

2018 NATIONAL BASEBALL ARBITRATION COMPETITION

Ken Giles v. Houston Astros

Submission on Behalf of the Houston Astros

Midpoint: \$4.525 M

Submission by Team 12

I. Introduction

This brief analyzes the assets and contributions of Ken Giles (The “Player” or “Mr. Giles”) to be reflected in his 2018 contract with the Houston Astros (“the Club” or “the Astros”). The Major League Baseball (“MLB”) Collective Bargaining Agreement (“CBA”) governs this arbitration hearing and sets the following criteria for determining the player’s award: (1) the quality of the Player’s contribution to this Club during the past season; (2) the length and consistency of his career contributions; (3) the record of the Player’s past compensation; (4) comparative baseball salaries; (5) the existence of any physical or mental defects on the part of the Player; and (6) the recent performance of the Club, including, but not limited to, its League standing and attendance as an indication of public acceptance.¹ For competitive salary purposes, the arbitration panel shall give particular attention to the contracts of players with Major League service not exceeding one annual service group above the Player’s annual service group.²

Mr. Giles has accumulated 3.113 years of ML service, entitling him to file for arbitration for the first time.³ Mr. Giles has filed for \$4.9 million and the Astros have filed for \$4.15 million, creating a midpoint of \$4.525 million. Although Mr. Giles had a very strong season in his first year as the Astros’ full-time closer and was a key component of the Astros 2017 World Series champion run, a salary above the \$4.525 million midpoint is not commensurate with his overall career performance. When judged against comparable first year arbitration eligible relievers, Mr. Giles lacks the (1) multiple seasons as a full-time closer nor (2) the dominant platform season and overall career statistics necessary to receive a salary above the \$4.525 million midpoint. Consequently, Mr. Giles is fairly entitled to a salary below \$4.525 million and this panel should award him a salary of \$4.15 million for the 2018 season.

¹ MLB Collective Bargaining Agreement. “2012-2016 Basic Agreement,” Article VI(E) § 10(a)-(b) pp. 20-21.

² Id. at § 12(b)

³ <http://legacy.baseballprospectus.com/card/70354/ken-giles>

II. Quality of the Player's Contribution During the Platform Season

W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
126 th	61 st	16 th	74 th	8 th	62 nd	32 nd	18 th	63 rd	24 th	27 th	25 th	23 rd	63 rd	18 th

During his 2017 platform season, Mr. Giles had a strong season out of the bullpen in his first year as a full-time closer, recording 34 saves and an 89.47% save percentage (SV%), which was 8th and 13th best respectively in MLB. Furthermore, Mr. Giles struck out 83 batters with a 2.30 ERA, tying him for 24th and 16th respectively among all qualified ML relievers. Thus, while Mr. Giles had a very solid platform season, he failed to fall among the game's elite relievers.

W	L	ERA	GS	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
7 th	7 th	2 nd	2 nd	1 st	2 nd	5 th	2 nd	6 th	2 nd	4 th	2 nd	1 st	6 th	3 rd

Furthermore, while Mr. Giles finished the season as one of the better relievers on the Club, he only lead the team in two critical statistical categories – saves and HR/9 and he fell as low as 4th in WHIP, 6th in BB/9 and 7th in. Thus, he lacks a dominant platform season, which as will be discussed below re: Greg Holland, has historically been necessary for a first year reliever to receive a salary above the \$4.525 midpoint in their first year of arbitration eligibility.

Year	W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
ALDS	0	0	6.00	2	1	3.0	3	1	0	2	1.00	9.0	3.0	0.0	6.0
ALCS	0	1	9.00	3	1	3.0	5	1	3	5	2.67	15.0	3.0	9.0	15.0
WS	0	1	27.00	2	0	1.2	4	1	2	3	3.60	21.6	5.4	10.8	16.2
Career	0	2	11.74	7	2	7.2	12	3	5	10	2.22	14.1	5.4	5.9	11.7

Additionally, although the Club recognizes that while Mr. Giles was a key contributor

⁴ http://www.espn.com/mlb/stats/pitching/_/split/128/sort/saves/qualified/false/minip/30

⁵ http://www.espn.com/mlb/team/stats/pitching/_/name/hou/cat/thirdInnings/order/true/split/128

during the regular season, the Club is concerned with his performance during the postseason. As seen above, Mr. Giles struggled in the postseason and was particularly ineffective in the World Series. In Game 4 of the ALCS, Mr. Giles entered the game with a 4-2 lead in the 8th inning and allowed four Yankees runs to score, earning a blown save and a loss. In Game 4 of the World Series, Mr. Giles entered a tie game in the 9th inning and gave up 3 runs, taking the loss again. Overall Mr. Giles has recorded an 11.74 ERA in his postseason performances. Mr. Giles was not called upon in the final three games and the Astros turned to other pitchers to close out the remaining games of the World Series. Therefore, because of his well-below average postseason performance, Mr. Giles cannot label himself among the class of elite relievers in the game today.

III. Length and Consistency of Career Contributions

Year	W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
2014	3	1	1.18	44	1	45.2	25	1	11	64	0.79	4.9	0.2	2.2	12.6
2015	6	3	1.80	69	15	70	59	2	25	87	1.20	7.6	0.3	3.2	11.2
2016	2	5	4.11	69	15	65.2	60	8	25	102	1.29	8.2	1.1	3.4	14.0
2017	1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
Career	12	12	2.43	245	65	244	188	15	82	336	1.11	6.9	0.6	3.0	12.4

Mr. Giles was drafted by the Philadelphia Phillies in the 7th round of the 2011 draft out of Yavapai College in Prescott, Arizona. After signing with the Phillies, Mr. Giles progressed through the minors and made his Major League debut in 2014, pitching extremely well out of the bullpen. 2015 was another strong year for Mr. Giles as he recorded a 1.80 ERA in 69 appearances, while pitching mostly in a setup role. However, Mr. Giles did see a decline from his success in 2016 as he gave up significantly more baserunners per inning and you can see that in these key statistics: WHIP (0.79 to 1.2), H/9 (4.9 to 7.6) and BB/9 (2.2 to 3.2) while seeing an increase in HR/9 (0.2 to 0.3) and BB/9 (2.2 to 3.2) and a decrease in SO/9 (12.6 to 11.2). Mr.

⁶ <https://www.baseball-reference.com/players/g/gileske01.shtml>

Giles also spent the final two months of the season as the Phillies closer after the trade of longtime closer Jonathan Papelbon. The following offseason, the Astros traded significant assets in order to acquire Mr. Giles. Unfortunately, Mr. Giles had the worst year of his career as he gave up over twice as many runs (1.80 to 4.11) and four times as many HR (2 to 8), while seeing an increase in H/9 (7.6 to 8.2) and BB/9 (3.2 to 3.4). Once again, Mr. Giles again spent two months in the closers role after an injury to the Astros closer Luke Gregerson.⁷ Thus, Mr. Giles entered his platform season with limited closing experience and the worst season of his career. Mr. Giles lacks the (1) multiple seasons as a full-time closer nor (2) the dominant career statistics necessary to receive a salary above \$4.525 million. Mr. Giles is fairly entitled to a salary below the \$4.525 midpoint and should be awarded a \$4.15 million salary for 2018.

IV. Past Salary Compensation

Ken Giles – Past Player Compensation ⁸				
Year	Age	Team	Salary	Service Time
2015	24	Houston Astros	\$519,000	0.113
2016	25	Houston Astros	\$528,200	1.113
2017	26	Houston Astros	\$550,100	2.113
2018 Status	1 st Year of Arbitration Eligibility		\$1,597,300	3.113

V. Comparative Baseball Salaries

When judged against comparable first year arbitration eligible relievers, Mr. Giles lacks the (1) multiple seasons as a full-time closer nor (2) the dominant platform season and overall career statistics necessary to receive a salary above the \$4.525 million midpoint. While there is no debate that Mr. Giles is talented and productive reliever, based on the previous salaries of first year closers, Cody Allen and Kenley Jansen, who put up very similar statistics and excelled in the same areas of performance as Mr. Giles, the evidence demonstrates that, like these comparable players, Mr. Giles is fairly entitled to a salary below the \$4.525 million midpoint.

⁷ <https://www.mlb.com/news/ken-giles-named-astros-new-closer/c-193210872>

⁸ <http://legacy.baseballprospectus.com/card/70641/Ken-Giles>

Moreover, Greg Holland serves as the absolute ceiling for Ken Giles because despite admittedly similar career numbers, Mr. Holland (who was an all-star and received both Cy Young and MVP award votes) recorded unarguably superior platform statistics and subsequently reached the elite level that is safely above Mr. Giles.

A. Cody Allen

Ken Giles - 2017 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
Cody Allen - 2015 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
2	5	2.99	70	34	69.1	56	2	25	99	1.17	7.3	0.3	3.3	12.9

Cody Allen of the Cleveland Indians represents the best comparison to Mr. Giles as both relievers are “statistical twins” who provided their respective teams with above-average production in their first year as a full-time closer. Mr. Allen avoided arbitration with the Indians by agreeing to a \$4.15 million contract for the 2016 season, which is below the midpoint.⁹ Both closers recorded an identical number of saves (34), with a near equal amount of W (1 to 2), L (3 to 5), HR (4 to 2), BB (21 to 25), WHIP (1.04 to 1.17), H/9 (6.3 to 7.3), HR/9 (0.6 to 0.3), BB/9 (3.0 to 3.3), SO (11.9 to 12.9) and K/BB (3.95 to 3.96). Moreover, both pitchers excelled at limiting runs as they each recorded a sub 3.00 ERA, while preventing home runs, limiting baserunners via hits and walks, all while striking out batters at a very high rate.

Ken Giles – Career Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
12	12	2.43	245	65	244	188	15	82	336	1.11	6.9	0.6	3.0	12.4
Cody Allen – Career Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
14	11	2.64	250	60	238.1	195	18	92	305	1.20	7.4	0.7	3.5	11.5

⁹ <http://legacy.baseballprospectus.com/card/68494/cody-allen>

Like with their platform their seasons, both relievers have nearly identical career statistics as well. In a near equal number of games (245 to 250) and IP (244 to 238.1) they've recorded extremely similar statistics across the board (12 to 14), L (12 to 11), ERA (2.43 to 2.64), SV (65 to 60), SV% (82.3 to 84.5), H (188 to 195), HR (15 to 18), BB (82 to 92), SO (336 to 305), WHIP (1.11 to 1.20), H/9 (6.9 to 7.4), HR/9 (0.6 to 0.7), BB/9 (3.0 to 3.5), SO/9 (12.4 to 11.5). Therefore, it would be equitable to compensate Mr. Giles below the midpoint because he is basically the same statistical player as Cody Allen over both his career and platform statistics.

B. Hector Rondon

Ken Giles - 2017 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
Hector Rondon - 2015 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
6	4	1.67	72	30	70.0	55	4	15	69	1.00	7.1	0.5	1.9	8.9

Hector Rondon of the Chicago Cubs is another strong example of a productive closer with very similar statistics to Mr. Giles. Mr. Rondon avoided arbitration with the Cubs by agreeing to a \$4.2 million contract for the 2016 season.¹⁰ Like with Mr. Allen, both closers recorded a very similar amount of saves (34 to 30), L (3 to 4), IP (62.2 to 70.0), H (44 to 55), BB (21 to 15), SO (83 to 69), WHIP (1.04 to 1.00) H/9 (6.3 to 7.1) and HR/9 (0.6 to 0.5) while recording an identical number of home runs allowed (4) and SV% (89.5).

Ken Giles – Career Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
12	12	2.43	245	65	244	188	15	82	336	1.11	6.9	0.6	3.0	12.4
Hector Rondon – Career Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
12	9	2.82	181	59	188.0	159	12	55	176	1.14	7.6	0.6	2.6	8.4

¹⁰ <http://legacy.baseballprospectus.com/card/52251/hector-rondon>

In addition to very similar platform season, both relievers have comparable statistics over their career as well. Both closers recorded extremely similar statistics in the most important areas: ERA (2.43 to 2.82), SV (65 to 59), SV% (82.3 to 86.8), H (188 to 159), HR (15 to 12), WHIP (1.11 to 1.14), BB/9 (3.0 to 2.6), SO/9 (12.4 to 11.5). Moreover, both pitchers helped to assist their team in making the postseason during their respective platform years. Furthermore, both players have incredibly similar save totals, establishing that players in the 30-35 platform save range and 60-65 career save range tend to receive salaries below the midpoint. Therefore, Mr. Rondon provides further evidence that very successful closers who have not yet reached an elite status or have accumulated multiple seasons as a closer receive below \$4.3 million.

C. Kenley Jansen

Ken Giles - 2017 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
Kenley Jansen - 2013 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
4	3	1.88	75	28	76.2	48	6	18	111	0.86	5.6	0.7	2.1	13.0

Kenley Jansen of the Los Angeles Dodgers represents another comparable player to Mr. Giles, as both relievers were highly effective and produced very similar results during their platform season. Moreover, Mr. Jansen exemplifies the notion that saves are the most critical component of reliever valuation and lack of platform saves or multiple seasons as a closer yields a salary below \$4.525 million. Mr. Jansen avoided arbitration with the Dodgers by agreeing to a \$4.3 million contract for the 2014 season.¹¹ In a comparable number of G (63 to 75), both closers recorded a similar number of saves (34 to 28), ERA (2.30 to 1.88), H (44 to 48), HR (4 to 6), BB (21 to 18), H/9 (6.3 to 5.6), HR/9 (0.6 to 0.7), BB/9 (3.0 to 2.1) and SO (11.9 to 13.0). Moreover, both pitchers have recorded a sub 2.50 ERA, an impressive feat for a Major League pitcher.

¹¹ <http://legacy.baseballprospectus.com/card/47965/kenley-jansen>

Ken Giles – Career Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
12	12	2.43	245	65	244	188	15	82	336	1.11	6.9	0.6	3.0	12.4
Kenley Jansen – Career Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
12	7	2.10	216	62	222.1	123	15	81	347	0.92	5.0	0.6	3.3	14.0

Just like their platform seasons, both relievers have comparable career statistics. Both closers recorded similar statistics in relevant pitching statistics: ERA (2.43 to 2.10), SV (65 to 62), SV% (82.3 to 83.8), BB (82 to 81), SO (336 to 347), BB/9 (3.0 to 3.5), SO/9 (12.4 to 11.5) and K/BB (4.10 to 4.28). Moreover, both closers recorded an identical number of W (12) and HR (15). As a result, Mr. Giles should be awarded less than the midpoint because Kenley Jansen received below the midpoint and has comparable statistics.

D. Greg Holland

Ken Giles - 2017 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
1	3	2.30	63	34	62.2	44	4	21	83	1.04	6.3	0.6	3.0	11.9
Greg Holland - 2013 Platform Year Pitching Statistics														
W	L	ERA	G	SV	IP	H	HR	BB	SO	WHIP	H/9	HR/9	BB/9	SO/9
2	1	1.67	68	47	67	40	3	18	103	0.91	5.4	0.4	2.4	13.8

Mr. Holland represents the absolute ceiling for Mr. Giles, as he recorded one of the best seasons for a closer in ML history and was unequivocally more dominant during his platform season, yet received a salary below the player's filing number of \$4.9 million. Greg Holland avoided arbitration with the Kansas City Royals by agreeing to a \$4.675 million contract for the 2014 season.¹² Although both players have very similar career statistics with Mr. Holland having only two more career saves (67 to 65), he outperformed Mr. Giles in virtually every relevant statistical category during their respective platform seasons. He recorded 13 more saves (47 to

¹² <http://legacy.baseballprospectus.com/card/57708/greg-holland>

34) with a greater save percentage (94 to 89.5) while pitching in more G (68 to 63) and IP (67 to 62.2). Mr. Holland also gave up fewer baserunners (0.91 to 1.04), H/9 (5.4 to 6.3), HR/9 (0.4 to 0.6), BB/9 (2.4 to 3.0) and recorded far more SO/9 (13.8 to 11.9). Mr. Holland was also an All-Star, finished 9th for the AL Cy Young Award and finished 15th for the AL MVP, something Mr. Giles has yet to accomplish. Given that Mr. Holland had the superior platform season, he should likewise receive a greater salary. As such, Mr. Giles' 2018 salary should be safely below \$4.725 million and closer to Hector Rondon, Kenley Jansen and his statistical twin, Cody Allen.

After taking into consideration the superior performance of Greg Holland combined with the more comparable performances of Cody Allen, Hector Rondon and Kenley Jansen who, like Mr. Giles, lacks the (1) multiple seasons as a full-time closer nor (2) the dominant platform season and overall career statistics necessary to receive a salary above the \$4.525 million midpoint; this panel should find that Mr. Giles is fairly entitled to a salary below \$4.525 million. Thus, this panel should award Mr. Giles a 2018 salary of \$4.15 million because his statistics most comparable to players how have received a salary below the \$4.3 Million midpoint.

VI. Existence of Physical or Mental Defects

The Club and Mr. Giles both acknowledge that Mr. Giles has no reported physical or mental defects and look forward to him staying healthy in the years to come.¹³

VII. Performance of the Club

The 2016 season was a huge disappointment for both the Club and the Player as the Astros finished 84-78, missing out on the playoffs for the tenth time in the last eleven years, while Mr. Giles had the worst season of his career. Thing changed in 2017 as Astros had a dominating season, finishing 101-61 en route to the first World Series Championship in franchise

¹³ <http://legacy.baseballprospectus.com/card/70641/Ken-Giles>

history.¹⁴ Although Mr. Giles played a critical role in helping the Astros reach the playoffs, we were very disappointed and surprised with how badly he struggled in the postseason. Mr. Giles gave up 12 hits and 10 runs for an 11.74 ERA in just 7.2 IP, while recording a 27.00 ERA in the World Series. Unfortunately, the Astros were left no choice but to remove Mr. Giles from the closer's role and sat him in Games 5, 6 and 7 of the World Series. While the Astros sincerely hope Mr. Giles turns things around in 2018, the Astros must seriously consider whether an upgrade at the closer position is warranted as the Club will be heavy favorites for the 2018 World Series and cannot afford a repeat performance from Mr. Giles.

VIII. Conclusion

In his major league career, Mr. Giles has demonstrated that he possesses the ability to be an effective closer. However, when judged against comparable first year arbitration eligible relievers in Cody Allen, Kenley Jansen, and Hector Rondon Mr. Giles lacks the (1) multiple seasons as a full-time closer nor (2) the dominant platform season and overall career statistics necessary to receive a salary above the \$4.525 million midpoint. Moreover, a comparison to his statistical twin Cody Allen, suggests that the Club's filing number of \$4.15 million is most commensurate to Mr. Giles' true level of performance over his platform season and career-to-date. Additionally, Mr. Holland should serve as the absolute ceiling for Mr. Giles as despite being barely above the midpoint, Mr. Holland had an unarguably superior platform season with elite statistics and league leading save totals. Based on the evidence provided in this brief and in oral argument, the Houston Astros respectfully requests that this panel find the Club's filing of \$4.15 million to be a more accurate reflection of his present value than the Player's filing of \$4.9 million and that his proper valuation is below the \$4.525 million midpoint.

¹⁴ <https://www.baseball-reference.com/teams/HOU/>