediately hailed by architecture critics and baseball writers. In *The New York Times*, Paul Goldberger called it “the magnificent Baltimore Orioles park...whose stunning success made it difficult, if not impossible, for anyone to seriously propose putting baseball into one of those concrete bunkers again.” Other writers admired the “glorious, dominating backdrop” of an old railroad warehouse that was maintained beyond the outfield, among other “quirky touches.”

Camden Yards has been imitated and echoed by every ballpark built since, because it was not only an aesthetic success but a financial success as well. Fans traveled to Baltimore just to watch baseball in a home that they felt gave the game its fitting respect.

When Lucchino moved to the Padres in 1994, he faced another stadium-building challenge. The team’s success and growing popularity in his first few years (including a trip to



*Larry Lucchino fielding questions at a news conference at Fenway Park, October 2002.*

the World Series in 1998) built the support the team needed to get a new stadium approved in a referendum. Lucchino again worked on the design, and while he maintained many of the principles that animated Camden Yards, he wanted to develop something particularly appropriate for San Diego. The park is still under construction and due to open in the 2004 season.

So, is it a surprise that a repeat ballpark builder's first instinct is to save old Fenway? Lucchino is quick to point out that Fenway was a model for Camden Yards. If he can find ways to increase the capacity of the ballpark, while improving its convenience and comfort, he will preserve the Green Monster and the field where Ted Williams played. The new Red Sox management has already taken steps to improve the fan experience at Fenway, such as incorporating the street in front of the park, Yawkey Way, as a concourse on game nights. Other proposals include building a new deck, putting seats atop the Green Monster, as well as widening the aisles and replacing the current seats with larger ones. Lucchino hopes to have a final decision this off-season.

The Fenway decision represents a central problem for Lucchino: how to preserve tradition while building something new on it. And there's little room for error, as every move the new owners make is evaluated by a corps of fans who have loved the Red Sox since birth—or maybe before. Lucchino says: "There is a depth of knowledge that comes from, I think, generations paying attention to baseball....

Boys and girls, old men and old women have a passionate interest in the Red Sox."

One institution Lucchino imported from San Diego and Baltimore is to hold regular meetings with small groups of fans to hear comments, questions, complaints—in other words micro-marketing. In Boston they're calling it Fenway Feedback, and at the first meeting about twenty fans gathered with Lucchino and other executives. The fans almost all wore Red Sox caps and shirts, and they spoke of the team with an intimacy and seriousness as if they were discussing a family member.

Meanwhile, the competition of the regular season began, and the Red Sox got off to a stellar start. The new owners began to wonder if they could bring Boston its first championship in 84 years. They had the best record in baseball after 57 games—and a substantial lead over their rival New York Yankees. But the team faltered in mid-summer. The Yankees overtook them in July and built a lead of their own.

As the trade deadline approached, Lucchino resolved to make every effort he could to give the team a chance to win. Lucchino gathered the team's top baseball executives to discuss their options. "I scheduled daily meetings at the same time every day...and said we wouldn't stop meeting until we made a deal," says Lucchino. One player that nearly every contending team wanted was Cliff Floyd, an outfielder who had started the year with the Florida Marlins and was later traded to the Montreal Expos. Lucchino dispatched an

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employee to Montreal to negotiate with the Expos. “By virtue of his proximity and just physical presence, he was able to execute the deal that others were trying to implement by telephone.” The Red Sox also managed to acquire a pitcher, Alan Embree, and both new additions played well through the end of the season.

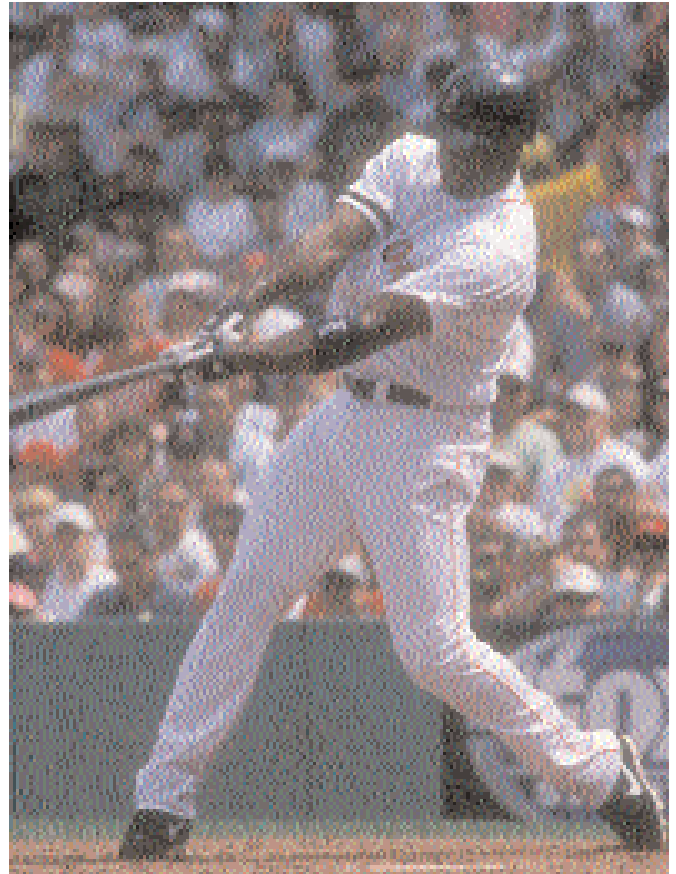
For most of the year, however, the play on the field was conducted under the “dark and ominous” threat of a strike by the Players Association. For months, the sports media was choked with speculation about what would happen if the players walked out. Lucchino was one of the people selected by Commissioner Bud Selig to represent the owners’ interests by speaking to reporters and editorial boards about the issues surrounding the strike. They called themselves the “Truth Squad.” By the time negotiators reached a settlement on August 30, it was clear that the owners had won the public affairs battle—both the public and the press primarily blamed the players for the dispute—and not a single game was lost. Nonetheless, Lucchino regretted the “diversion from the central motion of our business, which should be baseball.”

**As Lucchino watches the Red Sox play** the Indians on the night of September 17, although the Sox playoff hopes are realistically over, he’s glad they are playing ball.

In the bottom of the eighth, Manny Ramirez, an indomitable hitter, connects flawlessly with a pitch and sends the ball deep to left field. It’s obviously a home run, and the ball carries over Fenway’s most distinctive feature, the Green Monster, and continues over all of the netting, into the city. The ball never seems to stop but just gets smaller against the night.

“It’s a beautiful sound, isn’t it,” Lucchino muses, to no one in particular, about the simple crack when a bat impacts a ball.

The Red Sox beat the Indians four runs to two that night. They finished the season with a record of 93 wins and 69 losses, a significant improvement over the year before. But Lucchino remains dissatisfied that the team didn’t make the playoffs. In fact, this was the first time since the introduction of a wild card to the baseball playoffs that a team with that many wins didn’t reach the post-season.



*Cliff Floyd, a late-season acquisition, played outfield and hit .316 in forty-seven games for the Red Sox.*

“It is designed to break your heart,” Bart Giamatti, a one-time baseball commissioner and president of Yale, wrote about baseball, with the peculiar comprehension of a life-long Red Sox fan. Another year without a championship.

On the business side, though, the team set a season attendance record, by packing 2,650,063 fans into Fenway.

As the Red Sox players dispersed for their off season, Lucchino began a highly publicized search for a permanent general manager for the team. At the same time, he oversaw the production of a financial summary of the last year and a budget for next season. The team began pursuing free agents and negotiating with current players. And the deliberations over Fenway’s fate continued.

Remember, the front office season begins in October. Just wait till next year. **Y**