Erik Averill:

Welcome to the MLB Draft Podcast. I'm your host Erik Averill, co-founder of AWM Capital, and I am joined today by my co-host, former Major league pitcher, certified private wealth advisor, Travis Chick. And here at AWM, the reason we have created the MLB Draft Podcast is to provide you with a proven path on how to successfully navigate the upcoming draft season. Here at AWM, we really define success two ways. First and foremost is we want to help you become the best Major League player that you can possibly be. That is always our primary focus is, how do we support you to have the greatest amount of success on the field?

But secondly is that, if you are successful and become the best Major League Baseball player possible is that there is a huge financial outcome as a result of that. And we really want to make sure that you are maximizing every opportunity you can when it comes to your finances.

Travis Chick:

That's a great point. Let's talk about what's at stake here. So the reality is, we all know that as competitors, when we get drafted, we all think that we're going to be the next Mike Trout, the next Aaron Judge, the next great one, so there's a lot at stake. The reality is, once you become a first round draft pick, we all want to reach that next step of being able to achieve financial success, which is known as arbitration.

The reality is, only about 38% of those players actually reach arbitration. The other thing, the one that scares us the most and the one that creating this financial plan is probably most important of, is Major League Baseball players are about four times more likely to actually have bankruptcy. And that's a very scary statistic. So, when we start going through this financial planning process with players, the reality is, they want to know, well, why us? So, Erik, why us?

Erik Averill:

Yeah. And I think you bring on a really good point, is that, the default is actually not success. It's not just getting drafted that guarantees that you're going to have a successful outcome, first, as a player, and then even second, from a financial standpoint. The default is actually failure. That's why we've created this draft podcast, is to make sure that we can provide that proven path.

And the reason we can say proven path is, first and foremost, we've sat in your shoes. We are former professional athletes, former professional baseball players that have had a little success and not a lot of success. We have Travis who's pitched in the Major Leagues, and a few of us that have played Minor League baseball, but we've traveled this path and we know the decisions that you are going to face, from a very personal standpoint.

And then second, is from a professional standpoint. For the past, over a decade, we've been helping the best players in baseball navigate this process. Over the last five years, we've had 25 plus first round draft picks, including the first overall pick multiple times, and what we would say is the highest paid player, after tax, multiple times.

And so just from our own experience, walking the path, but really from our expertise and from the experience on the professional side of helping to lead the players through the draft process, but even more importantly than the draft process, it's really looking that we've helped families and continue to help families at the Major League level. We work with actively just north of about a hundred professional athletes, and that ranges from the first overall pick to arbitration to signing the hundred million plus deals, and actually into retirement.

We have clients that are now pulling on their MLB pension, so what we like to say is, ultimately, you want to listen to somebody who not only maybe has walked in your shoes, but has the professional experience to answer all of the questions that you don't even know are coming down the pike. We're excited to be here to provide this pathway, because when we went through the process ... This is the one thing you still can't Google, right? You put your fingers into the search function and you type in, how to successfully navigate the draft, you are not getting an authoritative answer on that question. There's lots of opinions, and that's why I think we're best positioned to really help families walk through this process.

Travis Chick:

You spoke quite a bit about the financial side of this, and the reality is, we'll get into this quite a bit in the next few podcasts, but one of the things that I had to learn early on as a baseball player was that, when I was playing high school baseball, baseball was a game. The minute I put my name on a piece of paper the same way you did, it became a business. What we hope to do is kind of bring context into what this business is. In 2021, the reality is baseball was an $11 billion industry. That's a really, really big number. $11 billion dollars.

Erik Averill:

It's staggering. And I think one of the things, as an amateur athlete that we're going to talk a lot about in this next podcast, is you're already a part of this business, even though you are still in the amateur ranks, is the industry in which you exist at an amateur, is still very financially-driven, and it's why the draft exists. As Travis mentioned, on the next podcast, we're going to go into what exactly is the business of baseball? And so, hopefully, this first episode has been helpful to you, and until next time, stay humble, make an impact, and always be a pro.