

News Corp. in 500-million-dollar settlement with Valassis

January 30 2010

News Corp. said Saturday it had reached a 500-million-dollar settlement over lawsuits filed by Valassis Communications Inc. against a division of Rupert Murdoch's entertainment and media giant.

"It has become evident to our legal advisors from pre-trial proceedings over the past couple of weeks that significant risks were developing in presenting this case to a jury," News Corp. chief operating officer Chase Carey said.

"That, coupled with concerns over the venue, led us to believe it was in the best interests of the company and its stockholders to agree to a [settlement](#)," Carey said in a statement.

A federal case filed by Valassis, a Michigan-based newspaper coupon and direct mail company, against [News Corp.](#)'s News America Marketing unit had been scheduled to open in Michigan on Tuesday.

Two other lawsuits were pending. A 300-million-dollar jury award in July by a Michigan circuit court in a related case was on appeal and another suit was pending in a state court in California.

In legal action begun in 2006, Valassis accused News America Marketing of unfair business practices and seeking to monopolize the market for in-store coupons known as free standing inserts, or FSIs.

Valassis said that under the terms of the settlement News America

Marketing will pay Valassis 500 million dollars, a sum which includes the jury award, and enter into a 10-year shared mail distribution agreement.

"I am pleased that we were able to reach a mutually agreeable settlement and avoid protracted future litigation," Valassis chairman, president and chief executive Alan Schultz said in a statement.

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