The 2012 NHL Labor Dispute

The 2012 NHL lockout marked the fourth league work stoppage for the league in twenty years, lasting over 100 days and resulting in the cancellation of 628 games. There were early predictions that negotiations between the NHL and NHL Players' Association ("NHLPA") over the 2012 collective bargaining agreement ("2012 CBA") would be contentious, after the NHLPA named Donald Fehr, former MLB Players' Association executive director, as the new NHLPA executive director in 2010, and NHL commissioner Gary Bettman publicly vowed to readjust the League's financial system.

On May 16, 2012, the NHL officially informed the NHLPA of its desire to "terminate or modify" the existing CBA. When the hockey season ended on June 19, 2012, negotiations over the new CBA began at a meeting between the NHL and the NHLPA in New York. The NHL made an initial offer to the players on July 13, 2012, seeking a drastic reduction in hockey-related revenue ("HRR"), as well as five-year limits on player contracts, the elimination of salary arbitration, a ten-year eligibility requirement for unrestricted free agency, and changes to the entry-level contract system. The players rejected the NHL's proposal and responded on August 14, 2012, with a less drastic reduction in the players' share of HRR over a three-year period, as well as an expanded revenue sharing program to help struggling clubs, no elimination of a hard salary cap, and no significant changes to player contracting rules. The NHL rejected this counter-offer.

Despite subsequent talks and offers, the two sides did not reach agreement before expiration of the 2005 CBA at midnight of September 15, 2012 and the NHL locked out its players for the second time in eight years. As the NHL began cancelling games in the United States and Canada, players began traveling overseas to play in Russia and Europe. Some players even expressed a willingness to stay abroad beyond the current labor dispute, depending on the terms of the new CBA.

The NHL and NHLPA's disagreement over core economic issues continued to divide the parties throughout the fall. At the end of November, the NHL and NHLPA agreed to allow U.S. federal mediators guide the negotiations. Experienced FMCS neutrals, Scot Beckenbaugh and John Sweeny, spent two days with the parties, but no breakthroughs were achieved.

Soon thereafter, credit and debit card processor Moneris issued a report stating that the NHL lockout was hurting merchants near various Canadian hockey arenas by causing a sharp decrease in spending. Figures released by Canada's national statistics agency, Statistics Canada, also illustrated the negative impact of the NHL lockout on Canada's economy, expressly attributing a decline in the arts and entertainment sector in 2012 to the labor dispute.

In mid-December 2012, the players voted to give the NHLPA's executive board power to file a "disclaimer of interest," which would allow players to file a class action antitrust lawsuit against the NHL. In a preemptive measure against the possibility of such a class action antitrust lawsuit, the NHL filed a complaint in the U.S. Federal Court in New York seeking a declaration of the legality of the lockout.

As the year ended, the parties moved closer toward agreement. With the continued assistance of U.S. federal mediator Scot Beckenbaugh, on January 6, 2013, the parties finally reach a 10-year collective bargaining agreement, the longest contract term in NHL history. The lockout officially ended January 12, 2013, when both the NHL and NHLPA signed a Memorandum of Understanding, reflecting the terms of the new CBA.

Under the new 2012 CBA, the NHL and NHLPA agreed to share HRR evenly between the owners and the players, to limit the length of individual player contracts to seven years (except eight years for when a team re-signs its own player), to enhance revenue sharing among the teams, as well as to create several important joint committees.