



An ode to Bobby Bonilla (and his agent)

[Bobby Bonilla](#)¹ was a very good but not “Hall of Fame” calibre baseball player whose career took off with the Pittsburgh Pirates in the early 1990s as one of the “Killer Bs” with teammate Barry Bonds (before Bonds’ association with [Bay Area Laboratory Co-operative](#)²). Bobby ultimately had a long and productive playing career (6x All-Star, 3x Silver Slugger and won the World Series with the Florida Marlins in 1997), but perhaps what he is most notable for is his contract, or should I say contract adjustments.

Following his less-than-stellar [1999 season](#)³ with the New York Mets, management and ownership (the [Wilpon](#)⁴ family owned the Mets at the time and were invested with “financier” Bernie Madoff) were looking to move on from the 36-year-old and wanted to release him. Unfortunately, the Mets still owed Bonilla \$5.9 million even if they cut him loose, which would weigh on the team’s payroll, restrict the Mets’ ability to sign needed players and hamper their ability to compete in the National League East (where they had just finished second).

Bonilla was evidently not hard up for cash at that moment (he continued playing for two more seasons, albeit at diminished salary, but had made more than [\\$50 million](#)⁵ to that point) and his agent negotiated a deal: Bonilla would defer any payment until 2011, at which point the Mets would cut him a cheque for \$1,193,248.20 every July 1 until 2035.

The math underpinning this decision — shown in an appendix in Bonilla’s contract (which [sold at auction for \\$180,000 in 2022](#)⁶) — assumed that the Mets could earn 8% on the \$5.9 million owed for 11 years before making the first payment and continue to see returns on the endowment out to 2035, such that the cumulative nominal \$29.8 million payout (\$1,193,248.20 x 25 years) was fully offset.

¹ Sports Reference, Baseball Reference, Players, *Bobby Bonilla*, <https://www.baseball-reference.com/players/b/bonilbo01.shtml>

² Wikipedia, *BALCO (Bay Area Laboratory Co-operative) scandal*, https://en.wikipedia.org/wiki/BALCO_scandal

³ Sports Reference, Baseball Reference, *1999 New York Mets Statistics*, <https://www.baseball-reference.com/teams/NYM/1999.shtml>

⁴ Wikipedia, *Fred Wilpon, Madoff investment scandal*, https://en.wikipedia.org/wiki/Fred_Wilpon#Madoff_investment_scandal

⁵ Sports Reference, Baseball Reference, Players, *Bobby Bonilla, Salaries*, https://www.baseball-reference.com/players/b/bonilbo01.shtml#all_br-salaries

⁶ ESPN.com.au, *Bobby Bonilla's infamous New York Mets contract sold for \$180K at auction*, https://www.espn.com.au/mlb/story/_/id/34361023/bobby-bonilla-infamous-new-york-mets-contract-sold-180k-auction





That 8% bogey may seem elevated, but it is important to note that the prevailing yield on the [Baa-rated corporate bond](#)⁷ was north of 8% at the end of 1999 while the Wilpon family were *heavily* invested with an investment manager who had been perpetually earning them *unbelievably* steady double-digit annual returns that would, in theory, leave them well in the black by the time the deal was done in 2035 (for example, a 10% annualized return on the “Bonilla Fund” would leave the Mets with a \$50 million surplus at the end of the deal).

A quarter century later, this is a deal that worked out poorly for the Met’s franchise, that was focused on the immediate future to their detriment, but quite well for the now 62-year old Bobby Bonilla who cashed his 15th 1.19 million dollar cheque on July 1 even though he has not played in a MLB game since October 7, 2001 (he has not played for the Mets, who are paying him, since he pinch hit on October 3, 1999; he will be 72 when he collects his last cheque).

There is a tendency with respect to financial markets and investing to focus on the near term, especially amid market stress like we have experienced this year, which has driven significant swings in the market. Bobby Bonilla (and his agent) provide an annual reminder that:

1. Underweight the static of the near term.
2. Overweight and focus on the long term.
3. Risk management is imperative.
4. Due diligence means #3 and alignment with transparent and competent advisors.
5. He who laughs last, laughs the hardest.

Follow us on [LinkedIn](#) and stay in the know.

⁷ Federal Reserve Bank of St. Louis, FRED, Economic Data, Categories > Money, Banking, & Finance > Interest Rates > Corporate Bonds *Moody's Seasoned Baa Corporate Bond Yield (BAA)*, <https://fred.stlouisfed.org/series/BAA>



2025 PERSPECTIVES

AUGUST



GUARDIAN CAPITAL™ | PRIVATE WEALTH

Guardian Partners Inc. (GPI) is providing, with permission, this market commentary, which was co-authored by Guardian Capital LP (GCLP) and GPI. GCLP is an affiliate of GPI, and is both a sub-advisor to certain GPI accounts and the Advisor and Fund Manager to the Guardian Capital LP investment funds offered to GPI clients.

This commentary is for general informational purposes only and does not constitute investment, financial, legal, accounting, tax advice or a recommendation to buy, sell or hold a security. It shall under no circumstances be considered an offer or solicitation to deal in any product or security mentioned herein. It is only intended for the audience to whom it has been distributed and may not be reproduced or redistributed without the consent of Guardian Partners Inc. ("GPI"). This information is not intended for distribution into any jurisdiction where such distribution is restricted by law or regulation.

The opinions expressed are as of the published date and are subject to change without notice. Assumptions, opinions and estimates are provided for illustrative purposes only and are subject to significant limitations. Reliance upon this information is at the sole discretion of the reader. This document includes information and commentary concerning financial markets that were developed at a particular point in time. This information and commentary are subject to change at any time, without notice, and without update. This commentary may also include forward-looking statements concerning anticipated results, circumstances, and expectations regarding future events. Forward-looking statements require assumptions to be made and are, therefore, subject to inherent risks and uncertainties. There is a significant risk that predictions and other forward-looking statements will not prove to be accurate. Investing involves risk. Equity markets are volatile and will increase and decrease in response to economic, political, regulatory and other developments. Investments in foreign securities involve certain risks that differ from the risks of investing in domestic securities. Adverse political, economic, social or other conditions in a foreign country may make the stocks of that country difficult or impossible to sell. It is more difficult to obtain reliable information about some foreign securities. The costs of investing in some foreign markets may be higher than investing in domestic markets. Investments in foreign securities are also subject to currency fluctuations. The risks and potential rewards are usually greater for small companies and companies located in emerging markets. Bond markets and fixed-income securities are sensitive to interest rate movements. Inflation, credit and default risks are also associated with fixed-income securities. Diversification may not protect against market risk, and loss of principal may result. This commentary is provided for educational purposes only. It is not offered as investment advice and does not account for individual investment objectives, risk tolerance, financial situation or the timing of any transaction in any specific security or asset class. Certain information contained in this document has been obtained from external parties, which we believe to be reliable; however, we cannot guarantee its accuracy. These sources include Bloomberg, Bank of Canada and National Bank Independent Network for the relevant periods cited in this commentary.

GPI is a wholly owned subsidiary of Guardian Capital Group Limited, a publicly traded firm listed on the Toronto Stock Exchange. GPI operates as Guardian Capital Advisors and Guardian Partners. All trademarks, registered and unregistered, are owned by Guardian Capital Group Limited and are used under license.

Published: August 1, 2025



GUARDIAN CAPITAL™
ADVISORS



GUARDIAN
PARTNERS INC™