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A Brave New World(?) – A Closer Look at the Jaden Rashada NIL Litigation

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Introduction

As many sports lawyers are aware, there have already been several examples of name, image, and likeness (“NIL”) litigation throughout the country. In fact, we [previously reviewed several groundbreaking cases](#) which stood to fundamentally alter the landscape of college athletics. However, while these prior cases have largely sought to establish or revise policies concerning how scholar-athletes may receive compensation, recently, new ground has been broken once again.

For the first time, in May 2024, an individual athlete has filed a lawsuit claiming that he did not receive the compensation he was promised in connection with an NIL deal. In what has become one of the more highly publicized lawsuits in sports, former University of Florida (“UF”) commit Jaden Rashada filed a lawsuit claiming he was denied the NIL promised to him by boosters and UF’s head coach, Billy Napier. This lawsuit provides the general public with the first, true glimpse into how this new world of NIL can result in broken promises, failed commitments, and most importantly, monetary damages.

But, while the parties and facts are as novel as they can be, does this lawsuit truly reflect a new world of NIL-related litigation?

Background of Rashada Litigation

The lawsuit in question was filed by Jaden Rashada, a highly-touted quarterback in the 2023 recruiting cycle. After initially committing to the University of Miami, he later flipped his commitment and pledged to play for UF. Rashada was allegedly promised \$13.85 million by UF’s NIL collective, Gator Collective, if he committed to UF.

Rashada claims that Defendant Hugh Hatchcock, a wealthy donor to UF’s athletic program, promised Rashada that he and his family would be highly compensated if Rashada agreed to play for UF. Rashada further claimed that Coach Napier promised him that \$1 million of the agreement would be remitted as a signing bonus, with the first payment of \$500,000 to come in December 2022. Rashada claims he was induced by these promises and committed to UF, signing the then-largest NIL deal in collegiate athletics.

However, according to Rashada’s Complaint, this deal was never realized. In fact, Rashada claims that he never received even the first \$500,000 payment of his \$13.85 million agreement. He further claims that, the day after failing to make this first payment, Gator Collective sent a letter terminating the entire \$13.85 million agreement. Rashada filed this lawsuit against the Defendants (which include Hatchcock and Napier, among others) asserting that the Defendants induced Rashada to give up an agreement worth \$9.5 million



to play for the University of Miami by promising a more lucrative agreement, then reneged on that agreement after Rashada had signed, thus depriving him of millions of dollars.

Analysis of Claims Raised in Rashada Litigation

Rashada's Complaint states that "[a]s the first scholar-athlete to take a stand against such egregious behavior by adults who should know better, Jaden seeks to hold Defendants accountable for their actions and to expose the unchecked abuse of power that they shamelessly wielded." Indeed, it is unquestioned that Rashada and his attorneys are the first to venture into this brave new world of individualized, personal NIL litigation.

But while the backdrop and scenery of college athletics may be novel, the claims asserted within have been litigated in courtrooms for centuries. Even those attorneys practicing in fields other than civil litigation will recognize the claims asserted by Rashada in this lawsuit. These include Fraudulent Misrepresentation, Fraudulent Inducement, Civil Conspiracy, and Tortious Interference with Contract, among others. At the end of the day, it is apparent that both the lawyers and finders of fact will ultimately apply the same legal principles pervasive throughout so many commercial litigation cases in determining the ultimate outcome of this case.

As one can see, NIL litigation now extends far beyond esoteric debates on policy changes or employment status. Rather, the "new" world of NIL litigation harkens back to simple, tried-and-tested breach of contract principles familiar to most attorneys and judges. As more and more agreements are reached between organizations and their scholar-athletes, it is inevitable that similar litigation will become more and more widespread as parties fight to enforce or escape promises of payment.

Conclusion

Ultimately, Rashada de-committed from UF and enrolled at Arizona State University for the 2023 college football season. He has since transferred to the University of Georgia. In his Complaint, Rashada claims that he did not receive any promises or assurances related to NIL funds in making these decisions since he "had learned his lesson."

Before learning your lesson in similar fashion by becoming embroiled in bitter and protracted litigation, ensure that your organization and/or athlete are fully prepared to enter this new world of NIL by speaking with a member of Buchalter's [Sports Law Practice](#).

Buchalter has a thriving and multi-faceted [Sports Law Practice](#) which has assisted various institutions, collectives, scholar-athletes, and corporations thrive in this new NIL space while successfully representing their clients in various litigation and breach of contract matters. For further assistance, please contact any of the attorneys listed below.



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