

## 1.4 Fantasy Sports

Ever checked out the TV on your way to the restroom when dining out with your family on a Sunday afternoon? Woke up in the middle of the night to see whether your defense gave up another touchdown in the second half you couldn't see because you went to bed early? Looked at mock draft lists or consumed every single analysis you could find?

If you have, chances are you did it because you were involved with fantasy sports. What is fantasy sports? It is a competition, most of which is online these days, where the participants create a team made of real athletes. The "owners" of the teams – the fantasy players - accumulate points based on the actual statistical results of the athletes they have on their fantasy team. One of the most common formats is the head-to-head format where you play another team each week and the player with the highest point total wins. Typically, fantasy sports have their own playoffs and championship game.

Fantasy provides ample opportunities to trash talk with your buddies. It is the ultimate water cooler talk at work and generally works quite well as an ice-breaker in business settings. While sometimes attacked as a productivity killer, it is also a good connector at the workplace.

In some ways, the fantasy sports player is not unlike the trader in the financial markets, consuming, processing and wanting every bit of information to gain an edge. As a result, a big industry is born with the main providers such as Yahoo, ESPN, CBS, and even the NFL itself providing a platform for play. Many fringe sites offer last minute news and updates, statistical analyses, trends and comments. Fantasy sports even has its own "courts' and "insurance markets".

The estimates for the fantasy sports market vary, but fantasy football alone is estimated to be an \$800 million dollars business. Fantasy Sports also has its official trade association in Fantasy Sports Trade Association, which reports the number of fantasy players in the U.S. and Canada to be around 32 million.

A clearly sizeable market with a lot of following, are fantasy sports legal? Certain employers may condemn the practice and there is the occasional suit thrown at the industry, but yes, fantasy sports are legal. Fantasy sports is widely seen as a harmless game and its legality is explicit in U.S. law.

Fantasy Sports is an important part of the sports world and deserves attention as a successful marketplace. It is relatively less controversial given its explicit legal standing, but there are other markets that are not only bigger, but also much more controversial. Having this warm-up section, we are now ready to tackle those.