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Evony drops libel case against British blogger Bruce Everiss

Lawsuit brought against outspoken games veteran is dropped as Evony witness evidence is queried

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guardian.co.uk, Wednesday 31 March 2010 12.35 BST

Evony, the American-registered [games](#) company that was suing the British games blogger Bruce Everiss for libel in an Australian court over a series of highly critical blog posts, has dramatically dropped its case after just two days of hearings.

The company abruptly abandoned its case against Everiss, which was being heard in the supreme court in Sydney, halfway through the second day of the case – and is now facing a legal bill of A\$114,000 (£68,800) for the defence's costs.

In a statement put out by Benjamin Gifford, the "vice development director" of Evony's legal and intellectual property strategic division, the company said that it would not pursue the case in Australia or elsewhere. He told the Guardian that the decision had been driven by criticism from players of the game. "A lot of our players expressed opinions about the lawsuit," he said, "and we reacted to that."

Everiss, who lives in Coventry, declared himself "relieved" but noted that a quirk of the Australian legal process means that the case is not concluded until Evony pays a second tranche of A\$80,000 of costs by 12 April. If it does not, the case reconvenes.

Sources from the case suggested that Evony did not want the publicity to overshadow its launch of the next version of its game, Evony: Age II, which is due for release imminently.

Everiss, a 30-year veteran of the UK games industry, has posted a series of blogposts on his [bruceongames.com](#) site since last summer in which he has said that Evony had previously been owned by a Chinese company, UMGE, and that it was linked to a Chinese "gold farming" business – which gets low-paid workers to earn virtual money in online games such as World of Warcraft, and then sells it, against the game's rules, to other players. He has also detailed connections between Evony's owners and a company being sued by Microsoft for alleged click fraud on search engine adverts.

Evony denied the claims at the time and launched a furious legal attack on Everiss – and then to the surprise of many chose to pursue its lawsuit in Australia, where neither Everiss lives nor the company was headquartered. It claimed that Everiss's blog had readers there, but was accused of "libel tourism" in return.

Evony's case began to break down during the second day when Gifford was cross-examined. He admitted that his claim to have BA and MBA degrees were not true. Everiss's lawyers, led by Damian Sturzacker of Marque Lawyers, also established links between Evony and two companies, Regan Mercantile of Hong Kong – owned by a mysterious woman named Lu Lu – and Regan Mercantile of New York.

Under Australian libel law, only companies with fewer than 10 employees can sue for libel. Sturzacker sought to demonstrate that Evony in effect employed more than 10. The court also heard that the company had 14 vacancies. Separately, Everiss has [posted a series of photographs](#) apparently from the company's Chinese development arm showing a huge development team at work in Guangzhou, China – though this was not presented as evidence in the case.

If Evony does not pay an A\$80,000 tranche of costs by 12 April, then the case could resume – although Everiss's team expects that it could win a summary judgement. The costs of Evony's legal team, including Ric Lucas, the chair of the Australian Law Society's libel committee, could be double the A\$114,000 that it has to pay Everiss's side.

However, Evony is believed to be highly profitable, although its exact financial position is unclear, as its revenues are remitted to Regan Mercantile.

Everiss's legal team had questioned its decision to bring the case in Australia rather than the UK, where Everiss lives, or the US, where Evony has been registered as a business in the US since 22 July 2009, according to documents filed with the court on Tuesday – though Everiss's first post about the company was on 10 July that year.

A previous hearing in December was due to help settle the matter, but Evony changed its legal team – moving from suburban Sydney firm Warren McKeown Dickson to Canberra-based Colquhoun Murphy – and the hearing was delayed.