

“Buffalo is Hockey Heaven”: The Buffalo Sabres and a City in Flux

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Introduction

In November of 2010, the Albright Knox Art Gallery in Buffalo, New York, hosted an exhibit called “Forty: The Sabres in the NHL.” Amidst all the fanfare in the media, complaints from art purists who saw the exhibit as merely a revenue generating ruse, and word of mouth conversations on just how impressive the retrospective was, there were rumblings and rumors that a billionaire with local connections by the name of Terry Pegula was interested in buying the Buffalo Sabres. While Sabres fans reflected on the team’s storied past, they were also contemplating its future.

As the rumor mill churned, speculation led to the usual questions. Would he keep the team in Buffalo? Would he actually try and make the team a winner, something that the current owner Tom Golisano had seemingly no interest in doing? Who was he, and how did anyone connected to Buffalo actually become a billionaire? In time, all these questions would find resolution, and in the meantime, it became apparent that The Buffalo Sabres have come to reflect a great deal of the city’s political, economic and social conditions as it struggles to reclaim its identity and its future from past mistakes and misfortunes.

Big Money

Terry Pegula did buy the Buffalo Sabres on February 22, 2012 for a sum of \$189 million, and his press conference resonated throughout the hockey community. “Starting today,”

announced Pegula, “the Buffalo Sabres reason for existence will be to win the Stanley Cup.”

The phone lines and message boards lit up. This guy was not an investor, he was a hockey fan.

He said it himself: "You won't find a bigger fan than me because I just bought a hockey team.

That's a pretty big commitment as a fan. There's only 29 other fans in the country that can pull that off."

How exactly did he “pull it off” then? Pegula had made billions off of selling his oil and gas company, East Resources, to Royal Dutch Shell roughly a year earlier. \$4.7 billion to be exact, landing him at #367 on the Forbes Billionaires list; the 125th richest person in the United States. His purchase of the Buffalo Sabres for \$189 million was roughly 1/24th of his total net worth. By comparison, the average net worth of an American his age is \$189,000. 1/24th of that is \$7,875. Terry Pegula’s purchase of The Buffalo Sabres was the economic equivalent of an average American purchasing a used car.

So what did Royal Dutch Shell pay him all that money for? East Resources was in the business of hydraulic fracturing in the state of Pennsylvania, and Pegula’s company had negotiated lease deals with landowners throughout the state to extract natural gas locked in the Marcellus Shale geological formation below the surface. During his time as head of East Resources, the company racked up several environmental violations in a state politically friendly to hydraulic fracturing interests, a fact compounded by Pegula’s campaign contributions totaling over \$600,000 to Republican politicians throughout the state.

In fact, earlier in the same month that Pegula purchased the Sabres, the Buffalo City Council voted unanimously to ban the practice of hydraulic fracturing within city limits. While news reports largely dismissed the ban as symbolic, the message the city seemed to be sending to Mr.

Pegula was clear: your money is welcome here for investment, but the manner in which you made it is not.

Turning Buffalo Into A Destination

As Terry Pegula took the reins of ownership, change came instantly. The former owner, Tom Golisano, was largely an absentee landlord, who purchased the team as an investment and had little interest in the sport or culture of hockey. Pegula was hands on from the start, and made it very clear that money was not an object in the pursuit of hockey's ultimate prize: The Stanley Cup. General Manager Darcy Reiger, who had made his living doing as much as he could with what little resources Mr. Golisano previously made available, went to work immediately. The acquisition of Brad Boyes from St. Louis not even a month after Pegula had taken over the team sent a clear message.

While The Sabres were knocked out in the first round of the 2010-11 playoffs, fans were eager to see what Pegula and Reiger would do during the off-season. Things happened quickly; before the deadlines had passed, the Sabres had signed Defenseman Robyn Regehr, and forwards Christian Eirhoff and Ville Leino. The Regehr signing was impressive in that Pegula himself went to meet with Regehr, and convinced him to waive his "no-trade clause" to come to Buffalo. The idea of Buffalo becoming a destination was starting to take root in the hockey community. Similarly, the city itself had spent the greater part of three decades trying to figure out how to reverse the oft-discussed "brain drain" that plagues most rust belt cities which has resulted in depleted population, depressed economic conditions and a general sense that things were better elsewhere. Over the past decade, rumblings of a "Rust Belt Revival," something that came not in empty Chamber of Commerce slogans but in actual, ground level changes in the political,

social and economic conditions of the city had begun to manifest. Slowly, but steadily, the city was rebuilding, and rediscovering itself in the process. Websites like “Buffalo Rising” and the weekly paper “Artvoice” chronicled the change in mood. Preservation groups began to grow exponentially, and a multitude of grassroots efforts to reclaim the city’s architectural and civic history started to bear fruit.

In the meantime, First Niagara, a regional bank with headquarters in Buffalo, purchased the naming rights to the arena in which the Sabres play. The company built the naming rights into a deal they had made with HSBC to purchase 195 branches from the international bank. The change was symbolic and significant; a local company now owned the naming rights to the arena. While most of us would prefer a return to the days when the names of sports arenas commemorated the sacrifices of veterans and soldiers, if this is the brave new world in which we are to live, then better a local company than an outsider.

Excitement surrounding the Sabres 2011-12 campaign had reached a fever pitch in the fall. In September, Terry Pegula himself, along with several of the Buffalo Sabres players, delivered season tickets to the homes of ticketholders. There was Terry Pegula, at once benign oligarch and everyman, drinking beer and talking hockey with a fan. Who wouldn’t want this guy for a neighbor, much less the owner of one of Buffalo’s most prized civic institutions? Sure he made his money by exploiting natural resources at the expense of the environment and the citizenry, but that was in Pennsylvania. Philly knocked us out of the playoffs the year before, and Pittsburgh had Sidney Crosby.

Far and Away

The Sabres started the 2011-2 campaign on the road. Actually, they started the season in another hemisphere entirely. As part of a deal between the Detroit company Compuware, a technology firm with a long and storied connection to American amateur hockey, and the NHL, The Sabres and several other teams would begin their season playing in Finland and Germany. They initially lived up to their expectations, winning both games overseas and came home on October 14th to a sellout crowd against the Carolina Hurricanes. They lost.

While they were overseas, construction was completed on the new Sabres locker room. It was intended as a showpiece to set Buffalo as a destination for players. With a 15,000 square foot players' area, including lounge and state of the art training facility, it was hard to deny that Terry Pegula was doing everything he could to put the Sabres in a position to win. Players would want for nothing if they played in Buffalo; all that the owner and the city asked in return was that they win.

The Sabres were barely above .500 before November 12th when they traveled to play their division rivals the Boston Bruins. There are several events in Buffalo history that have earned the definite article "The" to acknowledge their significance. *The Blizzard*, *The Comeback*, *The Ice Storm*; on November 12th a new definite article was assigned: "*The Hit*." When Milan Lucic crashed into Ryan Miller, out of his crease and playing the puck, it exposed a key vulnerability in the Sabres and in the city itself. Buffalo wasn't there yet. The big cities could care less if Buffalo got a new locker room, or a new company to invest within its city limits for that matter. Big teams push around small teams; big markets push around small markets.

The Hit was especially hard for Buffalonians to take because it called the one thing that they had always taken for granted into question: toughness. The toughness of the city? Always a given. Buffalo had its economic guts ripped out in the 1980's by Reaganomics and was still standing, waist deep in a snow drift, even planning a return to former fin de siècle glory. The toughness of the Sabres? Also a given, until now. This was a team that once had Rob Ray, Brad May and Matthew Barnaby in the same lineup. You know how players now have to strap their jersey to their equipment so it can't get pulled over their head in a fight? That's because of the Buffalo Sabres.

Now, there were the Sabres, scrambling on the ice to save face in front of a hostile Boston crowd while not really doing much because *they couldn't*. The Bruins essentially laughed about it afterwards. What were the Sabres going to do about it? Turns out, not much. While some players made attempts to save face in games against Boston later in the season, the Bruins had exposed a major flaw that sent the team and its fan base reeling and trying to come to terms with the fact that in becoming flush with money, the Sabres had lost what had always kept the fans proud whether they had won or not; their toughness.

Onward

Most Sabres fans would concede that the rest of the season was a bit of a blur. The building got a reputation for being quiet, so much so that the *Buffalo News* ran an article on the subject, trying to determine whether the quiet was apathy, or careful attention to the game. Depending on the demographic, it was probably both. The Sabres key free agent signing, Ville Leino, scored only eight goals, making each worth \$1.3 million by his salary terms.

Meanwhile, a contract dispute between the MSG Network and Time Warner Cable led to Sabres games being unavailable to many households within the city limits for nearly two months in the middle of the season. Both entities have headquarters in New York City, and many Buffalonians began to speculate whether Terry Pegula would reinstate the old Empire Sports Network, which was a local network until it ran into financial difficulties and was purchased a few years earlier by MSG. Pegula said he had no control over the television contract at present, but left the door open to the possibility of such a venture in the future.

Toward the end of the season, the Sabres began to show promise the way it always had, through its farm system. Marcus Foligno, whose father was one of the most popular players ever to don the Blue and Gold, played a hard charging style that someone with a big contract almost never does. Buffalo isn't used to having money to spend, and players like Foligno showed that the biggest contracts don't always get the best players. There's danger in the complacency that money brings with it.

The Sabres did not make the playoffs this year. While the fan base was frustrated beyond words, Terry Pegula and team president Ted Black stressed patience. Radio talk show hosts regularly stoke the flames of calls to finally relieve Lindy Ruff of his tenure and find a new General Manager to replace Darcy Reiger. (Eds. Note: Ruff was replaced during the 2012-13 season). In a town where there used to be factory jobs which led to retirement with a pension, Ruff is a throwback to a time when jobs were secure and competition was scarce. That memory is fading, and time will tell whether Ruff keeps his position beyond the upcoming season as the longest tenured coach in the NHL.

In the meantime, the organization is working off the ice as well. Attempts to transform the waterfront from its non-functioning industrial form into something more accessible to Buffalo's citizens, for recreation and as a spur to downtown development, have gained increased momentum over the past few years. In May, The Sabres donated resources to convert three vacant properties near the arena and the waterfront, a total of 90,000 square feet, into green space.

The greenspace is not the only "Green" initiative the Sabres are involved in. The Sabres "Green Team," whose slogan is "Yellow and Blue Makes Green," asserts as part of its mission statement that the organization is "dedicated to the sustainability of the environment in Western New York and Southern Ontario." The corporate sponsors of The Green Team are National Fuel, Chautauqua Energy Management, Integrys Energy Systems, and Modern Recycling. Most of their messages focus on the responsibility of consumers rather than corporations. While it seems paradoxical that companies like National Fuel and Integrys would be involved in such an initiative, it seems fair to suggest that their motive may be as much message control as anything else. Keep in mind where the money came from to support the Sabres' recent spending sprees.

Conclusion

At the press conference when Terry Pegula was introduced as the new owner of the Buffalo Sabres, team president Ted Black said "Buffalo is Hockey Heaven. If you want to come somewhere and work for the best owner in the league, which is what you have right here in Buffalo now, then you should make some plans to come to Buffalo, because this is where it's going to happen. It might not happen this year, it might not happen next, but it's going to happen... I'm not going to stop until we bring that Cup down Main Street."

It's entirely understandable that the organization would equate the concept of heaven with winning the Stanley Cup, but what does it mean to the community at large? Sure, championships are symbolic victories that give cities a sense of pride and maybe even a sense of accomplishment-by-proxy in seeing their team hoisting the hardware. However, most studies show that a championship does little to affect the economic condition of the cities who win them. Championships do not reduce crime, they do not put money into the school systems, they do not bring down poverty rates.

What championships do is confirm what the residents of a city already know, or at least want to believe. They affirm a sense of pride and accomplishment in what the city has achieved, and they may, albeit briefly, bring a renewed spirit of commitment and dedication toward progress and improvement, and in doing so contribute to a sense of community. Does it matter if the Buffalo Sabres ever win The Stanley Cup? Yes it does, and no it doesn't. Buffalo will be the same city either way, with its accomplishments, its failures, and its stories of victory and defeat and a sense of place that is simultaneously not defined by and entirely defined by, among other things, the success of its hockey team.