

A \$350,000 winning online bet has spurred a class action lawsuit against two big names in online sports betting.

FanDuel and DraftKings are two of the largest online sports wagering websites in the world. After the surge of energy in sports fans back in the early 2000s when online fantasy sports became popular. Since then the gambling industry has formed around online sporting websites to form a \$42 billion a year betting system.

For those who play in fantasy sports leagues like those found on Yahoo and ESPN, are probably familiar with FanDuel and Draft Kings and the amount of winnings they advertise in their commercials. Although the newly filed lawsuit claims heavy winnings fraudulently won by employees at the companies, over \$34 million has been given out in prize money through FanDuel since 2014, according to their spokeswoman

During their own investigation into the large payout, DraftKings released the information that the employee in question, Ethan Haskell, had no prior player or team knowledge before entering his roster during that week's tournament, giving him no statistical advantage against other players.

The main issue at hand is the ethics and legality of allowing employees of one online sports betting company wager on games hosted by another company. Despite not betting on their own company's fantasy sports league, the employees would have knowledge far greater than the average person.

This has been shown to be a huge amount of money being paid out to employees of both FanDuel and DraftKings who have betted on the online sports leagues. In fact, a press release by FanDuel stated that its employees only won 0.3 percent of the overall winning given out in 2014. This is still roughly \$6 million.

The lawsuit focused on this aspect as well, containing claims that both FanDuel and DraftKings are allowing insider information between employees, giving unfair circumstances to unknowing gamblers outside their own companies.

The lawsuit will be overseen by Federal Court in Manhattan later in 2015. Investigation has been underway since September according ESPN.com and also the representatives of both FanDuel and DraftKings.