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NEWS CORP. FACES LEGAL BATTLES IN THE U.S. OVER PHONE-HACKING SCANDAL

Amid calls for a criminal investigation in the U.S., prominent consumer rights attorney Brian Kabateck of Kabateck Brown Kellner in Los Angeles predicted in a July 14, 2011 article by Reuters and The Wrap that News Corp. could save serious civil liabilities resulting from the recent phone-hacking scandal. Kabateck, who represented plaintiffs in the high-profile Pellicano wiretapping cases in Southern California, said, "They are open on lots of fronts to legal action. You can bet that there are plenty of attorneys that bring plaintiff cases that are busy figuring out the angles. This is not going away soon."

Those lawsuits, he added, could result in millions of dollars in damages against the media conglomerate in the U.S. "There's nothing here that involves U.S. citizens yet, but God help them if it did," Kabateck said. "We have all kinds of remedies if it touches or involves U.S. citizens, and we've had no problem using them."

Likewise, shareholders may sue the publicly-traded company over poor management that resulted in stock drops for the company. "Even before the collapse in 2008 and 2009, shareholder cases were incredibly successful when companies took reckless actions that destroyed a lot of value," Kabateck said. "I've seen cases with far less of a drop in stock be successful."