

Sports & Betting Group Of The Year: Latham

By Zachary Zagger

Law360 (December 11, 2020, 3:28 PM EST) -- Latham & Watkins LLP righted the ship for the U.S. Soccer Federation in its defense of pay discrimination claims brought by the players on the U.S. Women's National Team, leading the federation to an early win and earning it a spot among Law360's 2020 Sports & Betting Groups of the Year.

It was another example of how Latham's entertainment, sports and media practice is equipped to handle sports legal issues not only around the world but in almost every facet of the industry, from high-profile litigation to major media deals to mergers and acquisitions.

"Latham just has a commitment to this particular industry sector with the resources we are bringing to bear with it to create a seamless global platform," Joseph Calabrese, chair of the firm's entertainment, sports and media practice, told Law360. "I do think that is a unique offering in this space."



Latham's long-standing client, the U.S. Soccer Federation, called upon the firm earlier this year to handle a high-profile class action filed by USWNT players alleging the federation discriminated against them by paying them less than their male counterparts.

U.S. Soccer was being represented by another firm focused on labor and employment matters, but the federation faced serious backlash from commentators and sponsors after it made legal arguments that the male players are paid more because the men's game requires more skill.

Amid summary judgment briefing and less than two months before trial, Latham took over the federation's defense, eventually helping land a key victory.

Partner Christopher Yates, who represents U.S. Soccer, said that, "in true Latham fashion," he reached out to some of the litigators at the firm for their help and they stepped up. They shifted the federation's legal strategy, dropping the "skill" argument, and refocused on the fact that the women's team actually earned more than the men's team for a period between 2015 and 2019 under the pay model the players had negotiated.

"They came in and basically course-corrected, focused on the key arguments," Yates said. "Those were

that the women's national team rejected a pay for play compensation model that the men's team operates under and that if you look at what the women's team was paid, they actually made more than the men's team."

In May, a California federal judge granted the federation summary judgment on the players' pay discrimination and equal pay claims, finding the differences in pay structures between the men's and women's team were the product of the separate labor negotiations.

The federation and players reached a settlement this month on some remaining issues pertaining to working conditions. Though the players have indicated they will still appeal to revive their claims for better pay, the summary judgment ruling was a major win for U.S. Soccer.

Also this year, Latham represented gambling and sports betting company Caesars Entertainment Inc. in a deal to grow its relationship with sports media giant ESPN. The deal finalized in September Caesars, through its sports betting partner William Hill, expands it from being the exclusive sports betting odds provider for ESPN's coverage to being one of the sportsbooks that the ESPN website links to directly, allowing those in states where betting is legal to place bets on games covered by ESPN.

"I think that deal highlights the growth in the U.S. of sports betting and its impact on the sports industry as a whole," said Latham partner Adam Sullins, who worked on the deal and was named one of Law360's Sports & Betting MVPs this year.

"It is not just the fact that state after state continues to legalize sports betting, which has the obvious impact of allowing more people to bet, but also the sponsorship categories that are getting opened up, the way it is impacting the content that is being generated and the ways in which the games themselves are being televised and shown," Sullins added.

Showcasing the firm's global reach, Latham also represented Silver Lake Partners in its \$500 million equity investment in City Football Group, which owns English Premier League giants Manchester City F.C. and other soccer teams around the world, including New York City FC of Major League Soccer. The November 2019 investment gave Silver Lake a stake of a little over 10% in City Football Group, valuing it at \$4.8 billion.

The deal not only included the M&A component but required necessary approvals from the relevant leagues in which City Football Group owns soccer teams for a change in ownership, highlighting Latham's true multidisciplinary and global reach.

"We very much look at this as a global practice," Calabrese said. "We really see the value of leveraging that platform."

--Editing by Nicole Bleier.