

16th July 2012

High Court orders Deccan Chargers and Deccan Chronicle to pay £10.5 million and legal costs to former CEO

Tim Wright, the former chief executive of Deccan Chargers IPL cricket franchise, was today awarded £10,533,478 plus costs in the London High Court following the trial of his claim against Deccan Chargers for breach of his employment contract.

Mr Wright issued proceedings against Deccan Chargers and its parent company, Deccan Chronicle Holdings, in February 2009 following a series of serious breaches of the terms of Mr Wright's employment contract.

Mr Wright's victory represents the culmination of three years of litigation. Initially, the Defendants had tried to avoid their liabilities by challenging the jurisdiction of the English Court – an argument which was rejected by the Court on two occasions in 2010 and 2011. Then, having submitted a detailed Defence, the Defendants ceased to engage in the proceedings and failed to attend the trial.

At today's trial, His Honour Judge Seymour QC, sitting as a Judge of the High Court, handed down a reasoned judgment on the merits of the case having considered the Defence, Mr Wright's evidence, an expert report on Indian law and legal submissions by Mr Wright's counsel. The Judge found that Deccan Chargers had committed a number of clear, material breaches of their obligations under Mr Wright's employment contract, including by failing to provide his full salary, benefits and pension entitlements, failing to appoint him to the Board of Directors and failing to transfer to him an agreed equity share in the company.

The Judge ordered Deccan Chargers and Deccan Chronicle Holdings to pay Mr Wright £10,533,478 due under his contract. Furthermore, given what he described as their "disgraceful" conduct of the litigation, the Judge also ordered Deccan Chargers and Deccan Chronicle Holdings to pay Mr Wright's legal costs on an indemnity basis.

Tim Wright commented:

"Today's judgment is vindication of my decision not to be cowed by the bullying of a large corporation. I am grateful to His Honour Judge Seymour QC for his judgment today."

"For the last three and a half years I have been sustained and supported in this battle by too many friends to name and I am enormously grateful to them all."

"It is ultimately family which bears the brunt of litigation. No words of mine can adequately convey my gratitude to my wife, Helen, and our son Theo."

Tim Wright is represented by Carter-Ruck (Partner Adam Tudor and Senior Associate Luke Staiano) and Nicholas Randall of Counsel.

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NOTES FOR EDITORS

Tim Wright is a highly experienced sports management executive. After a successful career in advertising, he joined IMG, the world's biggest and best known sports marketing group. Whilst at IMG, he helped develop the careers of Alain Prost, Ayrton Senna and Michael Schumacher, the most successful racing drivers of the modern era who between them won no fewer than 14 Formula One World Driver's Championships. Wright has also advised some of sport's best known clubs and corporations including Chelsea Football Club, Nike and Sky.

In January 2008, IMG asked Wright to oversee the company's interests in India, with special responsibility for the IPL, owned by IMG's client, The Board of Control for Cricket in India ("BCCI").

Following the inaugural season of IPL Wright joined Deccan Chargers Sporting Ventures as Chief Executive. Deccan Chargers Sporting Ventures Limited was a subsidiary of Deccan Chronicle Holdings, owners of the Deccan Chronicle newspaper. Wright's primary role was to be the creation of a "Sports City" but he would also oversee the cricket franchise.

Deccan Chargers had finished last in the inaugural IPL and Wright's remit was to turn this around and win the tournament. One of his first actions was to change the leadership group and the playing squad. He also relaunched the Deccan Chargers brand. The following season, Deccan Chargers won the IPL.