

# RIVAL LEAGUE FORMATION IN THE EARLY DECADES OF ENGLISH FOOTBALL



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## Introduction

- Che and Humphreys (2015) - Formation of rival leagues and deterrence by incumbents one of least studied forms of competition in sports.
- Several rival leagues emerged in all major US sports pre 1980s.
- “The optimal size of league...will be a function not only directly of the total population of the area covered by the league, but also inversely of population inequalities among clubs” (Sloane, 1976).
- Debate - whether rival leagues represents stable LR equilibrium (Cairns et al., 1986).
- Cain & Haddock (2005) attribute differences in league structure between US sports and English football to “subtle differences” between the two economies.
- Formation of rival league requires that incumbent league has left several viable franchise locations unexploited and that several entrants—not just one— willing to suffer significant financial losses until new league becomes established (Noll, 2007).

## Che & Humphreys (2015) Summary.

- Incumbent league a monopsonist facing upward sloping labour supply curve and a monopolist in output market.
- First assumption not true of European football post Bosman – but may apply to early decades of football in England.
- Absent rival incumbent maximises profits when  $n < N$ .
- Rival league's probability of success depends on effort (investment) and number of teams.
- If incumbent has sufficient bargaining power, allowing rival league to form, then merging with it an equilibrium strategy.
- Otherwise, incumbent should expand into otherwise-viable cities with no teams.
- Incumbent leagues may deter entry by paying high player salaries.



# Two Football Codes Emerged in 19<sup>th</sup> Century England.



- Football Association formed 1863 – Aim to establish uniform rules of football.
- Rules permitting running with the ball and hacking in early drafts - deleted at late stage.
- “[C]arrying the ball was outlawed and [association] football and rugby went their separate ways” Wilson, (2009,p.15).
- Blackheath resigned from FA.
- Rugby Football Union formed 1871.



# Many similarities in rules.

## FA Rules 1863

- Player offside if ahead of ball when last kicked by team-mate (Law 6).
- If attacking player first to touch ball after it crossed goal line awarded free kick at goal. (Law 7)
- Free kick awarded for fair catch (Law 8).
- No throwing or passing with hand

## Rugby Union

- Still the rule in rugby union.
- Originally the same. Subsequently points for touchdown + shot at goal for additional points.
- Originally the same. Subsequently limited to within own 22 metre line.
- Knock-on not permitted.

Offside rule - emphasis on running with the ball  
“...rather like an elementary form of modern rugby union,  
only without the handling” (Wilson (2018, p.16))

# Rugby Increasingly Popular in Working Class North

- 1870s rapid growth in rugby clubs in North of England.
- “the dominant sport in Yorkshire, Cumbria and large parts of Lancashire” (Collins, 2012).
- Soccer came late to major industrial cities (Slade, 2013).
- PNE FL founder member and champions in first 2 seasons - Originally a cricket club - Expanded into rugby 1877 - Switched to football 1880 (The History of Preston North End <https://www.pnefc.net/club/club-history/> ).
- Late 1870s – PNE 1 of 6 rugby clubs in Preston. 50 Clubs in wider area.
- Southern teams dominated FA Cup in early years.
- 1883 first time non-London Clubs outnumbered London clubs in FA Cup (Wilson, 2018). First Northern winner Blackburn Olympic.
- 1892 112 teams competed in Rugby’s Yorkshire Cup. 170 in FA Cup.



# Professionalism a Divisive Issue in Both Sports.

- Debate on professionalism split along geographic lines.
- 1885 FA permitted professionalism.
- Opposed by many county FAs in South – Formation of AFA.
- RFU doubled down its opposition to professionalism.
- Appalling vista – Northern teams favouring professionalism could become majority in RFU.
- Rejection of “Broken Time” proposal – 1895 NRFU breakaway.





## The Rival That Wasn't

- Rejection of professionalism - Rugby fell behind soccer in terms of popularity (Collins, 2015).
- “The Association game swept through the area like a plague during the early 1880’s...what had been an area with around fifty rugby clubs was decimated” (Preston Grasshoppers RFC History at <https://www.pgrfc.co.uk/the-club/history/1869-1900/> ).
- “In Lancashire the round ball game was forcing rugby out of former strongholds in Manchester and Liverpool, and was also establishing beachheads in Yorkshire.” (Collins, 2011)
- RFU opposed leagues as inevitably leading to professionalism. No club league until 1988.
- NRFU changed rules due to growing challenge from soccer (Fishwick, 1989; Read et al., 2021)
- FL “aggressive recruitment” of clubs from RL strongholds in 1900s (Williams, 1994). Bradford City (1903) & Bradford Park Avenue (1907) switched from RL to FL – “*The Great Betrayal*”.
- Rugby League emerged as distinct sport but failed to grow beyond Lancashire/Yorkshire base.

# Football League Origins

- Professionalism - teams needed to generate revenue.
- William McGregor (Aston Villa Chairman) letter to Blackburn Rovers, Bolton Wanderers, PNE & WBA 2<sup>nd</sup> March 1888.
- "I beg to tender the following suggestion that ten or twelve of the most prominent clubs in England combine to arrange home-and-away fixtures each season..."
- "A dozen Association clubs, who style themselves the pick of the talent, have joined hands for their own mutual benefit, apparently without a care for those unhappily shut out in the cold." (*Cricket and Football Field*, 21 April 1888).
- One club per city - population >60,000 (Whittle, 2020).
- 1891 Prohibition on entry by club located within 3 miles of existing FL club.
- Inconsistent with standard view - open league model.



# Football League Founder Members 1888.



- 12 clubs
- 6 Midlands & 6 Lancashire.
- No pretence at being national
- Apart from Notts Co. & Stoke all clubs formed post 1873.
- Lots of local derby matches.
- Average distance between teams 30 miles (Cain & Haddock, 2005).
- Many locations capable of supporting teams not included.
- Everton included due to large home attendances rather than playing record (Young, 1963 but see Onslow, 2002).
- Sheffield clubs believed league would prove too costly (Taylor, 2005).





## 3 Rival Leagues

- Combination League 1888/89.
- Football Alliance 1889/90.
- Southern League 1893/94.
- Last of these the most significant.

# Combination League 1888.

- Established by clubs that had failed to gain admission to FL.
- 20 teams from Midlands & North.
- Included Newton Heath (Manchester United), Small Heath (Birmingham City) and Blackburn Olympic (first Northern team to win FA Cup) & Bootle (considered stronger team than Everton, Metcalf, 2013).
- 16 match schedule – each team to play 8 other members home and away.
- Left to individual clubs to arrange fixtures - resulted in confusion.
- Lack of central organisation, poor planning and unfulfilled fixtures.
- Failed to complete first season (Whittle, 2020).





# The Football Alliance-1889/90.

- 12 Teams – 8 former CL members.
- “[m]ost of the leading clubs and players outside the League” (Taylor, 2005, p.6)
- April 1891 Football Alliance v Football League Representative Match 1-1.
- 1892/93 Merged with Football League.
- Newton Heath; Nottingham Forest; The Wednesday join FL Div. 1, remaining FA teams form new FL Div 2.
- Merger doubles FL to 28 teams.
- Eliminated rival.
- Protected “retain-and-transfer laws by subjecting the most active poachers of players to the League’s authority” (Taylor, 2005, p.6)
- Extremely advantageous – H.Downs Bolton W

## Member Clubs

1889/90

Birmingham Mitchell St Georges\*

Bootle\*

Crewe Alexandra\*

Grimsby Town\*

Newton Heath (Manchester United)\*

Nottingham Forest\*

Small Heath (Birmingham City) \*

Walsall Town Swifts (Walsall) \*

The Wednesday (Sheffield Wednesday)

Long Eaton Rangers\* Finished Last Relegated.

1890/91 Stoke City replace Long Eaton

Rangers finished 1<sup>st</sup> –Elected to FL.

Darwen\* Finished 6<sup>th</sup> – Elected to FL.

Sunderland Albion Finished 2<sup>nd</sup> – Resigned.

1891/92 Ardwick (Manchester City), Burton

Swifts & Lincoln City replace Stoke, Darwen &

Sunderland Albion.

\* Former CL Members.

# Meanwhile in the South.

FL largely ignored South. Pre 1914 only 6 of 40 FL clubs South of Birmingham.

- 1890 attempt to form Southern League 1890 fails “due to the powerful Old Boys network of clubs from the public schools – then dominant in the South” (Edwards, 1993).
- Woolwich Arsenal turn professional 1891 – First Southern club to do so. Expelled by London F.A. - excluded from all cup competitions in South. Limited to friendlies against FL clubs.
- 1892 Woolwich Arsenal propose formation of Southern League.
- Delegates from 26 clubs, vote to form league, elect 12 clubs.
- Decision rejected by clubs.
- 1893 Woolwich Arsenal join FL – First Southern team.
- 1893 Millwall Athletic proposal for Southern League agreed.
- SL launched 1894/95 – Originally 9 teams – 7 team second division added. (FL had increased to 32 teams).
- Woolwich Arsenal application to enter reserve team in Div. 2 rejected “an audacious proposal and one not to be entertained.” (Edwards, 1993).



# Evolution of Southern League.

- Unlike FL included amateur and professional clubs.
- 1894/95 included - Charlton, Luton Town\*, Millwall, Reading, **Southampton** & Swindon Town.
- 1894/95 **Millwall SL Champions - Reject invitation to join FL** (due to travel costs).
- 1896/97 **Tottenham** join SL after failing to gain election to FL.
- 1897/98 Bristol City join SL Div. 1.
- 1898/99 **Brentford**, Fulham & **Watford** join SL Div. 2
- 1899/00 Bristol Rovers, Portsmouth, QPR & **West Ham** join SL Div. 1.
- 1901/02 Northampton Town join SL Div.1. **Brighton** Join SL Div.2.
- 1903/04 Plymouth Argyle Join SL Div.1.
- 1905/06 **Norwich City** join SL Div.1. **Crystal Palace** join SL Div.2.
- 1906/07 Southend United join SL Div. 2.
- 1907/08 **Fulham join FL**. Bradford Park Avenue join SL Div. 1. SL rejects applications from **Chelsea & Clapton Orient who join FL**.
- 1908/09 **Tottenham & Bradford PA join FL** after finishing 7<sup>th</sup> & 13<sup>th</sup> in SL Div.1. Due to SL's "increasingly conservative policy regarding professional clubs" (Edwards, 1993, p.39). Replaced by Coventry City & Exeter City. QPR had also threatened to leave – remained forced to play almost all home matches mid-week.
- 1910/11 Cardiff City & Stoke City join SL Div.2.
- 1912/13 Newport County & Swansea Town join SL Div.2. 10 Welsh in SL Div 2 (out of 13).
- 1919/20 **West Ham, Coventry City & Stoke City** join FL - Latter 2 in SL Div.2 1914/15.
- \*Joined United League 1895/96 rejoined SL Div. 1 in 1900/01.

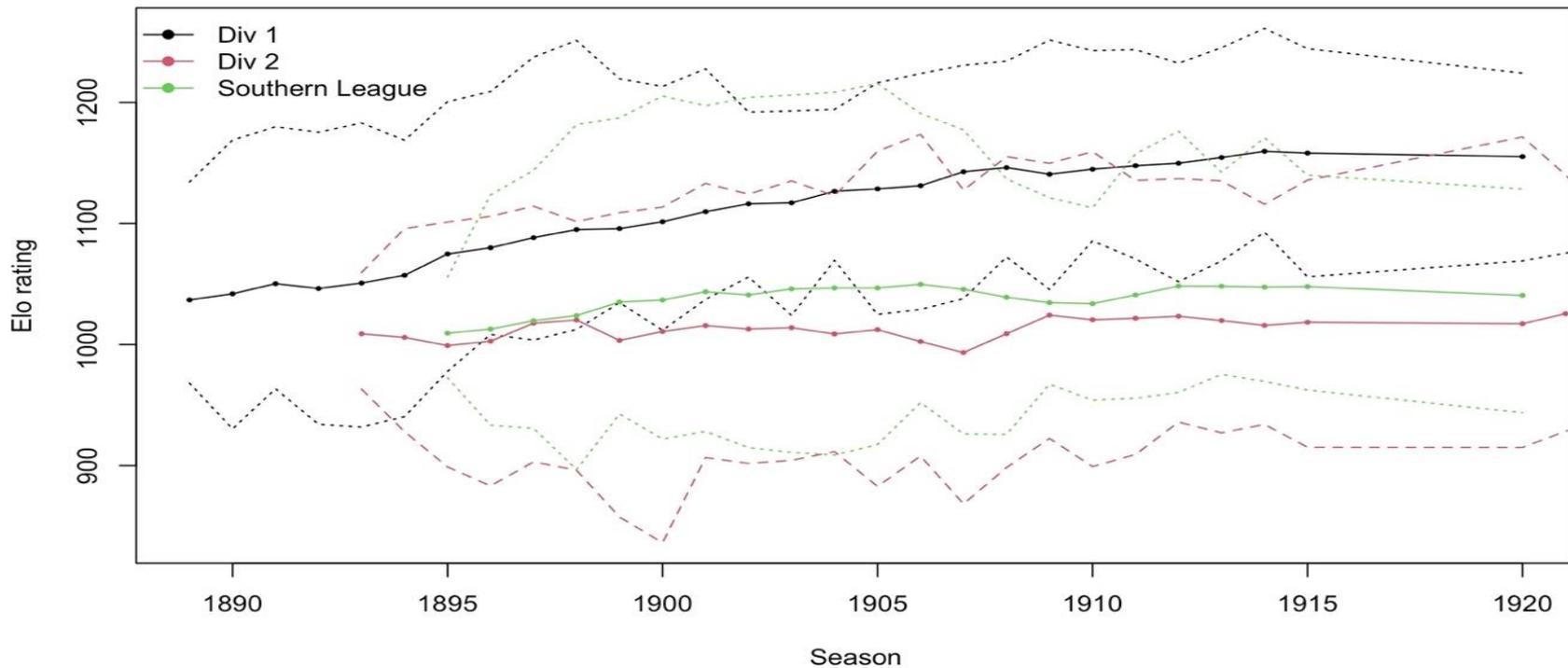


# Southern League Serious Rival to Football League

- Did not recognise FL retain & transfer system - players free to move from FL to SL clubs.
- "By the late 1890s, Southern League club were beginning to seriously rival their Football League compatriots on the field (Taylor, 2005, p.11).
- "With the exception of Woolwich Arsenal...all the best professional teams in the South are now enrolled in the ranks of the Southern League" (*Daily News*, 8 September 1900).
- Tottenham win FA Cup 1901. Portsmouth runners-up 1900 & 1902.
- "While [FL] does not include Southampton, Portsmouth and Tottenham Hotspur, it cannot be said to be truly representative" (McGregor, 1906, p.6).
- Each encroached on the other's territory.
- 1907/08-1912/13 FA Charity Shield played between FL and SL Champions.
- Regular representative matches between FL, SL, Scottish, and Irish Leagues.
- 2010/11 SL beat FL, Irish and Scottish Leagues to win new inter-league tournament.



# Mean, maximum & minimum Elo Ratings by Division per year, 1888-1920



# Merger Proposals

- Informal merger discussions 1900.
- February 1901 proposal failed.
- March 1909 SL proposal rejected by FL – SL “asking too much”.
- April 1909 Proposal for Top 18 SL teams to form new FL Div. 3.
- SL “had always been [FL’s] enemies” T. Houghton Chairman PNE.
- Other FL Directors argued teams in North and Midlands with stronger claims than SL to be admitted to new Div. 3.
- FL rejected proposal although Edwards (1993) argues also rejected by majority of SL clubs.
- Feb 1910 FL/SL agreed to recognise each other’s registration and transfer rules – Ended free flow of players from FL to SL.





## Southern League Decline.

- FL Recruitment of significant member clubs from 1907/08 on.
- 1919/20 SL ended agreement recognising FL player registrations after West Ham, Coventry City & Stoke City joined FL (Edwards, 1993).
- Decision weakened SL's bargaining position (Taylor, 2005).
- SL reduced "to quite a parochial organisation" (*Athletic News*, 28 July 1919).
- "...it was only after the First World War, in the context of relatively prosperity, good gates, and a general mood of optimism that, that the national league was finally established under the Football League's aegis through the creation of a new Southern based third division" (Taylor, 2005, p.282).
- 1920/21. SL Division 1 join new Div.3 South – as associate members with no voting rights. Long way short of the March 1909 SL proposal.



## Post Merger.

- Mergers reduce player wages.
- Following 1903 AL/NL merger & 1915 collapse of FL MLB salaries returned to previous level (Che & Humphreys, 2015).
- Football League reduced maximum wage from £10p/w to £9p/w 1920 and to £8p/w in 1921. Remained unchanged until 1945.
- 1926 FL introduced minimum admission prices to prevent teams poaching fans from teams in same geographical catchment area (Dobson & Goddard, 2011).

## Div. 3 N – An Expansion Too Far

- The FL/SL merger part of scheme to establish a new Div. 3 split into 2 regional divisions.
- Creation of Div. 3 N postponed for at least a year due to “widespread doubts over the financial and playing strengths of the proposed clubs” (Taylor, 2005, p.16).
- Div. 3 N launched 1922/23 with 20 Teams – 2 more added following season – subject to vetting process.
- Last major expansion grew FL to 86 teams only 6 added since.
- Doubts well founded.
- Div 3 N attendances and revenue much lower than Div 3 S.
- 11 currently below Tier 4
- 2 Went out of business.
- Remaining 9 playing in Tiers 3 & 4.
- No clear opportunity for rival league.





## An Open League?

No automatic promotion between FL and next tier until 1986/87.

- Collusive arrangements favouring incumbents in election process.
- 1921-39 - Only 7 teams not re-elected (Taylor, 2005).
- 1958/59 – 1985/86 Only 5 of 112 clubs not re-elected. Another went bankrupt.
- 31 Different clubs sought re-election – 10 only once.
- Wigan Athletic repeatedly failed to secure election – applied to join Scottish League – finally elected in 1978/79 after a recount.
- Members of Premier League 2005/06-2012/13.

### Re-Elections 1958/59-1985/86

Team	No. of Re-elections
Hartlepool Utd	10
Crewe Alex	8
Stockport County	7
York City	6
Barrow Darlington Halifax Town, Lincoln City, Newport County Rochdale Southport	5

## Some Conclusions.

- 3 distinct attempts to form rival leagues.
- Largely consistent with Che & Humphreys (2015) model.
- FL aggressive response to RL - recruited teams from FA & SL.
- Combination League failed due to lack of investment.
- SL most persistent. After several failed attempts merger followed decline in SL bargaining power.
- FL reduced maximum wage post SL merger.
- Div. 3 N expansion not explained by need to pre-empt entry.
- FL remained largely closed to outsiders until 1986/87 when automatic promotion/relegation to next tier introduced.





Thank you