

A grade 10 dustup in collectibles: Two leading names square off over soured union

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Two veterans of the sports memorabilia industry were in front of a judge late last week to complete the settlement of a bitter feud involving hundreds of sports collectible items including memorabilia signed by former athletes such as Muhammad Ali and Jim Brown that had been withheld from customers.

The dispute between Steiner Sports President Brandon Steiner and Pastime Productions President Stephen Hisler erupted in early July when Steiner sued Hisler after their partnership went sour.

But at press time last week, an agreement was close after New York State trial Judge Kenneth Rudolph ordered the two to make a deal, said Richard Roth, attorney for Steiner. "The judge essentially said, 'You are two sophisticated businessmen. Work it out.'"

Steiner and Hisler formed a partnership more than a year ago to create shows for sports collectors featuring famous former athletes who would sign autographs.

Last month, the troubled partnership fractured when Steiner sued to evict Hisler from his offices, saying their deal wasn't valid because he never signed it. As a result of the suit, Hisler stopped payment on checks to athletes, and Steiner stopped delivery of about 500 items to collectors who sent in personal pieces to be autographed.

But Roth said that at the judge's command, the parties had come to a tentative agreement that would result in the athletes being paid and the merchandise sent.

The story began in July 2000, when Hisler, who for two decades has been running sports collectors shows, formed a partnership with Steiner.

"I have known Brandon since he was a baby in the business," Hisler said during an interview prior to settlement negotiations. In fact, the two had worked together on deals from time to time.

But although Steiner started later, his business grew larger than Pastime and, last September, Steiner Sports was bought by Omnicom for a reported \$25 million.

Two months earlier, Pastime had agreed to a partnership in which Steiner would pay Hisler \$80,000 a quarter and would receive about 75 percent of the profits from his themed sports collectors shows. Hisler's attorney, Cabot Marks, said Steiner signed a partnership agreement, but Steiner contends he never signed it because Hisler kept changing the terms.

One thing both sides agree on is that the deal didn't work from the beginning. Hisler said Steiner didn't pay him what he was owed. Steiner said Hisler's profits - which they shared under their partnership - were disappointing and his bookkeeping unorthodox.

Despite that, Steiner invited Hisler to move Pastime, which Hisler had operated out of his sister's home for many years, into Steiner's offices in New Rochelle, N.Y.

Said Steiner: "Things were going so badly we thought that maybe, having him in the office ... would improve the situation."

Hisler believed the same thing.

I thought by working in his offices we could work together and smooth things out," he said.

But the disputes continued, and in March Steiner put an eviction notice on Hisler's chair.

Despite that, the two agreed to put on a show involving 75 athletes at the Sports Collectors National Convention, held in Cleveland from June 26 through July 1.

Hisler said he went along with the deal partly because Steiner agreed to give him 50 percent of the profits from the show, rather than the 25 percent under their original partnership agreement. As part of the deal, 75 athletes, including Ali, Brown and Franco Harris, were contracted to sign autographs at the show, as well as sign items that customers mailed to Hisler.

Steiner's attorney, Roth contended that Hisler was required to pay all the athletes out of a joint bank account to be set up for proceeds of the show.

Marks maintains that Hisler was required to pay the 65 athletes that he had arrangements with, while Steiner was required to pay the other 10. But after the show, Hisler paid all the athletes because no one from Steiner's offices was at the show, Marks said.

"The athletes had to be paid," he said. Hisler said he never set up the bank account because the Steiner employee who was supposed to help him do it quit the company suddenly, after which he was told the account wasn't necessary.

When Hisler returned to Steiner's offices, he found out that Steiner had not only sent him another eviction notice, but was asking a court to rule that the original July 2000 agreement was invalid.

Hisler said that when he found out July 3 that Steiner was suing him, he tried to get the 500 mail-order items, which had been signed by the athletes at the show and shipped to Steiner's warehouse, so he could send them to his customers.

Hisler's sister, Barbara Tull, stated in an affidavit that Steiner "laid hands upon Stephen Hisler, Pastime's president, and violently stopped him from gaining access to the ... mail order."

Steiner said he asked Hisler to leave but never touched him. Roth said Steiner called the police because Hisler "went ballistic" when he found out he was being sued.

"The police escorted him out," Roth said. "Not us. Him."

Since then, Hisler stopped payment on some of the checks for athletes he contends it was Steiner's responsibility to pay. And Steiner refused to release the mail-order merchandise.

Steiner said he feared being sued by the athletes. Hisler said he feared being sued by the mail-order customers Roth said that he hoped all the issues would be worked out.

"It's complicated," he said.

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