

Fortnite Star Tfue Settles Dispute With FaZe Clan, Ending Esports' First Major Employment Lawsuit



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Turner "Tfue" Tenney participates in the 2019 Fortnite World Cup inside of Arthur Ashe Stadium, in ...

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The esports industry's first major employment lawsuit has come to an end.

Fortnite streaming star Turner "Tfue" Tenny and esports organization FaZe Clan today announced they had reached a settlement after a 15-month contract dispute over sponsorship opportunities and payment.

"FaZe and Turner Tenny are pleased to announce they have resolved their disputes and settled their litigations. The parties wish one another the best of luck in future endeavors," read the emailed statement from both parties' legal representation, obtained by *Forbes*. No settlement amount was disclosed, and neither legal party was made available or responded to *Forbes*' request for comment.

The suit shined a spotlight on labor and employment law issues in the rapidly growing esports and gaming industry. In May 2019, Tfue filed two suits against FaZe Clan in California, alleging the company was exploiting him with an "oppressive, onerous and one-sided" contract that violated state law and the Talent Agency Act. He claimed his contract with FaZe allowed the organization to collect up to 80% of the revenue he earned from third parties and prevented him from signing lucrative sponsorship deals. He labeled himself an artist, not an athlete, in order to take advantage of the TAA and was seeking to sever ties with the organization.

At the time, Tfue's lawyer Bryan Freedman said it was the first significant case to ask questions about the relationship between gamers and their supposed management, the contracts and the potentially illegal actions by those calling themselves representatives.

FaZe fired back with a countersuit filed with the Southern District of New York three months later. It claimed Tfue disparaged the team in violation of a clause in his agreement, stole its confidential information, and interfered with other business contracts and relationships. FaZe asserted the player had earned upwards of \$20 million since joining in April 2018, thanks to its unique methods of helping him create and promote content, and that it had collected only \$60,000 of his deals. At the time, FaZe CEO Lee Trink told *Forbes* that he had personally tried to resolve the issue privately but realized a settlement would be impossible.

That was until today. This news comes one month after a California judge dismissed Tfue's original complaint. With only the FaZe suit left outstanding, and a trial set for October, the situation was primed for a settlement.

With the matter now resolved, Tfue is officially no longer under contract or eligible to receive a paycheck, which he had been collecting from FaZe throughout this ordeal.

"Many of the biggest issues with Tfue's agreement were outliers relative to the standard esports player contract, so I don't see it as representative of macro problems in the space," says Bryce Blum—founding partner of ESG Law, the first esports-dedicated firm in the world—who counts [most valuable esports organizations](#) 100 Thieves, Cloud9 and Team SoloMid among his clients. "With that said, the suit shined a light on some of the interesting dynamics that arise when a player shifts from being purely a professional player into a full-time content creator that also plays in some esports competitions."

He adds, "The typical esports player contract hasn't changed much as a result, but the contracts between teams and content creators have, mostly in the sense that we've begun creating bespoke terms for these types of arrangements because they vary so much from influencer to influencer."

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