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Sports Agency's Commission Suit Moved To Va. State Court

By **Mike Curley**

Law360 (December 7, 2018, 9:28 PM EST) -- A Virginia federal judge on Friday remanded a suit by Paramount Sports & Entertainment Management against a former agent over commissions back to state court, ruling the agent's employment agreement precludes the case's removal to federal court.

U.S. District Judge Raymond A. Jackson noted in his ruling that an assignment and assumption agreement between Paramount and Sanat Shah included a forum selection clause that stipulates the agency and Shah "irrevocably consent" that any lawsuit arising from the agreement may only be brought in state court in Norfolk, Virginia, or in federal court in the Eastern District of Virginia.

Judge Jackson ruled the phrasing of "irrevocably consent" means a case must remain in the venue in which it was first filed. Paramount had **filed the suit** in state court in June.

Shah joined Paramount in 2014, and the agreement stipulated that Shah assign his fees to Paramount in exchange for Paramount paying him \$1.55 million over five years, according to court documents.

After the National Football League players' union negotiated a change in rate for player commissions in November 2016, Paramount suspended payments to Shah to compensate for the loss of revenue, according to the order.

Paramount claims in its suit that Shah then cost the agency at least \$150,000 when he gave Minnesota Vikings cornerback Xavier Rhodes and Los Angeles Rams safety Lamarcus Joyner discounted commission rates and broke his own contract when he quit, and withheld commissions after the agency deducted the losses from his pay.

Shah removed the case to federal court in July and filed counterclaims against Paramount and its CEO Alvin Keels Jr., alleging the agency was in breach of the contract and that this entitled him to resign and revoke the assignment of fees from his clients to the agency.

While Shah argued the agreement establishes where a removal of the case can take place and confirms that Paramount consented to such a removal, the judge ruled the agreement's phrasing of "irrevocably consent" means that any such suit must remain in the venue in which it was filed.

"The [agreement] encompasses removal by its terms," Judge Jackson wrote.

Paramount also moved to have one count of Shah's counterclaim dismissed, but the remanding to the lower court renders that motion moot, Judge Jackson added.

Richard Johan Conrod Jr. of Kaufman & Canoles PC, representing Paramount, said in an email Friday that they believe the court properly applied the plain language of the agreement.

Representatives for Shah could not immediately be reached for comment Friday.

Paramount and Keels are represented by Richard Johan Conrod Jr. and Sharon Kerk Reyes of Kaufman & Canoles PC.

Shah is represented by Timothy J. McEvoy and Patrick J. McDonald of Cameron McEvoy PLLC.

The case is Paramount Sports & Entertainment Management LLC v. Sanat Shah, case number 2:18-cv-00412, in the U.S. District Court for the Eastern District of Virginia.

--Additional reporting by Rick Archer. Editing by Philip Shea.

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