2010 WL 4456984
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United States District Court,
S.D. New York.

Jordan WOLF, Plaintiff,
v.
RAWLINGS SPORTING GOODS COMPANY, INC., Office of the Commissioner Of Baseball, Major League Baseball Enterprises, Inc., Major League Baseball Properties, Inc., Baltimore Orioles Limited Partnership, Baltimore Orioles, Inc., Delmarva Shorebirds, 7th Inning Stretch, LLC, National Association of Professional Baseball Leagues, Minor League Baseball, Minor League Baseball formerly known as National Association of Professional Baseball Leagues, Inc. and South Atlantic League, Defendants.

No. 10 Civ. 3713(JSR).
|
Oct. 26, 2010.

MEMORANDUM ORDER

JED S. RAKOFF, District Judge.

***1** On June 15, 2010, plaintiff Jordan Wolf filed an Amended Complaint against defendants the Office of the Commissioner of Baseball, Major League Baseball Enterprises, Inc., and Major League Baseball Properties, Inc. (collectively, the "MLB Defendants"); Rawlings Sporting Goods Company ("Rawlings"); and the National Association of Professional Baseball Leagues (the "NAPBL"), Minor League Baseball, and Minor League Baseball formerly known as the National Association of Professional Baseball Leagues, Inc. (the latter two referred to collectively as "Minor League Baseball"). [1] The Amended Complaint alleged that on April 5, 2008, plaintiff was struck by a pitch while playing for the Delmarva Shorebirds, a minor-league team affiliated with the Baltimore Orioles baseball club. Am. Compl. ¶ 107. Although plaintiff was wearing a helmet manufactured by defendant Rawlings Sporting Goods Company, the helmet, he alleges, was only designed to protect against pitches of 60 miles per hour or less, and, as a result, his skull was fractured. *Id.* ¶¶ 113–14. Alleging that each of the defendants was, in one way or another, legally responsible for this defect, the Amended Complaint seeks damages from the various defendants on the basis of claims of strict products liability, negligence, breach of warranty, and the like.

Following an initial scheduling conference and the start of discovery, the MLB Defendants, Rawlings, the NAPBL, and Minor League Baseball each filed separate motions to compel arbitration on September 3, 2010. Following written submissions from all parties, the Court heard oral argument on the motions on September 27, 2010, following which the Court requested supplemental briefing, which has now been received. After careful consideration, the Court hereby grants defendants' motions to compel arbitration.

The Federal Arbitration Act provides that "[a] written provision in ... a contract ... to settle by arbitration a controversy thereafter arising out of such contract ... shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract." 9 U.S.C. § 2. If the court reviewing the contract is "satisfied that the making of the agreement for arbitration or the failure to comply therewith is not in issue, the court shall make an order directing the parties to proceed to arbitration in accordance with the terms of the agreement." 9 U.S.C. § 4. In making this determination, the court must consider whether the parties agreed to arbitrate, and, if so, whether the scope of that agreement encompasses the asserted claims. *See Progressive Casualty Ins. Co. v. C.A. Reaseguradora Nacional de Venezuela,* 991 F.2d 42, 45 (2d Cir.1993).

In this case, plaintiff Jordan Wolf and the Baltimore Orioles Limited Partnership signed the "Minor League Uniform Player Contract" on June 12, 2007. Section III of the contract contains an incorporation clause that reads as follows: "The Major Leagues have jointly subscribed to the Major League Agreement (MLA) and the Major League Rules (MLR). The parties agree that they and this Minor League Uniform Player Contract are therefore subject to and governed by the MLA and MLR, which are fully incorporated in this Minor League Uniform Player Contract as if set forth herein verbatim ." Accordingly, plaintiff is bound by the terms of the

Major League Agreement, currently titled the "Major League Constitution" ("MLC").

***2** Article VI, Sec. 1 of the MLC provides that "[a]ll disputes and controversies related in any way to professional baseball between Clubs or between a Club(s) and any Major League Baseball entity(ies) (including in each case, without limitation, their owners, directors, employees and players), ... shall be submitted to the Commissioner, as arbitrator, who, after hearing, shall have the sole and exclusive right to decide such disputes and controversies and whose decision shall be final and unappealable." Plaintiff contends he is not bound by the terms of this arbitration provision because it governs only disputes between a "Club" on the one hand and the "Major League Baseball entity(ies)" on the other. In other words, under Plaintiff's interpretation of the clause, the parenthetical "(including ... players)" modifies only the term "Major League Baseball entity(ies)," so that it would not cover a dispute between a player and "Major League Baseball entity(ies)."

The Court rejects this narrow reading of the arbitration provision. A logical reading of the clause dictates that the opening words in the parentheses, "including in each case," must refer to each of the cases previously identified, including, e.g., disputes "between Clubs." Accordingly, the word "their" modifies the words "Clubs," "Club(s)," and "Major League Baseball entity(ies)." Any other interpretation would render the phrase "including in each case" mere surplusage, and it is a well established cannon of construction that a court should not construe a provision so as to render a word or phrase inoperative. *Bell v. Reno,* 218 F.3d 86, 91 (2d Cir.2000). Moreover, it would be nonsensical to conclude that the word "their" modifies only "Major League Baseball entity(ies)" because the Major League Baseball entities do not employ players-only the Clubs do. The clause "without limitation" supports this reading, as it seems intended to emphasize the broad scope of the parenthetical. Thus, the arbitration provision applies, *inter alia,* to disputes between a Club's players on the one hand and the MLB entities on the other.

Although the plain language of the clause mandates this result, it is also worth noting that this interpretation accords with the stated intention of the parties to the contract to submit "all disputes and controversies related in any way to professional baseball" to arbitration. The scope of the provision is exceedingly broad, and it clearly intends to encompass all disputes between all relevant parties.

Accordingly, the Court concludes that plaintiff and the MLB Defendants agreed to arbitrate their disagreements, and that the broad scope of their agreement encompasses the asserted claims. The Court therefore compels plaintiff to submit his dispute with the MLB Defendants to arbitration.

The Court reaches the same conclusion with respect to the other defendants in this case. Although Rawlings, the NAPBL, and Minor League Baseball are not signatories to plaintiff's Minor League Uniform Player Contract or expressly included within the Major League Constitution,[2] they may nevertheless compel arbitration under the equitable principles of estoppel because plaintiff's disputes with these defendants are intertwined with plaintiff's contract. *See Ragone v. Atlantic Video,* 595 F.3d 115, 126–27 (2d Cir.2010) ("Under principles of estoppel, a non-signatory to an arbitration agreement may compel a signatory to that agreement to arbitrate a dispute where a careful review of the relationship among the parties, the contracts they signed, and the issues that had arisen among them discloses that the issues the nonsignatory is seeking to resolve in arbitration are intertwined with the agreement that the estopped party has signed.") (internal quotation marks, citations, and ellipses omitted).

***3** In this case, it is abundantly clear that the arbitration between plaintiff and the MLB Defendants should also include the NAPBL and Minor League Baseball. The Court also concludes that plaintiff must arbitrate his claims against Rawlings because the factual issues in contention are intertwined and because the Amended Complaint itself asserts related claims against Rawlings and the MLB Defendants. *See JLM Industries, Inc. v. Stolt–Nielsen,* 387 F.3d 163, 178 n. 7 (2d Cir.2004). Having alleged that defendants are jointly and severally liable for plaintiff's injuries, *see* Am. Comp. ¶ 81, and that plaintiff is a third-party beneficiary of the contract between Rawlings and Major League Baseball Enterprises, Inc., *see* Am. Comp. ¶¶ 403–12, plaintiff cannot now argue that defendants lack the requisite close relationship or that plaintiffs' claims against the MLB Defendants are not connected to those against Rawlings. *See Penney v. BDO Seidman, L.L.P.,* 412 F.3d 58, 70–71 (2d Cir.2005).

Although the MLB Defendants submit additional arguments as to why the Court should compel plaintiff to submit to arbitration, the Court declines to consider these arguments as

it finds that the terms of the Major League Constitution are sufficient.

Accordingly, the Court hereby orders plaintiff Jordan Wolf to submit his claims against all defendants to arbitration. The Clerk of the Court is directed to close all open motions in this case and place the case on the Court's suspense calendar pending conclusion of any arbitration. Finally, the parties are directed to notify the Court every three months, beginning February 1, 2011, of the status of that arbitration, by sending the Court a written status update.

SO ORDERED.

All Citations

Not Reported in F.Supp.2d, 2010 WL 4456984

Footnotes

1 The Amended Complaint also named as defendants the Baltimore Orioles Limited Partnership, Baltimore Orioles, Inc., Delmarva Shorebirds, and the 7th Inning Stretch, Inc. (collectively, the “Orioles entities”); and the South Atlantic League. However, the plaintiff voluntarily discontinued his action against these defendants in July, 2010.

2 The Minor League Uniform Player Contract does incorporate, however, the Professional Baseball Agreement (PBA), the parties to which include the National Association and its Leagues. While a separate argument can be made that the terms of the PBA require plaintiff to arbitrate his claims with the NAPBL and Minor League Baseball, the Court need not reach this argument as it finds that plaintiff is estopped from refusing to submit to arbitration his claims against these defendants.