

Al Gore's Current TV Stole Idea For Al Jazeera Deal, Suit Says

By Jake Simpson

Law360, New York (March 7, 2013, 3:01 PM EST) -- An entertainment consultant sued former Vice President Al Gore, Current TV LLC and others in a breach of contract suit in California state court Tuesday, claiming that Current stole his idea to sell the beleaguered television company to Al Jazeera Media Network in January.

John Terenzio, owner of Los Angeles consulting firm TAP Inc., claimed that he approached Current board member and major investor Richard C. Blum in mid-2012 with a proposal to market the network to Al Jazeera as a way for the Qatar-based media company to enter the U.S. television market.

Blum met with Terenzio in July and was very receptive to his proposal, Terenzio said. But Current went through with the sale to Al Jazeera — using nearly the same structure proposed at that July meeting — without further consulting Terenzio or compensating him in any way, according to the complaint.

"It was plainly understood and accepted by Blum that Terenzio would be compensated if Current TV moved forward with Terenzio's idea for the sale of Current TV to Al Jazeera for the creation of Al Jazeera America," Terenzio said. "Terenzio would not have met with Blum, or disclosed his concept for a sale of Current to Al Jazeera, without Blum's understanding and acknowledgment that Terenzio would be compensated for his concept if the transaction was consummated."

Current, founded by Gore in 2005, announced in January that it had been acquired by Al Jazeera as part of the latter's move to set up a new U.S. news channel based in New York. Al Jazeera's new U.S.-based news channel will run on Current TV's network when it is launched later this year.

"We are proud and pleased that Al Jazeera, the award-winning international news organization, has bought Current TV," Gore and co-founder and CEO Joel Hyatt said in a joint statement at the time. "Al Jazeera, like Current, believes that facts and truth lead to a better understanding of the world around us."

Al-Jazeera's U.S. expansion will double the number of its U.S. employees to more than 300 and will see it open additional offices besides the ones it presently has in cities including New York, Washington, D.C., Los Angeles, Miami and Chicago.

Both companies have declined to comment on the value of the sale.

Terenzio said that media reports of Current's sale to Al Jazeera indicate that the deal structure was based in part on his proposal to Blum.

"Subsequent discussions with certain Current insiders familiar with the transaction have confirmed that the sale was motivated by Terenzio's presentation and that the transaction was patterned on the structure proposed to Blum by Terenzio," he said.

Terenzio, who accused the defendants of breaching their implied agreement with him, is seeking compensatory damages of at least \$5 million.

Spokespeople for Current, Gore and Blum were not available for comment Thursday.

Terenzio is represented by Ellyn S. Garofalo of Liner Grode Stein Yankelevitz Sunshine Regenstreif & Taylor LLP.

Counsel information for the defendants was not available Thursday.

The case is Terenzio v. Current TV LLC et al, case number CGC-13-529261, in California Superior Court, San Francisco County.

--Additional reporting by Sindhu Sundar. Editing by Rebecca Flanagan.