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The Hot New Form Of Fantasy Sports Is Probably Addictive, Potentially Illegal And Completely Unregulated

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Eighteen months of gambling sobriety had passed before Jay saw his first television commercial for a daily fantasy sports website. With more than six years of counseling for an addiction to sports betting under his belt, he thought he was in a secure place.

“That was a long time for me,” he told ThinkProgress, looking back. “I followed the commercials on ESPN... And I saw the way they hyped it. They said that for a \$2 entry fee, this guy won \$1 million.” So Jay (who asked that his real name be withheld to protect his anonymity and that his counselors be identified only by first name) created a FanDuel account, filled it with \$200 and started to play. Predictably, trouble soon followed.

For the next six months, Jay compulsively toggled back and forth between FanDuel and its chief rival, DraftKings, entering into multiple daily fantasy contests every 24 hours. Eight weeks in, he was down \$10,000, and the true desperation began. He made a deal with himself

that he'd get out once he got back to break even, and in order to do that, he decided he needed to concentrate his efforts on long shot tournaments with the steepest buy-ins. Once the dust had settled and Jay finally stepped back, he was poorer to the tune of \$50,000.

“That’s how much I lost out of pocket; it doesn’t include what I won and gave back,” he said. “I probably gambled \$150,000 total. There were days when I’d lose \$3,000, and then come back the next day and win \$4,000.”

Although Jay’s story demonstrates all the details of a classic gambling addiction, the operators behind FanDuel, DraftKings and the like would have you believe that his story is impossible. They are adamant that their websites do not represent a form of legalized gambling. Thus, there can be no such thing as a daily fantasy sports gambling addict. Jay, of course, disagrees.

“Their claim is that there is an amount of skill involved,” he explained, “which makes it a skillful game and not gambling. But you could say that about anything. There were multiple days when I would have a player get injured early on in the game. How can they claim knowing that guy was gonna get injured was skill? There is a small amount of skill involved, but it doesn’t outweigh the gamble on a player’s health and performances. There is no more skill involved in it than just betting games straight up.”

According to Jay’s counselor, Jeremy, his addiction is not totally unprecedented. “I have four or five clients currently seeing me for sports betting,” he told ThinkProgress. “They buy into a logic that it’s a skill game; that if they just study harder, look at the spreads enough and the outcomes of the other games, that they’ll be able to figure out a system to win. In terms of treatment and methodology, working with someone with an addiction to sports betting and someone addicted to daily fantasy sports is basically the same.”

Deb, Jeremy’s colleague who also works in gambling addiction counseling, offered a blunt assessment of the industry: “I draw a line

with people who say that daily fantasy sports isn't gambling; if there is money placed on it, it's gambling. The distinction of skill does not matter."

If Jay's addiction is considered something of a novelty, that is because daily fantasy sports are a relatively new phenomenon. Although the first daily fantasy website launched in 2007, the industry didn't explode until late 2013 when FanDuel.com offered its first ever \$1 million prize, piggybacking off of a single day of NFL action. "Throw out the record books and expectations, ladies and gentlemen" crowded the website, two days after Travis "TSpiedo" Spieth was awarded the prize. "The sky is clearly the limit."

Today, the two largest daily fantasy sites, FanDuel and DraftKings, fueled by top-shelf investors like Comcast and reportedly Disney, have rumored valuations of \$1.5 billion and \$900 million respectively. Their advertisements are omnipresent, preceding popular podcasts and flashing from the scoreboards of professional sports stadiums. The ads generally highlight the amount of money that can be won each day for a small entry fee.

As the daily fantasy industry continues to grow in popularity and visibility, some experts believe that it will be forced to grapple with a series of policy and legal questions. According to Dr. Timothy Fong, co-director of the UCLA Gambling Studies Program, it's only a matter of time until more people with this addiction come forward. "We didn't see a lot of addiction to Internet gambling at first," he said. "It took a while for losses to accumulate, for people to come to light and admit to having a problem."

Daily fantasy sites pitch themselves as entertainment portals serving to further fan engagement in sports. Where many spectators might stop paying attention in the fourth quarter of a basketball game with one team up by thirty points, fans hoping to accumulate points to their fantasy teams now have a vested interest in every minute of every game. Millions of dollars in daily prize money ride on the performances of individual athletes, regardless of whether or not their

teams win or lose. Given this fact, some addiction advocates believe that the fantasy industry is not yet fulfilling its social obligations. “It’s not their role to be a counselor,” explains Keith Whyte, executive director of the National Council on Problem Gambling. “But it is their role to say that if you have a problem, get help. It’s customer service, especially when you operate a service likely to attract people with gambling problems.”

While daily fantasy sports companies claim that their contests are not gambling, citing an exemption in a 2006 online gambling enforcement law given to fantasy sports in general, legal ambiguity abounds. An array of experts, including the author of that law, expressed concern about the rise of the industry and questions about whether it is — or should be — legal. Others noted that potential security vulnerabilities, challenges related to “Know Your Customer” verification, and moves by some daily fantasy sites to veer ever closer to outright sports betting could present obstacles to the continued meteoric growth of the industry.

And experts say despite that 2006 carve-out, the games could still be illegal.

‘One-day leagues with no season-long commitment’

Modern fantasy sports were born in 1980 when a young magazine writer named Daniel Okrent devised a scheme by which he and nine friends “drafted” a team of baseball players and “competed” against each other based on an entire season’s performance. The entry fee for the first season was \$250, with the winner taking home half of the pot. Thirty-five years later, what began on a lark (Okrent dubbed his game “Rotisserie baseball,” in tribute to the La Rotisserie Française restaurant where he first shared his invention with friends) is now a major business. According to the industry’s trade association, over 41 million people played fantasy sports in the US and Canada in 2014.

It is now possible to engage in these contests in most sports, though the NFL is the undisputed king of the space. Of the roughly \$15 billion the Fantasy Sports Trade Association (FSTA) estimates Americans annually spend on all fantasy sports, \$11 billion of that total is spent on football. As a recent Forbes article pointed out, “The NFL’s annual revenue falls just under \$10 billion currently. So the ‘derivative’ market has grown larger than the foundational market.”

In recent years, much of the growth in fantasy sports revenue has come from daily fantasy sites. According to the FSTA President Paul Charchian, “As recently as two years ago everything changed. [Daily fantasy] was close to zero, a nascent pastime. It’s grown dramatically thanks in large part to the fundraising abilities of DraftKings and FanDuel, which have given them a marketing budget to reach a wide audience.” According to data on its website, FanDuel’s revenue increased from about \$1.2 million for the whole 2011 year to more than \$36 million in the last quarter of 2014 alone.

Part of the simple genius of these sites is that they accelerate and amplify the emotional and fiscal payoff of fantasy matches. Whereas the season-long system allowed for only a single moment of potential triumph, daily sites offer them up liberally. A visitor to the DraftKings “lobby” is able to peruse and enter any number of competitions, with varying rules, entry fees, and payouts. On April 28, the site offered 21 fantasy contests: 12 dependent on the day’s baseball action, five on basketball, and four on soccer. One game, with a \$300 entry fee and room for 3,700 players, offered \$1 million in overall prizes.

Taking note of the industry’s size and reach, professional sports organizations such as the National Basketball Association (NBA) and National Hockey League (NHL) have entered into partnerships with these sites, enabling payoffs which now reach beyond simple cash prizes, and include the promise of tickets to playoff games and trips to the Playboy Mansion. Indeed the NBA and Major League Baseball (MLB) have even become investors in FanDuel and DraftKings, respectively.

Not considered gambling?

DraftKings asserts that daily fantasy is “a skill game and is not considered gambling.” This claim permeates the entire industry, and for good reason: in the eyes of legislators, “gambling” is all about “chance.” Daily fantasy sites stress the skills and intelligence necessary to succeed in their tournaments as a means of staying on the right side of the law.

This insistence relates to a 2006 federal law. One year before the first daily fantasy site came online, Congress enacted the Unlawful Internet Gaming Enforcement Act (UIGEA), to crack down on Internet gambling. The law prohibited the use of credit cards and electronic fund transfers for already illegal online gambling activities and effectively shut down much of the burgeoning Internet gaming industry in the U.S. The act, signed into law by President George W. Bush, included an explicit provision noting that the law would not apply to “participation in any fantasy or simulation sports game or educational game or contest in which (if the game or contest involves a team or teams) no fantasy or simulation sports team is based on the current membership of an actual team that is a member of an amateur or professional sports organization,” as long as the prizes and awards are established in advance, the outcomes “reflect the relative knowledge and skill of the participants and are determined predominantly by accumulated statistical results of the performance of individuals,” in multiple events, and the result is not based on any single score, point-spread, team performance, or individual performance.

This carve-out for fantasy sports contests may legalize their operations based on the fact that they are primarily determined by “the relative knowledge and skill of the participants.” The FSTA website features a dedicated page making the case that fantasy managers “must take into account a myriad of statistics, facts and game theory in order to be competitive... A manager must know more than simple depth charts and statistics to win; they also must take into account injuries, coaching styles, weather patterns, prospects, home and away statistics, and many

other pieces of information in order to be a successful fantasy sports manager.”

Are daily fantasy sports sites gambling? Yes; it isn't even a debate.

This page conveniently ignores the fact that the same argument is often mounted in defense of conventional sports betting and poker. Indeed, speaking on background, some in the industry openly admit that there is little to no difference in the skill set that allows someone to succeed at daily fantasy sports and conventional sports betting. The façade that daily fantasy sports are something apart from gambling is maintained because the law requires it. Rather than continue with this questionable stance, the industry would much prefer the legalization of sports betting (indeed the state of New Jersey is currently trying to do just that).

Those who help people contain their addictions see the debate of skill versus luck as immaterial. “Are daily fantasy sports sites gambling? Yes; it isn't even a debate,” adds Dr. Timothy Fong of the UCLA Gambling Studies Program. “You're putting money up on an event of uncertain outcome in expectation or hope of winning a larger reward. That's the definition of gambling.”

Because the sites do not consider their product “gambling,” many of the resources that traditional casinos provide to players to promote “responsible gaming,” such as information about hotlines and warning signs, are so far absent from major daily fantasy sites. But the FSTA's Charchian told ThinkProgress that while he's not aware of any studies tying fantasy sports to addiction, he thinks “there is an awareness that there could be compulsive behavior tied to fantasy sports contests.” “FanDuel and DraftKings have both told me they have [systematic] processes in their software that help them identify people who may have compulsive tendencies, so they can interrupt or even halt the process for those players,” he continued, “They're not putting their head in the sand, that it isn't possible, efforts are being made to make

sure people don't end up outplaying their means.”

100% Legal?

On its front page, DraftKings proclaims the site is “based in the USA and is 100% legal.” Below the words, “Legal in the USA and Canada,” FanDuel devotes an entire page to explaining that pay-to-play daily fantasy sports games are protected by the UIGEA exemption, and are legal nationally except possibly in Arizona, Iowa, Louisiana, Montana and Washington. Other sites make similar claims that daily fantasy sports are a game of skill, not chance, explicitly legal under federal law. But some experts aren't convinced.

The author of UIGEA, former Rep. Jim Leach (R-IA), told ThinkProgress that the fantasy exception was not his idea — and was never intended to cover daily fantasy games like we see today. “My intent in initiating the law was to constrain a growing gambling ethos in America that could bring the casino to the home, the work station, college dorm, even the treadmill. My concern was that a savings and investing country could too easily become a country where too many would bet wantonly on unrealistic hopes of obtaining a big payoff,” he recalled. After “a number of Members indicated they couldn't support it if it didn't make a minor exception for fantasy sports,” Leach said he reluctantly agreed to add the exemption “on the assumption that nothing in the endeavor could be used to incentivize corruption of any actual sports contests being played.”

Leach also noted that the major sports leagues supported the bill “because they wanted to do everything possible to protect the integrity of their games,” and “didn't want to incentivize players, referees, etc. from attempting to make money by improperly influencing the outcome of games.

“The assumption was that while unconstrained Internet gambling could change the nature of America's savings and investment patterns, fantasy sports would be a ‘de minimus’ footnote. No one ever

conceived of it becoming a large scale activity or that it could transition into one-day contests,” he continued. Former Sen. Jon Kyl (R-AZ), who helped shepherd the bill through the Senate, confirmed Leach’s recollection.

Les Bernal, national director of the Stop Predatory Gambling Foundation, told ThinkProgress that even with this carve-out, there is still a great deal of question as to whether daily fantasy sports are legal. He likened it to a “complex parlay wager” and pointed to a recent analysis by gaming and sports law attorney Daniel L. Wallach, which examined the possibility that pay-to-play daily fantasy sports could violate an earlier federal law if states tried to explicitly legalize or run such games. The Professional and Amateur Sports Protection Act of 1992 (PASPA), sometimes called the “Bradley Act” after its author, then-Sen. Bill Bradley (D-NJ), makes it unlawful for any person to “sponsor, operate, advertise, or promote, pursuant to the law or compact of a governmental entity, a lottery, sweepstakes, or other betting, gambling, or wagering scheme based, directly or indirectly (through the use of geographical references or otherwise), on one or more competitive games in which amateur or professional athletes participate, or are intended to participate, or on one or more performances of such athletes in such games.”

It’s one of those things that’s surprising to me that major industries and leagues have gotten on board with this language they have to get around. I don’t see any way around it.

Over his 25 years as assistant U.S. attorney for the Eastern District of Missouri, Michael K. Fagan estimates that he handled about 30 online gambling-related cases. In an interview, he told ThinkProgress that he believes PASPA applies here and might make virtually all pay-to-play

daily fantasy sites illegal. “It’s language at the tail end of the section of the statute. People haven’t looked at it but it’s there,” he said, “It’s one of those things that’s surprising to me that major industries and leagues have gotten on board with this language they have to get around. I don’t see any way around it.” PASPA, he said, is “pretty clear” and the Unlawful Internet Gaming Enforcement Act “didn’t explicitly overrule or change that.” If a state legalized and regulated daily fantasy sports, it could run afoul of the “pursuant to the law or compact of a governmental entity,” Fagan argued. “Indeed, it can be plausibly argued that acting ‘pursuant to the law’ is established simply by acting in a corporate form, for example, since a corporation can only act ‘pursuant to’ state law that gives it life, although it can act in violation of law at the same time it acts pursuant to law.” Fagan noted that PASPA does not include any criminal penalties, but does leave operators open to civil lawsuits and possibly even conspiracy charges. Wallach told ThinkProgress that he thinks that interpretation of PASPA may be a bit of a stretch. “I’d think you’d need a more direct relationship between the fantasy contests and the state law,” he argued, noting that there would have been no need to include the “pursuant to the law or compact of a governmental entity” clause if it was meant to be that broad. But, he said, in a potential case of a “state putting its imprimatur” on daily fantasy games, the Department of Justice — and conceivably an injured competitor, such as a casino or race track — could file suit.

John Warren Kindt, a professor emeritus at the University of Illinois’ College of Business and a prominent critic of online gambling, told ThinkProgress he, too, believes that pay-to-play daily fantasy sports are already illegal. “Courts do take note of legislative history when interpreting the language of legislation. The legislative history on this was that the fantasy sports gambling [exception] should only cover week-long or month-long types of endeavors,” he said, adding, “The fact that they’re doing it daily, I don’t think even complies with the current exceptions in the law.”

ThinkProgress posed the question of daily fantasy sports legality as it relates to PASPA to DraftKings CEO Jason Robins at a late April

gaming conference in San Francisco. He responded that “PASPA was definitely intended for the traditional sportsbook model, so we don’t view it as something really relevant for us.” Pressed for more information, Robins abruptly recalled another appointment and walked out of the room, promising a follow-up conversation he later declined to have. Spokeswomen for FanDuel and DraftKings declined to comment for this story.

While dozens of daily fantasy sites have determined that they are comfortable with the federal legal risk, the industry has eschewed the handful of states where it believes state laws create “gray areas” for their contests. Still, the Fantasy Sports Trade Association’s Charchian said he believes that “if anything we’re moving more to legalization.” He noted that in all five states with possible state prohibitions, they have legislators carrying bills that would “formally legalize fantasy sports.” The Iowa Senate passed such a bill just last month. Until then, Charchian said, all of the companies affiliated with his association have agreed not to allow players from those states.

Wallach noted in his analysis that, thus far, “no federal or state court has answered the question of whether a daily fantasy sports league is a contest of ‘skill’ or a game of ‘chance.’” A Justice Department spokesman told ThinkProgress that it “remains concerned about Internet gambling because of the potential for gambling by minors and compulsive gambling, the potential for fraud and money laundering, and the potential for involvement of organized crime,” but would not “speculate on the legality of specific online sites.”

Effective Self-Regulation?

While no government agencies appear to be regulating this new ecosystem on a national level, Charchian said fantasy sports is a “a self-regulating industry” with a voluntary “code of conduct.” The rules for FSTA members, which appear as the “Paid Entry Contest Operator Charter” on the group’s website, are meant as guidance for daily and traditional fantasy sports sites. Violation can result in cancelled

membership.

Among the guidelines to which FSTA members (including both DraftKings and FanDuel) should adhere: compliance with the UIGEA, compliance with state laws, segregating player funds from the company bank account, and putting measures in place to ensure paying customers reside only in states where the companies believe daily fantasy to be legal and “are of the required minimum age for that state, province, or county,” that athletes do not “play paid entry games in the league they are a player in,” and that “adequate fraud and anti-money laundering checks” are in operation.

But Charchian acknowledged that there are no industry norms or standards for how to protect the security of the sites or the integrity of the games: “Every company’s technology is different, we don’t have specific recommendations for technology solutions.”

Industry leaders are concerned about some smaller companies that may veer even further into legally questionable waters. Rather than following the typical daily fantasy sports model, Game Sports Network’s HotRoster offers what it calls “a new class of skill-based fantasy games for real money.” Instead of picking a roster of players with a salary cap, users pick four or more head-to-head match-ups of two individual players’ performances in football, basketball, hockey, and NASCAR. In a recent “card,” offered by the site, competitors could select whether Kyrie Irving or LeBron James of the Cleveland Cavalier would accrue more fantasy points in their Sunday playoff game and similarly pick between other prominent players. FantasyUp offers a similar “pick’em” model and even allows users to play against “the house,” which some argue could be even more overtly illegal. It even advertises its free games for beginners as allowing play “without the stress of betting money.” Neither company is an FSTA member and thus they need not follow the group’s guidelines.

Dan Orlow, Game Sports Network’s director and founder, told ThinkProgress that he believes his company’s games, too, are legal. “As the litigation on PASPA is ongoing, it may be premature to draw

forward the application of the PASPA to the UIGEA. I would further note that the only relief available under the PASPA is civil injunctive relief,” he explained. Orlow also fired back at critics within the industry who suggest “pick’em” daily fantasy games are closer to betting: “Our skill is in providing specific match-ups for contestants to build a ‘roster’ and win a prize. Our math showing skill is no less rigorous than others even if the game logic is differentiated. Others in the market may suggest that there is a legal difference here—we think the difference they are noting is commercial.”

FantasyUp did not immediately respond to a ThinkProgress inquiry regarding the legality of its products.

100% Safe and Secure

A bold, friendly badge on DraftKing’s [front page](#) claims that the site is 100% safe and secure.

But like any site or game, there are serious potential concerns. And experts agree that in this unregulated wild west, it is hard to evaluate how likely these sites are to fall victim to hacking, cheating, spoofing, and improper use by those who are under age or in states where daily fantasy games may be [explicitly banned](#).

Andrew Komarov, president and chief intelligence officer of the cyber security firm [IntelCrawler](#), told ThinkProgress that the fraud threats for daily fantasy sports are “similar to illegal gambling syndicates, when some fraudsters [ask] you to invest your money into the ‘pool’ and to increase your probability to win some prize.” While many sites are legitimate, he said others could “disappear with your money after several days.” Furthermore, he said, his firm has seen a trend of young players on fantasy sports and other electronic gaming sites becoming “hacktivists” and “attacking each other and stealing accounts, using malicious code or some more advanced methods.”

Omid and Shane Ghaemmaghmi recently co-founded [Fanday](#), another daily fantasy site that includes contests based on English Premier

League soccer games, as well as National Football League (NFL) and MLB. They told ThinkProgress that while some daily fantasy sites have already gone out of business, unlike “early poker sites,” they have all done so “honorably,” paying out their users. Shane Ghaemmaghami noted that there are “always vulnerabilities out there,” so their site takes frequent system backups and stores them on different servers to prevent hackers. “If someone were to come in and change account balances, we’d have a backup to go on. We haven’t had any problem so far.” In 2008, *60 Minutes* reported on players cheating on unregulated off-shore poker websites. “The most likely explanation seemed to be that someone had gotten access to an administrative or security account,” giving that person the ability to see all cards being played. But because daily fantasy teams are locked in before game-time, Omid Ghaemmaghami said, a similar cheating effort in these games “would have to be an inside job for some company,” — unlikely because “it’s more profitable to have things on the up and up.”

But there are other ways players could potentially game the system. While most major sites prohibit athletes from playing games involving their own league, they include no such prohibitions for other league employees or their families. An NBA team doctor, NHL trainer, or NFL player’s significant other might have access to inside information about injuries, playing time, or benchings that could provide an advantage to a daily fantasy team player — yet no rules appear to stop them from using or selling this information (according to the Major League Baseball Players Association, their agreement with the league required the commissioner’s office to implement rules preventing non-playing personnel from playing daily fantasy baseball games). Multiple daily fantasy sports industry sources noted that the multiple players required for each roster limit the advantage that could be gained from inside information about any one player.

Some of the operators say they follow ‘Know Your Customer’ guidelines or have software that will help [them] know where money’s

coming from or going. All these things are easily spoofed.

Most sites claim that their algorithms for authenticating players — to ensure players are of legal age and in states that don't prohibit daily fantasy sports — go beyond just the address form and the “I confirm that I am at least 18 years of age” check box new players must complete. Seth Young, COO of Star Fantasy Leagues, told ThinkProgress his company has “integrated age ID and geo-location technology into our platform, from day one, to ensure that our customers were of age, we knew who they were, so we can mitigate multi-accounting.” By preventing users from playing under multiple accounts on the same site, beginners can avoid competing with more advanced players masquerading as amateurs. At the end of the signup process, he said, “we take the last four [digits] of a Social Security number for users in the United States or the last four of an SIN number for use in Canada,” and if that cannot verify the user's identity, “we have technology in place that allows the end user to scan a government issued ID which we pull the information from and then cross-check against a government database.”

But Fagan, the former federal prosecutor, also notes that the sites could encounter problems with people circumventing these checks: “Some of the operators say they follow ‘Know Your Customer’ guidelines or have software that will help [them] know where money's coming from or going. All these things are easily spoofed.” Fagan likened it to “the guy who stood outside the liquor store who'd buy liquor for 18-year-olds for \$5,” and observed that the “laws of physics” there are “only so many ways you can configure things before [determined users] find a way around it.”

While these are all potential long-term concerns, experts couldn't point to cases where these sorts of vulnerabilities have yet been exploited. The FSTA's Charchian noted that in a new industry, “Things are happening, changing so quickly... We would love to have all the

answers, but it's something that's evolving right now on a daily basis.”

Fantasy Momentum?

The growth of the daily fantasy sports market has been unmistakable. FanDuel alone has grown from about 39,000 paid active players at the start of 2013 to more than 1 million at the end of 2014. The FSTA's events, website, and documents feature the slogan, “Catch the Fantasy Momentum.”

But will the growth of daily fantasy sports continue?

John Warren Kindt, a prominent critic of online gambling and professor emeritus at the University of Illinois, told ThinkProgress that legal issues could bring a quick end to the daily fantasy sports boom. He noted that “back when there was Internet gambling going on off-shore ... the Justice Department let them operate for several years. After they'd given up enough rope, they took them all down at once. Several of those Internet gambling company officers went to jail, several are on the run outside of the country.”

Even if this fate does not come to pass, the industry is looking at other potential pratfalls.

Les Bernal of Stop Predatory Gambling notes that, as with online poker, there are two general types of players on daily fantasy sites: the more professional “sharks” and the more casual playing “fish” or “minnows.” Competing against those sharks who spend hours studying, researching, and preparing their daily rosters can be difficult for a casual fish. The companies' goal, he said, is a mix of the two groups. “They make their money from the rake. They don't care who wins. They want to give the impression that these things are fair,” while getting players to increase what they spend. But if the fish consistently lose to the sharks, their enthusiasm for daily fantasy games could wane quickly.

Fanday's Shane Ghaemmaghami notes that to be a really successful player in today's daily fantasy sports games, it's "almost a full-time job. You have to keep up with news that breaks by minute, have strategies on games, price per point," and monitor news up until the moment games begin each day. Since, "people who do not do those kind of things cannot compete well," FanDuel is exploring ways to create less time-consuming contents. Advertising can bring in players, but if they don't have the skills to compete, they do not stay around long. "We spent money on marketing that brought in waves of people, but they go — and the big companies are finding that out as well," he recalled.

Despite these concerns, teams, leagues, and major corporations are betting big on daily fantasy. In recent weeks, Disney reportedly invested \$250 million in DraftKings, and Yahoo announced it will soon launch its own daily fantasy site