

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA**

CODY LUCAS, individually and on
behalf of other similarly situated
individuals,

Plaintiff,

v.

SPORTRADAR, US; MAJOR LEAGUE
BASEBALL; MLB ADVANCED
MEDIA, LP; HOUSTON ASTROS, LLC;
and BOSTON RED SOX BASEBALL
CLUB, LP,

Defendants.

Civil Action No.

CLASS ACTION COMPLAINT

JURY TRIAL DEMAND

CLASS ACTION COMPLAINT

Plaintiff, Cody Lucas, brings this Class Action Complaint against Defendants, Major League Baseball (“MLB”) and MLB Advances Media, LP (“MLBAM”) (collectively, the “MLB Defendants”), Sportradar, US (“Sportradar”), Houston Astros, LLC (the “Astros”), and Boston Red Sox Baseball Club, LP (the “Red Sox”), to recover damages for Defendants’ unlawful manipulation of baseball players’ performance statistics and to seek redress for all those who have been harmed by Defendants’ misconduct. Plaintiff alleges as follows based on personal knowledge as to himself and his own acts and experiences, and as to all other matters, on information and belief, including an investigation by his attorneys.

NATURE OF THE CASE

1. Historically, the MLB has taken a firm stance against gambling in professional baseball. However, the MLB's position on gambling started to change once they realized that it could be profitable for them. In 2015, the MLB started to invest in Daily Fantasy Sports ("DFS") fantasy baseball and promote its fans' participation in DFS wagering.

2. Through fans' participation in DFS wagering, the MLB gains a quantifiable benefit financially, not only through the sharing of contest fees with the DFS platform, but also through larger attendance at games, increased revenue through advertising, and general interest associated with the sport as a whole.

3. Accordingly, the MLB substantially rooted itself in the DFS world by forming a partnership with one of the main daily fantasy platforms in the industry.¹ This partnership provided, and still provides to date, that MLB Defendants will actively promote DFS baseball competitions, grant promotional advertising rights, include the use of MLB league and team logos, and afford rights and sponsorship opportunities to MLB constituent teams.²

¹ Press Release, *DraftKings Becomes the Official Daily Fantasy Game of Major League Baseball*, BUSINESS WIRE (Apr. 2, 2015), <https://www.businesswire.com/news/home/20150402006154/eb/DraftKings-Official-Daily-Fantasy-Game-Major-League> (accessed Feb. 6, 2020).

² See Dustin Gouker, *Play Ball: DraftKings Announces Deal with 27 Major League Baseball Teams*, LEGAL SPORTS REPORT (July 31, 2015), <https://www.legalsportsreport.com/2827/draftkings-mlb-team-deals/> (accessed Feb. 6, 2020)

4. Recently, the MLB Defendants' have expanded their partnership to include other gambling platforms, including DFS company FanDuel Inc. ("FanDuel").³ This partnership added FanDuel as one of the MLB's "authorized gaming operators," granting access to use MLB official team and league logos, opportunities for sponsorship deals, promotions with MLB member team constituents, and most importantly, access to MLB's official data feed to be used within its gambling platform.⁴ Additionally, MLB Defendants announced their partnership with Sportradar, a global leader in sports data intelligence, to have the exclusive rights to the distribution of MLB's real time game statistics.⁵ Per its partnership agreement, these real time game statistics are collected at every ballpark and distributed to both media companies and *sports betting operators* such as FanDuel. Sportradar's duties in relation to these statistics includes the installation of integrity protection measures where it will use its "Integrity Services" to "monitor and analyze every MLB game via its award-winning fraud detection system and providing the MLB with educational components, as well as access to its intelligence and investigations services."⁶

5. In DFS competitions, such as those that FanDuel provides, participants pay entry fees to reserve their spot in contests, equivalent to placing bets and gambling. The

³ *FanDuel Group and Major League Baseball Announce Sports Betting Partnership*, FANDUEL (Aug. 15, 2019) <https://newsroom.fanduel.com/2019/08/21/fanduel-group-and-major-league-baseball-announce-sports-betting-partnership/> (accessed Feb. 6, 2020)

⁴ Bill King, *MLB Adds Fanduel To Portfolio of Sports Betting Providers*, SPORTS BUSINESS DAILY, (Aug. 15, 2019) <https://www.sportsbusinessdaily.com/Daily/Issues/2019/08/15/Marketing-and-Sponsorship/FanDuel.aspx> (accessed Feb. 6, 2020)

⁵ *Major League Baseball and Sportradar Announce Official Exclusive Global Partnership*, SPORTRADAR (February 27, 2019), <https://sportradar.us/2019/02/major-league-baseball-and-sportradar-announce-official-exclusive-global-partnership/> (accessed Feb. 13, 2020)

⁶ *Id.*

participants then assemble virtual teams of real MLB players which “compete” against other participants’ teams in these contests. The winners of each contest are based on the statistical performance of the assembled players that the participants have selected. The statistics used to score the competitions are the official MLB statistics, monitored and distributed by Sportradar, that FanDuel has been granted access to use based on its partnership with the MLB Defendants.

6. Competitors “draft” players onto their team to fill a roster of players which must remain under a set salary cap. Each individual player has an assigned salary that when drafted will be attributed to the participant’s team’s salary cap. The individual player’s salary is largely determined on their projected performance for that day’s real-life MLB game.

7. Entry fees to these competitions range from anywhere between less than \$1.00 up to almost \$11,000, many times including hundreds of thousands of competitors. There are many different types of competitions and a participant can win head-to-head matchups against other participants, or against hundreds of thousands of participants in a “tournament” style pool.

8. These DFS leagues have grown wildly popular and are now part of a multi-million-dollar industry that the MLB Defendants are direct participants and beneficiaries of.

9. The MLB is composed of 30 teams, 29 in the United States and 1 in Canada, representing the highest level of professional baseball. By partnering with FanDuel, the

MLB and its constituent teams, including Defendants Astros and Red Sox, have been complicit in persuading fans to participate in FanDuel's DFS wagering competitions.

10. By embracing DFS wagering platforms, the MLB has popularized fantasy games and encouraged fans to make wagers by paying entry fees for competitions to take a financial stake in their league's games. FanDuel, the MLB, and MLB's affiliate teams, including the Astros and Red Sox, derive enormous financial benefit from fans' participation in these fantasy games.

11. Fans entering these wagering competitions, as advertised by the MLB, relied on the league being an advocate for the enforcement of its Official Rules and regulations. Specifically, participants relied on the integrity and fairness of statistics, monitored and distributed by Sportradar, that are used to score and determine the winners of DFS competitions. As related to this lawsuit, the MLB's Official Rules and other regulations expressly prohibit the use of any electronic devices to decode or attempt to decode sign between pitcher and catcher, also known as "pitch stealing."

12. In November 2019, Ken Rosenthal and Evan Drellich reported, via *The Athletic*, a scandal within Major League Baseball, describing a scheme by the Astros using electronic devices to steal signs from their opponent and relay them to their players on the field.⁷ This conduct occurred during the 2017 season, one in which the Astros won the World Series.

⁷ Ken Rosenthal and Evan Drellich, *The Astros Stole Signs Electronically in 2017 – Part of a Much Broader Issue for Major League Baseball*, THE ATHLETIC, (Nov. 12, 2019), <https://theathletic.com/1363451/2019/11/12/the-astros-stole-signs-electronically-in-2017-part-of-a-much-broader-issue-for-major-league-baseball/> (accessed Feb. 7, 2020).

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