

Mizzou's Damon Wilson II sues Georgia athletics association, escalating NIL contract dispute

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Behind the story: One of the more interesting bits of college sports litigation this decade came from an NIL contract dispute between Georgia and then-Missouri defensive end Damon Wilson II. Before the 2025 season, I'd connected with Wilson's representation, which later helped get me in contact with his legal team once this litigation began. This story was an effort to meld details of the dispute with analysis of its implications for an audience that probably would not have understood the context.

Full text: COLUMBIA Mo. — Missouri defensive end Damon Wilson II has sued the athletic association at Georgia, his former school, upping the stakes of a legal battle over name, image and likeness rights that could have wider ramifications for college sports.

Wilson's lawsuit, filed Tuesday in Boone County, counters Georgia's previous effort to bring the star college football player to arbitration over his transfer. The 42-page complaint filed by Wilson's attorneys disputes the enforceability of a term sheet he signed at Georgia and goes on the offensive, alleging the school waged a "coordinated campaign to financially punish Wilson" over his exit.

While some points of contention seem to be rather situation-specific, these legal proceedings are potentially precedent-setting. Never before have a college football player and university athletics department taken each other to court over NIL matters, so Tuesday's escalation is notable.

NIL is still relatively new to college sports. Disputes over buyouts owed by players who transfer from one school to another are even newer. Though they tend to center around contract law and antitrust matters, this is new ground for college sports and courts.

Background

Earlier this month, the University of Georgia Athletics Association — which is a distinct entity from the university itself — opened legal proceedings in that state, attempting to force Wilson into arbitration over a \$390,000 sum UGAA said he owed for transferring away.

In its initial filings, UGAA submitted a copy of a term sheet Wilson and Georgia representatives had signed last December for the \$500,000 in licensing fees he was due to receive over the course of the 2025 season. Wilson wound up transferring to Mizzou for the 2025 season, though, and the athletics association sought "liquidated damages" over his departure.

What Wilson's lawsuit argues

Wilson's attorneys are arguing that because the term sheet was never turned into a full-blown contract, it cannot be enforced.

“The term sheet is not an enforceable contract,” argues part of Wilson’s lawsuit. “It is a non-binding document outlining key terms to be used by the parties to negotiate in good faith a 'legally binding contract.’”

Additionally, the lawsuit argues that \$390,000 is too steep an amount, given that Wilson only received \$30,000 through the first month of the term sheet.

“The term sheet’s ‘liquidated damages’ term is a penalty provision,” his lawsuit argues. “It makes no effort to reasonably quantify damages that are difficult to ascertain, and it serves only to penalize Wilson for his decision to enter the transfer portal.”

Tuesday’s filing also alleges Wilson and some of his teammates were pressured into signing the term sheets without a chance to check with attorneys or agents.

As the Bulldogs were preparing for the College Football Playoff last December, “a UGAA employee approached Wilson and several of his teammates at Georgia’s facility and directed the group to ‘go upstairs,’” where they were told to sign the term sheets because “time was of the essence,” the lawsuit alleges.

A Georgia spokesperson did not respond to a request for comment.

When UGAA initiated legal proceedings earlier this month, spokesman Steven Drummond provided the following statement to ESPN: “When the University of Georgia Athletic Association enters binding agreements with student-athletes, we honor our commitments and expect student-athletes to do the same.”

Wilson’s lawsuit now argues that statement is defamation because “it falsely alleges that Wilson does not honor his contractual commitments as an athlete and licensor of his NIL, and insinuates that he is dishonest.”

Wilson’s complaint also includes Georgia’s former NIL collective and its two now-former CEOs as defendants. Like many other schools, Georgia shuttered its NIL collective over the summer as universities became able to share revenue directly with athletes under the terms of the House v. NCAA settlement.

After the defensive end had decided to transfer to a new school, the lawsuit alleges, Georgia interfered with the process by telling other schools he would owe a \$1.2 million buyout — more than three times the amount specified in the term sheet.

“After learning that UGAA employees were falsely reporting that he was subject to a ‘buyout’ that did not exist, Wilson reached out to a UGAA employee to ask for an explanation,” the complaint reads. “The UGAA employee apologized to Wilson.”

Wilson’s lawsuit is seeking a ruling from the court that the term sheet is not enforceable, plus damages awarded for UGAA’s alleged defamation and interference with his transfer.

What's at stake for college sports

The dispute may never make it far into a courtroom because of an eventual dismissal or a settlement, but it's still the most public example of legal fallout over NIL and the transfer portal yet.

Schools are looking to prevent some athletes from transferring and have inserted buyout clauses into contracts to receive money back in cases where an athlete transfers after signing a deal. The argument in Wilson's situation is the distinction between a term sheet and a contract, but the buyout clause nonetheless reflects this growing reality.

Coaches, for example, are subject to buyouts if they terminate a contract by leaving one job for another.

The difference there, though, is that athletes are not employees. This has led to arguments — like one made in Wilson's lawsuit — that steep buyouts prevent athletes from “realizing the benefits of free and open competition,” which generally comes via the transfer portal.

Player contracts are not standardized in college sports, unlike the NFL or other pro leagues, because players cannot collectively bargain.

Under the strain of eight-figure payrolls at some of the biggest college football programs, this model of player compensation seems unsustainable on many fronts. The legal dispute between Wilson and Georgia is just one of them.

A solution seems far off. In the meantime, college sports decision-makers will watch what happens between Wilson and Georgia.

“If Georgia prevails in this action, we can expect an explosion of litigation against student-athletes,” said Jeff Jensen, one of the attorneys representing Wilson.