IN THE MATTER OF A SALARY ARBITRATION PURSUANT TO THE NATIONAL HOCKEY LEAGUE COLLECTIVE BARGAINING AGREMEENT

BETWEEN:

CHRIS STEWART

-AND-

THE ST. LOUIS BLUES

BRIEF IN SUPPORT OF THE ST. LOUIS BLUES



TEAM 5

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I. INTRODUCTION & OVERVIEW

- This is a matter of salary compensation arbitration between Chris Stewart ("Stewart" or "the Player") and the St. Louis Blues ("the Blues" or "the Club") pursuant to Article 12 of the 2013 Collective Bargaining Agreement (the "CBA") between the National Hockey League ("NHL") and National Hockey League Players' Association (the "NHLPA").
- [2] There was debate about potential trades for Stewart around the 2013 NHL Trade Deadline¹. The Player had the opportunity to seek offers from other NHL franchises notwithstanding receiving a Qualifying Offer from the Blues on July 2nd, 2013². The Player subsequently elected to file for salary arbitration with the Blues organization³, pursuant to his right under Article 12.2 of the CBA.

A. CLUB POSITION

[3] Based on the Player's production during the 2012-13 season, performance over the course of his career and additional considerations, appropriate compensation is less than \$4,125,000. While Chris Stewart is an important asset to the Blues organization, assessing the Player's performance in comparison to NHL peers and considering non-performance based intangibles, it will be demonstrated that \$4,125,000 is above his NHL market value. After weighing the assets and liabilities of a player of Stewart's calibre, and comparing him to appropriate NHL peers, the club considers appropriate compensation to be in the neighbourhood of \$3.85M to \$4.0M.

¹ See http://bleacherreport.com/articles/1577843-nhl-trade-rumors-3-teams-that-should-look-at-adding-chris-stewart-at-the-trade; and see http://www.truehockey.com/articles/Blues-QuandrySign-or-Trade-Chris-Stewart.

² See http://forecaster.thehockeynews.com/hockeynews/hockey/player.php?5722.

³ See http://www.tsn.ca/nhl/story/?id=427445.

B. CHRIS STEWART

- [4] After playing three seasons for the Kingston Frontenacs of the Ontario Hockey League (OHL) serving as captain in his final season⁴ Stewart was drafted by the Colorado Avalanche with the 18th pick in the first round of the 2006 NHL Entry Draft⁵. He joined the Blues on February 2nd, 2011 as part of a trade with the Colorado Avalanche. The Blues acquired Stewart, along with Kevin Shattenkirk and a conditional second-round draft pick in return for former first overall pick Erik Johnson, Jay McClement and a conditional first-round pick.
- [5] Chris Stewart is a physical and well-rounded NHL player. He is recognized as a big and strong winger who plays a physical game⁶. As a physical player, it is strong offensive instincts, a good shot, and strong skating abilities⁷ which result in him being a well-rounded player. The Club concedes he is an important piece of the franchise's on-ice product.
- [6] While there is upside to Stewart's game, he also has limitations which require consideration. The first and primary drawback is a lack of consistency. *The Hockey News*, a respected analytical source in the hockey world, provide commentary about this downside. An online scouting report states: "[c]onsistency continues to escape him, which he needs in order to hit the next level of his development." The lack of consistency has been noted by Blues General Manager Doug Armstrong. Armstrong stated, "Last year, the point total was at the top of our team, but there's maybe bigger ebbs and flows within the season." Second, Stewart must develop his ability to play the game without the puck and strengthen his defensive zone play. 10

⁴ See http://www.eliteprospects.com/player.php?player=10442.

⁵ See http://forecaster.thehockeynews.com/hockeynews/hockey/player.php?5722.

⁶ http://www.eliteprospects.com/player.php?player=10442.

 $^{^{7}}$ Ibid.

⁸ See http://forecaster.thehockeynews.com/hockeynews/hockey/player.php?5722.

⁹ National Hockey League. 2013. "Blues Agree to two-year deal with Stewart". [Online]: http://blues.nhl.com/

2. SELECTION OF COMPARABLE PLAYERS

- In order to properly assess the value of Chris Stewart in the NHL marketplace, it is necessary to evaluate his performance in the league with comparable players. The most relevant criteria to determining a comparable are: age, NHL experience, career and platform year performance, and a player's role on their respective teams. These are the most evaluative factors because they provide scope for assessment and evaluate players based on a similar timeframe. Selecting players according to this criteria narrows the pool of candidate comparables. Players selected according to this criteria will be used throughout subsequent sections to assess the relative value of Stewart in the NHL market.
- [8] The Club will use three comparable players throughout the remainder of the brief. These players are: Nikolai Kulemin, LW, Toronto Maple Leafs; Sam Gagner, C, Edmonton Oilers; and David Perron, LW. These players are close comparables to Chris Stewart, and satisfy the requirements for arbitration eligibility as per the Offical HACC Rules and Article 12 of the CBA.
- [9] Prior to being awarded a two-year \$2.8 million (AAV¹¹) contract after the 2011-12 season, Nikolai Kulemin had four years of NHL experience with the Maple Leafs. At 6'1", 225 pounds, Kulemin's build is similar to the 6'2", 235 pound frame of Chris Stewart. Kulemin is one year older, and was selected in the 2nd round of the 2006 NHL Entry Draft. Prior to coming to North America to play in the NHL, Kulemin had played several seasons with Metallurg in the elite Russian KHL¹².

club/news.htm?id=678464

¹⁰ Supra note 8.

¹¹ Average Annual Value.

¹² For Kulemin's experience, see http://mapleleafs.nhl.com/club/player.htm?id=8473579; and for the team's existence see http://en.wikipedia.org/wiki/Metallurg_Magnitogorsk.

- [10] Sam Gagner, one year younger than Stewart, went to salary arbitration with the Oilers after both the 2011-12 and 2012-13 seasons. Gagner entered the league in the 2007-08 season after being drafted 6th overall by the Oilers in the 2007 Draft. Like Stewart, Gagner is an important offensive contributor on his team. After playing five years in the league, Gagner was received a \$3.2M one-year contract after filing for salary arbitration following the 2011-12 season. During the past off-season, Gagner elected salary arbitration again and reached an agreement with the Oilers on a three-year deal with an AAV of \$4.8M. This brief will compare the players considering both of these contracts.
- [11] The final comparable player for the analytical purposes of this brief is David Perron. Following the 2011-12 season, Perron elected for salary arbitration and eventually agreed to a four-year contract with an AAV of \$3,812,500 with the Blues. While this contract is longer than the accepted two-year maximum preferred for comparable player analysis, there are persuasive reasons why this should not diminish the analytical comparison between the two players. David Perron's arbitration was after the 2011-12 seasons, when he had five years of NHL experience, had played 292 games, and was 24 years old. This is comparable to Stewart's five years' experience, 320 games and 25 years old.

3. PLATFORM YEAR PERFORMANCE

[12] The 2012-2013 season, the "Platform Year" for the purposes of the Player's salary arbitration, was arguably the best to-date of Stewart's career. During the 2012-13 Season, Stewart led the Blues in both goals – finding the back of the net 18 times – and adding 18 assists to also lead the team in scoring with 36 points. While last season was the Player's best NHL campaign to date, the shortened season does not provide a realistic indication of performance in a full-length NHL season.

Table 1: Chris Stewart v Comparable Players Platform Season Statistics¹³

Player	Year	GP	G	A	PTS	PPG	+/-
Stewart	2012-13	48	18	18	36	0.750	0
Gagner	2011-12	75	18	29	47	0.627	5
Gagner	2012-13	48	14	24	38	0.792	-6
Perron	2011-12	57	21	21	42	0.737	19
Kulemin	2011-12	70	7	21	28	0.400	2

[13] Chris Stewart's platform year performance in terms of points per game (PPG) was more impressive than comparable players with the exception of Gagner's performance during the 2012-13 campaign. Compared to Stewart's yearly +/- results, the Platform Year was successful. Perron had a significantly better +/-, which is evidence Stewart must improve defensively.

4. CAREER PERFORMANCE

[14] As has been mentioned previously, the largest shortcoming of Stewart's game is his consistency. This can be demonstrated by his PPG production over the course of his career.

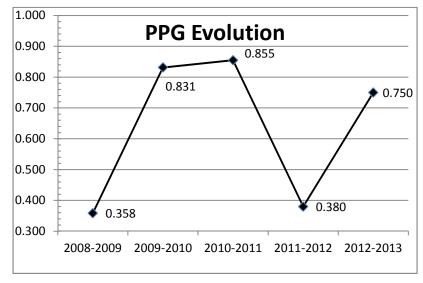


Figure 1: The Player's Year-by-year PPG Production

Figure 1 shows the stark movements in the Player's yearly offensive production.

The 2011-12 season was

Stewart's worst since entering the league. While 2012-13 was strong, he has not returned to top production of 2010-11.

¹³ Statistics sourced from: http://oilers.nhl.com/club/player.htm?id=8474040 (Gagner); http://blues.nhl.com/club/player.htm?id=8474102 (Stewart);

[15] Since the Player's Platform year was a shortened season due to the lockout, career numbers of the comparable players provide a more well-rounded view of performance in the NHL. Returning to the general theme of inconsistency, figure 2 below shows that Gagner is a much more consistent scorer. Gagner's PPG has been trending upward or remaining relatively constant in every season except his sophomore year. Stewart's performance has been marked by drastic shifts up and down. Perron has also been more consistent than Stewart.

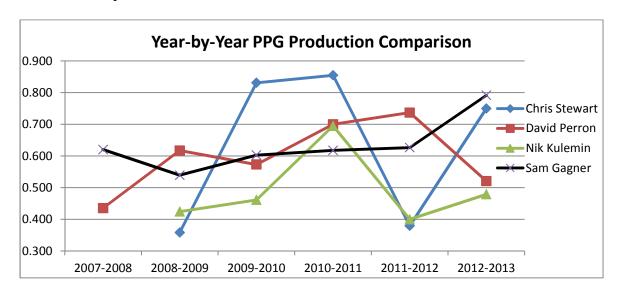


Figure 2: Year-by-year PPG Comparison of Stewart to Comparable Players

[16] Continuing with analysis of PPG, Figure 3 shows Stewart is only marginally more productive than Gagner was prior to reaching an agreement for \$3.2M AAV. This is also true of a comparison to Perron's PPG measurement after the 2011-12 season prior to signing his contract for \$3.8125M AAV. Table 2 below shows Stewart is the most prolific goal scorer amongst the group of comparable players, but Gagner is a demonstrated playmaker.

Table 2: Career Statistics Prior to Salary Arbitration

Player	Year	GP	G	A	PTS
Stewart	2012-13	319	100	102	202
Gagner	2011-12	366	77	143	220
Perron	2011-12	292	74	99	173
Kulemin	2011-12	305	68	86	154

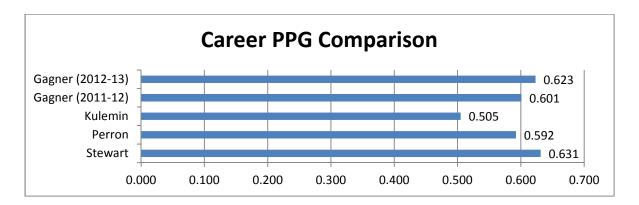


Figure 3: Career PPG Comparison of Stewart to Comparable Players

5. ADDITIONAL CONSIDERATIONS

[17] There are two additional considerations which warrant comment. First, Stewart has not been a strong playoff performer. The playoffs are a time when teams need their best players to play at the top of their game. Since entering the league, Stewart has been to the playoffs once with the Avalanche and twice with the Blues. In 19 playoff games Stewart has scored 5 goals and added one assist to tally 6 points. However, 3 of these goals came with the Avalanche in the 2009-10 playoffs. During the 2010-11 plays will the Blues, Stewart added 2 goals and didn't produce an assist. Last season was unfortunate for the Club, as a player the team looks to for goals didn't score once during the playoffs. 15

The second point worth mentioning is Stewart's short experience with the Blues organization. Of his 319 NHL games, Stewart has played 153 – less than half – with the Blues. While the Club believes Stewart needs to play well in order for the team to be good, the team needs additional evidence of Stewart's ability to perform. Since joining the team halfway through the 2010-11 season, Stewart has had one weak season followed by an exceptional one.

¹⁴ Supra note 9, see General Manager Doug Armstrong's comments.

¹⁵ Supra note 13.

6. CONCLUSION

[19] Analysts have stated Chris Stewart is an inconsistent but talented power forward with a little upside 16. The Blues organization considers Stewart to have significant upside, and the team values his offensive production along with the physicality he brings to the game. The Player is talented and has a proven ability to produce offensively. However, the 2011-12 campaign was the Player's worst season to date. The PPG from that season alone justifies this conclusion. Stewart made significant adjustments to his physical well-being to be prepared for the 2012-13 season. These improvements paid off, as the Player had his best professional season to date and led the team in scoring. Notwithstanding an impressive season that saw him led the team, inconsistencies remain.

[20] These considerations justify reducing compensation. It has yet to be seen if the Player can produce at his Platform Year rate over the course of an 82-game season. To reach the top tier of players in this league, Stewart must become more consistent. In addition to improving consistency during the regular season, Stewart must demonstrate an ability to produce for the Club during the post-season.

[21] While Stewart is more offensively productive than Perron or Kulemin, he does not produce as consistently as Gagner. While a salary of Kulemin's \$2.8M may be low for Stewart, a salary in the neighbourhood of Gagner's \$4.8M AAV contract cannot yet be justified. Stewart is more productive than Perron, and brings an added dimension of power and strength, justifying a salary greater than Perron's \$3.8M AAV agreement. All things considered, fair compensation for the Player at Hand is no greater than \$4,000,000.

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¹⁶ Supra note 8.