

Ex-MLB Media Employee Says Co. Reneged On Equity Stake

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By **Darcy Reddan**

Law360 (March 29, 2018, 9:01 PM EDT) -- A former employee of MLB Advanced Media LP alleges that the company offered him 2 percent equity in the company's non-baseball unit to prevent him from leaving, but did not compensate him after the company was acquired by The Walt Disney Co. for \$2.6 billion, in a lawsuit filed in New York state court Thursday.

John Dinn Mann, former executive vice president of content at MLB Advanced Media, or BAM, alleges that the company offered him and a co-worker 2 percent stakes in the company's nonbaseball business known as BAMTech LLC. Dinn Mann claims the company failed to compensate him despite the \$2.6 billion investment by Disney and the company's \$3.75 billion valuation, which would put his equity around \$80 million.

According to the complaint, Dinn Mann joined the company in 2001 as senior vice president and editor-in-chief and was soon promoted to executive vice president of content.

By 2006, Dinn Mann and a colleague were poached by IMG and offered an equity interest in the company. As a counteroffer, BAM proposed increased compensation as well as the 2 percent equity stake.

A board meeting was held to approve the equity agreements, and BAM's CEO, Bob Bowman, sent an email to Dinn Mann's colleague that said "[y]ou are about to become f u rich."

Dinn Mann claims that despite the approved equity stake, he was not compensated when Disney paid \$2.6 billion in two transactions to purchase 75 percent of BAMTech.

In addition to the lack of compensation, Dinn Mann claims that he was fired without cause at the end of 2017 and was asked to sign a "separation agreement that could result in the waiver of his rights and compensation as an equity owner in BAMTech," according to the complaint.

Dinn Mann claims that BAM and BAMTech told him that he was not a 2 percent equity owner but have not given an explanation.

Dinn Mann is seeking damages for breach of contract, promissory estoppel, breach of implied covenant of good faith and fair dealing, and unjust enrichment. In the alternative, he seeks damages for fraud for the company's alleged false representation regarding an equity stake in order to prevent him from leaving the company.

"Mr. Mann spent 12 years building BAMTech from nothing into the \$3.75 billion company it is today," Dinn Mann's attorney Douglas H. Wigdor of Wigdor LLP told Law360 Thursday. "As alleged in the complaint, when it came time for MLBAM to make good on its agreement to pay

Mr. Mann 2 percent of the equity it had previously granted, it decided instead to cast him aside and renege on its promise. Companies should not be permitted to treat dedicated employees in this manner, and we look forward to holding the defendants accountable.”

Representatives for BAM and BAMTech declined to comment Thursday.

Dinn Mann is represented by Douglas H. Wigdor and Michael J. Willemin of Wigdor LLP.

Counsel information for MLB and BamTech was unavailable Thursday.

The case is Dinn Mann v. MLB Advanced Media LP et al, case number 651503/2018, in the in the Supreme Court of the State of New York, County of New York.

--Editing by Peter Rozovsky.