

1 KEKER, VAN NEST & PETERS LLP  
 2 ELLIOT R. PETERS - # 158708  
 epeters@keker.com  
 3 DAVID SILBERT - # 173128  
 dsilbert@keker.com  
 4 R. ADAM LAURIDSEN - # 243780  
 alauridsen@keker.com  
 5 NICHOLAS S. GOLDBERG - # 273614  
 ngoldberg@keker.com  
 6 SOPHIE HOOD - # 295881  
 shood@keker.com  
 633 Battery Street  
 7 San Francisco, CA 94111-1809  
 Telephone: 415 391 5400  
 8 Facsimile: 415 397 7188

SKADDEN, ARPS, SLATE, MEAGHER &  
 FLOM LLP  
 ANTHONY J. DREYER - (*pro hac vice*)  
 anthony.dreyer@skadden.com  
 KAREN M. LENT - (*pro hac vice*)  
 karen.lent@skadden.com  
 MATTHEW M. MARTINO - (*pro hac vice*)  
 matthew.martino@skadden.com  
 One Manhattan West  
 New York, NY 10001  
 Telephone: 212 735 3000  
 Facsimile: 212 735 2000

SKADDEN, ARPS, SLATE, MEAGHER &  
 FLOM LLP  
 PATRICK FITZGERALD - (*pro hac vice*)  
 patrick.fitzgerald@skadden.com  
 155 North Wacker Drive  
 Chicago, Il 60606  
 Telephone: 312 407 0700  
 Facsimile: 312 407 0411

12 Attorneys for Defendant PGA TOUR, INC.

13 UNITED STATES DISTRICT COURT  
 14 NORTHERN DISTRICT OF CALIFORNIA  
 15 SAN JOSE DIVISION  
 16

17 MATT JONES; BRYSON DECHAMBEAU;  
 18 PETER UIHLEIN; and LIV GOLF, INC.,

19 Plaintiffs,

20 v.

21 PGA TOUR, INC.,

22 Defendant.

23 PGA TOUR, INC.,

24 Counterclaimant,

25 v.

26 LIV GOLF, INC.,

27 Counterdefendant.  
28

Case No. 5:22-cv-04486-BLF

**DEFENDANT PGA TOUR, INC.'S  
 ANSWER TO PLAINTIFFS' AMENDED  
 COMPLAINT & COUNTERCLAIM**

**JURY TRIAL DEMANDED**

Judge: Hon. Beth Labson Freeman

Date Filed: August 3, 2022

Trial Date: January 8, 2024

**ANSWER TO AMENDED COMPLAINT**

1  
2 Defendant PGA TOUR, INC. (“the TOUR”), by and through its counsel of record,  
3 answers Plaintiffs MATT JONES, BRYSON DECHAMBEAU, PETER UIHLEIN (the “Player  
4 Plaintiffs”), and LIV GOLF INC.’s (“LIV”) (collectively, “Plaintiffs”) Amended Complaint as  
5 follows:

6 LIV, a new golf league paid for by Saudi Arabia’s sovereign wealth fund, seeks to wield  
7 the antitrust laws as a cudgel instead of engaging in an honest effort to compete in the market for  
8 professional golf, while at the same time free riding on the TOUR’s decades-long investment in  
9 tournament promotion for the various tours it operates, and in particular the PGA TOUR. Both  
10 LIV and the Player Plaintiffs knew that participating in LIV events while they remained members  
11 of the PGA TOUR, without a release from the TOUR’s Commissioner, would breach the Player  
12 Plaintiffs’ contractual obligations and would result in their suspensions.

13 The PGA TOUR’s Player Handbook & Tournament Regulations (the “Regulations”)  
14 contribute to the success of scheduled TOUR events, help the TOUR fulfill its own contractual  
15 obligations (including its obligation to sponsors and media partners to ensure representative  
16 fields), and provide substantial benefits to tournament sponsors, title sponsors, broadcasters, local  
17 host organizers, and ultimately, the players. The Regulations make the TOUR’s media rights  
18 more valuable to sponsors and content distributors, leading to higher sponsorship and broadcast  
19 revenues, which in turn are distributed to members in the form of prize money and additional  
20 benefits.

21 Through this lawsuit, LIV asks the Court to invalidate these wholly legitimate provisions  
22 with the stroke of a pen *after* inducing the remaining Player Plaintiffs to violate those same  
23 regulations with hundreds of millions of dollars in Saudi money. The Player Plaintiffs that have  
24 remained in the case—eight of the original eleven players have withdrawn their names from this  
25 lawsuit already—want only to enrich themselves in complete disregard of the promises they made  
26 to the TOUR and its members when they joined the TOUR.

27 But there is no actual injury to Plaintiffs here, and no violation of the law. LIV, by its own  
28 admission, has succeeded in attracting numerous elite professional golfers to participate in its new

1 league. LIV has held numerous events with full fields and has announced a full season for 2023.  
2 Both LIV and the Player Plaintiffs baked the financial cost of their suspensions into LIV's  
3 exorbitant signing bonuses, making the Player Plaintiffs whole. Moreover, while LIV and the  
4 Player Plaintiffs challenge the TOUR's media rights and conflicting events polices as  
5 anticompetitive, LIV imposes similar—indeed far more restrictive—conditions on its players, and  
6 the Player Plaintiffs have agreed to them.

7 This case is not about unfair competition—if anyone is competing unfairly, it is LIV, not  
8 the TOUR. Instead, it is a cynical effort to avoid competition and to freeride off of the TOUR's  
9 investment in the development of professional golf. Plaintiffs' allegations are baseless and  
10 entirely without legal merit. The TOUR responds herein to each allegation, and at the same time,  
11 files a counterclaim against LIV for tortious interference with the TOUR's contracts with its  
12 members.

13 1. The TOUR admits that it was created in the 1960s in part by the world's best  
14 golfers at the time. The TOUR states that it is organized as a tax-exempt organization under  
15 Internal Revenue Code Section 501(c)(6). The TOUR otherwise denies the allegations in  
16 Paragraph 1 of the Amended Complaint.<sup>1</sup>

17 2. The TOUR admits that PGA TOUR members are independent contractors. The  
18 TOUR further admits that it is organized as a tax-exempt organization under Internal Revenue  
19 Code Section 501(c)(6). The TOUR otherwise denies the allegations in Paragraph 2 of the  
20 Amended Complaint.

21 3. To the extent Paragraph 3 sets forth a conclusion of law, no response is required.  
22 To the extent a response is required, the TOUR admits that it has suspended some players in  
23 accordance with the Regulations' disciplinary provisions—including the remaining Player  
24 Plaintiffs—for their violations of the Regulations regarding conflicting events, media and

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25  
26 <sup>1</sup> The TOUR denies each and every allegation of Plaintiffs' Amended Complaint—including the  
27 headings, footnotes, and captions—not specifically admitted or to which the TOUR has not  
28 otherwise responded in this Answer.

1 marketing rights, and player conduct. The TOUR otherwise denies the allegations in Paragraph 3  
2 of the Amended Complaint.

3 4. To the extent Paragraph 4 sets forth a conclusion of law, no response is required.  
4 To the extent a response is required, the TOUR is without sufficient information to admit or deny  
5 Plaintiffs' allegation that LIV canceled its 2022 business plan to launch a full league, and on that  
6 basis denies it. The TOUR admits that LIV launched its "Invitational Series" in 2022. The Tour  
7 further admits that it has suspended some players in accordance with the Regulations' disciplinary  
8 provisions for their violations of the regulations regarding conflicting events, media and  
9 marketing rights, and player conduct. The TOUR otherwise denies the allegations in Paragraph 4  
10 of the Amended Complaint.

11 5. The TOUR admits that it has amended its Regulations from time to time. The  
12 TOUR otherwise denies the allegations in Paragraph 5 of the Amended Complaint.

13 6. To the extent Paragraph 6 sets forth a conclusion of law, no response is required.  
14 To the extent a response is required, the TOUR admits that it has suspended some players in  
15 accordance with the Regulations' disciplinary provisions—including the remaining Player  
16 Plaintiffs—for their violations of the Regulations regarding conflicting events, media and  
17 marketing rights, and player conduct. The TOUR otherwise denies the allegations in Paragraph 6  
18 of the Amended Complaint.

19 7. The TOUR admits that many of the best golfers in the world are PGA TOUR  
20 members. The TOUR further admits that PGA TOUR members agree each season to adhere to  
21 the Regulations, and that pursuant to the Regulations PGA TOUR members generally may not  
22 participate in any other golf tournament on a date when a PGA TOUR tournament is scheduled,  
23 absent permission from the TOUR. The TOUR further admits that, in certain circumstances,  
24 players may seek and receive releases to play in non-TOUR tournaments (and participate in non-  
25 TOUR media programs) that are held on the same dates as PGA TOUR events. The TOUR  
26 further admits that each player is generally eligible for up to three conflicting event releases per  
27 season, assuming he participates in fifteen PGA TOUR tournaments that season, and one  
28 additional release for each additional five PGA TOUR tournaments in which he participates. The

1 TOUR further admits that a release can be denied if the Commissioner determines that it would  
2 cause the TOUR to be in violation of a contractual commitment to a tournament sponsor, or  
3 would otherwise significantly and unreasonably harm the TOUR and its sponsors. The TOUR  
4 further admits that the Regulations preclude conflicting events releases for events held in North  
5 America. The TOUR further admits that the TOUR has granted releases for players when the  
6 releases do not violate one of these provisions or the TOUR's obligations to its members. The  
7 TOUR further admits that the Commissioner did not grant releases to players seeking to play in  
8 conflicting LIV events and noted LIV's intention to launch a series of events in North America as  
9 one reason for the denial of a release. The TOUR otherwise denies the allegations in Paragraph 7  
10 of the Amended Complaint.

11 8. The TOUR admits that the Regulations also contain provisions related to member  
12 media rights, to which all PGA TOUR members agree on a season-to-season basis. The TOUR  
13 further admits that the quoted words appear in the Regulations, but otherwise denies the second  
14 sentence of Paragraph 8. The TOUR further admits that a portion of the media rights regulations  
15 provides that “[n]o PGA TOUR member shall participate in any live or recorded golf program  
16 without the prior written consent of the Commissioner, except that this requirement shall not  
17 apply to PGA TOUR cosponsored, coordinated or approved tournaments, wholly instructional  
18 programs or personal appearances on interview or guest shows.” The TOUR further admits that  
19 the media rights regulations provide that “[g]olf program’ for purposes of [the media rights]  
20 section means any golf contest, exhibition or play that is shown anywhere in the world[.]” The  
21 TOUR otherwise denies the allegations in Paragraph 8 of the Amended Complaint.

22 9. The TOUR admits that PGA TOUR members are independent contractors. The  
23 TOUR otherwise denies the allegations in Paragraph 9 of the Amended Complaint.

24 10. The TOUR admits that certain of the block quoted words in Paragraph 10 appear  
25 in a January 24, 2020 memorandum from Commissioner Monahan to the PGA TOUR Policy  
26 Board, but denies the misleading alterations to the text of the memorandum. The TOUR  
27 otherwise denies the allegations in Paragraph 10 of the Amended Complaint.

28

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