

## WEST MICHIGAN WHITECAPS

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HIGH A AFFILIATE





Chairman Jack, Ranking Member Scholten, and members of the subcommittee, I am honored to be before you today to share my story and, most importantly, to talk some baseball. This was certainly an exciting, albeit unexpected, invite. When I shared the news with my wife Dana, she wanted me to make sure they had the right guy.

My name is Joe Chamberlin, and I am the CEO and Managing Partner of two baseball franchises that call the great state of Michigan home. The West Michigan Whitecaps, located just north of Grand Rapids, are the High-A Minor League affiliate of the Detroit Tigers. The Traverse City Pit Spitters are a collegiate wooden bat league team playing in the Northwoods League. Both Traverse City and West Michigan are incredible communities and incredible sports markets. I am, of course, biased—both teams represent the best version of what a franchise can achieve at each level of play.

For me, baseball has become the family business. The Whitecaps were founded by my dad, Lew Chamberlin, and his business partner, Denny Baxter, in 1994. Lew was the quintessential entrepreneur; he believed that West Michigan could support a professional baseball club—and he believed it long before most others did. With the help of many along the way, he spent the better part of ten years on a journey to make that dream a reality for his West Michigan community. That day came in 1994 when the Whitecaps played their first home game, and, in many ways, the rest was history. Out of the gate, the Whitecaps broke every single-A attendance record that existed in Minor League Baseball, consistently drawing over 500,000 fans a year. We were named the MiLB franchise of the decade in the 1990s and have long been viewed as one of the premier markets and franchises in our industry.

Because of our entrepreneurial origin story, we have always operated a little differently than most teams. Lew was the "idea guy," not the "capital guy." Based on a strong business plan and proven success in another market, he formed a partnership and raised the capital needed to purchase a team and build our ballpark. Because of that history, we own our privately funded stadium—and can proudly say that no taxpayer dollars were used for its construction in 1994 or for upkeep since. It is unique for a club to be actively run by its entrepreneurial founding family rather than being held as part of a larger portfolio. As such, we have always been incredibly hands-on owner-operators who run our clubs as our primary business and require that they perform profitably every season. For us, the Whitecaps and the Pit Spitters are not part of our portfolio—they are the portfolio—and we have always taken pride in being sports owners who remain actively involved at every level of their success.

The success of the Whitecaps in the early nineties proved that our community could support professional sports teams and vibrant stadiums. In the years following our inaugural season, Grand Rapids has been lucky to see other teams and amenities added to our city's roster. Today, Grand Rapids is home to an AHL hockey team, a G League basketball team, a professional volleyball franchise, and, debuting in 2026, a professional soccer club. The collective impact of these teams saw Grand Rapids recognized as the best minor league sports market in the country in 2019. We are extremely proud that the Whitecaps proved the thesis that sports-centric infrastructure investment and economic development work in West Michigan

To this day, both the Whitecaps and the Pit Spitters are hyper-local, small- to medium-sized companies that have an incredibly symbiotic relationship with their communities. If you want a barometer of the health of a community's small businesses, look no further than its stadiums. Our outfield walls and sponsorship inventory are filled with small business advertising—showcasing the great work their companies do. Our hospitality areas are filled with businesses entertaining employees and families. The Whitecaps take pride in selling more corporate group tickets than any other team in Minor League Baseball. On game days, our stadiums are full of local employees of all ages earning competitive wages. Our organizations employ over 1,000 seasonal staff members between the Whitecaps and the Pit Spitters each summer, in addition to our 65 full-time front-office staff members. And, where do we spend the majority of our significant expense budgets? In large part, right in our own backyards—with local companies. We estimate the local economic impact of the Pit Spitters and Turtle Creek Stadium exceeds \$10 million each year, while the Whitecaps and LMCU Ballpark contribute over \$40 million annually.

While there has been a lot of success, as all of you know, running a small business is hard, and our industry has felt that pressure over the last five years. During the pandemic, we lost our entire baseball season and went over 18 months without generating revenue. Shortly after, our industry experienced significant contraction and governance changes. Although specific policy issues are not on my agenda today, I do think it's worth sharing a few observations. First, uncertainty is the enemy of nearly every small business out there. To the extent that legislators at both the state and federal levels can steer a steady ship—allowing businesses like mine to have predictable inputs and consistent regulatory environments—I can assure you that people like me will thank you and work hard every day to create more jobs, invest in communities, and spur economic development.

On the topic of economic development, which I am working very hard on at the state level, I think it's also important to recognize how truly transformational a sports team can be for its community when done right. As opportunities arise, please continue to consider practical and pragmatic policies and programs that help keep Minor League Baseball teams thriving across the country. The returns on those kinds of initiatives are significant in many ways.

In closing, I want to thank the committee for this opportunity and for highlighting our incredible industry. As a family business owner, I tend to take the long-term view and seek sustainability. That philosophy has served us very well in an industry with such a rich history—one that has proven for generations to be one of the best forms of affordable, family-friendly entertainment out there. Who knows if either of my sons, Crawford and Becker, will ever have an interest in this wonderful world of Minor League Baseball, but my job is to ensure these franchises remain vibrant for the next generation of Whitecaps and Pit Spitters fans—and that we keep all the fun Minor League Baseball can offer thriving in our communities for decades to come.

JOE CHAMBERLIN

CEO & Managing Partner

West Michigan Whitecaps and Traverse City Pit Spitters

