

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF  
KENTUCKY, OWENSBORO DIVISION

Charles Cayce v. VGW, Ltd., et al.; Charles Cayce v. Zynga, Inc.;  
Dianne Fuqua v. Playtika, Ltd., et al.; Wade Jenkins v. Doubledown  
Interactive LLC; Clay Manning Gunkel v. Huuuge, Inc., et al.

Gunkel · Decided March 26, 2026

SUMMARY

The United States District Court for the Western District of Kentucky dismissed five related actions brought under Kentucky Revised Statutes §§ 372.010 and 372.040. The court held that plaintiffs who did not personally incur gambling losses lacked Article III standing to seek treble recovery of losses allegedly incurred by other players. The court also rejected the plaintiffs’ argument that Kentucky’s statute operated like a qui tam or assigned-claim statute, and dismissed the cases for lack of subject-matter jurisdiction.

CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | United States District Court for the Western District of Kentucky, Owensboro Division                                                                                                                                                                                                                                                                         |
| WRITING FOR THE COURT | Benjamin Beaton                                                                                                                                                                                                                                                                                                                                               |
| JURISDICTION          | United States District Court for the Western District of Kentucky, Owensboro Division                                                                                                                                                                                                                                                                         |
| DECIDED               | March 26, 2026                                                                                                                                                                                                                                                                                                                                                |
| DISPOSITION           | dismissed                                                                                                                                                                                                                                                                                                                                                     |
| PROCEDURAL POSTURE    | The district court sua sponte required supplemental briefing on whether the plaintiffs had Article III standing and subject-matter jurisdiction. The court dismissed five related actions after concluding that the plaintiffs lacked standing to pursue claims under Kentucky Revised Statute section 372.040 for gambling losses incurred by other persons. |
| STANDARD OF REVIEW    | The court independently reviewed whether subject-matter jurisdiction existed, including whether the plaintiffs had Article III standing.                                                                                                                                                                                                                      |
| PRECEDENTIAL VALUE    | Unpublished district-court opinion; precedential status is unknown in the source metadata.                                                                                                                                                                                                                                                                    |
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## PARTIES

Charles Cayce, Dianne Fuqua, Wade Jenkins, Clay Manning Gunkel v. VGW, Ltd., et al., Zynga, Inc., Playtika, Ltd., et al., Doubledown Interactive LLC, Huuuge, Inc., et al.

## TOPICS

subject matter jurisdiction

standing

civil procedure

gambling

statutory interpretation

## PRACTICE AREAS

civil procedure

constitutional law

gambling law

statutory interpretation

## QUESTIONS PRESENTED

1. Whether plaintiffs who did not personally play or lose money through defendants' social-casino games suffered an injury in fact sufficient for Article III standing.
2. Whether Kentucky Revised Statute section 372.040 confers standing on an uninjured plaintiff by assigning a governmental or private party interest, or by functioning like a qui tam statute.
3. Whether the plaintiffs' claims could proceed in federal court despite their statutory entitlement to seek treble damages for other persons' gambling losses.

## HOLDINGS

1. A plaintiff who alleges no personal gambling loss does not suffer an injury in fact merely because Kentucky law permits the plaintiff to seek treble damages based on another person's loss.
2. Kentucky Revised Statute section 372.040 does not confer Article III standing on these plaintiffs through a qui tam or assignment theory.
3. The plaintiffs lacked standing as assignees because they alleged no express assignment of the injured players' rights to sue and Kentucky's statute, as pleaded, assigns only a procedural right to bring an action.

## KEY QUOTATIONS

*“Under ordinary standing principles, then, the Plaintiffs cannot proceed in this Court.”*

*“The Court dismisses these cases for lack of subject-matter jurisdiction and denies as moot all pending motions.”*

## FACTUAL BACKGROUND

The plaintiffs did not play the defendants' social-casino games and did not personally lose money through them. They nevertheless sought treble recovery under Kentucky Revised Statute section 372.040, which permits a person other than the gambler or the gambler's creditor to sue for money lost in gaming when the loser does not sue within six months. The plaintiffs alleged that other users lost millions playing the defendants' games, which allegedly constituted illegal betting, gaming, or wagering under Kentucky law.

## PROCEDURAL HISTORY

Five plaintiffs filed separate federal diversity actions against operators of social-casino games, seeking treble damages based on losses allegedly incurred by other players. Although the parties raised standing only in passing, the court independently examined subject-matter jurisdiction and ordered supplemental briefing. The court dismissed all five cases for lack of subject-matter jurisdiction and denied all pending motions as moot.

## DISPOSITION

dismissed

## CASES CITED

- Warth v. Seldin, 422 U.S. 490, 499 (1975)
- Food & Drug Administration v. Alliance for Hippocratic Medicine, 602 U.S. 367, 378, 380 (2024)
- Arbaugh v. Y&H Corp., 546 U.S. 500, 514 (2006)
- Sierra Club v. Morton, 405 U.S. 727, 735 (1972)
- Burt v. Playtika, Ltd., 132 F.4th 398, 401–04 (6th Cir. 2025)
- Raines v. Byrd, 521 U.S. 811, 819 (1997)
- Vermont Agency of Natural Resources v. United States ex rel. Stevens, 529 U.S. 765, 771–74 (2000)
- Whole Woman's Health v. Jackson, Whole Woman's Health v. Jackson, 595 U.S. 30, 45 (2021)
- Kowalski v. Tesmer, 543 U.S. 125, 129–30 (2004)
- June Medical Services v. Russo, 591 U.S. 299, 317 (2020)
- United States ex rel. Taxpayers Against Fraud v. General Electric Co., 41 F.3d 1032, 1041 (6th Cir. 1994)
- United States ex rel. Polansky v. Executive Health Resources, Inc., 599 U.S. 419, 424–25 (2023)
- Stalley v. Methodist Healthcare, 517 F.3d 911, 918–19 (6th Cir. 2008)
- Commonwealth ex rel. Brown v. Stars Interactive Holdings Ltd., 617 S.W.3d 792, 798–800, 805 (Ky. 2020)
- Marvin v. Trout, 199 U.S. 212, 225 (1905)
- Riley v. St. Luke's Episcopal Hospital, 196 F.3d 514, 534 (5th Cir. 1999) (DeMoss, J., specially concurring), vacated, 196 F.3d 561
- Sprint Communications Co. v. APCC Services, Inc., 554 U.S. 269, 290 (2008)
- Herr v. U.S. Forest Service, 803 F.3d 809, 821 (6th Cir. 2015)

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