

Newsday

Popularity of Fox News in Middle East gives rise to legal battle

By LARRY NEUMEISTER | Associated Press Writer
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NEW YORK

Fox News has asked a federal judge to dismiss a satellite pay television operator's claim that it was cheated out of a chance to deliver the network's "conservative, American editorial perspective" to its Middle East customers.

Orbit Communications Co. Limited is suing the Fox News Network, saying it improperly backed out of a contract giving the company the right to broadcast the channel to customers in the Middle East and North Africa.

In court papers filed in U.S. District Court in Manhattan on Monday, Fox attorney Steven G. Mintz said the network ended the deal with it realized it clashed with another agreement giving similar distribution rights to one of Orbit's competitors, Arab Digital Distribution.

The contract with Orbit, Mintz said, gave Fox the right to end the Dec. 7, 2004 agreement immediately if Orbit's distribution of the channel infringed on the legal rights of a third party.

Orbit said it was only two months into its four-year distribution deal when Fox cut off its feed.

Orbit, based in the British Virgin Islands, said it was the first satellite pay television operator in the Middle East when it began operations in 1993.

It now broadcasts its remaining networks _ ABC, NBC and MSNBC _ from Morocco to Saudi Arabia. Orbit said its subscribers include both Arab-speaking residents of the Middle East as well as a "sizable contingent" of foreign expatriates, including Americans, British and others who speak English.

Orbit said it sought rights to distribute Fox News Network "to broaden the editorial perspectives available on the Orbit News Channel."

"Compared to the other major news networks, the Fox News Channel is unique in that it offers viewers a conservative, American editorial perspective," the company said.

"Because of the uniqueness of Fox News Channel's editorial perspective, it is uniquely valuable to both Orbit's Arabic audience and its English-speaking audience, particularly Orbit's American subscribers."

The deal called for the Fox News Channel to be broadcast in an area including Bahrain, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, Syria, United Arab Emirates, Yemen, Algeria, Chad, Cyprus, Djibouti, Egypt, Libya, Malta, Mauritania, Morocco, Tunisia and Pakistan, the lawsuit said. It said Iran, Somalia and Sudan were to be added to the area if there were no U.S. laws barring it.

The lawsuit sought compensatory damages and an order forcing Fox to comply with the terms of the contract.