

# D.C. Joins Federal Trade Commission, California in Opposing Merger between Fantasy Sports Sites DraftKings and FanDuel

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Merger Would Reduce Competition in the Daily Fantasy Sports Market

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WASHINGTON, D.C. – Attorney General Karl A. Racine announced today that the District has joined with the Federal Trade Commission (FTC) and the State of California in filing a complaint opposing a proposed merger between DraftKings, Inc., and FanDuel Limited. Such a merger between the two largest providers of paid daily fantasy sports contests, the government agencies argue, would lessen competition in violation of federal antitrust laws.

Draft Kings and FanDuel currently dominate the market for daily fantasy sports contests. The FTC, the District and California allege that the proposed merger would result in a virtual monopoly in that market, and would harm consumers by limiting price competition, decreasing quality, reducing incentives for innovation in the industry, and raising entry fees.

**“Daily fantasy sports contests are a pastime that many District residents enjoy -- but it’s no fun for consumers when near-monopolies limit competition and innovation,”** Attorney General Racine said. **“Because we believe that this proposed merger would harm consumers in the District, we have joined the FTC and California in opposing it.”**

The complaint, filed in the United States District Court for the District of Columbia, seeks a preliminary injunction stopping the merger. The FTC voted to oppose the merger and to seek the preliminary injunction in federal court, stating that the merger would eliminate substantial competition for paid daily fantasy sports. Other major websites offer season-long fantasy sports contests -- something, the complaint argues, that consumers of daily contests such as those offered on FanDuel and DraftKings are unlikely to view as a meaningful substitute. The complaint also alleges that entry or expansion by other providers into the market currently dominated by the two sites is not likely to provide timely or sufficient competition to offset the anticompetitive effects of the merger.

The District joins in the FTC’s claims under the Clayton Act, which may be enforced in federal court by state attorneys general. The complaint, which contains proprietary business information, was filed under seal. A redacted version of the complaint will be posted on our website at <https://oag.dc.gov/> as soon as it is available.

Attachment(s):

 [DraftKings Fan Duel Merger Opposition Release](#)