

News Corp. seeks dismissal of lawsuit over hacking

September 19 2012, by Randall Chase

(AP)—News Corp. attorneys are asking a Delaware judge to dismiss a shareholder lawsuit alleging that company directors allowed a damaging cover-up of the phone hacking scandal in Britain.

The judge heard hours of arguments Wednesday but did not indicate when he would rule.

The plaintiffs claim the board ignored several red flags about the extent of the hacking, dating back several years, and failed to act until the [scandal](#) exploded last year.

The shareholders also allege that [News Corp.](#) directors breached their fiduciary duties by acquiescing to CEO [Rupert Murdoch](#)'s decision to buy a television production company controlled by his daughter Elisabeth at an inflated price.

The New York company says the plaintiffs haven't met standards for bringing the lawsuit or demonstrated that the board acted in bad faith.

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