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## World ESports Association formed to 'professionalize' e-sports

By Benny Evangelista Updated 6:50 pm PDT, Friday, May 13, 2016

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Online games already have their own professionals, making money off their finger-tapping skills, and superstars followed by devoted fans.

Now they have their own sports association.

A coalition of video game industry leaders on Friday said they have formed the World Esports Association to give their growing sport a regulatory structure similar to soccer's ruling body, FIFA.

The formation of WESA comes at a time when the potential audience for e-sports is projected to reach 1 billion people worldwide this year. And this month, Atlanta's Turner Sports will create an e-sports league

partially televised on its mainstream TBS channel.

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But to continue to prosper, e-sports need an umbrella organization that will oversee regulation of everything from tournament scheduling and player contracts to preventing use of performance-enhancing drugs and gambling, said Pietro Fringuelli, a European sports attorney who is the interim WESA commissioner and executive board chairman.

"We have to professionalize everything," Fringuelli said. "This is a \$400 million industry, but there's not one law, one policy or one regulation that applies to all. It's grown so much and is attracting so much interest from lots of different parties (that) we feel it's time to regulate it."

E-sports, or electronic sports, encompasses a variety of online and in-person competitions, with players battling each other on "League of Legends," "Dota 2," "Counter-Strike: Global Offensive," "Hearthstone" and "Starcraft."

Around the world, spectators view tournaments online or fill stadiums and **arenas** in person to watch their favorite teams and players spar on giant video screens. Last year's "Dota 2" championship in Seattle offered a prize pool worth \$18 million.

### **Boost from Twitch**

A recent report by PricewaterhouseCoopers credits San Francisco's Twitch, which has more than 100 million monthly viewers watching video gamers stream online, with helping to "transform e-sports from the ugly stepchild to the star quarterback."

Revenue from e-sports — including media rights, merchandising, tickets, sponsorships and advertising — has grown from \$194 million in 2014 to a projected \$463 million this year and should reach \$1.072 billion by 2019,

according to a study released this week by game industry research firm **Newzoo**.

"Within a few years, people will see this as just as normal as other, traditional sports," said Wouter Sleijffers, CEO of **Fnatic**, a London e-sports company that is one WESA's eight founding members. But the global audience for video games, he said, gives e-sports the "potential to grow bigger than some of the established sports."

The problem is that the e-sports industry is fragmented. Tournaments are run by a variety of game publishers and e-sports organizations, without overall coordination of tournament schedules, player contracts and sponsorships.

WESA is spearheaded by one of those big organizations, the Electronic Sports League. The German company sanctions numerous gaming leagues and tournaments like the Intel Extreme Masters, which made stops in San Jose the last two years. This year's tournament will include a stop in Oakland's Oracle Arena in November.

But Sleijffers, whose company fields teams of players who compete in a variety of games, said WESA's "balanced" framework gives teams, players and leagues an equal say in decisions. WESA will include an elected players council.

Like sports organizations such as FIFA or Major League Baseball, WESA plans to introduce standard player contracts, revenue sharing, and oversight of team trades.

This week, "League of Legends" developer Riot Games of Los Angeles stunned the video game world by banning two teams from its pro league and a third from an amateur league over alleged violations that included not properly paying players. Team owners and players have disputed the allegations on social media.

## **Resolving disputes**

But Fringuelli, who has also advised traditional sports organizations like the German football league, said there are no current solutions for such

disputes, one of the sport's "biggest problems." That's why WESA will offer an arbitration process, he said.

However, Riot Games is not part of WESA, at least not yet. The Eurocentric organization has a ways to go before it encompasses more teams and leagues around the world. When some details of WESA's formation leaked online this month, some video gamers reacted suspiciously about the Electronic Sports League's motives in creating the association.

Newzoo CEO Peter Warman said e-sports will eventually need a central organization like WESA if it is to grow, although a U.S.-centric organization could give the league's plan a run for its money.

"Right now, it seems WESA is the only real contender to be that central body, but over time I believe more publishers will embrace this initiative," Warman said. The Electronic Sports League has experience working with many publishers, and the capability to facilitate and handle such a large endeavor, he added. "A company like Riot Games could be the last one to join, but if their players and e-sports viewers demand it, they won't have a choice."

Meanwhile, co-founding WESA teams Fnatic, Natus Vincere, EnVyUs, Virtus.Pro, Faze, Mousesports, and Ninjas in Pyjamas are also competing in Turner's **ELeague**, a 10-week "Counter-Strike: Global Offensive" tournament that ends in a July 30 championship. Turner will stream matches online during the week but televise three hours live every Friday night on TBS.

### **'Big money at stake'**

The network plans to air features about the individual players, "trained competitors who are dedicating hours and hours of the day and years of their lives to be the best of something, and there's big money at stake," said Craig Barry, Turner Sports executive vice president and chief content officer.

Turner, which is building a 300-seat, 10,000-square-foot e-sports arena in its Atlanta studios, hopes the league attracts hard-core video gamers and

casual fans alike.

Turner teamed up with Beverly Hills talent agency William Morris Endeavor's IMG unit to produce ELeague. Tobias Sherman, the agency's head of e-sports, agreed that an overall association would be good for the players and fans.

"These fans are passionate about this, they want to be taken seriously, and they want people to understand their passion," Sherman said. "These are the new athletes. This is no longer an Asian phenomenon. In Korea, e-sports is their 'Monday Night Football.'"

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