

Labor relations in sports: collective bargaining in 2026 and beyond

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JANUARY 20, 2026

One might think that labor negotiations in professional sports involve two parties: leagues versus players' unions. However, the 2026 cycle is shaping up to look a bit different. The next rounds of negotiations will almost certainly need to take into account a more stratified group of players with potentially divergent interests.

Bargaining units ... function not only as legal constructs but also as political and economic coalitions that must solicit and maintain consent across every stage of the bargaining process.

Contracts in the Women's National Basketball Association ("WNBA") and Major League Baseball ("MLB") are set to expire in 2026, while the National Hockey League ("NHL") recently finalized its own 2026 collective bargaining agreement ("CBA") more than a year in advance. Across these leagues, players appear unified for purposes of representation, but the economic imperatives shaping bargaining demands have continued to diverge along lines of compensation, career stage, and exposure to risk.

In 2026, those internal divergences may begin to shape bargaining agendas, the use of labor disruption, and the viability of agreements that must ultimately be ratified — highlighting dynamics long familiar in traditional labor negotiations that now carry renewed significance for professional sports.

The legal framework: bargaining units and coalition design

Under federal labor law, a bargaining unit is the group of employees a union is authorized to represent and the universe

in which economic trade-offs are made. Generally, bargaining units must approve bargaining strategy, authorize the use of economic weapons, and ultimately ratify any agreement reached at the bargaining table. Bargaining units thus function not only as legal constructs but also as political and economic coalitions that must solicit and maintain consent across every stage of the bargaining process.

Congress designed the National Labor Relations Act ("NLRA") to tolerate broad bargaining units that allow unions to represent employees with somewhat divergent economic interests without fragmenting a union's bargaining authority. So long as those employees share a sufficient community of interest in their core terms and conditions of employment, the statute grants unions wide discretion to allocate gains and burdens across the unit.

This framework carries heightened risk in professional sports, where a single union must manage divergent interests across various teams, markets, and income strata all within one unit. There will almost certainly be different interests on proposals, key economic trade-offs, or the use of strikes and other economic leverage. Such divisions can stall negotiations, undermine a union's bargaining leverage, etc.

Trade-off pressures at the bargaining table

Cohesion within a bargaining unit can begin to falter as early as the proposal development stage, before parties are even at the table. Broad bargaining units necessarily combine employees with divergent compensation models, career stages, and risk profiles, making allocation decisions inherently sensitive. Even proposals that have broad appeal can expose fault lines within a unit that can undermine consensus before negotiations meaningfully advance.

The industrial model provides familiar examples. Younger employees may prefer accepting lower and less expensive health care benefits in exchange for higher wages, while more senior members may find that trade-off untenable. In turn, high-performing sales staff might clamor for higher commission rates even if it means lower salaries, while low-

and mid-level performers might prefer more stable take-home pay.

Age and skill — just two of many potential coalition fault lines — illustrate how proposed trade-offs can surface clear divergences in how different cohorts experience bargaining outcomes.

While federal labor law tolerates internal disparity, it does not resolve the practical challenge of building coalition among players with sometimes very different developing financial objectives.

These same dynamics exist in professional sports. Star players often emphasize upside and flexibility, while rank-and-file players prioritize minimum pay and stability. Veterans often prioritize health care and pension implications. Proposals that elevate one cohort's objectives over another's can strain coalition alignment from the outset, underscoring how effective bargaining can often depend as much on proposal architecture as overall package value — a dynamic recently seen underscored by the WNBA players' decision to authorize a strike.

The disproportionate impacts of leverage

In many negotiations, cohesion within a unit is most stressed during threatened work stoppages. Escalation through strikes or work stoppages can transform bargaining disputes into more significant questions of endurance, where the cost of striking is borne unevenly across employees with different income levels.

Seniority-based protections in industrial CBAs provide clear examples: Terms governing layoff order, recall priority, and benefit accrual frequently insulate long-tenured employees from the worst effects of prolonged disruption, while newer or less-secure workers bear immediate economic pressure. As stoppages persist, these asymmetries can reshape internal dynamics, and employers responding to disruption may consolidate operations or eliminate positions in ways that permanently alter career trajectories for those least protected by seniority.

Professional sports are no exception. For elite players with accumulated wealth and guaranteed contracts, a prolonged work stoppage may represent a tolerable cost of maximizing bargaining demands. For mid-tier and younger players, the documented reality of lost roster security and lasting career setbacks creates more serious consequences of labor disruption.

'Managing the clock'

A key factor to consider in collective bargaining is timing. Unions often use important events, like a board of directors meeting, to organize a demonstration in order to gain enhanced leverage at the bargaining table.

Employers bargaining with workforces that experience predictable demand cycles — such as logistics, transportation, or retail — often face heightened risk if negotiations extend into peak holiday seasons. Proposals that generate internal resistance without planning for key events or cycles can push negotiations into periods when the economic consequences of disruption are magnified and bargaining leverage shifts sharply.

Similar risks arise when negotiations intersect with external inflection points — such as election cycles or major media events — where labor disputes risk becoming platforms for broader agendas, amplifying leverage and complicating resolution beyond the merits of the proposals themselves.

Negotiations in professional sports are subject to the same principle. When bargaining extends into the playing season, collides with playoff periods, or overlaps with international events like the Olympics, timing can create leverage unrelated to the underlying economic terms by enhancing risk and visibility at moments of peak value for media, sponsorship, and fan engagement.

Having awareness of key internal and external events can help avoid unanticipated disruptions during these periods of amplified public and commercial pressure. Thoughtful advanced planning can help prevent timing from becoming a source of leverage itself.

Conclusion: bargaining strategy as the decisive variable

The dynamics observed in traditional collective bargaining provide a useful lens for understanding how the 2026 bargaining cycle in professional sports will test not just bargaining power but whether bargaining strategy can create and preserve coalition alignment with player units despite divergent economic interests.

While federal labor law tolerates internal disparity, it does not resolve the practical challenge of building coalition among players with sometimes very different developing financial objectives.

As leagues look ahead to developing their own bargaining strategy, a few lessons are clear:

- **Understand stakeholder needs early:** Leagues should understand how certain proposals can inadvertently highlight divergent economics or destabilize internal consensus, even before leverage is contemplated.
- **Leverage is not necessarily neutral:** Leagues should be mindful of the asymmetric costs of labor disruption inside

the bargaining unit, potentially weakening internal support or limiting effective use of economic weapons.

- **Identify balanced proposals:** A balanced set of proposals that takes into account the needs and desires of a diverse group can help contribute to positive bargaining resolution while avoiding delays that could force management into periods of disproportionate operational risk.
- **The importance of timing:** Thoughtful planning taking into account internal and external key events will help

avoid inadvertently creating a situation where one side benefits from strengthened leverage due to the increased visibility related to a key event.

For management, the main takeaway is simple: Professional sports or not, understanding and anticipating bargaining demands from within a group of players with divergent interests are crucial to success at any bargaining table.

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This article was first published on Reuters Legal News and Westlaw Today on January 20, 2026.