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# NAVIGATING THE ARENA: UNDERSTANDING THE UNIQUE DISPUTE LANDSCAPE IN VIDEO GAMES AND ESPORTS

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*The growing role of esports as an integral part of the global entertainment and sports industry and the lack of legal instruments to regulate the numerous and complex legal relationships in this area demonstrate the relevance of the topic under study. In general, the uniqueness of the esports environment is manifested in the multi-level structure of participants (players, teams, developers, publishers, platforms), the digital nature of assets, and the complexity of jurisdictional regulation. Against the backdrop of an increasing number of disputes, particularly regarding contracts, licenses, doping scandals, player transfers, or non-compliance with streaming conditions, there is an urgent need for effective, flexible, and specialized mechanisms to resolve such conflicts. At the same time, the integration of esports into the global legal space requires harmonization of approaches, recognition of unified standards, and the creation of new legal models that combine the ethical, commercial, and technological aspects of digital interaction.*

*This paper is devoted to studying the specifics of legal disputes arising in the field of video games and esports, in particular issues related to contractual obligations, intellectual property, disciplinary measures, and gaps in legal regulation. The thesis analyzes existing alternative dispute resolution mechanisms, including mediation and arbitration, with the involvement of international institutions such as WIPO and the newly established IGET tribunal. The focus is on dynamic industry development, where traditional sports law does not always provide effective conflict resolution. The study is based on a comparative analysis of court practice, international standards, and contractual models between players, teams, streaming platforms, and sponsors. The aim of the study is to analyze current dispute resolution practices in the field of video games and esports, identify challenges faced by the parties to disputes, and determine effective approaches to resolving them through alternative dispute resolution mechanisms such as mediation and arbitration. The study found that traditional legal mechanisms often do not correspond to the specifics of the esports environment, leading to legal uncertainty for its participants. The study emphasizes the need to adapt national legal systems to the challenges of the digital age and develop specialized legal mechanisms in the field of eSports.*

***Key words:*** *eSports, video games, legal disputes, alternative dispute resolution, arbitration, intellectual property, WIPO, eSports contracts, IGET.*

## ТКАЛИЧ М. О., ТОЛМАЧЕВСЬКА Ю. О. ЮРИДИЧНІ БАТАЛІЇ НА ЦИФРОВІЙ АРЕНІ: СПЕЦИФІКА ВИРІШЕННЯ СПОРІВ У ВІДЕОІГРАХ ТА КІБЕРСПОРТІ

*Зростаюча роль кіберспорту як невід'ємної частини глобальної індустрії розваг і спорту, а також відсутність належних правових інструментів для врегулювання численних і складних правовідносин у цій сфері свідчать про актуальність теми дослідження. Унікальність середовища кіберспорту проявляється в багаторівневій структурі учасників (гравці, команди, розробники, видавці, платформи), цифровій природі активів і складності юрисдикційного регулювання.*

*На тлі зростання кількості спорів – зокрема, щодо контрактів, ліцензій, допінгових скандалів, трансферів гравців або порушення умов стримінгу – виникає нагальна потреба у ефективних, гнучких і спеціалізованих механізмах вирішення таких конфліктів. Водночас інтеграція кіберспорту у глобальний правовий простір потребує гармонізації підходів, визнання єдиних стандартів і створення нових правових моделей, що поєднують етичні, комерційні та технологічні аспекти цифрової взаємодії.*

*Ця стаття присвячена вивченню специфіки правових спорів, що виникають у сфері відеоігор та кіберспорту, зокрема питань, пов'язаних із договірними зобов'язаннями, інтелектуальною власністю, дисциплінарними заходами та прогалинами у правовому регулюванні. Проаналізовано існуючі механізми альтернативного вирішення спорів, включно з медіацією та арбітражем, із залученням міжнародних інституцій, таких як Всесвітня організація інтелектуальної власності (WIPO) та новостворений Трибунал з питань ігор та кіберспорту (IGET).*

*У центрі уваги – динамічний розвиток індустрії, у якому традиційне спортивне право не завжди забезпечує ефективне вирішення конфліктів. Дослідження ґрунтується на порівняльному аналізі судової практики,*

*міжнародних стандартів і договірних моделей між гравцями, командами, стримінговими платформами та спонсорами. Метою дослідження є аналіз сучасної практики вирішення спорів у сфері відеоігор та кіберспорту, виявлення викликів, з якими стикаються сторони спорів, та визначення ефективних підходів до їх вирішення за допомогою альтернативних механізмів, таких як медіація та арбітраж.*

*У результаті встановлено, що традиційні правові механізми часто не відповідають особливостям кіберспортивного середовища, що призводить до правової невизначеності для його учасників. У дослідженні наголошено на необхідності адаптації національних правових систем до викликів цифрової епохи та розробки спеціалізованих правових механізмів у сфері кіберспорту.*

***Ключові слова:*** *кіберспорт, відеоігри, правові спори, альтернативне вирішення спорів, арбітраж, інтелектуальна власність, WIPO, контракти у кіберспорті, IGET.*

**Introduction.**

The rapid expansion of the esports and video game industry has given rise to a range of complex legal issues that challenge traditional regulatory frameworks. With millions of players, developers, sponsors, and spectators worldwide, esports has evolved into a global phenomenon that intersects with entertainment, commerce, and digital innovation. Yet, despite its exponential growth, the legal infrastructure surrounding esports remains fragmented and underdeveloped.

One of the most pressing legal challenges in this sector is the regulation of dispute resolution. Esports competitions often involve multinational participants and transborder transactions, creating jurisdictional uncertainties and procedural complications in case of conflict. Traditional court systems are frequently ill-suited to address these disputes due to their lengthy processes, lack of industry-specific expertise, and limitations in handling cross-border matters. Consequently, stakeholders are increasingly seeking alternative mechanisms that are more efficient, specialized, and responsive to the fast-paced nature of the industry.

Alternative dispute resolution (ADR) methods – including arbitration and mediation – offer a promising avenue for addressing these issues. The emergence of dedicated bodies such as the International Games and Esports Tribunal (IGET) underscores the sector's move toward establishing specialized institutions capable of resolving disputes efficiently and confidentially. However, the application of ADR in esports remains inconsistent and lacks standardized procedures and legal recognition in many jurisdictions.

This article explores the potential of ADR as a key legal instrument for resolving disputes in the esports industry. It examines the legal gaps currently impeding effective regulation, evaluates existing ADR mechanisms and institutions, and proposes strategic recommendations for enhancing their role in esports governance. By addressing these issues, the study contributes to the development of a coherent legal framework that can support the sustainable growth and professionalization of the global esports ecosystem.

**Purpose and objectives.**

The purpose of the study is to analyze the features of legal regulation and the specifics of dispute resolution in the field of video games and eSports, in particular, to identify the challenges facing industry participants and to propose effective mechanisms for alternative conflict resolution.

The objectives of the study are:

Identify the characteristics of the structure and participants of the esports industry that affect the nature of legal disputes.

Investigate existing dispute resolution mechanisms, including the role of mediation, arbitration, and international institutions (WIPO, IGET).

Identify gaps in the existing legal regulation of eSports and offer recommendations for improving the regulatory framework.

**Research methods.** To achieve the set goals, the work applied a set of methods that provide a deep and comprehensive study of the issues. In order to systematically study regulatory legal acts and strategic documents in the field of video games and sports, the policy analysis method was used. Thanks to this method, the study receives an information basis for drawing conclusions about the effectiveness of existing approaches and the need for their improvement. The comparative legal method, which consists in comparing legal norms, institutions and practices of different jurisdictions or branches of law in order to identify common features, differences and best practices, contributed to a better understanding of the specifics of e-sports regulation in different countries, and also helps to substantiate proposals for harmonizing legal norms and introducing new models of dispute resolution. The empirical approach allowed us to assess the real challenges faced by industry participants and the effectiveness of existing alternative conflict resolution mechanisms.

This article uses a combination of legal doctrinal and comparative analysis to examine the application of alternative dispute resolution (ADR) in esports. Sources include international legal instruments, national legislation (primarily from the EU and

Ukraine), institutional regulations (such as those of IGET), and relevant academic literature.

The analysis also incorporates case study review and content analysis of esports-related disputes between 2020 and 2024, based on publicly available data. The research is limited to sources in English and Ukrainian, and primarily covers jurisdictions with developed legal frameworks for ADR and esports. This scope may affect the generalizability of findings to other regions.

**Research results.**

In the context of the rapid development of the video game and e-sports industry, the need to create effective dispute resolution mechanisms that take into account the specifics of this dynamic sphere is becoming more urgent. The growth of market volumes, investments and the number of participants creates new challenges in the field of legal regulation, related to both the protection of intellectual property rights and the regulation of contractual relations, ethical issues and integrity. In this context, the creation of the International Tribunal for Games and E-Sports (hereinafter – IGET), initiated by the World Intellectual Property Organization (hereinafter – WIPO) and the E-Sports Integrity Commission (hereinafter – ESIC), deserves special attention. This tribunal, as noted by WIPO (2025), is designed to provide specialized alternative dispute resolution (hereinafter – ADR) services adapted to the needs of video games and e-sports, taking into account the high dynamics of the industry, the transnational nature of relations and the high level of technological complexity of disputes

At the same time, despite the significant potential of such initiatives, the scientific discussion indicates the existence of a number of conceptual and institutional barriers to the creation of arbitration similar to the Court of Arbitration for Sport (hereinafter – CAS) in the field of e-sports. Camilleri and Hook (2023) argue that in the context of industry fragmentation, inequality of contracting parties and the absence of generally accepted regulatory standards, attempts to unify approaches to dispute resolution currently face utopian expectations regarding the neutrality and universality of arbitration. A particular difficulty is the jurisdictional uncertainty associated with the transnational nature of many development companies, publishers and players, which significantly complicates enforcement.

At an empirical level, Djauhari (2023) examines the case of Indonesia, where sponsorship contracts in the esports sector are concluded without proper legal support, which leads to a high level of legal uncertainty and disputes. Existing practices demonstrate a lack of regulation of key aspects, including issues of brand use, regulation of streaming rights, procedures for resolving early contract termination and profit sharing. A similar situation is observed in other markets, where the formalization of relationships between players, teams and sponsors is still at an early stage.

An important component of the legal field is the issue of intellectual property rights protection, which is taking on new dimensions in the field of e-sports. The EUIPO report (2024) highlights the increasing number of conflicts regarding rights to digital assets, character images, game content broadcasts and the use of fan content. The case law of the European Court of General Jurisdiction (Cases T-700/18 and T-491/22) demonstrates that even such traditional tools as trademarks need to be rethought in light of new ways of interacting with content and the digital environment. For example, in Case T-700/18, the Court confirmed the likelihood of confusion between an application for an EU trade mark for the designation DUNGEONS, covering goods and services in Classes 9, 28 and 41, and the earlier word mark DUNGEONS & DRAGONS, which covered identical or similar goods and services. The Court took into account that the target audience shows an average level of attention, which is due, among other things, to the widespread popularity of video games and their fleeting nature. It was also found that the earlier trade mark has a normal level of recognition. In case T-491/22, on the contrary, the Court confirmed the absence of a likelihood of confusion between the application for a figurative trade mark in the form of a smiling character in the shape of a ball with wide-open eyes, a top hat, straight arms and short legs and the earlier trade marks containing a figure with a unicorn, a deformed face and a walking stick. The Court concluded that the signs are substantially different overall. This shows that the protection of trade marks for fantasy characters in the EU has relatively narrow limits. The question of extending the doctrine of similarity of signs to take into account the aesthetic, emotional and interactive perception of a virtual product is therefore raised.

The article Resolving Video Games and Esports Disputes: How Can WIPO's Alternative Dispute Resolution Options Help? (WIPO Magazine, 2023) examines how WIPO's ADR mechanisms can function effectively in the context of the rapidly growing video games and esports industries. Toscano, Suarez and Gkoritsa (2023) note that ADR, as well as specialized legal mechanisms, are becoming critical. The authors emphasize that these sectors are characterized by a high level of dynamism, globalization and digital interaction, which makes it difficult to apply

traditional judicial approaches to dispute resolution. WIPO offers arbitration and mediation services through the WIPO Arbitration and Mediation Center, adapted to the needs and specificities of video games. Key advantages of ADR in this context include the speed and efficiency of procedures, which is important in an industry where delays can have significant economic consequences; confidentiality, which allows companies to avoid public disclosure of commercially sensitive information; and industry expertise – the process involves specialists who are well-versed in the field of intellectual property, video games and e-sports. Therefore, it can be concluded that ADR with the support of WIPO is a promising tool for adapting legal mechanisms to new digital realities, which takes into account the need for a specialized, effective and flexible approach to resolving conflicts in video games and e-sports. However, despite the obvious advantages, such as neutrality, international recognition and professionalism of mediators, there are also certain critical remarks regarding the implementation of such mechanisms in this area.

The level of awareness and trust of esports market participants in institutional ADR tools remains controversial, particularly among independent developers, streamers, or small teams. In addition, there is a risk of potential imbalance of interests in alternative resolution processes, where large corporations may potentially have greater resources to influence the process and the selection of arbitrators. This could jeopardize the principle of independence and equality of arms.

Furthermore, while ADR is a flexible alternative to litigation, it does not always provide the publicity and transparency needed to set precedents or ensure accountability.

For example, Holden, Kaburakis, and Rodenberg (2017) highlight another legal gap: the lack of a specialized legal infrastructure in the United States. The authors point out that most disputes related to player contracts, team discipline, or doping are resolved out of court without proper oversight. They conclude that there is a need for the establishment of autonomous, yet legitimate, arbitration bodies.

Thus, while ADR with WIPO participation is an important step towards specialized dispute resolution in the digital environment, its effective implementation requires additional measures to ensure the inclusiveness, transparency, and independence of the procedures.

The Linklaters (2025) report indicates that the video game market remains highly dynamic and attractive for investment, but at the same time prone to instability associated with nationalistic geopolitical trends, rising costs for content development, declining consumer solvency, and increased regulation (in particular, regarding child safety and transparency of in-game transactions). In this context, experts predict further development of regulatory technologies (hereinafter – RegTech) specifically for video games, which will contribute to more transparent risk management and contribute to increasing market integrity. Travers Smith (2024) adds a critical view of arbitration to the discussion. Despite the obvious advantages (efficiency, flexibility, confidentiality), the authors draw attention to the lack of publicity in decision-making and distrust of the results among players and the fan community. They argue that only by reforming the process – in particular, by ensuring the independence of judges, openness, and codes of ethics – can arbitration become a mainstream mechanism in eSports. Finally, Leluka (2024) raises the issue of integrating IP protection into new formats of sports, including the metaverse. The author argues that the current system of copyright and trademark protection does not always keep pace with the dynamics of digital products, which requires conceptual rethinking and the development of special rules.

In view of the above, it can be argued that at the intersection of digital transformation, the transnational nature of the industry and legal fragmentation, new challenges are emerging for the theory and practice of dispute resolution. Alternative models, such as IGET, demonstrate the potential to adapt arbitration and mediation procedures to industry realities, but require further doctrinal development, international legitimation and standardization. Thus, the formation of an effective and universal dispute resolution mechanism in the field of video games and eSports remains a promising but difficult task in both theoretical and applied dimensions.

Therefore, the field of esports is facing unprecedented growth, accompanied by an increase in legal disputes. To ensure the sustainable development of the industry, it is necessary to implement flexible, specialized and at the same time transparent mechanisms for resolving conflicts. Initiatives such as IGET, the growing role of ADR, the development of legal standards in contracts and IP are initiatives that contribute to the formation of a new legal ecosystem in the field of video games and esports.

**Conclusions**

In the rapidly evolving landscape of esports and the video game industry, legal regulation has not kept pace with technological and commercial developments. The absence of a unified legal framework – particularly for resolving disputes – undermines the stability and predictability necessary

for sustainable growth in this sector. Esports competitions increasingly give rise to complex legal relationships involving various stakeholders, such as publishers, teams, players, sponsors, and streaming platforms. These relationships often generate conflicts that traditional litigation mechanisms are ill-equipped to resolve due to issues of jurisdiction, confidentiality, cost, and the need for industry-specific expertise.

This study has demonstrated that alternative dispute resolution (ADR) methods – especially arbitration and mediation – offer a more effective means of addressing these legal challenges. The emergence of specialized institutions like the International Games and Esports Tribunal (IGET) reflects a growing recognition of the need for tailored, flexible, and internationalized mechanisms suited to the digital and cross-border nature of esports.

Nevertheless, the use of ADR in this field remains underdeveloped and fragmented. To enhance its effectiveness, it is essential to establish standardized procedures, ensure transparency and fairness in tribunal operations, and promote awareness among stakeholders about the availability and benefits of ADR. Policymakers, legal practitioners, and industry actors must collaborate to develop a coherent legal and institutional architecture that supports dispute resolution while safeguarding the rights and interests of all parties involved.

In conclusion, integrating ADR into the legal regulation of esports is not merely a practical necessity but a strategic imperative. It offers a path toward greater legal certainty, reduced conflict, and a more equitable and professionalized competitive environment. Future legal frameworks should reflect the unique characteristics of the esports ecosystem, ensuring that dispute resolution mechanisms are not only accessible and efficient but also aligned with the values of innovation, inclusivity, and fair play that define the industry.

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