Advantage, Players? The Lawsuit That Could Reshape Tennis Governance

By: Matthew Catanzariti¹

Tennis may be a game of love, but the Professional Tennis Players Association ("PTPA") is serving an ace with its blockbuster antitrust lawsuit against the sport's governing bodies. Cofounded by 24-time Grand Slam champion Novak Djokovic², the PTPA advocates for professional tennis players' rights.³ This year, the PTPA traded tennis rackets for legal briefs in its fight for player rights.⁴ On March 18, 2025, the PTPA launched a sweeping 163-page lawsuit in the Southern District of New York, with parallel cases in London and Brussels.⁵ This blog will examine past antitrust decisions in sports, how players aim to reshape tennis, and the lawsuit's potential impact.

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² Matthew Futterman, *Tennis Antitrust Lawsuit: PTPA, Co-founded by Novak Djokovic, Sues ATP, WTA Tours*, THE ATHLETIC (Mar. 18, 2025), https://www.nytimes.com/athletic/6210341/2025/03/18/tennis-lawsuit-antitrust-atp-wta-novak-djokovic/ (Djokovic is one of the sport's most iconic and revered figures).

³ *Id.*

⁴ *Id*.

⁵ See Complaint & Demand for Jury Trial, Pospisil v. ATP Tour, No. 1:25–cv–02207, at *1 (S.D.N.Y. Mar. 18, 2025); see also Charlie Eccleshare, Tennis Lawsuit by PTPA Explained: What it Means for the Players, ATP, WTA, and Tournaments, The Athletic (Mar. 18, 2025), https://www.nytimes.com/athletic/6204105/2025/03/18/tennis-lawsuit-ptpa-explained-atp-wta-tournaments-pay-novak-djokovic/ (including the Men's Association of Tennis Professionals ("ATP"), the Women's Tennis Association ("WTA"), the International Tennis Federation ("ITF"), and the International Tennis Integrity Agency ("ITIA")); Futterman, supra note 2 (highlighting that the suit's filing in these three cities underscored a strategic effort to challenge these organizations' "global remit" over the sport).

I. SHERMAN ACT

Enacted in 1890, the Sherman Act was the first major U.S. antitrust law, outlawing restraints on trade, curbing monopolies, and ensuring fair competition.⁶ The complaint alleges violations of Sections 1 and 2 of the Sherman Act against the ATP, WTA, ITA, and ITIA.⁷

II. ANTITRUST SUITS IN PROFESSIONAL SPORTS

In *Fraser v. Major League Soccer, L.L.C.*, professional soccer players alleged that the Major League Soccer ("MLS") and its investor-operators violated the Sherman Act.⁸ Plaintiffs argued that MLS's prevention of other leagues from achieving Division I status contributed to this monopoly.⁹ They further claimed MLS conspired to eliminate competition for player services and monopolized the market for Division I soccer players in the United States.¹⁰ The court ultimately ruled in favor of the MLS, granting summary judgment on the Section 1 claim, determining that MLS and its investor-operators were a single entity and could not conspire under the Sherman Act.¹¹ On the Section 2 claim, the court determined that MLS's creation did not harm competition as there was no existing market for Division I professional soccer at the time.¹² Therefore, MLS's practices were not antitrust violations.

Recently, an antitrust case entered the octagon, *as* former Ultimate Fighting Championship ("UFC") fighters accused Zuffa, LLC (doing business as UFC) of anticompetitive practices under

⁶ 15 U.S.C. § 1 ("Every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is declared to be illegal."); 15 U.S.C. § 2 (making it a felony for any person to "monopolize", "attempt to monopolize trade", or "combine or conspire with any other person or persons", with penalties including fines up to \$100 million for corporations or \$1 million for individuals, and imprisonment up to 10 years).

⁷ See Complaint & Demand for Jury Trial, *Pospisil*, No. 1:25–cv–02207, at *116 (the players argue the defendants conspired "in restraint of trade," imposing illegal restrictions that lowered their compensation, violating Section 1. The lawsuit also claims the defendants maintain "monopsonies over the services of the Player Plaintiffs," violating Section 2); Eccleshare, *supra* note 5.

⁸ 284 F.3d 47 (1st Cir. 2002).

⁹ *Id.* at 55.

¹⁰ Id.

¹¹ *Id.* at 55, 59 (indicating that MLS's structure, where it controlled teams and player contracts, was unilateral)

¹² *Id.* at 69.

the Sherman Act.¹³ They claimed UFC monopolized the mixed martial arts ("MMA") market by using exclusive contracts with restrictive terms, making them effectively perpetual.¹⁴ UFC's tactics, including acquiring or eliminating competitors, allegedly created a monopsony, suppressing fighter pay and reducing competition in the market for MMA fighter services.¹⁵ In September 2024, the UFC agreed to a revised settlement of \$375 million, surpassing the previously rejected \$335 million settlement.¹⁶ This resolution, part of a broader effort to address longstanding antitrust issues, marked a significant moment in sports law.¹⁷

III. POSPISIL V. ATP TOUR

At the heart of the 163-page lawsuit, the PTPA and its player-members describe tennis' governing bodies as a "cartel" operating an unlawful system.¹⁸ They argue that this structure suppresses player wages, limits competitive opportunities, and stifles the emergence of rival tournaments.¹⁹ Central to the lawsuit are claims of anticompetitive practices stemming from unfair prize money distribution, restrictive tournament scheduling, and flaws in the ranking system.²⁰

The PTPA argues that governing bodies unfairly cap prize money, restricting player earnings both on and off the court.²¹ Despite generating over \$1.5 billion in 2024, the Grand Slams

 $^{^{13}}$ Cung Le v. Zuffa, LLC, No. 2:15-cv-01045-RFB-BNW, 2023 U.S. Dist. LEXIS 138702 (D. Nev. Aug, 9, 2023). 14 Id. at 4–5.

¹⁵ *Id.* at 79 (a "monopsony" is a market situation in which there is only one buyer).

¹⁶ Andreas Hale, *UFC Reaches \$375M Settlement in* Le v. Zuffa *Antitrust Lawsuit*, ESPN (Sept. 26, 2024), https://www.espn.com/mma/story/_/id/41455273/ufc-reaches-375m-settlement-le-vs-zuffa-antitrust-lawsuit (demonstrating that it was in the best interest of the plaintiffs and defendants to bring litigation to a close).

¹⁷ See generally id. (illustrating how sports organizations can resolve antitrust disputes through settlements while highlighting ongoing legal challenges in maintaining competitive and financial balance).

¹⁸ Futterman, *supra* note 2.

¹⁹ *Id*.

²⁰ Eccleshare, *supra* note 5.

²¹ *Id.* (governing bodies are the ATP, WTA, and Grand Slam tournaments including the Australian Open, French Open, Wimbledon, and U.S. Open).

paid players only 10% to 20% of that revenue.²² In 2012, billionaire Larry Ellison's proposal to increase BNP Paribas Open prize money was rejected by the ATP and WTA to prevent pressure on other tournaments to raise payouts.²³ The players argue that these restrictions suppress market-driven earnings and prevent tournaments from competing for talent, drawing comparisons to how PGA Tour prize money increased in response to LIV Golf.²⁴

Another grievance in the lawsuit is the tour schedule.²⁵ The PTPA argues that the ATP's annual calendar, which includes over 60 tournaments, leaves little room for rest and recovery.²⁶ The tour's 45-week season, coupled with the growing number of ATP and WTA events that stretch up to 12 days, puts immense pressure on players.²⁷ This demanding schedule often forces them to compete in matches that extend well into the early hours of the morning.²⁸ The lawsuit further criticizes the lack of competition from rival events, as the tight schedule prevents other tournaments from emerging and reduces players' earning potential.²⁹ This relentless schedule harms players' health and limits opportunities to compete and earn.³⁰

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²² Michael McCann, *ATP, WTA Sued by Pospisil-Led PTPA For Restraining Player Pay*, SPORTICO (Mar. 18, 2025), https://www.sportico.com/law/analysis/2025/atp-antitrust-lawsuit-tennis-1234843461/; Matthew Futterman, *Grand Slam Prize Money is Enormous. The Economics of Tennis Tournaments is Complicated*, THE ATHLETIC (Jan. 10, 2025), https://www.nytimes.com/athletic/6043299/2025/01/09/tennis-prize-money-grand-slams-revenue/ ("The pie split between the governing bodies in major sports, all major American sports, like NFL, NBA, baseball, NHL, is 50 percent.").

²³ McCann, *supra* note 22

 ²⁴ Id.; see John A. Fortunato, Debating Outcomes of The Antitrust Challenges Between the PGA Tour and the LIV Golf Tour, 33 MARQ. SPORTS L. REV. 751, 765 (2023) (explaining that in response to LIV Golf, the PGA Tour increased prize money for several tournaments, including a \$25 million increase for The Players Championship).
 ²⁵ Scooby Axson, Professional Tennis Players Association Likens ATP, WTA to a Cartel in Federal Lawsuit, USA TODAY (Mar. 18, 2025), https://www.usatoday.com/story/sports/tennis/2025/03/18/tennis-players-lawsuit-atp-wta-tours-cartel/82516435007/.

²⁶ Complaint & Demand for Jury Trial, Pospisil v. ATP Tour, No. 1:25–cv–02207, at *29, *70–71. (S.D.N.Y. Mar. 18, 2025).

²⁷ *Id.* at *64, *67.

²⁸ *Id.* at *75 (2023 U.S. Open Champion, Coco Gauff, called the post-midnight finishes at the 2024 French Open "not healthy.").

²⁹ Eccleshare, *supra* note 5.

³⁰ *Id*.

The ranking system poses a significant complaint.³¹ By only awarding ranking points for participation in ATP and WTA tournaments, the ranking system essentially forces players to compete in these specific events if they want to maintain or improve their ranking.³² The current system not only restricts the players freedom to choose where they play but also creates an unfair advantage for the defendants, who control the major tournaments.³³ This system skews compensation and sponsorship opportunities, limiting players' ability to earn a fair income outside approved events.³⁴ It is seen as a way to monopolize the sport, funneling players into a narrow set of choices that benefit the ATP and WTA while stifling healthy competition.³⁵

IV. CONCLUSION

The PTPA has demanded a jury trial for their lawsuit, claiming their mandate is to unite tennis players around promoting openness and equity in professional tennis.³⁶ Since its founding in 2019, the PTPA has championed players' rights, amplifying their voices amid growing concerns over scheduling, representation, and financial transparency.³⁷ Nevertheless, the organization initially struggled to gain traction beyond the ATP Tour, as many of the sport's top players remained silent on its efforts.³⁸ After years on the sidelines, the player union has reentered the spotlight with a pivotal action. The key question now is how it will reshape the tennis world and what specific reforms the players are demanding.

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³¹ The PTPA and Tennis Players File Historic Legal Actions Against Governing Bodies Exposing Corrupt, Illegal, and Abusive System, PTPA, https://www.ptpaplayers.com/legal-actions-filed/ (last visited Mar. 19, 2025) (lawsuit describes the system as "draconian," arguing that it severely limits the players' ability to explore alternative events).

³² McCann, *supra* note 22.

³³ *Id*.

³⁴ *Id*.

³⁵ *Id*.

³⁶ Axson, *supra* note 25.

³⁷ See Futterman, supra note 2 (explaining that in 2021, the PTPA opposed an ATP 30-year strategic plan, arguing it did not sufficiently account for players' interests).

³⁸ Eccleshare, *supra* note 5 (observing that tennis icons, Roger Federer and Rafael Nadal, did not publicly support the PTPA in 2021).

The lawsuit's long-term effects remain uncertain. On one hand, it could lead to a major restructuring of tennis' financial and operational model, much like the historic changes seen in other sports like the NFL and NCAA.³⁹ On the other hand, it is possible that the governing bodies will dismiss the lawsuit or, like other sports-related lawsuits, opt for a settlement that leaves the structure largely intact.⁴⁰ Ahmad Nassar, the PTPA's Executive Director since 2022, brings NFL leadership experience to the role.⁴¹ He emphasized that the lawsuit is about more than one player, with Novak Djokovic playing an active role on the executive committee.⁴² Nassar expressed a desire to resolve the issue quickly, stating that they don't want prolonged litigation but instead aim to force stakeholders to address the concerns directly.⁴³

Nick Kyrgios, a named plaintiff on the lawsuit, emphasized that the complaint aims to empower players and address the dominance of the ATP.⁴⁴ This lawsuit could transform tennis governance, increasing player control.⁴⁵ However, the ATP and WTA are likely to vigorously

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³⁹ McCann, *supra* note 22 (explaining that the current plaintiffs in the PTPA lawsuit have retained experienced antitrust lawyers, including James Quinn, who served as lead counsel in *McNeil v. NFL* proving that NFL free agency rules violated antitrust law); *see* Daniel E. Lazaroff, *The NCAA in Its Second Century: Defender of Amateurism or Antitrust Recidivist?*, 86 OR. L. REV. 329 (2007).

⁴⁰ Russell Fuller, *Professional Tennis Players Association Set to Launch Women's Tour, Says Novak Djokovic, BBC SPORT (Apr. 17, 2024)*, https://www.bbc.com/sport/tennis/articles/c78ey959q64o (choosing to settle could resemble the outcome in *Le v. Zuffa, LLC*, the antitrust case involving the UFC). This approach, including opt-out provisions, could resemble the UFC lawsuit in *Le v. Zuffa, LLC*.

⁴¹ Bill Giannopoulos, *Tennis Faces Historic Lawsuit as PTPA, Backed by Djokovic and Kyrgios, Takes on ATP and WTA*, GREEK CITY TIMES (Mar. 20, 2025), https://greekcitytimes.com/2025/03/20/tennis-faces-historic-lawsuit-as-ptpa-backed-by-djokovic-and-kyrgios-takes-on-atp-and-wta/.

⁴² *Id.* (claiming that the lawsuit is a "class action brought on behalf of hundreds of players," not just a PTPA initiative);

⁴² *Id.* (claiming that the lawsuit is a "class action brought on behalf of hundreds of players," not just a PTPA initiative); see Howard Fendrich, *Players' Group Founded by Novak Djokovic files an antitrust suit Against tennis organizers*, AP NEWS (Mar. 20, 2025), https://apnews.com/article/tennis-ptpa-lawsuit-djokovic-cartel-79d4f4a06470275861711b14b3249cc8 ("This is about much more than one player," Nassar said, noting that Djokovic is "very involved, very up to speed.").

⁴³ Stefan Nestler, *Lawsuit Against the ATP and WTA: Game, Set, Reform?*, DW (Apr. 17, 2024), https://www.dw.com/en/lawsuit-against-the-atp-und-wta-game-set-reform/a-72058209 (reasoning that "We don't want to litigate it to the end... we want to force everybody to get into a room and figure this out.").

⁴⁴ Sky Sports News, "ATP just has so much power" | Nick Kyrgios on the PTPA's Lawsuit Against Tennis' Governing Bodies, YOUTUBE (Mar. 18, 2025), https://www.youtube.com/watch?v=GTlpxFjdIxg (asserting the core objective of the lawsuit is to establish a stronger "players association" with the mission to "get the players to be heard," addressing concerns over the ATP's dominance, which Kyrgios says has "so much power.").

⁴⁵ McCann, *supra* note 22.

defend their practices, raising questions about how quickly changes will occur. 46 Beyond monetary damages, the PTPA seeks a legal precedent to reshape tennis.⁴⁷ Regardless of the outcome, this lawsuit highlights critical issues of fairness and representation in professional tennis. It has immense potential to reshape the sport's financial structures, governance, and the overall player experience.

 46 McCann, supra note 22. 47 Id.