



to pass on to you. Aside from being funny, it's somewhat relevant to today's topic.

...ves. But now Sam is dying, and Moe dutifully visits him every day in the ... lives and we played minor league ball together for many years. Please do me one ... f there's baseball up there."

... best friend for years. If it's at all possible, I'll certainly do this favor for you."

Shortly afterward, Sam passes on. A couple of nights later, Moe is awakened from a sound sleep by a blinding flash of white light, and a voice calling out to him. "Moe, Moe!"

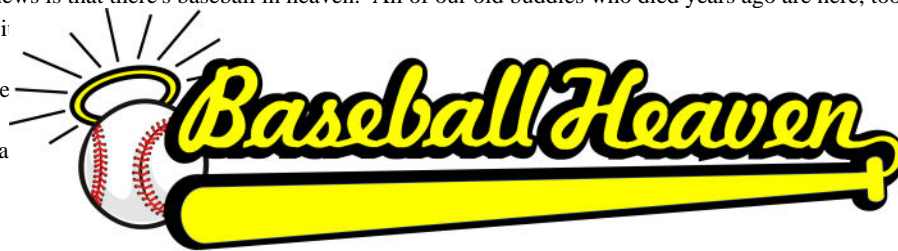
"Who is it?" asks Moe, sitting up. "It's me, Sam." "Sam, oh my God, where are you?" "I'm in heaven", says Sam. "And I have some really good news, and a little bad news."

"Holy smokes! Tell me the good news first," says Moe.

Sam says, "OK, the good news is that there's baseball in heaven. All of our old buddies who died years ago are here, too. Better than that, we're all young and spry again, and i ... nt, and we never get tired!"

"That's fantastic," says Moe

"Moe, my old friend, the ba



OK, so it's spring, and in the spring a young man's thoughts turn to ... baseball, of course! The 2009 major league season begins in just a few days. But this is a financial newsletter and so today I'm not going to just talk baseball. (Which, as my wife can attest, would be easy for me to do.) But I want to talk about the economics of recession-era value, and in particular as it relates to sports.

I read last week that the National Basketball Association (NBA) is borrowing \$175 million, and making it immediately available to bail out 15 teams in the league that are facing large operating losses. The Orlando Magic team says it has been losing \$15 million to \$20 million annually and now needs a "bridge loan" to survive. Hmmm, who does that remind you of ... GM ... or a couple of large U.S. banks?

It's not surprising to hear that several major league baseball clubs are also struggling. The huge salaries demanded by athletes and their agents have increased astronomically over the last 20 years, but ticket prices can only go up so much before Joe Average decides that he'd rather stay home and watch the game on television. The Detroit Free Press just reported that season ticket holders have declined from 27,000 in 2008, to only 15,000 for the 2009 season that begins next week. Given the horrible economic climate that exists in Michigan right now, this should not come as news to anyone. Who can justify taking the family out to a ball game when you're laid off?

But larger, more-successful markets are not immune to the same troubles. The New York Yankees, who just built a new \$1.3 billion stadium, are having a lot of trouble selling their \$2,500 premium box seats and \$1,000 luxury suites. Corporations are tightening the belts, and these seats are unaffordable to the ordinary citizen. So, they are going unsold. In fact, the Yankees had to hire a prominent Manhattan residential real estate brokerage to sell many of these high-priced seats for them!

But hey, for your \$2,500, you get a seat behind home plate, waiter services, free parking, free food and access to three private clubs. Now, I don't know what goes on in those private clubs, but the rest of those perks will probably save you at best \$50, which really isn't very much. Nice trade-off for a \$2,500 seat. Cincinnati Reds ball club is to be commended for astutely announcing the return of the \$5 single-game ticket, along with value-