

Pro gamer Tfue files lawsuit against esports org over 'grossly oppressive' contract

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Turner "Tfue" Tenney, one of the world's premier streamers and esports pros, has filed a lawsuit against esports organization Faze Clan over a "grossly oppressive, onerous and one-sided" contract, according to THR.

The complaint alleges that Faze Clan's Gamer Agreement relegates up to 80% of the streamer's earnings from branded content (sponsored videos) to Faze Clan, and that the contract hinders Tfue from pursuing and earning money from sponsorship deals that Faze Clan hasn't approved.

Tfue's lawyer, Bryan Freedman of Freedman + Taitelman, took the complaint to the California Labor Commissioner with issues that span far beyond financial contracts. Freedman wrote that Faze Clan takes advantage of young artists and actually jeopardizes their health and safety, noting an incident where Tfue was allegedly pressured to skateboard in a video and injured his arm. Freedman also wrote that Faze Clan pressured Tfue to live in one of its homes where he was given alcohol before being 21 years old, and encouraged to illegally gamble.

From the complaint:

In one instance, Tenney suffered an injury (a deep wound that likely required stitches) which resulted in permanent disfigurement. Faze Clan also encourages underage drinking and gambling in Faze Clan's so-called Clout House and FaZe House, where Faze Clan talent live and frequently party. It is also widely publicized that Faze Clan has attempted to exploit at least one artist who is a minor.

Faze Clan issued the following statement on Twitter following the news:

FaZe Clan @FaZeClan · May 20, 2019

FaZe Clan's response to today's press article regarding Tfue:



We're shocked and disappointed to see the news of Tfue's press article and lawsuit. Over the course of our partnership with him, which began in April 2018, FaZe Clan has collected:

- \$0 - Tournament Winnings
- \$0 - Twitch Revenue
- \$0 - YouTube Revenue
- \$0 - from any social platform

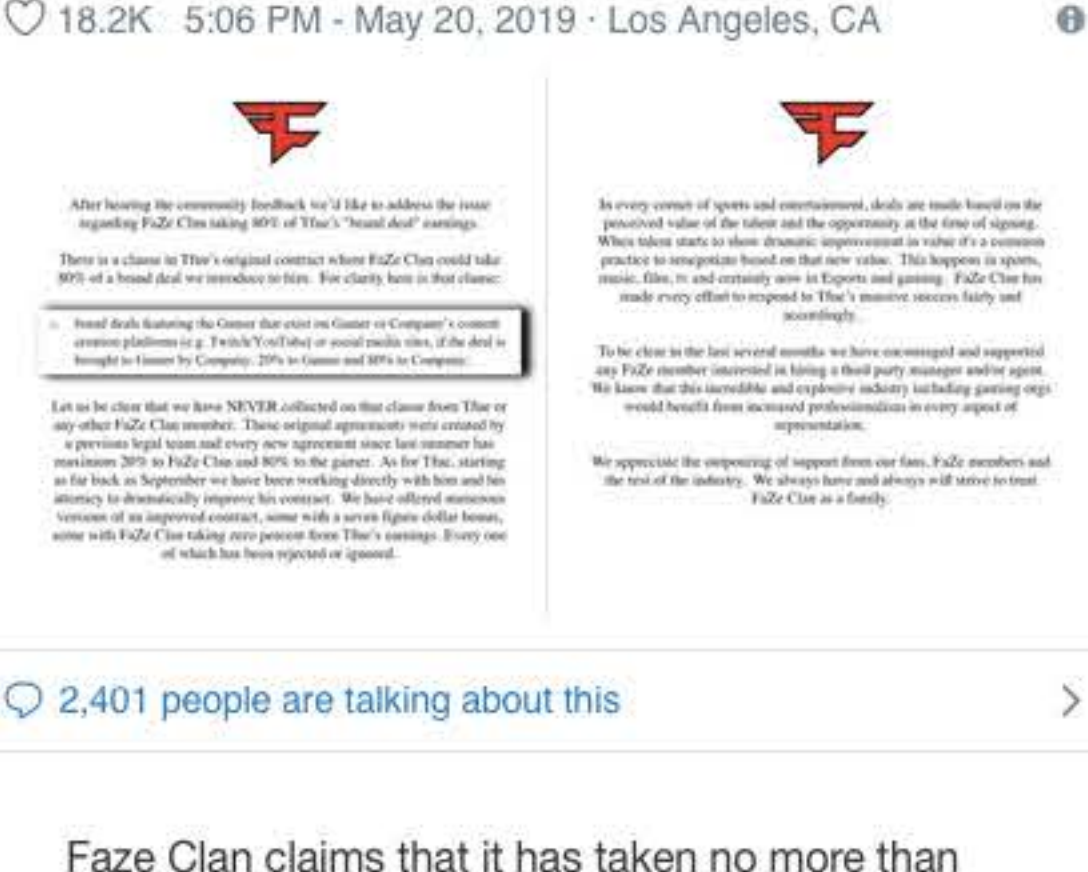
In fact, we have only collected a total of \$60,000 from our partnership, while Tfue has earned millions as a member of FaZe Clan. While contracts are different with each player, all of them - including Tfue's - have a maximum of 20% to FaZe Clan in both tournament winnings as well as content revenue, with 80% to the player. In Turner's case, neither of those have been collected by FaZe Clan.

We're proud of what we've accomplished together over the past year with Turner and will continue to support him.

FaZe Clan @FaZeClan

A follow-up from FaZe Clan on today's unfortunate situation.

18.2K · 5:06 PM · May 20, 2019 · Los Angeles, CA



After hearing the community feedback we'd like to address the issue regarding FaZe Clan taking 80% of Tfue's "brand deal" earnings. There is a clause in Tfue's original contract where FaZe Clan could take 80% of a brand deal we introduce to him. For clarity here is that clause:

Brand deals featuring the Gamer that exist on Gamer or Company's content revenue platforms (i.e. Twitch/YouTube) or social media sites, if the deal is brought to Gamer by Company, 20% to Gamer and 80% to Company.

Let us be clear that we have NEVER collected on that clause from Tfue or any other FaZe Clan member. These original agreements were created by a previous legal team and every new agreement since last summer has maximum 20% to FaZe Clan and 80% to the gamer. As for Tfue, starting as far back as September we have been working directly with him and his attorney to domestically improve his contract. We have offered numerous versions of an improved contract, some with a seven figure dollar bonus, some with FaZe Clan taking zero percent from Tfue's earnings. Every one of which has been rejected or ignored.

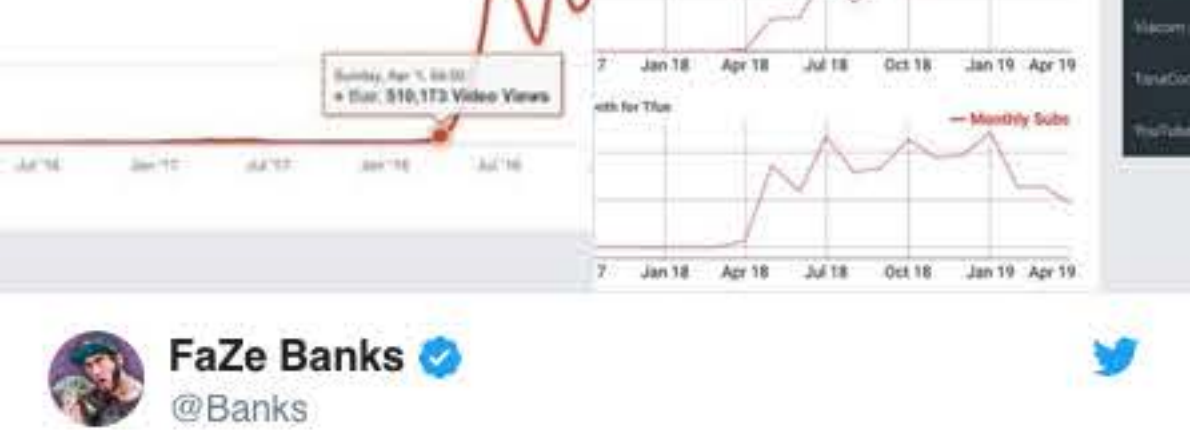
In every corner of sports and entertainment, deals are made based on the perceived value of the talent and the opportunity at the time of signing. When talent starts to show dramatic improvement in value it's a common practice to renegotiate based on that new value. This happens in sports, music, film, tv, and certainly now in Esports and gaming. FaZe Clan has made every effort to respond to Tfue's massive success fairly and accordingly.

To be clear in the last several months we have managed and supported our FaZe member increased in being a third party manager and/or agent. We know that this incredible and explosive industry (including gaming orgs) would benefit from increased professionalism in every aspect of representation.

We appreciate the outpouring of support from our fans. FaZe members and the rest of the industry. We always have and always will strive to treat FaZe Clan as a family.

2,401 people are talking about this

Faze Clan claims that it has taken no more than 20% of Tfue's earnings from sponsored content, which amounts to a total of \$60,000. The owner of Faze Clan, Ricky Banks, took to Twitter to make his case, showing the incredible growth of Tfue's popularity across Twitch and YouTube since signing with Faze Clan.



FaZe Banks @Banks

I recruited Tfue to FaZe Clan in April of 2018. These are graphs from both his YouTube & Twitch channels following the mark of our relationship.

18.2K · 1:45 PM · May 20, 2019

1,650 people are talking about this

As it stands now, Tfue boasts more than 120 million views on Twitch, more than 10 million YouTube subscribers and 5.5 million followers on Instagram.

Banks also reiterated Faze Clan's official statement saying that the company has taken 20% of Tfue's earnings from branded deals, totaling \$60,000.

FaZe Banks @Banks

OK LAST TWEET - To clarify Turners contract does outline splits in prizes, ad revenue, stuff like that. But again we've collected absolutely none of it with no plans to and that was very clear to him. We have collected a total of \$60,000 from 300k in brand deals (20%). That's it

19.5K · 2:25 PM · May 20, 2019

1,195 people are talking about this

The Tfue claim, however, seems to take issue with the content of the agreement, not necessarily its execution, and the general legality of these types of gamer agreements across the esports landscape. Moreover, the complaint alleges that Tfue lost potential earnings due to his agreement with Faze Clan and their own conflicts of interest with various brands interested in a sponsorship.

Image Credits: Sean Drakes / Getty Images