

[HU] Final Decision on The Lawsuit between IRISZ TV and The Hungarian Radio and Television Commission

IRIS 2000-5:1/11

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On 30 June 1997 the National Radio and Television Commission (NRTC) granted licenses to two national commercial terrestrial television networks. The winners of the broadcasting tender were MAGYAR RTL and MTM SBS.

NRTC rejected IRISZ TV's bid despite the fact that IRISZ TV had offered the highest concession fee of all applicants. As a result, in 1997, IRISZ TV filed a lawsuit against the NRTC and requested the Court to annul NRTC's decision on national terrestrial television licenses (see IRIS 1998-4: 9).

In February 1999, the Supreme Court ruled that NRTC acted illegally when it did not disqualify MAGYAR RTL from the bidding procedure although its bid did not meet the formal requirements. Therefore, the Supreme Court decided that NRTC had to terminate the broadcasting contract with MAGYAR RTL. At the same time, the judgement also indicated that the Supreme Court lacks the legal competence to issue an order to NRTC to end the contract. IRISZ TV appealed against this decision and asked the Court to require NRTC to terminate MAGYAR RTL'S broadcasting contract. Apart from the NRTC and MAGYAR RTL, MTM SBS was joined as a defendant in the case (see IRIS 1999-3: 8).

On 21 February 2000, SBS Broadcasting SA, a private broadcaster, acquired Central European Media Enterprise's (CME) Hungarian assets. CME is a consortium consisting of the three Hungarian companies MediaCom RT., InterCom Kft. and DDTV Kft aiming to form IRISZ TV. After the aforementioned business transaction, SBS became the new owner of TV3 and closed down this channel operated by IRISZ TV. After the business transaction, SBS closed down TV3, the channel operated by IRISZ TV. SBS also agreed to sell half of CME's Hungarian assets to MAGYAR RTL. As a result MAGYAR RTL withdrew IRISZ TV's lawsuit filed against the NRTC, MAGYAR RTL and MTM-SBS.

On 23 February 2000, based upon the request of the plaintiff, the Supreme Court dismissed and invalidated *ex tunc* the lawsuit that IRISZ TV had filed against NRTC, MAGYAR RTL and MTM-SBS.

