Travis Chick:

Hey everybody. Welcome back to the MLB Draft Podcast. I'm your host, former major league pitcher and certified private wealth advisor, Travis Chick and I'm joined today with my co-host, certified financial planner and attorney, Will McGuffey. Will, welcome aboard.

Will McGuffey:

Appreciate it Travis. Glad to be here.

Travis Chick:

Yeah, thanks. Today we're going to talk about what does this decision actually mean? Why should we actually sign? So Will, I'm going to let you start. As a former agent, this is something you experienced a ton of. So how did you help walk guys through this decision?

Will McGuffey:

Well, it's a different process for every single player and every family. There's a lot that goes into this decision that's personal to you, and the biggest thing is being prepared, understanding the questions you should ask, taking emotion out of the actual decision on that date. And I'm kind of glad to be sitting here with you. So as somebody who was a former high school draft pick and major league baseball player, what was that experience like for you?

Travis Chick:

Yeah. There was a lot of decisions that had to go into really deciding whether I wanted to become a professional athlete or whether I wanted to go on to college. Growing up in White House High School, White House Texas, there wasn't a lot of people for me to lean on from a decision-making standpoint. So unfortunately for me, becoming a pro was all I ever wanted to do, and it was the only solution for me to be able to start that career. So once I signed and went off to Jupiter, Florida to start my career, it was a really fun experience for me, but it was very difficult for me to be mentally prepared for that.

Will McGuffey:

What went into your decision-making process as far as, how did you make that decision to say, yes, I am ready to be a professional baseball player?

Travis Chick:

I definitely leaned on my parents. The reality is, it's always a financial decision, and that's something that I had to learn along the way. Back then, when I signed, it wasn't really about the money. And unfortunately, like I said, I didn't really have the right pieces in place to lean on that. And so for me, it was just making sure that I was mentally prepared, I was mature enough to be able to handle moving off halfway across the country, and making sure that my parents were comfortable with it. And knowing that this was the right decision for me and my family.

Will McGuffey:

You talk about having maturity, and you also talk about moving halfway across the country. What was that actually like as a teenager? What was professional baseball... What was the experience like for you?

Travis Chick:

Yeah. Coming from a small town it's a humbling experience to walk into a clubhouse full of a bunch of giants. And I say giants in actual seriousness, because growing up in where I did, I was one of the bigger players and one of the better players on my team. And I walk into an environment where all of a sudden now everyone is like me, they're all six four or above. My roommate was six foot seven, my locker mate was six foot ten. I thought I was a fish out of water. And so, just being able to step back and say, holy cow, I'm not the best anymore, that was a very humbling experience for me.

Will McGuffey:

What was, as far as you talk about being a humbling experience, what's some information you wish you would've known going into that, to walk into that professional locker room, maybe be a little bit more comfortable, maybe more confident and prepared for that situation?

Travis Chick:

Well, I guess if I would've known that I would've been the shortest pitcher on the staff, that might've been a good first step. But just making sure that, again, going back to it, I went from being the best player in my area to probably just being the average person in that clubhouse. And I think knowing that probably players are a lot more prepared for that now, going through perfect game, All American, they see all of the best players from all over the country, so they know what they're going up against, so that's a little bit different than, what I came through. But I think if I would've known that and would've been prepared for that, it would've made that first experience probably a little less of a culture shock, fish out of water type of thing.

Will McGuffey:

Yeah. Is there something, when you talk about, hey, I'm ready to be a professional baseball player, what types of questions, if I'm a family, if I'm a player right now, what types of questions should I be asking to really understand, should I sign? What should be important to me?

Travis Chick:

Yeah. That's a great question. I think first and foremost, the decision is really should I sign and go halfway across the country to be a professional athlete? Or should I forego that and become a college athlete wherever that college that I've chosen to go to is? It may be halfway across the country, right? So there's definitely some maturity, some evolution that's going to go into that decision, whether you ultimately become a professional athlete or you go to college.

But with college, you're still under the financial protection of your mom and dad, if they're the case. Or if you go to college, you're still kind of under that guidance of a college really trying to protect you and shield you, and make sure that you're where you need to be when you need to be there. As a professional, you're expected to show up, and if you don't, that's all on you. And so making sure that if questions that I'm asking if I'm a parent, I'm looking at my son and going through this, I want to make sure that he's mature enough to be able to handle that decision. If I tell him that he has to show up at nine o'clock in the morning-

Will McGuffey:

Is he going to wake up and actually get there?

Travis Chick:

Is he going to wake up to be there and be ready to go at nine o'clock in the morning, or eight o'clock in the morning? Spring training starts pretty early. I want to make sure that he's not going to get caught up in having to have the biggest and the best of everything. With money comes responsibility. And so, I want to make sure that I've done a really good job of preparing him to be a good steward of the money that he ultimately is going to receive.

Will McGuffey:

What about, one of the biggest issues I think we see is that time management, you talk about college, it's kind of this buffer zone where a lot of things are taken care of for you, but when you get into professional baseball, how's your day structured? What does it look like? And then take it a step further, what does the off season look like, as well?

Travis Chick:

Yeah. Well, so in professional baseball, there's a lot of hurry up and wait. They tell you to be there, and then you kind of stand around and wait for your time to shine. Especially as a pitcher, for me as a starting pitcher, for the most part, I was preparing five days a week to play for one. As a position player it's quite a bit different, obviously. But the typical structure, especially during the season is, you're showing up at the field about two o'clock and you're leaving around 11 o'clock. The game's at seven, get done at ten, you shower up, eat, do your thing, train, get all that stuff taken care of and go home. And then there's training during the season. And so that's where your decision of, how do you make sure that you're prepared on a day-to-day basis to actually go out and be the best competitor that you can be?

Will McGuffey:

Do you think coming out of high school you were prepared to actually do that and step in into being a professional baseball player right away? Or is there some preparation you would've liked have had happen before that?

Travis Chick:

Yeah. I definitely would've liked to have been more prepared. In fact, I lost about 25 pounds my first professional season. Part of that was just because I'm in Florida and it's 135 degrees and 400% humidity. But then part of it too was just I wasn't physically prepared to be a professional athlete. And so, had I known the environment that I was going to get myself into, I probably would've taken a little bit more pride stepping into that and being prepared to go into that. So absolutely, there's part of that.

Will McGuffey:

What do you think as far as from the preparation standpoint, you think about what does it actually mean to become a professional baseball player from training standpoint, diet, things like that? What's really important that you think families should understand going into this?

Travis Chick:

Yeah, I think we've hit on this in several of the previous episodes. I think the biggest thing to understand is that this is a financial decision and you are now becoming the CEO of your own personal brand. And so, the people that you're surrounding yourself with, the trainers, the dieticians, the strength and conditioning coaches, maybe it's mental skills coaches, whoever those people are, the people that you're surrounding yourself to make sure that you're preparing to be the major leaguer that you hope to become.

And so that would be the first step that I think is really important of just understanding that, it is a business and that's okay, but you have to as an 18 or 21-year-old kid, have to come to terms with, you've stepped away from being a kid playing a very fun game, to now all of a sudden being a man, taking responsibility for your future.

Will McGuffey:

And you talked about the financial component and becoming a professional, what does a signing bonus actually mean? We always hear these round numbers. But for example, what does 1 million dollars mean? Can you break that down?

Travis Chick:

Yeah. It's a great question. So many times we hear the question, people say, well, if I get a million dollars I'm going to sign, or two million or three million, but they haven't really done the legwork to understand what goes into all of the pieces of the puzzle that are going to bring that back into what actually gets in my pocket. We all know, as we've hit on in several episodes in the past, taxes are a real thing, agent fees are a real thing. But then again, there's this window of opportunity that you're going to have to actually plan to not make any money between the time you sign and when you make it to the big leagues. And I say, not make any money, some of the top draft picks do have endorsement deals and things like that. A lot of that's actually, we've seen it going not away, but not really as much as it used to be.

But the reality is, let's use a million dollars, you're going to pay probably around $400,000 of taxes, 50,000 of that probably is going to go to your agent. You're going to have to probably buy a vehicle. We see, ironically enough, Ford Raptor seems to be a very common vehicle for the guys that get drafted these days. So when I back out taxes, agent fees, expenses, and then the fact that you're going to have to pay to be a minor league player for three or four years, the reality is, we're coming back into, okay, what does this million dollar bonus actually mean to me, and how is it going to impact me moving forward? And so after all of those things kind of come out, the reality is you have about $300,000 from that million dollars that you can actually use to make you a better major league player or save for your future.

Will McGuffey:

Yeah. I think a lot of times we start discussing what does that money mean to us, as far as one, it is your ability to invest in yourself, and it's your ability to stay ahead of your competition. And you are, you're competing against your teammates. But it also, it's going to be your leg up if baseball doesn't work out. And we understand, and we know that baseball doesn't work out for the vast majority of people. So when you back out all these numbers, what are you actually taking home? What are you actually able to invest? And I think one question like, should I sign? Are you going to be able to be a good financial steward? Are you going to be able to live on, if we say, hey, $30,000 a year, knowing there might be a half million dollars sitting in that account, can you actually live on that? What was that like? Or what is that thought process like, when you have money and you're 18 years old, sitting in an account? Is it easy to not spend it?

Travis Chick:

Well, money in any account is not easy to not spend. We all know that. We're all consumers, right? And we're all seeing the greatest new thing every time we turn on our phone or Instagram or whatever the case is. So I think it really drills back into, going into things with a plan. And so, if we go into the draft with this curated point of, hey, this is what I actually want to achieve, and here's the sacrifices that I may or may not be willing to give up to achieve that success, then only spending $30,000 a year or 40 or whatever that number is for you, is actually going to be very easy, because it's something that you're committing to. It's something that you're sacrificing for. And so it's not easy in this world, in this inflationary environment that we're in, to not spend more than $30,000 a year. If you have a family, it's almost impossible.

Will McGuffey:

So you're basically doing two things. You're one, going in prepared, and you're taking emotion out of the decision, because we understand that if you make an emotional decision more times than not, it's not going to be a great decision. And then also, you're almost writing up a business plan for yourself to become not just a professional baseball player, but become a long-term, major league baseball player.

Travis Chick:

Correct. Yeah again, it goes back to being the CEO of your own company. So if you're prepared, you used the term yesterday, and I love it, if you're failing to prepare, you're preparing to fail.

Will McGuffey:

Benjamin Franklin right there.

Travis Chick:

That's right. That's right. And so that's what it goes down to with when we're talking about what does this decision mean to you and your family? It's a lot of fun. Let's not back that out. Being a major league baseball player is, aside from the money, it's fun, it's a dream come true. But the reality is, it's very difficult to get there. The even harsher reality is, it's even harder to stay. And I'm prime example of, it's hard to stay. So I'm good with that. I've come to terms with it.

But that's where I love this part of our industry, is now we get to share and we get to help guys guide themselves through these situations. And I think just making sure that there is a plan, making sure that they do have the sacrifices that they're willing to make to become that major leaguer that they're going to be, is the ultimate way to help them bridge that gap from becoming a draft pick to becoming a successful major leaguer.

Will McGuffey:

Well Travis, I love the perspective that you lend to this as somebody that's sat in the shoes and sat at the table and had to make these tough decisions. Is there one last parting shot, something you want to leave with all families in regards to, what question should I ask or what should I be thinking about when I'm making the decision on whether I should sign or not?

Travis Chick:

Yeah. I think first and foremost, it's just making sure that you are prepared, but defining what success actually is for you and for your family. So if it's becoming a major leaguer, what are the steps that I need to do today to start putting me on that path to success? So don't react, don't make it emotional. It's a business and that's okay, but it's a very fun business. Just make sure you're prepared. So with that, just a reminder, stay humble, make an impact, and always be a pro.