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Sports face antitrust showdown: 5 high-stakes cases in 2025

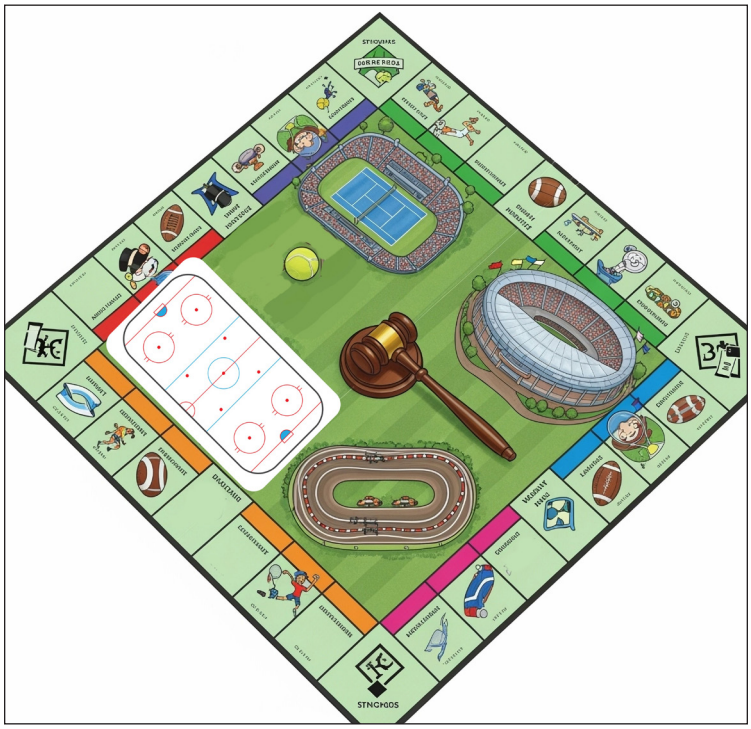
From tennis courts to NASCAR tracks, athletes and the DOJ are using antitrust law to challenge governing bodies over suppressed competition and lost economic opportunity.

By Jill M. Manning

Professional sports are facing a legal reckoning. In 2025, high-stakes lawsuits and federal investigations are challenging the power structures that have long dictated how sports are played and who profits. From tennis courts and hockey rinks to NASCAR tracks and golf courses, athletes, teams and the government are using antitrust law to push back against governing bodies they say are suppressing competition and limiting economic opportunity.

At the center of these challenges are antitrust laws – long-standing protections designed to prevent monopolistic behavior and preserve fair competition. These legal guardrails take on heightened importance in sports, where leagues often wield outsized control over player movement, revenue sharing and competitive access. As a result, questions about market dominance, restrictive practices and organizational control are now coming to the forefront.

This year, five cases stand out for their potential to reshape the sports industry. Each targets a different aspect of league or organizational power, from compensation structures and team access to governance and merger control. Their outcomes could fundamentally alter how sports leagues operate, how athletes and teams are compensated and how competition is managed across professional athletics.



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***In re College Athlete NIL Litigation*, Case No. 4:20-cv-03919 (N.D. Cal.)**

This case represents the most significant legal challenge to the National Collegiate Athletic Association's (NCAA) amateurism model in history, resulting in a landmark $2.576 billion settlement. Filed in 2020 by college athletes and led by Arizona State swimmer Grant House, the lawsuit challenges NCAA restrictions on name, image and likeness (NIL) compensation, arguing they violate Section 1 of the Sherman Act (15 U.S.C. § 1) by preventing college athletes from earning money through endorsements, sponsorships and media appearances. The settlement follows more than a decade of escalating legal challenges that chipped away at the NCAA's control over student-athlete compensation.

But the agreement goes far beyond financial restitution. It dismantles the traditional amateur model by allowing direct payments to athletes and establishing new governance through the College Sports Commission. It also imposes roster caps designed to contain spending, effectively transforming college sports into a professionalized industry where institutions must treat athletes not just as students, but as economic stakeholders.

The ripple effects are likely to be profound. The settlement threatens to widen the gap between wealthy athletic programs and those with fewer resources, triggering budget overhauls and raising Title IX compliance questions. Meanwhile, the U.S. Department of Justice (DOJ) has weighed in, warning that the deal may still preserve illegal wage-fixing by allowing the NCAA to cap NIL payments. Female athletes have appealed, arguing the plan shortchanges them. Settlement payments remain frozen while the case is under review. As courts and the new commission assume more power, the NCAA's ability to regulate college athletics as it once did may be nearing its end.

***23XI Racing and Front Row Motorsports v. NASCAR*, Case No. 3:24-cv-00886 (W.D.N.C.)**

NASCAR faces a high-profile antitrust challenge from an unlikely plaintiff: basketball legend Michael Jordan, who owns 23XI Racing alongside fellow plaintiff Front Row Motorsports. Filed in the Western District of North Carolina, this case targets NASCAR's charter system, which the plaintiffs argue creates artificial limitations on team competition and unfairly restricts revenue-sharing opportunities. Plaintiffs allege that defendants have unlawfully exercised monopsony power to exclude competition and injure plaintiffs and other stock car racing teams in violation of Section 2 of the Sherman Act. 15 U.S.C. § 2.

The charter system serves as NASCAR's method for guaranteeing certain teams' entry into races while providing a framework for revenue distribution. However, Jordan and his co-plaintiffs contend that this system operates more like an exclusive club than a competitive marketplace, limiting the number of teams that can effectively compete while concentrating economic benefits among established participants.

The case has already seen significant legal maneuvering. The District Court granted plaintiffs' preliminary injunction (only to be reversed by the 4th Circuit) and NASCAR's request to subpoena nonparty financial documents could provide the racing organization with crucial information about the plaintiffs' financial positions and business opera-

tions. This development suggests that NASCAR intends to mount a vigorous defense, potentially arguing that the charter system actually promotes rather than restricts competition.

The implications for motorsports could be substantial. NASCAR's charter system has been a cornerstone of the sport's modern business model, providing stability for teams and sponsors while managing field sizes and competitive balance. A successful challenge could force fundamental changes to how NASCAR structures its competitions and distributes revenues, potentially opening the door for new teams while altering the economic landscape for existing participants.

***PTPA v. Tennis Governing Bodies*, Case No. 1:25-cv-02207 (SDNY)**

The Professional Tennis Players Association (PTPA), joined by high-profile players including Nicholas Kyrgios and Anastasia Rodionova, has launched a sweeping legal challenge against the sport's governing establishment. Filed in March 2025 in the Southern District of New York, the lawsuit targets both the Association of Tennis Professionals (ATP) and Women's Tennis Association (WTA), accusing them of operating an illegal cartel designed to suppress competition and cap player earnings. The plaintiffs allege that the governing bodies' conduct violates Sections 1 and 2 of the Sherman Act (15 U.S.C. §§ 1, 2) by coordinating practices that restrict economic opportunities for professional tennis players.

At its core, the case confronts the economic foundations of modern tennis. The PTPA contends that the ATP and WTA maintain a system that artificially depresses compensation and limits career mobility by tightly controlling rankings, tournament access and eligibility. In one court filing, a declaration claims the ATP threatened to "reduce the compensation and benefits of the players who are party to, or supportive of, [the] lawsuit" (Dkt. No. 37), underscoring the power dynamics at play.

The governing bodies have moved swiftly to defend their authority. Both the ATP and WTA have filed motions to dismiss, challenging the legal basis of the claims. Meanwhile, discussions about diverting the case to arbitration could dramatically change the pace, process and public scrutiny of the dispute.

But the implications of this case reach far beyond tennis. A ruling in favor of the players could set a powerful precedent, inviting challenges to similar governance models across professional sports. The case captures a growing global tension: athlete advocacy organizations pushing for greater economic freedom in the face of deeply entrenched institutional control.

***World Association of Ice Hockey Players Unions v. National Hockey League*, Case No. 2:24-cv-02135-TL (W.D. Wa.)**

Professional hockey faces its own antitrust reckoning as the World Association of Ice Hockey Players Unions North America Division challenges the relationship between the National Hockey League and Canadian Hockey League under Section 1 of the Sherman Act. 15 U.S.C. § 1. Originally filed in the Southern District of New York last year but dismissed for lack of personal jurisdiction and refiled in the Western District of Washington, this case alleges that agreements between these organizations impede players' ability to compete freely for teams, creating artificial restrictions on player movement and compensation.

At its core, this case questions whether the current structure of professional and junior hockey creates an anticompetitive environment that artificially suppresses player compensation, particularly for younger athletes. The plaintiffs argue that agreements between professional and junior leagues limit players' options and create a system where compensation remains below competitive market levels.

In May, the District Court granted defendants' motions to dismiss for lack of personal jurisdiction and under the doctrine of international comity on the ground that plaintiffs' claims arose from injuries suffered in Canada. Finding that the plaintiffs had an opportunity to amend their complaint after the dismissal of the New York case and did request leave to amend, the court dismissed the case with prejudice. Plaintiffs' appeal is pending in the 9th Circuit.

The case exemplifies the jurisdictional barriers confronting athletes seeking antitrust relief in U.S. courts for anticompetitive conduct occurring abroad. The Western District's invocation of international comity doctrine–deferring to Canadian authority over conduct primarily occurring in Canada–illustrates how traditional jurisdictional principles can effectively insulate international sports organizations from U.S. antitrust scrutiny, even when their agreements may impact American athletes or markets. This jurisdictional maze leaves athletes with limited recourse when challenging cross-border anticompetitive arrangements, as they must navigate not only complex questions of personal jurisdiction over foreign entities but also judicial reluctance to adjudicate disputes centered on conduct in foreign jurisdictions.

DOJ investigation into PGA-LIV merger

While not yet a lawsuit, the DOJ's investigation into the proposed merger between the PGA Tour and LIV Golf represents perhaps the most consequential antitrust development in sports for 2025. This investigation examines whether the proposed consolidation of professional golf's two major tours would violate federal antitrust laws.

The proposed merger emerged from the highly publicized competition between the established PGA Tour and the Saudi-backed LIV Golf series, which attracted numerous high-profile players with substantial financial incentives. The DOJ's investigation focuses on whether combining these organizations would create excessive market concentration in professional golf, potentially limiting opportunities for players, sponsors and fans.

The DOJ's antitrust division informed the PGA Tour in June 2023 that it would review the proposed merger. The investigation appears to be ongoing, with no clear resolution announced. The December 2023 deadline for completion of the merger has long since passed.

The stakes are enormous for professional golf. The investigation could determine whether the sport returns to a unified structure under traditional PGA Tour governance or continues with competing organizations. The outcome may also influence how other sports handle similar competitive challenges, particularly when new entrants attempt to disrupt established leagues or tours.

Beyond golf, this investigation represents a significant test of current antitrust enforcement priorities in sports. The DOJ's approach could signal broader regulatory attitudes toward sports mergers and acquisitions, potentially influencing how other leagues and organizations approach consolidation opportunities.

Looking ahead: The future of sports and competition

These five cases represent a pivotal moment in sports antitrust law, challenging fundamental assumptions about league governance, revenue allocation and organizational power over athletes. Their outcomes will likely reshape legal and economic norms across professional sports, as athletes and teams increasingly use antitrust law as a tool for promoting competitive markets and fair compensation rather than accepting traditional governance models.

As these disputes proceed, they will test antitrust doctrine in complex sports markets and potentially establish new precedents for athlete rights and league operations. The resolution of these cases will help determine whether sports organizations must adapt their practices to contemporary antitrust standards or if courts will continue to recognize the unique characteristics that have historically provided sports leagues with greater regulatory flexibility.

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