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24 and on behalf of All Those Similarly Situated

25 **UNITED STATES DISTRICT COURT**  
26 **DISTRICT OF PUERTO RICO**

27 DANIEL CONCEPCION,  
28 Individually and on Behalf of All Those  
Similarly Situated,

Plaintiffs,

v.

OFFICE OF THE COMMISSIONER OF  
BASEBALL, an unincorporated association  
doing business as MAJOR LEAGUE  
BASEBALL, ROB MANFRED; ALLAN  
HUBER "BUD" SELIG; KANSAS CITY  
ROYALS BASEBALL CORP.;  
MIAMI MARLINS, L.P.; SAN FRANCISCO  
BASEBALL ASSOCIATES LLC; BOSTON  
RED SOX BASEBALL CLUB L.P.; ANGELS

) **Case No.**  
)  
)  
) **CLASS ACTION COMPLAINT FOR**  
) **VIOLATIONS OF ANTI-TRUST**  
) **LAWS; VIOLATIONS OF**  
) **FEDERAL AND PUERTO RICO**  
) **WAGE AND HOUR LAWS;**  
) **DECLARATORY RELIEF;**  
) **VIOLATION OF**  
) **CONSTITUTIONAL RIGHT TO**  
) **EQUAL PROTECTION**  
)  
) **JURY TRIAL DEMANDED**

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1 BASEBALL LP; CHICAGO WHITE SOX )  
 LTD.; ST. LOUIS CARDINALS, LLC; )  
 2 COLORADO ROCKIES BASEBALL CLUB, )  
 LTD.; BASEBALL CLUB OF SEATTLE, LLP; )  
 3 THE CINCINNATI REDS, LLC; HOUSTON )  
 BASEBALL PARTNERS LLC; ATHLETICS )  
 4 INVESTMENT GROUP, LLC; ROGERS )  
 BLUE JAYS BASEBALL PARTNERSHIP; )  
 CLEVELAND INDIANS BASEBALL CO., )  
 5 L.P.; CLEVELAND INDIANS BASEBALL )  
 CO., INC.; PADRES L.P.; SAN DIEGO )  
 6 PADRES BASEBALL CLUB, L.P.; )  
 MINNESOTA TWINS, LLC; WASHINGTON )  
 7 NATIONALS BASEBALL CLUB, LLC; )  
 DETROIT TIGERS, INC.; LOS ANGELES )  
 8 DODGERS, LLC; LOS ANGELES )  
 DODGERS HOLDING CO.; STERLING )  
 9 METS L.P.; ATLANTA NATIONAL )  
 LEAGUE BASEBALL CLUB, INC.; AZPB )  
 10 L.P.; BALTIMORE ORIOLES, INC.; )  
 BALTIMORE ORIOLES, L.P.; THE )  
 11 PHILLIES L.P.; PITTSBURGH BASEBALL, )  
 INC.; PITTSBURGH BASEBALL P'SHIP; )  
 12 NEW YORK YANKEES P'SHIP; TAMPA )  
 BAY RAYS BASEBALL LTD.; RANGERS )  
 13 BASEBALL EXPRESS, LLC; RANGERS )  
 BASEBALL, LLC; CHICAGO BASEBALL )  
 14 HOLDINGS, LLC; MILWAUKEE BREWERS )  
 BASEBALL CLUB, INC.; MILWAUKEE )  
 15 BREWERS BASEBALL CLUB, L.P., )  
 )

16 Defendants.

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1 This class action is brought by Plaintiff, Daniel Concepcion, individually and all those  
2 similarly situated minor league baseball players (“minor leaguers”), on behalf of himself and  
3 the classes of minor leaguers he represents, against the defendants, the monopsony cartel of 30  
4 major league baseball clubs and the Commissioner of Major League Baseball (collectively  
5 “MLB”), for violations of the Sherman Act 15 U.S.C. §§1 and 2 and violations of the Fair  
6 Labor Standards Act (“FLSA”), Puerto Rico wage and labor laws, and declaratory and  
7 injunctive relief for violations of the equal protection clause of the Fifth Amendment of the  
8 United States Constitution.  
9

10 Plaintiffs allege as follows:

11  
12 **I. BACKGROUND**

13 1. The Defendants <sup>1</sup> are individual members of the monopsony cartel known as  
14 Major League Baseball (“MLB”).

15 2. MLB and each of the 30 individual, separately owned teams admittedly openly  
16 collude to restrict and depress, at below market rates, the wages and compensation they pay  
17 their minor league players (“the Class”).

18 3. MLB routinely colludes to violate federal and Puerto Rico wage and hour laws  
19 and to violate federal anti-trust laws to suppress, below market value, the compensation and  
20 wages the Class receive for their work as minor league baseball players.

21 4. In order to monopolize minor league players, and restrain and depress minor  
22 league players’ salaries and to violate the FLSA and Puerto Rico’s minimum wage and labor  
23 laws, the MLB cartel inserted a provision (known as the reserve clause) into players’ contracts  
24 that allows teams to retain the contractual rights to players and restricts their movement and  
25 their ability to negotiate with other teams for their baseball services and the compensation they  
26 receive, which reserve clause preserves MLB’s monopsony over the minor league system of  
27

28 <sup>1</sup> The term “Defendants” refers to the 30 Major League Team defendants named in this Complaint.

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1 artificially low compensation paid to minor league players and their nonexistent contractual  
2 mobility. In order to restrain trade and competition in the relevant market for minor league  
3 players, the 30 independent, major league baseball teams have annually illegally entered into  
4 agreements between themselves, to set at non-competitive, below market, depressed rates, the  
5 wages and compensation they have paid and will pay their minor league players.

6 5. Defendants' conspiracy and agreement to restrain trade in the market for the  
7 employment of minor league baseball players has had an adverse effect on interstate commerce  
8 in Puerto Rico and nationwide by lowering the compensation minor leaguers receive and spend  
9 throughout the United States.

10  
11 **I. The Business of MLB**

12 6. MLB is big business. Its games are broadcast throughout the United States.  
13 During the 2019 season, over 68.5 million fans paid to attend MLB games. MLB revenues  
14 exceeded \$12.4 Billion, and the average value of an MLB team exceeded \$2 Billion. MLB  
15 national television revenues were \$1.84 Billion and local television revenues were \$2.1 Billion.

16 7. In 2020, over 40 million fans paid to attend minor league games throughout the  
17 United States played by 160 minor league teams and over 6,000 minor league players.

18 8. The MLB teams acquire minor leaguers in one of two ways: through an amateur  
19 draft or through free agency.

20  
21 9. In 1965, Commissioner Ford Frick oversaw the development and  
22 implementation of what is now the Rule 4 draft. By forcing amateur players to participate in the  
23 draft, MLB and its Commissioner limited those players seeking to enter MLB's developmental  
24 system to only negotiating with the single team that drafted that player. Mr. Manfred has  
25 continued to employ those practices since becoming Commissioner in 2014.

26 10. MLB's current Rule 4 draft, as developed and enforced by the Commissioner,  
27 requires all amateur players from Puerto Rico, the United States, Mexico and Canada to  
28

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1 participate in the draft in order to sign with an MLB team.<sup>2</sup> Beginning with the worst MLB  
2 team from the previous season, teams select previously amateur players over the course of forty  
3 rounds.

4 11. Players selected in the Rule 4 draft are between the ages of 18 and 22 (with the  
5 exception of a few players who are 23). Once selected by a Franchise, a player cannot bargain  
6 with any other Franchise, as MLB’s rules grant the drafting Franchise exclusive rights to the  
7 player.<sup>3</sup>

8 12. All MLB teams acquire players from Puerto Rico through the draft and acquire  
9 other Latin American players from the Dominican Republic and Venezuela through “free  
10 agency”. MLB rules allow the Franchises to sign the players as early as age sixteen, so most  
11 Latinos are either sixteen or seventeen when signing with a Franchise.<sup>4</sup>

12 13. Many Latino minor leaguers come from poor families and have only the  
13 equivalent of an eighth-grade education. Before signing, many are only represented by  
14 similarly-educated “buscones”—usually former players who maintain training facilities for  
15 young amateur players. Some of the Franchises’ scouts have been reprimanded in recent years  
16 for participating in bribes and kickback schemes with the buscones, and the FBI has even  
17 investigated the exploitative practices.<sup>5</sup> These Latino signees comprise over forty percent of  
18 minor leaguers.

19 14. Similar to the slotting system, Mr. Selig also personally oversaw the  
20 development of bonus pools for Latino players in an effort to curtail Latino signing bonuses.  
21 Instituted in 2012, Mr. Selig’s plan allows each Franchise a certain amount to spend on signing  
22

23  
24 \_\_\_\_\_  
25 <sup>2</sup> MLR 4(a).

26 <sup>3</sup> MLR 4(e).

27 <sup>4</sup> See MLR 3(a).

28 <sup>5</sup> See Jorge L. Ortiz, *Exploitation, steroids hitting home in Dominican Republic*, USA Today (Mar. 26, 2009),  
[http://usatoday30.usatoday.com/sports/baseball/2009-03-26-dominican-republic-cover\\_N.htm](http://usatoday30.usatoday.com/sports/baseball/2009-03-26-dominican-republic-cover_N.htm).

1 bonuses for Latino players. Mr. Manfred has continued these practices.

2 15. MLB rules, as implemented and enforced and renewed and adopted annually by  
 3 the Defendants and the Commissioner, require all teams to use the same uniform player  
 4 contract (“UPC”) when signing these previously amateur players. MLR 3(b)(2) states:

5 To preserve morale among Minor League players and to produce the similarity  
 6 of conditions necessary for keen competition, all contracts...shall be in the form  
 7 of the Minor League Uniform Player Contract that is appended to these Rules as  
 8 Attachment 3. All Minor League Uniform Player Contracts between either a  
 9 Major or a Minor League Club and a player who has not previously signed a  
 10 contract with a Major or Minor League Club shall be for a term of seven Minor  
 League playing seasons.... The minimum salary in each season covered by a  
 Minor League Uniform Player Contract shall be the minimum amount  
 established from time to time by the Major League Clubs....

11 16. Moreover, “[a]ll contracts shall be in duplicate,” and “[a]ll...must be filed with  
 12 the Commissioner...for approval.”<sup>6</sup> No contract can vary any term without the approval of the  
 13 Commissioner.<sup>7</sup> A minor leaguer cannot work for an MLB team without signing the UPC  
 14 because a “player’s refusal to sign a formal contract shall disqualify the player from playing  
 15 with the contracting Club or entering the service of any Major or Minor League Club.”<sup>8</sup>

16 17. Thus, the UPC grants the MLB team the exclusive rights to the minor leaguer  
 17 for seven championship seasons (about seven years).<sup>9</sup> During that time period, the MLB team  
 18 may assign the minor leaguer’s rights to any other team, and the MLB team may terminate the  
 19 agreement at any time for almost any reason.<sup>10</sup>

20 18. But the minor leaguer cannot leave voluntarily to play for another baseball  
 21 team—even outside of MLB, and even outside of the United States.<sup>11</sup> A player doing so “shall  
 22

23 <sup>6</sup> MLR 3(b)(3); *see also* MLR 3(b)(4) (saying that a player cannot play until the UPC is signed).

24 <sup>7</sup> MLR 3(b)(3).

25 <sup>8</sup> MLR 3(d).

26 <sup>9</sup> MLR 3(b)(2); MLR Attachment 3, UPC ¶ VI.A.

27 <sup>10</sup> MLR 9; MLR Attachment 3, UPC ¶ XVIII.

28 <sup>11</sup> MLR 18; MLR Attachment 3, UPC ¶ XVI.

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1 be subject to the discipline of the Commissioner.”<sup>12</sup> Retirement from baseball during the seven-  
2 year term even requires the Commissioner’s approval.<sup>13</sup>

3 19. The UPC traps a player in the minor leagues of a single organization. A minor  
4 leaguer selected in the amateur draft can only sign with the MLB team that drafted him. For the  
5 next seven years, the MLB team controls the minor leaguer’s rights. By the expiration of the  
6 contract, much of the value of the minor leaguer as a young prospect has expired because the  
7 player has aged.

8 20. MLB rules make clear that MLB and each of its 30 teams are the employers of  
9 minor leaguers at all times.

10 21. MLB requires that each defendant team pay the salaries of its minor league players  
11 at all times and allows each defendant the ability to control each of its minor leaguer’s  
12 assignments.<sup>14</sup>

13  
14 **III. The Illegal Minor League Salaries**

15  
16 22. Since minor leaguers do not belong to a union, nothing has prevented the  
17 Defendants from artificially and illegally depressing minor league wages. Given that MLB  
18 carefully controls the entryway into the highest levels of baseball and given the young minor  
19 leaguer’s strong desire to enter the industry, MLB and the Defendants have exploited minor  
20 leaguers by paying anti-competitive, fixed salaries below minimum wage, by not paying  
21 overtime wages, and by often paying no wages at all.

22 23. Plaintiff is informed and believes that MLB and the Commissioner issue minor  
23 league salary “guidelines” which are anti-competitive and fixed and which each defendant team  
24 agrees to and is required to pay for players signed to an initial UPC, and teams cannot deviate

25 \_\_\_\_\_  
26 <sup>12</sup> MLR 18.

27 <sup>13</sup> MLR 14.

28 <sup>14</sup> MLR 56(g).

1 from these “guidelines”. MLR 3(c) requires that all first-year minor leaguers earn “the amount  
2 established by” MLB.<sup>15</sup> It is currently believed that all first-year minor leaguers employed by the  
3 Defendants must be paid \$1,100 per month.

4 24. Salaries beyond the first year are also fixed and similar across all Franchises. It is  
5 believed that discussions regarding minor league salaries (and other working conditions  
6 concerning minor leaguers) occur when MLB hosts its quarterly owner meetings that all  
7 Defendants attend.

8 25. While salary guidelines are not publicly available, the Plaintiffs are informed and  
9 believe, based on the salaries paid by the Defendants across the minor leagues, that MLB  
10 currently imposes the following salaries: less than \$12,000 per year for Rookie and Short Season  
11 Class A; \$12,400 per year for Class A; \$14,400 per year for Class AA; and \$16,800 per year for  
12 Class AAA.

13 26. Beyond the first year, the UPC required by MLB, and previously enforced by Mr.  
14 Selig, and now enforced by Mr. Manfred, purports to allow salary negotiation by the minor  
15 leaguer, as the UPC states that salaries will be set out in an addendum to the UPC and subject to  
16 negotiation.<sup>16</sup> But the same UPC provision states that if the Franchise and minor leaguer do not  
17 agree on salary terms, the Franchise may unilaterally set the salary and the minor leaguer must  
18 agree to it.<sup>17</sup>

19 27. The UPC required by MLB, formerly enforced by Mr. Selig, and now, by Mr.  
20 Manfred, further states that salaries are only to be paid during the championship season, which  
21 lasts about five months out of the year.<sup>18</sup> Plaintiffs believe that most minor leaguers currently  
22 earn less than \$16,000 per calendar year, and earned much less in prior years during the class

23 <sup>15</sup> As the 2013 Miami Marlins Minor League Player Guide states, “all first-year players receive \$1,100 per month  
24 regardless of playing level per the terms of the [UPC].”

25 <sup>16</sup> MLR Attachment 3, UPC ¶ VII.A.

26 <sup>17</sup> MLR Attachment 3, UPC ¶ VII.A.

27 <sup>18</sup> MLR Attachment 3, UPC ¶ VII.B. (“Obligation to make such payments to Player shall start with the beginning  
28 of Club’s championship playing season...[and] end with the termination of Club’s championship playing  
season....”).

1 period. Despite only being compensated during the approximately five-month championship  
 2 season, MLB’s UPC “obligates minor leaguers to perform professional services on a calendar  
 3 year basis, regardless of the fact that salary payments are to be made only during the actual  
 4 championship playing season.”<sup>19</sup> Consistent with that obligation, the UPC states that “Player  
 5 therefore understands and agrees that Player’s duties and obligations under this Minor League  
 6 Uniform Player Contract continue in full force throughout the calendar year.”

7 28. MLB’s UPC, and the Defendants’ application of the UPC, requires the minor  
 8 leaguer to participate in spring training.<sup>20</sup> Again, the UPC does not allow for salaries during this  
 9 period since spring training falls outside the championship season, so minor leaguers work  
 10 without earning a paycheck. The spring training season usually lasts around one month, during  
 11 the month of March, but it sometimes lasts longer.

12 29. In sum, the Defendants, as formerly directed by Mr. Selig, and now, by Mr.  
 13 Manfred, have conspired and agreed among themselves to eliminate competition for the  
 14 acquisition and payment of minor league baseball players at non-competitive, below market  
 15 value wages (wage fixing) in violation of federal antitrust laws. (15 U.S.C. §§1 and 2) They  
 16 have also conspired to and have and do pay illegally low wages during the championship  
 17 season, no overtime wages, and no wages for work performed outside the championship season  
 18 in violation of the federal Fair Labor Standards Act (“FLSA”) 29 U.S.C. §§ 201 et seq. and  
 19 Puerto Rico’s minimum wage laws.

20 30. Defendants have conspired to and lobbied Congress to pass unconstitutional  
 21 laws specifically targeting minor league players for unequal treatment, i.e., the Curt Flood Act  
 22 15 U.S.C. §26b(b)(1), (2), specifically designed to discriminate against and deprive minor  
 23 leaguers of their right to equal protection of the antitrust laws in violation of their strictly  
 24 construed Fifth Amendment constitutional rights to equal protection of the federal antitrust

25  
 26 \_\_\_\_\_  
 27 <sup>19</sup> MLR Attachment 3, UPC ¶ VI.B.

28 <sup>20</sup> See MLR Attachment 3, UPC ¶ VI.B. (saying that the UPC applies to the “Club’s training season”).

1 laws or, in the alternative, with no rational basis for doing so. The Curt Flood Act provides in  
2 pertinent part:

3 This section does not create, permit, or  
4 imply a cause of action by which to  
5 challenge under the antitrust laws . . .  
6 (1) any conduct, acts, practices,  
7 agreements . . . relating to . . .  
8 employment to play baseball at the  
9 minor league level . . .

10 Defendants have also coerced and misled Congress to pass the so-called Save America’s  
11 Pastime Act (29 U.S.C. §213(a)(19)) to discriminate against and deprive minor league players  
12 of their constitutional right to equal protection of federal fair labor and minimum wage laws.

13 **II. PARTIES**

14 **1. Plaintiffs**

15 Plaintiff and class representative, Daniel Concepcion, is a former minor leaguer who  
16 was in the Kansas Royals’ organization from 2010 through 2012. Mr. Concepcion is a covered  
17 employee under the FLSA and under the Puerto Rico wage and hour laws. Mr. Concepcion  
18 worked in and played minor league baseball for the Kansas Royals’ organization in Idaho,  
19 North Carolina and Kentucky. He is a representative plaintiff on behalf of all current and  
20 former minor leaguers from 2012 through final judgment or settlement in this case on their  
21 antitrust violation claims, the FLSA claims, their declaratory relief and equal protection  
22 claims .

23 **2. Defendants**

24 31. **The Office of the Commissioner of Baseball, d/b/a MLB.** The Office of the  
25 Commissioner of Baseball, doing business as MLB, is an unincorporated association comprised of  
26 the thirty Major League baseball clubs (“the Franchises”).<sup>21</sup> MLB has unified operation and  
27

28 <sup>21</sup> See Exhibit B, Major League Constitution (“MLC”), Art. II § 1.

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1 common control over the Franchises. All do business as MLB.

2 32. Under the broad meaning of “employ” used by the FLSA and the applicable state  
3 laws, MLB employed (and/or continues to employ) Plaintiffs, all similarly situated employees, and  
4 all employees of the proposed classes. As described more thoroughly below, the Defendants’ cartel  
5 has developed a unified constitution and unified rules to closely control many fundamental aspects  
6 of the minor leaguers’ employment, including, *inter alia*, hiring, contracts, wages, periods of wage  
7 payment and nonpayment, other working conditions, and control over the minor leaguers before,  
8 during, and after the championship season.

9  
10 33. **Allan Huber “Bud” Selig.** Since 1998, Allan Huber “Bud” Selig served as the  
11 Commissioner of Baseball. He committed some of the FLSA and federal anti-trust violations  
12 alleged herein.

13 34. On August 14, 2014, **Robert D. Manfred, Jr.** took over as Commissioner of  
14 Baseball and continued to this day the FLSA and federal anti-trust violations alleged herein.

15 35. The Commissioner is the “Chief Executive Officer of Major League Baseball.”<sup>22</sup>  
16 Serving in this capacity, Mr. Selig had, and Mr. Manfred continues to exercise the power to, among  
17 other things, discipline players, announce rules and procedures, preside over meetings,<sup>23</sup> and  
18 suppress wages at below market, non-competitive levels for minor leaguers.

19  
20 36. Mr. Selig had, and Mr. Manfred now also has “executive responsibility for labor  
21 relations,”<sup>24</sup> meaning that Mr. Selig was, and Mr. Manfred now is the chief bargaining agent for  
22 the owners during negotiations with the major league union.

23 37. Since Mr. Selig oversaw and Mr. Manfred now oversees all labor matters, Mr. Selig  
24

25 \_\_\_\_\_  
26 <sup>22</sup> MLC Art. II § 2.

27 <sup>23</sup> MLC Art. II §§ 2, 3.

28 <sup>24</sup> MLC Art. II § 2.

1 was, and Mr. Manfred now is also (collectively they were and now are) the chief agent for the  
 2 owners when it comes to forming labor practices involving minor leaguers. Moreover, Mr. Selig  
 3 did, and Mr. Manfred now implements, enforces, and often directs the development of MLB's  
 4 rules, guidelines, and policies concerning the employment of minor league players.

5 38. Mr. Selig did, and Mr. Manfred now serves as MLB's agent in numerous other  
 6 areas. For instance, Mr. Selig serves as "the fiscal agent of the Major League Central Fund"; has the  
 7 power to "negotiate and enter into settlement agreements" for nationwide broadcasting rights; can  
 8 receive funds "made payable to the Commissioner as agent for the Clubs"; and can even invest  
 9 central funds on behalf of the Defendants.<sup>25</sup>

10 39. The MLB owners elect the Commissioner of Baseball by a vote.<sup>26</sup> They also pay  
 11 the Commissioner's salary.<sup>27</sup>

12 40. Under the broad meaning of "employ" and "employer" used by the FLSA and  
 13 applicable state laws, Mr. Selig and Mr. Manfred, as the chief executive, can be and in this case is,  
 14 jointly and severally liable, along with the MLB defendants, for their violations of FLSA, Puerto  
 15 Rico's and applicable state labor laws and federal anti-trust violations. The Commissioner oversees  
 16 and closely controls many aspects central to the minor leaguers' employment, including, *inter alia*,  
 17 hiring, contract terms, discipline, and firing, setting the amount of wages, on-field work rules, and  
 18 when wages are to be paid.<sup>28</sup>

19  
 20  
 21 <sup>25</sup> MLC Art. X; *see also* MLR 30 (saying that all funds in the hands of the Commissioner are joint funds of the  
 22 MLB Clubs).

23 <sup>26</sup> MLC Art. II §§ 8, 9.

24 <sup>27</sup> MLC Art. II § 8.

25 <sup>28</sup> *See* MLR Attachment 3, Minor League Uniform Player Contract ("UPC") ¶¶ VI (describing the conditions of  
 26 employment), VII (payment of salaries), XXIII (granting Commissioner right to suspend the contract), XXVI  
 27 (requiring approval by the Commissioner for the contract to have effect); *see also, e.g.*, Addendum C to MLR  
 28 Attachment 3 (salary form requiring approval by the Commissioner); MLR 4 (giving Commissioner power to  
 oversee the amateur draft, one of the chief avenues of hiring players); MLR 13 (giving Commissioner the power to  
 suspend players); MLR 3(e) (requiring all contracts to be approved by the Commissioner); MLR 14 (giving  
 Commissioner the power to accept or deny an application for retirement); MLR 15 (giving Commissioner power  
 to place players on an Ineligible List for misconduct, or to take any other disciplinary action in the best interest of  
 baseball).

1           41.           Upon information and belief, the Commissioner also had and has direct  
2 involvement in the formation of programs affecting working conditions for minor leaguers, such as  
3 the implementation of a system to suppress signing bonuses for minor leaguers entering MLB’s  
4 developmental system for the first time.

5           42.           **Franchise Defendants.** The below named MLB franchises are defendants in this  
6 lawsuit and referred to collectively as the “Franchise Defendants”:

7  
8           43.           *Kansas City Royals.* Kansas City Royals Baseball Corp. (d/b/a “Kansas City  
9 Royals”) is an MLB Franchise. As a member of Major League Baseball, acting jointly and on its  
10 own behalf, the Kansas City Royals employed (and/or continue to employ) Plaintiffs, similarly  
11 situated employees, and employees of the Proposed Classes.

12           44.           *Miami Marlins.* Miami Marlins, L.P. (d/b/a “Miami Marlins”) is an MLB Franchise.  
13 As a member of Major League Baseball, acting jointly and on its own behalf, the Miami Marlins  
14 employed (and/or continue to employ) Plaintiffs, similarly situated employees, and employees of  
15 the Proposed Classes. The Miami Marlins were known and operated as the Florida Marlins until  
16 changing its name in 2012. Plaintiffs are informed and believe that the Miami Marlins is the  
17 successor in interest to the Florida Marlins franchise.

18           45.           *San Francisco Giants.* San Francisco Baseball Associates LLC (d/b/a “San  
19 Francisco Giants”) is an MLB Franchise. As a member of Major League Baseball, acting jointly  
20 and on its own behalf, the San Francisco Giants employed (and/or continue to employ) Plaintiffs,  
21 similarly situated employees, and employees of the Proposed Classes.

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23           46.           *Boston Red Sox.* Boston Red Sox Baseball Club L.P. (d/b/a “Boston Red Sox”) is an  
24 MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
25 Red Sox of baseball).employed (and/or continue to employ) Plaintiffs, similarly situated  
26 employees, and/or employees of the Proposed Classes.

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1           47.           *Toronto Blue Jays*. Rogers Blue Jays Baseball Partnership (d/b/a “Toronto Blue  
2 Jays”) is an MLB Franchise. As a member of Major League Baseball, acting jointly and on its own  
3 behalf, the Toronto Blue Jays employed (and/or continue to employ) Plaintiffs, similarly situated  
4 employees, and employees of the Proposed Classes.

5           48.           *Chicago White Sox*. Chicago White Sox Ltd. (d/b/a “Chicago White Sox”) is an  
6 MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
7 Chicago White Sox employed (and/or continue to employ) Plaintiffs, similarly situated employees,  
8 and employees of the Proposed Classes.

9           49.           *Cleveland Indians*. Cleveland Indians Baseball Co., L.P., and Cleveland Indians  
10 Baseball Co, Inc., (d/b/a “Cleveland Indians”) is an MLB Franchise. As a member of Major League  
11 Baseball, acting jointly and on its own behalf, the Cleveland Indians employed (and/or continue to  
12 employ) Plaintiffs, similarly situated employees, and employees of the Proposed Classes.

13           50.           *Houston Astros*. Houston Baseball Partners LLC (d/b/a “Houston Astros”) is an  
14 MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
15 Houston Astros employed (and/or continue to employ) Plaintiffs, similarly situated employees, and  
16 employees of the Proposed Classes.

17           51.           *Los Angeles Angels of Anaheim*. Angels Baseball LP (d/b/a “Los Angeles Angels of  
18 Anaheim”) is an MLB Franchise. As a member of Major League Baseball, acting jointly and on its  
19 own behalf, the Los Angeles Angels of Anaheim employed (and/or continue to employ) Plaintiffs,  
20 similarly situated employees, and employees of the Proposed Classes.

21           52.           *Oakland Athletics*. Athletics Investment Group, LLC (d/b/a “Oakland Athletics”) is  
22 an MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf,  
23 the Oakland Athletics employed (and/or continue to employ) Plaintiffs, similarly situated  
24 employees, and employees of the Proposed Classes.

25           53.           *Seattle Mariners*. Baseball Club of Seattle, LLP (d/b/a “Seattle Mariners”) is an  
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1 MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
2 Seattle Mariners employed (and/or continue to employ) Plaintiffs, similarly situated employees, and  
3 employees of the Proposed Classes.

4 54. *Cincinnati Reds*. The Cincinnati Reds, LLC (d/b/a “Cincinnati Reds”) is an MLB  
5 Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
6 Cincinnati Reds employed (and/or continue to employ) Plaintiffs, similarly situated employees, and  
7 employees of the Proposed Classes.

8 55. *St. Louis Cardinals*. St. Louis Cardinals, LLC (d/b/a “St. Louis Cardinals”) is an  
9 MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
10 St. Louis Cardinals employed (and/or continue to employ) Plaintiffs, similarly situated employees,  
11 and employees of the Proposed Classes.

12 56. *Colorado Rockies*. Colorado Rockies Baseball Club, Ltd. (d/b/a “Colorado  
13 Rockies”) is an MLB Franchise. As a member of Major League Baseball, acting jointly and on its  
14 own behalf, the Colorado Rockies employed (and/or continue to employ) Plaintiffs, similarly  
15 situated employees, and employees of the Proposed Classes.

16 57. *San Diego Padres*. Padres L.P., and the San Diego Padres Baseball Club, L.P. (d/b/a  
17 “San Diego Padres”) is an MLB Franchise. As a member of Major League Baseball, acting jointly  
18 and on its own behalf, the San Diego Padres employed (and/or continue to employ) Plaintiffs,  
19 similarly situated employees, and employees of the Proposed Classes.

20 58. *Minnesota Twins*. Minnesota Twins, LLC (d/b/a “Minnesota Twins”) is an MLB  
21 Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
22 Minnesota Twins employed (and/or continue to employ) Plaintiffs, similarly situated employees,  
23 and employees of the Proposed Classes.

24 59. *Washington Nationals*. Washington Nationals Baseball Club, LLC (d/b/a  
25 “Washington Nationals”) is an MLB Franchise. As a member of Major League Baseball, acting  
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1 jointly and on its own behalf, the Washington Nationals employed (and/or continue to employ)  
2 Plaintiffs, similarly situated employees, and employees of the Proposed Classes.

3           60.         *Detroit Tigers.* Detroit Tigers, Inc. (d/b/a “Detroit Tigers”) is an MLB Franchise.  
4 As a member of Major League Baseball, acting jointly and on its own behalf, the Detroit Tigers  
5 employed (and/or continue to employ) Plaintiffs, similarly situated employees, and employees of  
6 the Proposed Classes.

7           61.         *Los Angeles Dodgers.* Los Angeles Dodgers, LLC, and Los Angeles Dodgers  
8 Holding Co., (d/b/a “Los Angeles Dodgers”) is an MLB Franchise. As a member of Major League  
9 Baseball, acting jointly and on its own behalf, the Los Angeles Dodgers employed (and/or continue  
10 to employ) Plaintiffs, similarly situated employees, and employees of the Proposed Classes.

11           62.         *New York Mets.* Sterling Mets L.P. (d/b/a “New York Mets”) is an MLB Franchise.  
12 As a member of Major League Baseball, acting jointly and on its own behalf, the New York Mets  
13 employed (and/or continue to employ) Plaintiffs, similarly situated employees, and employees of  
14 the Proposed Classes.

15           63.         *Atlanta Braves.* Atlanta National League Baseball Club, Inc. (d/b/a “Atlanta  
16 Braves”) is an MLB Franchise. As a member of Major League Baseball, acting jointly and on its  
17 own behalf, the Atlanta Braves employed (and/or continue to employ) Plaintiffs, similarly situated  
18 employees, and employees of the Proposed Classes.

19           64.         *Arizona Diamondbacks.* AZPB L.P. (d/b/a “Arizona Diamondbacks”) is an MLB  
20 Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
21 Arizona Diamondbacks employed (and/or continue to employ) Plaintiffs, similarly situated  
22 employees, and employees of the Proposed Classes.

23           65.         *Baltimore Orioles.* Baltimore Orioles, Inc., and Baltimore Orioles, L.P., (d/b/a  
24 “Baltimore Orioles”) is an MLB Franchise. As a member of Major League Baseball, acting jointly  
25 and on its own behalf, the Baltimore Orioles employed (and/or continue to employ) Plaintiffs,  
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1 similarly situated employees, and employees of the Proposed Classes.

2           66.       *Philadelphia Phillies*. The Phillies L.P. (d/b/a “Philadelphia Phillies”) is an MLB  
3 Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
4 Philadelphia Phillies employed (and/or continue to employ) Plaintiffs, similarly situated employees,  
5 and employees of the Proposed Classes.

6           67.       *Pittsburgh Pirates*. Pittsburgh Baseball, Inc., and Pittsburgh Baseball P’ship, (d/b/a  
7 “Pittsburgh Pirates”) is an MLB Franchise. As a member of Major League Baseball, acting jointly  
8 and on its own behalf, the Pittsburgh Pirates employed (and/or continue to employ) Plaintiffs,  
9 similarly situated employees, and employees of the Proposed Classes.

10           68.       *New York Yankees*. New York Yankees Partnership (d/b/a “New York Yankees”) is  
11 an MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf,  
12 the New York Yankees employed (and/or continue to employ) Plaintiffs, similarly situated  
13 employees, and employees of the Proposed Classes.

14           69.       *Tampa Bay Rays*. Tampa Bay Rays Baseball Ltd. (d/b/a “Tampa Bay Rays”) is an  
15 MLB Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
16 Tampa Bay Rays employed (and/or continue to employ) Plaintiffs, similarly situated employees,  
17 and employees of the Proposed Classes.

18           70.       *Chicago Cubs*. Chicago Baseball Holdings, LLC (d/b/a “Chicago Cubs”) is an MLB  
19 Franchise. As a member of Major League Baseball, acting jointly and on its own behalf, the  
20 Chicago Cubs employed (and/or continue to employ) Plaintiffs, similarly situated employees, and  
21 employees of the Proposed Classes.

22           71.       *Milwaukee Brewers*. Milwaukee Brewers Baseball Club, Inc., and Milwaukee  
23 Brewers Baseball Club, L.P., (d/b/a “Milwaukee Brewers”) is an MLB Franchise. As a member of  
24 Major League Baseball, acting jointly and on its own behalf, the Milwaukee Brewers employed  
25 (and/or continue to employ) Plaintiffs, similarly situated employees, and employees of the Proposed  
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1 Classes.

2 72. *Texas Rangers*. Rangers Baseball Express, LLC, and Rangers Baseball, LLC, (d/b/a  
3 “Texas Rangers”) is an MLB Franchise. As a member of Major League Baseball, acting jointly and  
4 on its own behalf, the Texas Rangers employed (and/or continue to employ) Plaintiffs, similarly  
5 situated employees, and employees of the Proposed Classes.

6  
7 **III. CLASS ACTION ALLEGATIONS**

8 73. Plaintiff brings the Puerto Rico labor law class action claims, Counts 8 and 9, as  
9 class actions under Rule 23(a) and Rule 23(b)(1), 23(b)(2) and 23(b)(3) of the Federal Rules of  
10 Civil Procedure, on behalf of himself and all others similarly situated. The Puerto Rico class is  
11 as follows:

12 74. **Puerto Rico Class.** For Counts 8 and 9 (violations of Puerto Rico’s wage and  
13 labor laws), the Puerto Rico Class is defined as follows: all minor leaguers who were, at all  
14 applicable times, citizens and residents of Puerto Rico and were employed by Defendants under  
15 uniform player contracts (“UPC”) who worked, will work, and/or continue to work as minor  
16 leaguers and signed UPC contracts in and/or were paid in Puerto Rico for any MLB minor  
17 league team and performed work for such team, at any time between January 1, 2012 and the  
18 final resolution of this action. Excluded from the Puerto Rico Class are Defendants and their  
19 officers, directors, assigns, and successors, or any individual who has, or who at any time  
20 during the class period has had, a controlling interest in Defendants. Also excluded are the  
21 Court and any members of the Court’s immediate family, counsel for plaintiffs, as well as  
22 persons who submit timely and proper requests for exclusion from the Puerto Rico Class.

23  
24 **IV. FACTUAL ALLEGATIONS**

25 **Count 1: Federal Antitrust Violations**

26 75. Plaintiffs re-allege and incorporate by reference as though fully set forth herein  
27 Paragraphs 1-74 above.

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1           76.           This federal antitrust class action is brought by Plaintiffs, minor league baseball  
2 players (“minor leaguers”), on behalf of themselves and the class of minor leaguers they  
3 represent, against all of the above-named defendants, the cartel of 30 major league baseball  
4 clubs and the Commissioner of Major League Baseball (collectively “MLB”), for violations of  
5 the Sherman Act and Clayton Act (“federal antitrust laws”).

6  
7           **I.           NATURE AND BACKGROUND OF FEDERAL ANTI-TRUST CLAIMS**

8           77.           The Defendants are either members of or govern the monopsony cartel known as  
9 Major League Baseball (“MLB”).

10           78.           MLB openly colludes on the working conditions for the development of its chief  
11 commodity: minor league professional baseball players (“minor leaguers”). MLB routinely  
12 colludes to violate federal antitrust laws.

13           79.           In order to monopolize minor leaguers, restrain and depress minor league  
14 players’ salaries, the MLB cartel inserted a provision (known as the reserve clause) into  
15 players’ contracts that allows teams to retain for seven (7) years the contractual rights to  
16 players and restrict their ability to negotiate with other teams for their baseball services, which  
17 reserve clause preserves MLB’s minor league system of artificially low salaries and nonexistent  
18 contractual mobility.

19           80.           Unlike major leaguers, minor leaguers have no union or collective bargaining  
20 agreement, even though they comprise the overwhelming majority of baseball players  
21 employed by the Defendants. The Major League Baseball Players’ Association (“MLBPA”)  
22 does not represent the interests of minor leaguers.

23           81.           Efforts to unionize minor leaguers have been unsuccessful because minor  
24 leaguers fear retaliation by the Defendants. Minor leaguers are afraid to challenge the MLB-  
25 imposed wage system, for fear it would jeopardize their careers and potential to become major  
26 leaguers if they challenged the system.

1 82. Minor leaguers are powerless to combat the collusive power of the MLB cartel.  
2 MLB continues to actively and openly collude on many aspects of minor leaguers' working  
3 conditions, including, but not limited to, wages, contract terms, and their ability to work for and  
4 negotiate with other teams.

5 83. The federal antitrust laws were enacted to protect competition and prevent  
6 conspiracies to restrain competition, including competition for employment, group boycotts,  
7 and monopolization.

8 84. Through their collective exercise of monopsony power and restraint of trade in  
9 the minor league professional baseball player market, Defendants have eliminated competition  
10 and suppressed minor leaguers' compensation, in violation of sections 1 and 2 of the Sherman  
11 Act, 15 U.S.C. §§ 1 and 2. Most minor leaguers earn less than \$12,000 for the entire year,  
12 despite routinely working between 50 and 70 hours per week during the roughly five-month  
13 championship season. They receive no overtime pay, and instead, routinely receive less than  
14 minimum wage during the championship season.

15 85. The Defendants have conspired to pay no wages at all for significant periods of  
16 minor leaguers' work. The Defendants do not pay minor leaguers their salaries during spring  
17 training, even though the Defendants require minor leaguers to often work over fifty hours per  
18 week during spring training. Similarly, the Defendants do not pay salaries during other training  
19 periods such as instructional leagues and winter training.<sup>29</sup>

20 86. This suit seeks to recoup the damages sustained by minor leaguers as a result of  
21 MLB's violations of the antitrust laws, 15 U.S.C. §§ 1, 2, and 15. It seeks to recover damages  
22 through a class action on behalf of minor league professional baseball players to recover treble  
23 the shortfall in underpaid compensation they should have received absent Defendants' antitrust  
24 violations.

25  
26  
27 <sup>29</sup> See Exhibit A attached hereto and incorporated herein, Major League Rules ("MLR") Attachment 3, UPC ¶ VII,  
28 B; ¶ VI, B.

1 87. This suit also seeks to enjoin Defendants from continuing their antitrust  
2 violations.

3  
4 **III. ANTITRUST CLASS ACTION ALLEGATIONS**

5 88. Plaintiffs bring their antitrust claims as a class action under Rule 23(a) and Rule  
6 23(b)(1), (b)(2), and (b)(3) of the Federal Rules of Civil Procedure, on behalf of themselves and  
7 all other minor league professional baseball players similarly situated. The class is defined as  
8 follows:

9 All minor leaguers employed by Defendants under uniform player contracts  
10 (“UPC”) who worked, will work, and/or continues to work as minor leaguers for  
11 any minor league team affiliated with a Franchise Defendant at any time between  
12 January 1, 2012 and the final resolution of this action. Excluded from the Class  
13 are Defendants and their officers, directors, assigns, and successors, or any  
14 individual who has, or who at any time during the class period has had, a  
15 controlling interest in Defendants. Also excluded are the Court and any members  
16 of the Court’s immediate family, counsel for plaintiffs, as well as persons who  
17 submit timely and proper requests for exclusion from the Class.

18 89. The Class Representative is Daniel Concepcion.

19 90. The Proposed Class, consisting of thousands of similarly situated,  
20 geographically dispersed minor leaguers, is so numerous that it makes joinder of all members  
21 impracticable. While the exact number of Class members is unknown to Plaintiffs at this time,  
22 Plaintiffs are informed and believe that it is in the thousands.

23 91. Plaintiff’s claims are typical of the claims of the other members of the Class.  
24 Plaintiff and the members of the Class were and are subject to the same or similar artificially  
25 depressed compensation practices arising out of Defendants’ conspiracy to restrain competition  
26 and depress compensation paid to minor league players, in violation of the federal antitrust  
27 laws as alleged herein. Plaintiff and the Class have sustained similar types of damages, i.e.,  
28

1 reduced compensation, as a result of Defendants’ antitrust violations.

2 92. Plaintiff will fairly and adequately protect the interests of all members of the  
3 Class because they possess the same interests and suffered the same types of damages  
4 (depressed compensation) as the other class members. Plaintiff has retained counsel competent  
5 and experienced in class action litigation, including antitrust litigation.

6 93. Common questions of law and fact exist as to all members of the Class and  
7 predominate over any questions affecting only individual members of the Class, including:

8 (a) whether Defendants conspired or agreed to force all minor league players to sign  
9 uniform player contracts with uniform wage fixed compensation which assigned them  
10 to one major league franchise for seven (7) years and prevented them from negotiating  
11 or contracting with other competing franchises for competitive, non-wage-fixed  
12 compensation for their baseball services, in violation of 15 U.S.C. §§1 and 2;

13 (b) whether Defendants’ imposition of the so called “reserve clause”, which prevents  
14 minor league baseball players from negotiating or contracting with other teams for their  
15 services is a violation of 15 U.S.C. § 1 and/or 2;

16 (c) whether Defendants conspired to require all minor leaguers to sign the same UPC,  
17 which controls and depresses minor leaguers’ pay in violation of the antitrust laws;

18 (d) whether the minor leaguers were damaged in the form of lower compensation by  
19 Defendants’ antitrust violations;

20 (e) whether Defendants have colluded, conspired, agreed and/or acted or refused to act  
21 on grounds generally applicable to the Class, thereby making final injunctive or  
22 declaratory relief appropriate with respect to the Class as a whole;

23 (f) whether the nearly hundred-year-old, so-called court-created antitrust “baseball  
24 exemption” is unconstitutional as a violation of minor leaguers’ constitutional right to  
25 equal protection of the laws as applied to the reserve clause applied against minor  
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1 league players and, if it is, whether it should be overturned based on changed  
2 circumstances, including, but not limited to, no collective bargaining for minor  
3 leaguers;

4 (g) whether the Sherman Act 15 U.S.C. §§1 and 2 and the Clayton Act 15 U.S.C. §§15  
5 and 26, in purportedly not being applicable to MLB's monopolistic and restraint of  
6 trade actions against minor leaguers, are unconstitutional as violative of the minor  
7 leaguers' right to equal protection of the laws; and

8 (h) whether the so-called Curt Flood Act 15 U.S.C. §26b is unconstitutional, as  
9 violating minor leaguers' constitutional right to equal protection of the laws, by  
10 purporting to exempt Defendants from liability for violating minor leaguers' rights  
11 under the federal anti-trust laws.

12  
13 94. A class action is superior to other available methods for the fair and efficient  
14 adjudication of this controversy because joinder of all members of the Class is impracticable.  
15 The prosecution of separate actions by individual members of the Class would impose heavy  
16 burdens on the courts and the parties and would create a risk of inconsistent or varying  
17 adjudications of the questions of law and fact common to the Class. A class action would  
18 achieve substantial economies of time, effort, and expense in adjudicating these common  
19 claims and issues, and would assure uniformity of decision as to persons similarly situated,  
20 without sacrificing procedural fairness.

21 95. The interest of members of the Class in individually controlling the prosecution  
22 of separate actions is impractical. The Class has a high degree of cohesion and prosecution of  
23 the action as a representative class action would be unobjectionable. The amounts at stake for  
24 Class members, while substantial in the aggregate, are not large enough individually to make it  
25 practical to Class members to prosecute their claims individually. As individuals, the class  
26 members would lack the resources to vigorously litigate against the ample and powerful  
27 resources of the Defendants' cartel. Also, many of the Class members are current minor league  
28

1 players and would not bring an individual action out of fear of retaliation. There would not be  
2 any difficulty in the management of this action as a class action. The members of the Class are  
3 employed by and known to Defendants. The Class members are readily identifiable and can be  
4 located through Defendants' own records.

5 96. This Court has subject-matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and  
6 1337 because Plaintiffs' claims arise under laws of the U.S. that regulate commerce and protect  
7 commerce against restraints and monopolies: Section 4 of the Clayton Act (15 U.S.C. §  
8 15), Section 4 of the Sherman Act (15 U.S.C. § 4), Section 16 of the Clayton Act (15U.S.C.  
9 § 26), and Section 1 of the Sherman Act (15 U.S.C. § 1).

10 97. This Court has *in personam* jurisdiction over MLB and each of the 30  
11 defendants because it/they transact(s) substantial business in this District; engaged in antitrust  
12 violations in substantial part in this District; and it and they have entered into and engaged in a  
13 conspiracy and exercised their monopsony power that is intended to have, and has had, an  
14 anticompetitive effect on commerce in this District.

15 98. This Court additionally has *in personam* jurisdiction over MLB because it  
16 receives income and services from the Class in this District.

17 99. Venue is proper in this Court pursuant to Section 12 of the Clayton Act (15  
18 U.S.C. § 22) and 28 U.S.C. §§ 1391(b), (c) and (d), because MLB is subject to this Court's  
19 personal jurisdiction with respect to this action, a substantial part of the events giving rise to  
20 Plaintiff's and the Class's claims occurred in this District, and Plaintiffs and the Class have  
21 suffered and will continue to suffer harm in this District as a result of the MLB conspiracy  
22 averred herein.

## 23 V. FACTUAL ALLEGATIONS

### 24 II. The Business of MLB

25  
26  
27 100. MLB is big business. Its games are broadcast throughout the United States.  
28 During the 2019 season, over 68.5 million fans paid to attend MLB games. MLB revenues

1 exceeded \$12.4 Billion, and the average value of an MLB team exceeded \$2 Billion. MLB  
2 national television revenues were \$1.84 Billion and local television revenues were \$2.1 Billion.

3 101. The baseball players employed by the Defendants account for much of this rise  
4 in revenue, as they comprise the chief product offered by MLB and its teams. Without baseball  
5 players, MLB and its teams would not exist. Yet MLB and its Franchises pay most players –  
6 the minor leaguers – depressed compensation through the use of forced UPCs and the reserve  
7 clause which restricts competition by preventing minor leaguers from fairly negotiating to  
8 receive higher compensation. Defendants have recently sought to increase their monopsony  
9 power and further depress minor leaguers’ compensation by eliminating a number of minor  
10 league teams.

### 11 **III. Minor Leaguers’ Uniform, Adhesive Contracts**

12 102. Since the 1920s, all MLB teams have used an extensive “farm system” to  
13 develop players. MLB teams employ a small number of major leaguers that perform in MLB  
14 stadiums at the game’s highest level. MLB Rules allow Franchises to only maintain 25 major  
15 leaguers on an “active roster” and a few additional players reserved on the “40-man” roster. A  
16 few more players are inevitably on the major league disabled list, so each Franchise employs a  
17 little over 40 major leaguers.

18 103. But each Franchise simultaneously stockpiles around 150 to 250 minor leaguers  
19 that perform at the minor league levels of baseball. It is estimated that, at any given time, the  
20 Defendants collectively employ around 6,000 minor leaguers total. The Defendants employ  
21 this high number of minor leaguers in their farm systems, hoping some will eventually develop  
22 into major leaguers.

23 104. Minor leaguers have no union. Without a union to counteract Defendants’  
24 power, Defendants have exploited minor leaguers by, among other things, continuing to  
25 promulgate and impose oppressive rules on minor leaguers’ entry into the industry, by  
26 restriction of their movement to other teams, by conspiring and agreeing to fix the  
27 compensation they pay the Class at anti-competitive, depressed amounts, and by conspiring to  
28

1 reduce the number of minor league teams and consequently, the number of ballplayers the  
2 teams will employ.

3 105. The MLB teams acquire minor leaguers in one of two ways: through an amateur  
4 draft or through free agency.

5 106. The amateur draft, known as MLB's Rule 4 draft,<sup>30</sup> occurs in June of each year.  
6 In 1965, Commissioner Ford Frick oversaw the development and implementation of what is  
7 now the Rule 4 draft. By forcing amateur players to participate in the draft, MLB and its  
8 Commissioner limited those players seeking to enter MLB's developmental system to only  
9 negotiating with a single team. Thus, signing bonuses declined.<sup>31</sup>

10 107. Upon information and belief, Bud Selig sought to, and Mr. Manfred has  
11 continued to further curb signing bonuses for draftees. Acting in his capacity as chief labor  
12 agent,<sup>32</sup> he directed the development and implementation of an informal "slotting" system with  
13 recommended signing bonuses for each high-level pick. To enforce the mechanism, Mr. Selig  
14 required, and Mr. Manfred has continued to require a Franchise's scouting director to call the  
15 Commissioner's office prior to exceeding the recommended slot level. This requirement of  
16 approval is an outgrowth of MLB's rules, which require all minor league contracts to be filed  
17 with and approved by the Commissioner.<sup>33</sup>

18 108. A new, stricter system was instituted in 2012. The current system places limits  
19 on the amounts Franchises can spend on signing bonuses.

20 109. MLB's current Rule 4 draft, as developed and enforced by the Commissioner,  
21 requires all amateur players from Puerto Rico, the United States, and Canada to participate in  
22

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23 <sup>30</sup> MLR 4.

24 <sup>31</sup> MLB teams offer large signing bonuses to the most talented amateur players as an incentive to  
25 forego college. Only the very top amateurs, however, receive large signing bonuses. The majority of amateurs  
signed through the draft receive quite small signing bonuses, usually around \$2500.

26 <sup>32</sup> MLC Art. II § 2.

27 <sup>33</sup> See MLR 3(e) (requiring all contracts to be approved by the Commissioner); MLR Attachment 3, UPC ¶ XXVI  
28 (requiring approval by the Commissioner for the contract to have effect).

1 the draft in order to sign with an MLB team.<sup>34</sup> Beginning with the worst MLB team from the  
2 previous season, teams select amateur players over the course of forty rounds.

3 110. Players selected in the Rule 4 draft are between the ages of 18 and 22 (with the  
4 exception of a few players who are 23). Once selected by a Franchise, a player cannot bargain  
5 with any other Franchise, as MLB's rules grant the drafting Franchise exclusive rights to the  
6 player.<sup>35</sup>

7 111. In addition to the draft, teams acquire previously amateur Latin American  
8 players through free agency. MLB rules allow the Franchises to sign the players as early as age  
9 sixteen, so most Latinos are either sixteen or seventeen when signing with a Franchise.<sup>36</sup>

10 112. Most Latino minor leaguers come from poor families and have only the  
11 equivalent of an eighth-grade education. Before signing, many are only represented by  
12 similarly-educated "buscones"—usually former players who maintain training facilities for  
13 young amateur players. Some of the Franchises' scouts have been reprimanded in recent years  
14 for participating in bribes and kickback schemes with the buscones, and the FBI has even  
15 investigated the exploitative practices.<sup>37</sup> These Latino signees comprise over forty percent of  
16 minor leaguers.

17 113. Like the slotting system, Mr. Selig also personally oversaw, and Mr. Manfred  
18 continues to oversee the development of bonus pools for Latino players in an effort to curtail  
19 Latino signing bonuses, which artificially and anti-competitively limits the amount each  
20 Franchise can spend on signing bonuses for Latino players.

21 114. Teams also sign additional players from the United States, Canada, and Puerto  
22 Rico who were not drafted in the Rule 4 draft.<sup>38</sup> MLB rules place limits on when such free

23 <sup>34</sup> MLR 4(a).

24 <sup>35</sup> MLR 4(e).

25 <sup>36</sup> See MLR 3(a).

26 <sup>37</sup> See Jorge L. Ortiz, *Exploitation, steroids hitting home in Dominican Republic*, USA Today (Mar. 26, 2009),  
27 [http://usatoday30.usatoday.com/sports/baseball/2009-03-26-dominican-republic-cover\\_N.htm](http://usatoday30.usatoday.com/sports/baseball/2009-03-26-dominican-republic-cover_N.htm).

28 <sup>38</sup> MLR 4(i).

1 agent acquisitions can occur. Since they were not selected in the draft, they are viewed as less  
2 skilled amateur players and, even as free agents, have no bargaining power.

3 115. Defendants require all teams to use the same uniform player contract (“UPC”)  
4 when signing amateur players. MLR 3(b)(2) states:

5 To preserve morale among Minor League players and to produce the similarity  
6 of conditions necessary for keen competition, all contracts...shall be in the form  
7 of the Minor League Uniform Player Contract that is appended to these Rules as  
8 Attachment 3. All Minor League Uniform Player Contracts between either a  
9 Major or a Minor League Club and a player who has not previously signed a  
10 contract with a Major or Minor League Club shall be for a term of seven Minor  
11 League playing seasons.... The minimum salary in each season covered by a  
12 Minor League Uniform Player Contract shall be the minimum amount  
13 established from time to time by the Major League Clubs....

14 116. Moreover, “[a]ll contracts shall be in duplicate,” and “[a]ll...must be filed with  
15 the Commissioner...for approval.”<sup>39</sup> No contract can vary any term without the approval of the  
16 Commissioner.<sup>40</sup> A minor leaguer cannot work for an MLB team without signing the UPC  
17 because a “player’s refusal to sign a formal contract shall disqualify the player from playing  
18 with the contracting Club or entering the service of any Major or Minor League Club.”<sup>41</sup>

19 117. Thus, the UPC grants the MLB team the exclusive rights to the minor leaguer  
20 for seven championship seasons (about seven years).<sup>42</sup> During that time period, the MLB team  
21 may assign the minor leaguer’s rights to any other team, and the MLB team may terminate the  
22 agreement at any time for almost any reason.<sup>43</sup>

23 118. But the minor leaguer cannot leave voluntarily to play for another baseball  
24 team—even outside of MLB, and even outside of the United States.<sup>44</sup> A player doing so “shall  
25

26 <sup>39</sup> MLR 3(b)(3); *see also* MLR 3(b)(4) (saying that a player cannot play until the UPC is signed).

27 <sup>40</sup> MLR 3(b)(3).

28 <sup>41</sup> MLR 3(d).

<sup>42</sup> MLR 3(b)(2); MLR Attachment 3, UPC ¶ VI.A.

<sup>43</sup> MLR 9; MLR Attachment 3, UPC ¶ XVIII.

<sup>44</sup> MLR 18; MLR Attachment 3, UPC ¶ XVI.

1 be subject to the discipline of the Commissioner.”<sup>45</sup> Retirement from baseball during the  
2 seven-year term requires the Commissioner’s approval.<sup>46</sup>

3 119. The UPC restricts a player in the minor leagues of a single organization. A  
4 minor leaguer selected in the amateur draft can only sign with the MLB team that drafted him.  
5 For the next seven years, the MLB team controls the minor leaguer’s rights. By the expiration  
6 of the contract, much of the value of the minor leaguer as a young prospect has expired  
7 because the player has aged.

8 120. Since the signing of a 1962 Player Development Plan, MLB requires MLB  
9 Franchises to maintain a certain number of minor league teams. Currently, all MLB teams have  
10 minor league teams at all the levels of the minor leagues, with most having either seven or  
11 eight minor league teams, until recently, when Defendants conspired and agreed to reduce the  
12 number of minor league teams and consequently, to reduce the number of minor leaguers,  
13 thereby increasing Defendants’ monopsony power to fix and depress, at anti-competitively low  
14 levels, the compensation paid to the Class Members.

15 121. Often the MLB Franchises do not operate the minor league stadium but instead  
16 sign agreements with owners of minor league teams. These agreements are known as Player  
17 Development Contracts (“PDC”), and the teams are affiliates of the MLB Franchises.

18 122. MLB rules make clear that MLB and its Franchises remain the employers of  
19 minor leaguers at all times when using PDCs. MLR 56(g) states:

20 The players so provided shall be under contract exclusively to the Major League  
21 Club and reserved only to the Major League Club. The Minor League Club shall  
22 respect, be bound by, abide by and not interfere with all contracts between the  
23 Major League Club and the players that it has provided to the Minor League Club.

24 123. Moreover, MLB requires the MLB Franchise to pay the salaries of the minor  
25 league players at all times and allows the MLB Franchise the ability to control assignments.<sup>47</sup>

26 124. Since minor leaguers do not belong to a union, nothing has prevented the

26 <sup>45</sup> MLR 18.

27 <sup>46</sup> MLR 14.

28 <sup>47</sup> MLR 56(g).

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1 Defendants from artificially and illegally depressing minor league wages. Because of  
 2 Defendants’ monopsony over the entryway into the highest levels of baseball and given the young  
 3 minor leaguer’s strong desire to enter the industry, Defendants have exploited minor leaguers by  
 4 paying them depressed compensation, below what they would receive in a competitive market.

5 125. Plaintiffs are informed and believe that Defendants, through the Commissioner,  
 6 issue minor league salary “guidelines” for players signed to an initial UPC, and teams deviate  
 7 very little from these guidelines. MLR 3(c) requires that all first-year minor leaguers earn “the  
 8 amount established by” MLB.<sup>48</sup>

9 126. Salaries beyond the first year are very similar across all Franchises. It is believed  
 10 that Defendants conspire to discuss and agree to fix the compensation to be paid to minor leaguers  
 11 (and other working conditions concerning minor leaguers). These price fixing agreements occur  
 12 when MLB hosts its quarterly owner meetings that all Defendants attend.

13 127. While salary guidelines are not publicly available, the Plaintiffs are informed and  
 14 believe, based on the salaries paid by the Defendants across the minor leagues, that, during the  
 15 Class Period, the Defendants fixed the salaries paid to minor leaguers as low as \$1,100 per month  
 16 for Rookie and Short-Season A; \$1,250 per month for Class-A; \$1,500 per month for Class-AA;  
 17 and \$2,150 for Class-AAA, all for a 5-month period.

18 128. Beyond the first year, the UPC required by MLB, and enforced by the  
 19 Commissioner, purports to allow salary negotiation by the minor leaguer, as the UPC states that  
 20 salaries will be set out in an addendum to the UPC and subject to negotiation.<sup>49</sup> But the same  
 21 UPC provision states that if the Franchise and minor leaguer do not agree on salary terms, the  
 22 Franchise may unilaterally set the salary and the minor leaguer must agree to it.<sup>50</sup>

23 129. In truth, then, the UPC—and Defendants—do not allow for minor league salary  
 24

25 <sup>48</sup> As the 2013 Miami Marlins Minor League Player Guide states, “all first-year players receive \$1,100 per month  
 26 regardless of playing level per the terms of the [UPC].”

27 <sup>49</sup> MLR Attachment 3, UPC ¶ VII.A.

28 <sup>50</sup> MLR Attachment 3, UPC ¶ VII.A.



1 negotiations. It is believed that the Franchises agree to follow MLB’s salary guidelines, and the  
 2 minor leaguers must accept them. For example, the 2013 Miami Marlins Minor League Player  
 3 Guide states, “This salary structure will be strictly adhered to; therefore, once a salary figure has  
 4 been established and sent to you, there will be NO negotiations.”

5 130. MLB also centrally controls when and how minor leaguers are paid. During the  
 6 championship season, the Franchises must pay minor leaguers “in two (2) semi-monthly  
 7 installments on the 15th day and last day of the month.”<sup>51</sup>

8 131. The UPC, required by MLB, further states that salaries are only to be paid during  
 9 the championship season, which lasts about five months out of the year.<sup>52</sup> Plaintiffs believe that,  
 10 during the Class Period, most minor leaguers earned less than \$12,000 per calendar year. Despite  
 11 only being compensated during the approximately five-month championship season, MLB’s  
 12 UPC “obligates minor leaguers to perform professional services on a calendar year basis,  
 13 regardless of the fact that salary payments are to be made only during the actual championship  
 14 playing season.”<sup>53</sup> Consistent with that obligation, the UPC states that “Player therefore  
 15 understands and agrees that Player’s duties and obligations under this Minor League Uniform  
 16 Player Contract continue in full force throughout the calendar year.”

17 132. The Defendants’ application of the UPC, requires the minor leaguer to participate  
 18 in spring training.<sup>54</sup> Again, the UPC does not allow for salaries during this period since spring  
 19 training falls outside the championship season, so minor leaguers work without earning a  
 20 paycheck. The spring training season usually lasts around one month, during the month of March,  
 21 but it sometimes lasts longer.

22 133. Around 30–50 minor leaguers per MLB Franchise do not earn a roster spot on a  
 23

24 <sup>51</sup> MLR Attachment 3, UPC ¶ VII.B.

25 <sup>52</sup> MLR Attachment 3, UPC ¶ VII.B. (“Obligation to make such payments to Player shall start with the beginning  
 26 of Club’s championship playing season...[and] end with the termination of Club’s championship playing  
 season....”).

27 <sup>53</sup> MLR Attachment 3, UPC ¶ VI.B.

28 <sup>54</sup> See MLR Attachment 3, UPC ¶ VI.B. (saying that the UPC applies to the “Club’s training season”).

1 minor league team at the end of spring; they instead remain at the Franchise’s spring training site  
 2 in “extended spring training.” Since they are not participating in a championship season, MLB’s  
 3 UPC again does not require salaries to be paid.<sup>55</sup> Upon information and belief, many of these  
 4 players will not earn paychecks until the end of June, when the Rookie and Short-Season A  
 5 leagues begin. Thus, many minor leaguers are not paid for work performed during March, April,  
 6 May, and most of June.

7 134. At the end of the championship season, around 30–45 minor leaguers per MLB  
 8 Franchise are also selected to participate in an instructional league to further hone their skills.  
 9 Again, MLB’s UPC—as approved and enforced by Mr. Selig—requires minor leaguers to  
 10 perform this work without pay since it is outside the championship season, so the minor  
 11 leaguers receive no paychecks during the instructional league.<sup>56</sup> The instructional leagues  
 12 usually last around one month.

13 135. MLB’s UPC also requires minor leaguers to maintain “first-class” conditioning  
 14 throughout the calendar year<sup>57</sup> because the player’s “physical condition is important to...the  
 15 success of the Club.”<sup>58</sup> Consequently, a “Club may require Player to maintain Player’s playing  
 16 condition and weight during the off-season and to report for practice and condition at such  
 17 times and places as Club may determine.”<sup>59</sup> If the player fails to meet these requirements, the  
 18 “Club may impose a reasonable fine upon Player....”<sup>60</sup>

19 <sup>136.</sup> The Defendants therefore require players to perform extensive training and  
 20 conditioning during the winter off-season. It is believed that all Franchises direct the winter work  
 21 by issuing training packets to all the players. Many, and perhaps all, Franchises monitor workouts

22 \_\_\_\_\_  
 23 <sup>55</sup> MLR Attachment 3, UPC ¶ VII.B.

24 <sup>56</sup> MLR Attachment 3, UPC ¶ VII.B.

25 <sup>57</sup> MLR Attachment 3, UPC ¶ XII.

26 <sup>58</sup> MLR Attachment 3, UPC ¶ VI.D.

27 <sup>59</sup> MLR Attachment 3, UPC ¶ VI.D.

28 <sup>60</sup> MLR Attachment 3, UPC ¶ VI.D.

1 and punish players for not performing off-season workouts. Minor leaguers receive no wages  
2 during this training period because it is outside the championship season.<sup>61</sup>

### 3 III. The Antitrust Exemption for the “Business of Baseball”

4 137. The Defendants seek to avoid their “reserve clause” and UPC antitrust violations  
5 under the judicially created exemption from the antitrust laws under the Federal Baseball,<sup>62</sup>  
6 Toolson,<sup>63</sup> and Flood<sup>64</sup> trilogy of Supreme Court cases. That judicially created exemption has  
7 long since been criticized, even by the Supreme Court itself. [Justice Douglas in Flood, supra  
8 407 U.S. at 286, summed it up. “This Court’s decision in Federal Baseball Club...is a derelict  
9 in the stream of the law that we, its creator, should remove.”] and again in the recent case,  
10 *National Collegiate Athletic Association v. Allston* 141 S.Ct. 2141, 2159, 2167-2168 (2021)  
11 where the Supreme Court referenced the antitrust exemption for minor leaguers and questioned  
12 it as something “akin” to an exemption. The exemption no longer has, if it ever had, any current  
13 basis in economic reality, especially for the market in minor league professional baseball  
14 players’ compensation where minor leaguers have no union, no collective bargaining, no free  
15 agency, or other means of fairly negotiating for their services.

16 138. The judicially created “baseball exemption” from the antitrust laws no longer  
17 has any underpinning. The initial rationale, that professional baseball’s cartel was not engaged  
18 in interstate commerce and was therefore not subject to federal antitrust regulation, has since  
19 been rejected by the Supreme Court, in its decision in Flood v. Kuhn, 407 U.S. 258 (1972). The  
20 stare decisis rationale and the rationale that Congress, not the courts should redress the baseball  
21 exemption also have no basis. Congress did address the issue in 1890, when it enacted the  
22 Sherman Act to outlaw restraints on trade and the exercise of monopsony power that harm  
23

24 \_\_\_\_\_  
25 <sup>61</sup> See MLR Attachment 3, UPC ¶ VII.B.

26 <sup>62</sup> Fed. Baseball Club of Baltimore v. Nat’l League of Prof’l Base Ball Clubs, 259 U.S. 200 (1922).

27 <sup>63</sup> Toolson v. New York Yankees, Inc., 346 U.S. 356 (1953).

28 <sup>64</sup> Flood v. Kuhn, 407 U.S. 258 (1972)

1 competition. There is no need for Congressional legislation, it already exists.

2 139. The “baseball exemption” allows the Defendants to conspire and collude,  
3 through the “reserve clause” and uniform player contracts, to prevent minor league baseball  
4 players from shopping their services to competing teams. It results in the per se antitrust  
5 violation of price fixing, at artificially low levels, the compensation minor league players can  
6 receive, by preventing minor league players from offering their services to competing teams  
7 who, in a competitive market, would offer them more for their services. The Defendants have a  
8 monopsony in the provision of professional baseball games and the players that produce those  
9 games. Defendants reap huge financial rewards as a result of their monopsony power and  
10 restraints on competition. The minor league players who have no union, no collective  
11 bargaining, and no free agency, are at a competitive disadvantage and need the protection of the  
12 antitrust laws to stop the financially superior Defendants from continuing to give the minor  
13 league players the short end of the bat.

14 140. Plaintiffs seek relief under the federal antitrust laws in connection with a  
15 threatened loss resulting from the unlawful exercise of market power by MLB in the market for  
16 minor league men's professional baseball contracts in the United States, Mexico, Canada and  
17 the Caribbean. MLB is excluding competition and restraining trade in that market through the  
18 application of unreasonable restrictions on minor league player compensation by preventing  
19 Defendants from negotiating, contracting, paying and competing for minor league players.

20 141. MLB is made up of separately owned competitive member teams and has  
21 monopsony market power in the provision of wage and compensation payments to minor league  
22 players in North America and Latin America. Use by Defendants of the reserve clause, the UPC,  
23 and draft, which grants each Club absolute veto power and control over their minor league  
24 players’ ability to negotiate and contract for higher compensation with other teams, are per se  
25 violations or, in the alternative, unreasonable, unlawful, and anticompetitive restraints under  
26 Section 1 of the Sherman Act.

27 142. Through MLB and the exclusionary and anticompetitive provisions in the MLB  
28

1 Constitution, Defendants have conspired to violate the antitrust laws, and have willfully acquired  
2 and maintained monopsony power in violation of Section 2 of the Sherman Act within the market  
3 for minor league professional baseball players by preventing such minor league players from  
4 freely negotiating with other teams for their services and the compensation they should receive.

5 143. MLB is comprised of thirty separately owned and operated major league men's  
6 baseball clubs in the United States and Canada. The MLB, like other sports leagues, have  
7 structured their governance to permit major decisions regarding on-field sporting competition  
8 and off-field business competition to be made by the club owners themselves. In so doing, the  
9 owners act in their own economic self-interest, including entering into a series of agreements that  
10 eliminate, restrict, and prevent off-field competition. These anticompetitive agreements go far  
11 beyond any cooperation reasonably necessary to provide minor league men's professional  
12 baseball contests to consumers.

13 144. This action challenges — and seeks to remedy — Defendants' per se or rule of  
14 reason or quick look violation of the federal antitrust laws and the use of the illegal cartel to  
15 institute and maintain the reserve clause and UPC as a means to stifle competition and suppress  
16 the compensation that minor leaguers receive, which would be significantly higher absent  
17 Defendants antitrust violations, which eliminate competition in the payment of minor leaguers.  
18 Defendants have recently conspired and agreed, effective in November 2021, to eliminate 40 of  
19 the 160 minor league teams and thereby increase their monopsony power and further reduce  
20 competition in the payment of minor league players. This conspiracy is directed at reducing the  
21 compensation paid to minor leaguers by eliminating competition for their services.

22 145. These violations of laws and restraints are not necessary to maintain and obtain  
23 the services of minor league players and are per se wage fixing violations or, in the alternative,  
24 are quick look or rule of reason violations of the antitrust laws. 15 U.S.C. §§1 and 2

25  
26 **VII. The Agreements Have Restrained Competition and Have Had  
27 Anticompetitive Effects and Led to Consumer Harm**

28 146. The above-described agreements have restrained horizontal competition

1 between and among the Defendants and the MLB, including in the procurement of, and  
2 payment of compensation to, minor league players where the 30 defendant teams could and  
3 would compete with each other. In particular, in the absence of the reserve clause restrictions  
4 and other above-described competitive restraints, Defendants would compete with each other in  
5 the acquisition of, and compensation to minor league players to a much greater extent than they  
6 do now, which would result in higher compensation and wages paid to minor league players.

7 147. The above-described agreements have adversely affected and substantially  
8 lessened competition in the relevant market for acquisition of and payment to minor league  
9 baseball players.

10 148. Competition by individual Defendants independently acting to acquire and  
11 retain minor league players would benefit the minor league players by providing them better  
12 and competitive compensation.

13 149. There are no legitimate, pro-competitive justifications for these anti competitive  
14 restrictions on compensation and the inability of minor league players to offer their services to  
15 teams that will compete for their services and pay them higher compensation.

16 150. Defendants' conspiracy and agreements to use the UPC and reserve clause have  
17 resulted in anticompetitive and unlawful purposes. The adverse effects of such misuse are  
18 continuing, and the UPC restrictions on compensation and player movement should be enjoined  
19 and declared unenforceable.

20  
21 **IV. Plaintiff and the Class Have Suffered Antitrust Injury – Damages for  
22 Violation of Section 1 of the Sherman Act**

23 151. Plaintiff and the Class incorporate and reallege, as though fully set forth herein,  
24 Paragraphs 1 through 152 above.

25 152. Beginning at a time presently unknown to Plaintiffs, and continuing through the  
26 present, Defendants and their co-conspirators entered into a continuing agreement, combination  
27 or conspiracy in restraint of trade with the purpose, intent, and effect of restraining horizontal  
28 competition among the Defendants and the MLB, with the purpose, intent, and effect of

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1 restraining trade and commerce in the employment of and compensation paid to minor league  
2 professional baseball players, in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1.

3 153. The contract, combination or conspiracy has resulted in an agreement,  
4 understanding, or concerted action between and among Defendants and their co-conspirators  
5 that minor league players are restrained and prevented from playing for and negotiating for  
6 compensation from other minor league professional baseball teams.

7 154. The contract, combination, or conspiracy has restrained competition between  
8 and among Defendants in violation of Section 1 of the Sherman Act. It has led to  
9 anticompetitive effects in the relevant markets resulting in below competitive compensation to  
10 minor leaguers, as alleged above and has caused injury to competition in those relevant markets  
11 and elsewhere.

12 155. Defendants' contract, combination, agreement, understanding or concerted  
13 action with the co-conspirators occurred in or affected interstate commerce. Defendants'  
14 unlawful conduct was through mutual understandings, combinations or agreements by, between  
15 and among Defendants and other unnamed co-conspirators. These other co-conspirators have  
16 either acted willingly or, due to coercion, unwillingly in furtherance of the unlawful restraint of  
17 trade alleged herein.

18 156. Defendants' anticompetitive conduct has directly and proximately caused antitrust  
19 injury, in the form of lower compensation (or no compensation) to minor league players than  
20 they would have received absent Defendants' antitrust violations, as set forth above.

21 157. Plaintiff and the Class have suffered cognizable antitrust injury under the Sherman  
22 Act. There has been injury to competition in the relevant product market, which is the market  
23 for professional minor league baseball players. Defendants should, but do not compete for  
24 minor league players.

25 158. Defendants' actions have placed direct and indirect restraints on the acquisition,  
26 movement, and payment of minor league players, all of which are per se antitrust wage fixing  
27 violations which directly and indirectly affect interstate commerce. Major League Baseball is  
28

1 an unreasonable and unlawful monopsony created, intended and maintained by Defendants for  
2 the purpose of permitting an intentionally select and limited group, the Defendants, to reap  
3 enormous profits. MLB has achieved these restraints on trade and its monopsony status by  
4 engaging in an unlawful combination and conspiracy, the substantial terms of which have been  
5 to eliminate all competition in the relevant market for minor league players, to exclude and  
6 prevent them from obtaining fair, competitive compensation for their services, to establish  
7 monopsony control of the relevant market for minor league players and to unreasonably  
8 restrain trade by conspiring to fix, at below market value, the compensation paid to minor  
9 league players.

10 159. Defendant's unlawful activities have resulted in (a) an unlawful restraint of trade in  
11 minor league players' compensation; (b) the elimination of competition for minor league  
12 players' services by fixing the compensation minor league players receive and by eliminating  
13 competition through the exercise of MLB's exclusive, dominant and monopsony position in the  
14 minor league professional baseball market.

15 160. As a result of Defendants' anticompetitive agreements, Plaintiff and the Class are  
16 injured because minor league players are prevented from obtaining fair competitive  
17 compensation for their baseball services and are denied the freedom of movement otherwise  
18 available to players in virtually every other professional sport in the United States.

19 161. Plaintiff's injuries are also injuries to the public and to competition. The major  
20 league teams lose the ability to field more competitive teams, the fans lose out on viewing a  
21 better baseball product, and the economy loses increased tax revenue, jobs, and business  
22 growth by increased minor league player purchasing power.

23 162. While the full amount of Plaintiff's and the Class's damages are not presently  
24 known, they will be calculated after discovery and will be awarded based on proof at trial. The  
25 combination and conspiracy alleged herein has injured Plaintiff and the Class and continues to  
26 threaten the Class with loss or damage in lower compensation than they would receive in a  
27 competitive market.



**Count 2: Damages for Violation of the Sherman Act 15 U.S.C. § 2**

1  
2  
3       163. Plaintiff and the Class incorporate and reallege, as though fully set forth herein,  
4 Paragraphs 1 through 162 above.

5       164. Defendants and their co-conspirators created, operated, aided, or abetted a trust,  
6 combine, or monopsony for the purpose of creating and carrying out restrictions on trade or  
7 commerce with the purpose, intent, and effect of restraining horizontal competition among the  
8 Defendants and the MLB for the acquisition of and compensation paid to minor league  
9 professional baseball players.

10       165. The trust, combination, or monopsony has resulted in an agreement,  
11 understanding, or concerted action between and among Defendants and their co-conspirators  
12 that suppresses the compensation paid to minor league players.

13       166. By virtue of the exclusionary and anticompetitive UPC (which all minor league  
14 players are required to sign) and the reserve clause of the MLB Constitution, Defendants,  
15 through MLB, have willfully acquired and maintained monopsony power in the relevant market  
16 by blocking the movement of and ability to negotiate and receive competitive compensation for  
17 minor league players, thereby preventing competition in the relevant market.

18       167. The Defendants, which should be actual competitors in the market for minor  
19 league men's professional baseball players, have conspired with and through MLB, through the  
20 monopolistic use of the UPC and "reserve clause" to maintain a monopsony power over these  
21 minor league players by refusing to allow them to negotiate with or move to or offer their  
22 services to other minor league teams, thereby restricting trade and commerce, limiting  
23 competition within the market area, and controlling at depressed below competitive  
24 compensation the wages and compensation paid to minor league players.

25       168. Through the anticompetitive conduct described herein, Defendants and their co-  
26 conspirators have willfully acquired and maintained, and unless restrained by the Court, will  
27 continue to willfully maintain, that monopsony power over the market for minor league players  
28

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1 by anticompetitive and unreasonably exclusionary conduct. These activities have gone beyond  
2 those which could be considered as "legitimate business activities," and are an abuse of market  
3 position. Defendants and their co-conspirators have acted with an intent to illegally acquire and  
4 maintain that monopsony power in the relevant market, and their illegal conduct has enabled  
5 them to do so, in violation of the Sherman Act, 15 U.S.C. §§1 and 2.

6 169. Plaintiff and the Class have suffered an ascertainable loss of money or property as  
7 the result of the actions of Defendants and their co-conspirators, including but not limited to the  
8 loss of competitive, higher compensation they would have received in a competitive market  
9 absent Defendants' anticompetitive actions.

10 170. The conduct of Defendants and their co-conspirators is a substantial factor in  
11 Plaintiff's and the Class's loss. The loss was a direct and proximate result of the willful  
12 conspiracy of Defendants and their co-conspirators to monopolize, restrain trade and lessen  
13 competition.

14 171. Because Defendants and their co-conspirators created, operated, aided, or abetted a  
15 trust with the purpose of lessening competition in the business of minor league baseball player  
16 compensation. Plaintiff and the Class seek damages and injunctive relief pursuant to 15 U.S.C.  
17 §§ 1, 2, 15. Pursuant to the Clayton Act, 15 U.S.C. § 15, Plaintiff and the Class are authorized  
18 to recover three times the damages they sustained plus interest.

19 172. As a direct and legal result of the acts of Defendants and their co-conspirators,  
20 Plaintiff was forced to file this action, resulting in ongoing attorneys' fees, costs, and other  
21 expenses for which he seeks recovery according to proof.

22  
23 **Count 3: Injunctive Relief - Violation of Sections 1 and 2 of The Sherman Act**

24 173. Plaintiff and the Class incorporate and reallege, as though fully set forth herein,  
25 Paragraphs 1 through 172 above.

26 174. Defendants possess monopsony power in the market for minor league men's  
27 professional baseball players.  
28

1 175. By virtue of exclusionary and anticompetitive provisions in the UPC and MLB  
2 Constitution, including the “reserve clause”, Defendants have willfully acquired and  
3 maintained monopsony power in the relevant market by blocking the movement of minor  
4 league players and their ability to negotiate and receive competitive compensation for their  
5 services, thereby preventing competition in that market.

6 176. Defendants (which should be actual competitors in the market for minor league  
7 men's professional baseball players) have conspired with and through MLB to maintain a  
8 monopsony power in the market for minor league players by unreasonably refusing to allow  
9 them to move from the clubs that drafted them or to negotiate for compensation.

10 177. Through the anticompetitive conduct described herein, Defendants and their co-  
11 conspirators have willfully acquired and maintained, and unless restrained by the Court, will  
12 continue to willfully maintain, that monopsony power over the market for minor league  
13 baseball players by anticompetitive and unreasonably exclusionary conduct. These activities  
14 have gone beyond those which could be considered as "legitimate business activities," and are  
15 an abuse of market position. Defendants and their co-conspirators have acted with an intent to  
16 illegally acquire and maintain that monopsony power in the relevant market, and their illegal  
17 conduct has enabled them to do so, in violation of Section 2 of the Sherman Act, 15 U.S.C. § 2.

18 178. Defendants' anticompetitive conduct has directly and proximately caused antitrust  
19 injury to Plaintiff and the Class, as set forth above. Plaintiff and the Class will continue to  
20 suffer antitrust injury and threatened loss or damage unless Defendants are enjoined from  
21 continuing to engage in the above-described violations of the antitrust laws.

22  
23 **Count 4: Declaratory Relief - Curt Flood Act**

24 179. Plaintiff realleges Paragraphs 1 through 178 above as though fully set forth  
25 herein.

26 180. In 1998, the MLB defendants lobbied and induced Congress to pass the Curt  
27 Flood Act (15 U.S.C. §26b(b)(1), (2)) which unlawfully discriminates against and denies equal  
28

1 protection of the antitrust laws (Sections 1 and 2 of the Sherman Act 15 U.S.C. §§1 and 2 and  
 2 Section 4 of the Clayton Act 15 U.S.C. §15) to minor league baseball players, by specifically  
 3 denying them the rights and protection to be free from antitrust violations, including  
 4 conspiracies by Defendants to depress, at below market rates, the compensation paid to persons  
 5 for their work all other similarly situated persons enjoy. There is no rational basis for the  
 6 federal government's enactment of this discriminatory law which, on its face and as applied,  
 7 violates minor league baseball players' right to equal protection of the law as guaranteed by the  
 8 Fourteenth Amendment of the United states Constitution.

9 181. Plaintiff and the Class he represents have been and will continue to be harassed  
 10 by this facially discriminatory law and its discriminatory application in that they have been and  
 11 will continue in the future to be deprived of property in the form of depressed, non-competitive,  
 12 fair wages and compensation for their services as minor league baseball players unless the law  
 13 is declared unconstitutional, and its implementation is enjoined.

14  
 15 **Count 5: Declaratory Relief - Sherman Act**

16 182. Plaintiff and the Class reallege Paragraphs 1 through 181 above as though fully  
 17 set forth herein.

18 183. In 1922, the United States Supreme Court, in *Federal Baseball Club of*  
 19 *Baltimore v. National League of Professional Baseball Clubs* 259 US 200 (1922), judicially  
 20 created a so-called "business of baseball exemption" to the antitrust laws (Sections 1 and 2 of the  
 21 Sherman Act 15 U.S.C. §§1 and 2) that supposedly exempted major league baseball teams,  
 22 Defendants herein, from complying with the antitrust laws. In so doing, the Sherman Act was  
 23 and has been treated and enforced as if its antitrust provisions and protections, including 15  
 24 U.S.C. §§1 and 2, apply to all other persons and entities (with some reasonable exemptions),  
 25 but do not apply to minor league baseball players.

26 184. That business of baseball purported exemption, read into the Sherman Act §§1  
 27 and 2 and as applied, is unconstitutional since it discriminates, without a rational basis, against  
 28

1 minor league players and deprives them of their constitutional right to equal protection of the  
 2 law by specifically denying them the rights and protection to be free from antitrust violations,  
 3 including conspiracies by Defendants to depress, at below market rates, the compensation paid  
 4 to minor league baseball players. There is no rational basis for the federal government's  
 5 purported enactment and/or application of this discriminatory law (exemption) which, on its  
 6 face and as applied, violates minor league baseball players' right to equal protection of the law  
 7 as guaranteed by the Fifth Amendment of the United States Constitution, and/or 42 U.S.C.  
 8 §1983.

9 185. Plaintiff and the Class he represents have been and will continue to be harmed  
 10 by this facially discriminatory law and its discriminatory application in that they have been and  
 11 will continue in the future to be deprived of property in the form of depressed, non-competitive,  
 12 fair wages and compensation for their services as minor league baseball players unless the law  
 13 is declared unconstitutional, and its implementation is enjoined. The law and the exemption  
 14 should be declared unconstitutional and voided and Defendants should be enjoined from  
 15 continuing to violate the law and discriminate against minor league players in the compensation  
 16 they are paid and in the teams for which they can play.

## 17 **FEDERAL WAGE AND HOUR VIOLATIONS**

### 18 **Count 6: FLSA Minimum Wage and Overtime Violations**

19 (Plaintiff and the Minor League Collective Against All Defendants)

20  
 21 186. Plaintiff Daniel Concepcion and the Class re-allege and incorporate by reference  
 22 all allegations in all preceding paragraphs.

23 187. *Common characteristics of the Proposed Classes.* All of the Proposed Classes  
 24 share the following characteristics, making them all optimal for class resolution:

25 188. Each of the Proposed Classes is so numerous that joinder of all members is  
 26 impracticable. While the exact number of Class members in each Class is unknown to Plaintiff  
 27 at this time, Plaintiff is informed and believes that several hundred geographically dispersed  
 28

1 Class members worked, will work, and continue to work as minor leaguers in Puerto Rico and  
2 other applicable states, either during spring training, at promotional events, during other  
3 training and work periods, or during championship seasons occurring within the states.

4 189. Plaintiff's claims are typical of the claims of the other members of each of the  
5 Proposed Classes. Plaintiff and the members of the Proposed Classes were subject to the same  
6 or similar compensation practices arising out of Defendants' common course of conduct in  
7 violation of the FLSA and applicable state laws as alleged herein. Plaintiff and the Proposed  
8 Classes have sustained similar types of damages as a result of these common practices.

9 190. Plaintiff will fairly and adequately protect the interests of the members of all  
10 members of the Proposed Classes because they possess the same interests and suffered the  
11 same general injuries as class members. Plaintiff has retained counsel competent and  
12 experienced in class action litigation, including employment litigation.

13 191. Common questions of law and fact exist as to all members of the Proposed Classes  
14 and predominate over any questions affecting solely individual members of the Class. Among  
15 the many questions of law and fact common to the Proposed Classes are:

- 16 (a) whether Defendants conspired and agreed to and did set wages at a rate below the  
17 minimum wages required under the FLSA and/or Puerto Rico's labor laws;
- 18 (b) whether Defendants paid and continue to pay no wages at all during certain pay  
19 periods, contrary to the requirements of federal and Puerto Rico's applicable labor laws;
- 20 (c) whether any exemptions apply to the industry or to minor leaguers;
- 21 (d) whether Defendants require all minor leaguers to sign the same UPC, which controls  
22 minor leaguers' pay and pay periods and enables the unlawful labor practices;
- 23 (e) whether Defendants willfully, or with reckless disregard, carried out their unlawful  
24 practices;
- 25 (f) the compensability of certain work periods and the appropriate method of measuring  
26  
27  
28

1 damages for the injuries sustained by Plaintiffs and other members of the Proposed  
2 Classes as a result of Defendants' unlawful labor activities; and

3 (g) Whether Defendants have colluded, conspired, agreed and/or acted or refused to act  
4 on grounds generally applicable to the Plaintiff Class, thereby making final injunctive  
5 or declaratory relief appropriate with respect to the Plaintiff Class as a whole.  
6

7  
8 192. A class action is superior to other available methods for the fair and efficient  
9 adjudication of this controversy because joinder of all members in each of the Proposed Classes  
10 is impracticable. The prosecution of separate actions by individual members of the Proposed  
11 Classes would impose heavy burdens on the courts and the parties, and would create a risk of  
12 inconsistent or varying adjudications of the questions of law and fact common to the Class. A  
13 class action, on the other hand, would achieve substantial economies of time, effort, and  
14 expense, and would assure uniformity of decision as to persons similarly situated, without  
15 sacrificing procedural fairness or bringing about other undesirable results.

16  
17 193. The interest of members of each of the Proposed Classes in individually  
18 controlling the prosecution of separate actions is highly limited and impractical. Each of the  
19 Proposed Classes has a high degree of cohesion and prosecution of the action through  
20 representatives would be unobjectionable. The amounts at stake for Class members, while  
21 substantial in the aggregate, are often not great individually. As individuals, the class members  
22 would lack the resources to vigorously litigate against the ample and powerful resources of the  
23 Defendants' cartel. Importantly, many of the Class members are current minor league players  
24 and would not bring an individual action out of fear of retaliation. Lastly, Plaintiff does not  
25 anticipate any difficulty in the management of this action as a class action.

#### 26 **IV. FLSA COLLECTIVE ACTION ALLEGATIONS**

27 194. Plaintiff Daniel Concepcion and the Class bring Counts 6 and 7, the FLSA  
28

1 claims, and Counts 8 and 9 Puerto Rico minimum wage and overtime claims on behalf of  
2 themselves and all persons similarly situated from 2012 through resolution of this action (the  
3 “Minor League Collective”).

4 195. The Defendants are liable under the FLSA for, *inter alia*, failing to properly  
5 compensate Plaintiff and the members of the Minor League Collective. The Minor League  
6 Collective consists of thousands of similarly situated individuals who have been, will be, and/or  
7 continue to be underpaid during certain work periods and not paid at all during other work  
8 periods. This Collective would benefit from the issuance of a court-supervised notice of the  
9 lawsuit and the opportunity to join the lawsuit.

10 196. The members of the Minor League Collective are known to Defendants, are  
11 readily identifiable, and can be located through Defendants’ records. Notice should be sent to  
12 the members of the Collective pursuant to 29 U.S.C. § 216(b).

13  
14 **V. JURISDICTION, VENUE, AND COMMERCE**

15 197. This Court has subject matter jurisdiction with respect to Plaintiffs’ federal  
16 claims pursuant to 28 U.S.C. §§ 1331 and 1337, and jurisdiction over Plaintiff’s Puerto Rico  
17 labor law claims pursuant to 28 U.S.C. § 1367 (supplemental jurisdiction).

18 198. Plaintiff’s and the Class’s Puerto Rico labor law claims are so closely related to  
19 Plaintiff’s and the Class’s claims under the FLSA that they form part of the same case or  
20 controversy under Article III of the United States Constitution.

21 199. Additionally, and/or alternatively, this Court has jurisdiction over Plaintiff’s and  
22 the Class’s Puerto Rico labor law claims under 28 U.S.C. § 1332 because the amount in  
23 controversy for the Proposed Classes exceeds \$5,000,000 and there are members of the  
24 Proposed Classes who are citizens of a different state than Defendants, as well as members of  
25 the Proposed Classes who are citizens of Puerto Rico.

26 200. This Court also has jurisdiction over Plaintiffs’ claims under the FLSA pursuant  
27 to 29 U.S.C. § 216(b).



1           201.           All Defendants are subject to personal jurisdiction in Puerto Rico since all  
2 Defendants transact a significant amount of business in Puerto Rico.

3           202.           Defendants’ conduct had a direct, substantial, and reasonably foreseeable effect  
4 on interstate commerce in Puerto Rico. The Defendants host baseball games, operate baseball  
5 leagues, and transact business in multiple states. The Defendants routinely use instruments of  
6 interstate commerce, such as interstate railroads, highways, waterways, wires, wireless  
7 spectrum, and the U.S. mail, to carry out their operations.

8           203.           Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) and (c) because  
9 a substantial part of the events or omissions giving rise to the claims occurred in this District  
10 and were intended to and did have an effect in this District. All the Defendants transact  
11 business in this District. Plaintiff, Daniel Concepcion, was employed by the Kansas Royals  
12 organization, and worked for a significant period of time at by the Kansas Royals  
13 organization, one of the conspirators, some or all of whom committed the labor law violations  
14 alleged herein in this District and/or intended their violative actions to have an effect in this  
15 District.

16           204.           Upon information and belief, each Franchise employs minor leaguers from  
17 Puerto Rico.

18           205.           All causes of action asserted in this Complaint are closely related to one another  
19 and each accrued under the same common set of facts and share a common nucleus of operative  
20 facts. Each cause of action emanates from the same uniform contract, from the same policies and  
21 practices, as applied to the same group of employees. As detailed above, the Defendants have  
22 engaged in a long-standing and widespread violation of the FLSA. The FLSA’s minimum wage  
23 and overtime requirements, 29 U.S.C. §§ 201 et seq., and the supporting regulations, apply to all  
24 Defendants and protect Plaintiffs and the class members.

25           206.           At all relevant times, Plaintiffs and all the minor leaguers of the proposed class  
26 were (and/or continue to be) employees within the meaning of 29 U.S.C. § 203(e) and were  
27 (and/or continue to be) employed by covered enterprises and/or entities engaged in commerce  
28

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1 and/or the production or sale of goods for commerce within the meaning of 29 U.S.C. §§ 203(e),  
2 (r) and (s). The work also regularly involves interstate commerce.

3 207. At all relevant times, the Defendants jointly employed (and/or continue to  
4 employ) Plaintiffs and all similarly situated minor leaguers within the broad meaning of 29  
5 U.S.C. §§ 203(d) and (g).

6 208. The Defendants constructed, implemented, and engaged in a policy and/or  
7 practice of failing to pay Plaintiff and the Class and all similarly situated minor leaguers the  
8 applicable minimum wage for all hours the minor leaguers worked on behalf of Defendants, and  
9 continue to engage in such a policy and practice.

10 209. Further, the Defendants constructed, implemented, and engaged in a policy and  
11 practice that failed to pay Plaintiff and all similarly situated minor leaguers the applicable  
12 overtime wage for all hours minor leaguers worked beyond the normal, forty-hour workweek,  
13 and continue to engage in such a policy and practice.

14 210. Defendants also implemented and engaged in the policy and/or practice of failing  
15 to pay Plaintiff and all similarly situated minor leaguers any wages at all for many hours the  
16 minor leaguers worked on behalf of Defendants and continue to engage in such policies and  
17 practices.

18 211. As a result of these minimum wage and overtime violations, Plaintiff and all  
19 similarly situated minor leaguers have suffered and continue to suffer damages in amounts to be  
20 determined at trial, and are entitled to recovery of such amounts, liquidated damages,  
21 prejudgment interest, attorneys' fees, costs, and other compensation pursuant to 29 U.S.C. §  
22 216(b).

23 212. The Defendants' pattern of unlawful conduct was and continues to be willful and  
24 intentional, or the Defendants at least acted with reckless disregard. The Defendants were and  
25 are aware, or should have been aware, that the practices described in this Complaint are unlawful.  
26 The Defendants have not made a good-faith effort to comply with the FLSA with respect to the  
27 compensation of Plaintiffs and all similarly situated minor leaguers. Instead, the Defendants  
28

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1 knowingly and/or recklessly disregarded federal wage and hour laws.

2 213. All similarly situated minor leaguers are entitled to collectively participate in this  
3 action by choosing to “opt-in” and submitting written Consents to Join this action. 29 U.S.C. §  
4 216(b).

5 214. In 2018, Defendants coerced and fraudulently induced Congress, with promises  
6 to maintain minor league baseball teams in the then 160 towns and cities where they were located,  
7 to pass the so-called Save America’s Pastime Act (29 U.S.C. §213(a)(19)) which purported to  
8 exempt the MLB Defendants from the minimum wage, overtime and record keeping  
9 requirements. That law (exemption) is unconstitutional in that it discriminates against Plaintiff  
10 and minor league players and deprives them of equal protection of the laws, without a rational  
11 basis for doing so. As a result, Defendants’ actions before and continuing after the passage of  
12 Save America’s Pastime Act violate Plaintiff’s and the Class’s rights under the FLSA and Puerto  
13 Rico labor laws.

14 **Count 7: FLSA Record Keeping Requirements**

15 215. Plaintiff and the Class re-allege and incorporate by reference all allegations in all  
16 preceding paragraphs.

17 216. The Defendants failed (and continue to fail) to make, keep, and preserve accurate  
18 records with respect to Plaintiffs and all similarly situated minor leaguers, including hours  
19 worked each workday and total hours worked each workweek, as required by the FLSA, 29  
20 U.S.C. § 211(c), and supporting federal regulations.

21 217. The lack of recordkeeping has harmed the Plaintiffs and creates a rebuttable  
22 presumption that the employees’ estimates of hours worked are accurate.<sup>65</sup>  
23

24 **VIII. PUERTO RICO WAGE AND HOUR VIOLATIONS**

25 218. The Puerto Rico law Counts seek to recover for all minor league work performed  
26 by the Proposed Classes, including (but not limited to) below minimum wage compensation for  
27

28 <sup>65</sup> See *Anderson v. Mt. Clemens Pottery Co.*, 328 U.S. 680, 687-88 (1946).

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1 hours worked; hours worked in those states in excess of 40 hours per week or for no pay, and for  
2 winter off-season work. Plaintiffs are informed and believe that, during the winter work periods,  
3 most Puerto Rico minor league class members return to Puerto Rico where they were drafted,  
4 where they reside, and where they perform some of their work without pay.

5 219. The minor league class members are employed throughout the United states and  
6 Puerto Rico, making joinder of those minor leaguers impracticable. Thus, Plaintiff is informed  
7 and believes that all Defendants employed and continue to employ minor leaguers in each of the  
8 states and in Puerto Rico during the relevant time periods. Upon information and belief, Plaintiff  
9 further alleges that each of the Defendants violated the minimum wage and overtime laws of  
10 Puerto Rico including, but not limited to below minimum wage compensation for hours worked  
11 (29 LPR §250); hours worked in those states in excess of 40 hours per week and/or for no pay,  
12 uncompensated winter off-season work and/or work performed during other portions of the year.  
13 (29 LPR §273)

14  
15 **Count 8: Puerto Rico Minimum Wage Violations**

16 (The Puerto Rico Class Representatives and the Puerto Rico Class Against All Defendants)

17 (Violation of Puerto Rico 29 LPR §250)

18 220. Plaintiff re-alleges and incorporates by reference all allegations in all preceding  
19 paragraphs.

20 221. Failure of an employer to pay its employees the minimum wage fixed by the  
21 Puerto Rico Labor Commission violates, *inter alia*, 29 LPR §250.

22 222. Defendants failed to pay the Puerto Rico Class Representatives and Puerto Rico  
23 Class Members the minimum wage for all hours worked, by requiring them to perform work  
24 for less than the hourly minimum wage and for work without compensation.

25 223. Pursuant to 29 LPR §§250 and 282, Puerto Rico Class Representatives and  
26 Puerto Rico Class Members are entitled to recover in a civil action the unpaid balance of the  
27  
28

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1 full amount of the minimum wage for all hours worked.

2 224. 29 LPR §282 provides that any employer who violates any provision regulating  
3 hours and days of work shall be subject to civil penalties. As a result of Defendants' violation,  
4 Puerto Rico Class Representatives and Puerto Rico Class Members are entitled to and hereby  
5 seek civil penalties equal to unpaid wages in an amount according to proof, plus attorney's fees  
6 and costs.

7 225. Puerto Rico Class Representatives and Puerto Rico Class Members seek  
8 liquidated damages pursuant to 29 LPR §282.

9 226. Puerto Rico Class Representatives and Puerto Rico Class Members seek to  
10 recover all unpaid minimum wages, penalties, and interest due to them.

11 227. As a result of Defendants' conduct, Puerto Rico Class Representatives and  
12 Puerto Rico Class Members are also entitled to attorneys' fees under 29 LPR §282, in addition  
13 to interest, expenses and costs of suit.  
14

15 228. Pursuant to Puerto Rico law, the Defendants are and were required to pay the  
16 Puerto Rico Class Representatives and the Puerto Rico Class a minimum wage set by 29 LPR  
17 §250 et. seq. Puerto Rico's minimum wage requirements apply to the Defendants and protect the  
18 Puerto Rico Class Representatives and the Puerto Rico Class.  
19

20 229. The Defendants constructed, implemented, and engaged in a policy and/or  
21 practice of failing to pay the Puerto Rico Class Representatives and all of the Puerto Rico Class  
22 the applicable minimum wage for all hours they suffered or permitted the minor leaguers to work,  
23 and they continue to engage in such practices.

24 230. As a result of these minimum wage violations, the Puerto Rico Class  
25 Representatives and the Puerto Rico Class have suffered (and continue to suffer) damages in  
26 amounts to be determined at trial, and are entitled to recovery of such amounts, liquidated  
27 damages, and other compensation pursuant to 29 LPR §§ 250 and 282.

1 231. As a result of Defendants' conduct, Puerto Rico Class Representatives and Puerto  
2 Rico Class Members are also entitled to attorneys' fees under 29 LPR §282, in addition to interest,  
3 expenses and costs of suit.

4 232. The Defendants pattern of unlawful conduct was and continues to be willful and  
5 intentional, or at least with reckless disregard. The Defendants were aware or should have been  
6 aware that the practices described in this Complaint are unlawful. The Defendants have not made  
7 a good-faith effort to comply with Puerto Rico's minimum wage requirements with respect to  
8 the compensation of the Puerto Rico Class Representatives and the Puerto Rico Class, and instead  
9 knowingly and/or recklessly disregarded Puerto Rico law.

10  
11 **Count 9: Puerto Rico Unpaid Overtime Violations**

12 (The Puerto Rico Class Representatives and the Puerto Rico Class Against All Defendants)

13 (Violation of 29 LPR §§ 273 et. seq.)

14 233. Plaintiffs re-allege and incorporate by reference all allegations in all preceding  
15 paragraphs.

16 234. 29 LPR § 273 provides that work in excess of eight hours in a day, or 40 hours  
17 in a week, must be compensated at a rate not less than one and one-half times the regular rate of  
18 pay for an employee.

19 235. Puerto Rico Class Representatives and Puerto Rico Class Members work, or  
20 have worked, more than eight hours in a day and more than 40 hours in a week and were not  
21 paid at the overtime rate for all hours worked.

22 236. Pursuant to 29 LPR §273, Puerto Rico Class Representatives and Puerto Rico  
23 Class Members are entitled to recover in a civil action the unpaid balance of the full amount of  
24 overtime compensation for all excess hours worked.

25 237. 29 LPR §282 provides that any employer who violates any provision regulating  
26  
27  
28

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1 hours and days of work shall be subject to civil penalties. As a result of Defendants’ violations,  
2 Puerto Rico Class Representatives and Puerto Rico Class Members are entitled to and hereby  
3 seek civil penalties in an amount according to proof.

4 238. Puerto Rico Class Representatives and Puerto Rico Class Members seek to  
5 recover all unpaid overtime wages, penalties, and interest due to them.

6 239. Puerto Rico Class Representatives and Puerto Rico Class Members are also  
7 entitled to attorneys' fees under 29 LPR §282, in addition to penalties, interest, expenses and  
8 costs of suit.  
9

10 240. Throughout the Puerto Rico Class period, the Puerto Rico Class Representatives  
11 and the Puerto Rico Class routinely worked (and continue to work) in excess of 8 hours per  
12 workday, sometimes work(ed) in excess of 12 hours in a workday, routinely work(ed) in excess  
13 of 40 hours in a workweek, usually work(ed) 7 days in a workweek and sometimes in excess of  
14 8 hours on the seventh day of the workweek.

15 241. The Defendants failed and continue to fail to pay the Puerto Rico Class  
16 Representatives and the Puerto Rico Class overtime wages as required by 29 LPR §273.

17 242. As a result of these violations, the Puerto Rico Class Representatives and the  
18 Puerto Rico Class have suffered and continue to suffer damages in amounts to be determined at  
19 trial, and are entitled to recover such amounts, liquidated damages, prejudgment interest,  
20 attorneys’ fees, costs, and other compensation pursuant to 29 LPR §282.  
21

22  
23 **IX. PRAYER FOR RELIEF**

24 WHEREFORE, Plaintiff, on his own and on behalf of all other similarly situated persons,  
25 seek the following relief:

- 26 1. That at the earliest possible time, Plaintiff be allowed to give notice of this collective  
27 action, or that the Court issue such notice, to members of the Minor League  
28

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- 1 Collective, as defined above. Such notice shall inform them that this civil action has
- 2 been filed, of the nature of the action, and of their right to join this lawsuit if they
- 3 believe they were denied (and/or continue to be denied) proper wages;
- 4 2. Unpaid minimum wages and overtime wages, that have accrued and continue to
- 5 accrue until the resolution of this action, and an additional and an equal amount as
- 6 liquidated damages pursuant to the FLSA and the supporting regulations;
- 7 3. Unpaid wages and pay pursuant to Puerto Rico labor laws that have accrued and
- 8 continue to accrue until the resolution of this action, and liquidated damages pursuant
- 9 to Puerto Rico law and supporting regulations;
- 10 4. Statutory damages for Defendants' recordkeeping violations pursuant to federal and
- 11 Puerto Rico law;
- 12 5. Certification of the Proposed Antitrust Classes, as set forth above, pursuant to Rule
- 13 23 of the Federal Rules of Civil Procedure;
- 14 6. Designation of the named Plaintiff herein as class representative of the Classes,
- 15 designation of their undersigned counsel of record as Class Counsel, and a reasonable
- 16 incentive payment to Plaintiff;
- 17 10. Pre-judgment and post-judgment interest as permitted by law;
- 18 11. An injunction requiring Defendants to pay compensatory damages for all non-
- 19 competitive wages and treble damages and an order enjoining Defendants from
- 20 continuing or reinstating their unlawful policies and practices as described within this
- 21 Complaint;
- 22 12. Reasonable attorneys' fees and costs of the action; and
- 23 13. Such other relief as this Court shall deem just and proper.
- 24 14. This Court declare the conduct of Defendants, and each of them, constituted a
- 25 conspiracy and that Defendants, and each of them, are liable for the conduct of or damage
- 26 inflicted by any other co-conspirator;
- 27 15. Defendants, and each of them, be permanently enjoined from enforcing the
- 28



1 “reserve clause” which unlawfully restricts the movement by and compensation paid to, minor  
2 league players;

3 16. The contract, combination or conspiracy, and the acts done in furtherance  
4 thereof by Defendants and their co-conspirators as alleged in this complaint, be adjudged to  
5 have been a violation of Section 1 of the Sherman Act, 15 U.S.C. § 1;

6 17. The actions of Defendants and their co-conspirators to illegally acquire and  
7 maintain monopsony power in the relevant product market be adjudged to have been in  
8 violation of Section 2 of the Sherman Act, 15 U.S.C. § 2;

9 18. Judgment be entered for Plaintiffs and the Class and against Defendants for  
10 three times the amount of damages sustained by Plaintiffs as allowed by law, together with the  
11 costs of this action, including reasonable attorneys' fees, pursuant to Sections 4 and 16 of the  
12 Clayton Act, 15 U.S.C. §§ 15 and 26;

13 19. Plaintiffs be awarded prejudgment and post-judgment interest at the highest  
14 legal rate from and after the date of service of this Complaint to the extent provided by law;

15 20. Defendants and their co-conspirators be enjoined from further violations of the  
16 antitrust laws;

17 21. Designation of the named Plaintiffs herein as class representatives of the Class,  
18 designation of their undersigned counsel of record as Class Counsel, and a reasonable incentive  
19 payment to Plaintiffs;

20 22. That the Court order and declare that the so-called business of baseball, the Curt  
21 Flood Act 15 U.S.C. §15(b)(1), (2) and the Save America’s Pastime Act 29 U.S.C. §213(a)(19)  
22 are unconstitutional, void and of no effect since their enactments, and that Defendants be  
23 enjoined from further violations of said acts.

24 23. Plaintiff and the Puerto Rico Class be awarded judgment and compensatory  
25 damages, penalties, interest, and attorney’s fees according to proof.

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1           24.     Plaintiffs and the Class have such other, further relief, as this Court may deem just  
2 and proper under the circumstances.

3  
4  
5 DATED: January 10, 2022

LAW OFFICES OF SAMUEL KORNHAUSER

7 and

8 LAW OFFICES OF BRIAN DAVID

9 and

10 BAELLA & BAELLA

11  
12 By: /s/ Rafael Baella-Silva  
13 Rafael Baella-Silva

14 Attorneys for Plaintiff and  
15 those similarly situated

16  
17 LAW OFFICES  
18 SAMUEL KORNHAUSER  
19 155 Jackson Street, Suite 1807  
20 San Francisco, CA 94111  
21  
22  
23  
24  
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27  
28

**X. DEMAND FOR JURY TRIAL**

Plaintiffs hereby demand a trial by jury of all issues so triable.

DATED: January \_\_, 2022

LAW OFFICES OF SAMUEL KORNHAUSER

and

LAW OFFICES OF BRIAN DAVID

and

BAELLA & BAELLA

By: /s/ Rafael Baella-Silva  
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