CECA MAGÁN ADVISES ON A JUDGMENT AGAINST F.C. BARCELONA

Posted on 23/01/2023



Category: <u>Deal & transactions</u>

Tags: Antonio Valmaña, Barcelona CF, Ceca Magán, El Barça, FCBarcelona, sx3, Time Consultants



Ceca Magán Abogados has advised Time Consultants in the lawsuit for breach of contract against El Barça.

Antonio Valmaña, director of the litigation department, has been the lawyer in charge of this

operation in which El Barça has been condemned to compensate its supplier for not fulfilling the contract on the grounds of the pandemic.

In December 2018, FC Barcelona signed a contract with Time Consultants, a company specialised in conducting opinion polls. Its objective was to elaborate the so-called "Observatori Blaugrana", a macro-survey of members and fans that would be carried out twice a year for the next three years. After carrying out the first three surveys normally, F.C. Barcelona terminated the contract in September 2020, stating that it did not want the next three surveys to be carried out.

TIME filed a lawsuit requesting that the contract be reinstated (that the remaining surveys be carried out) or, alternatively, that it be compensated with the amount corresponding to one third of the outstanding fees invoiced for the contract (€65,000). The club objected and justified the termination of the contract as a consequence of the pandemic: on the one hand, because the confinement between March and June 2020 prevented it from carrying out the surveys; on the other hand, because the suspension of sporting competitions left it without elements of interest.

The judgment ruled that these arguments based on the pandemic did not justify the termination of the contract. Firstly, because the surveys were conducted by telephone (based on a database provided by the club itself), so there was nothing to prevent them from continuing. And secondly, because the competitions were resumed and the survey covered other issues that had nothing to do with the competition, such as transfer policy, the management of the board of directors, the work of the FCB Foundation, etc. However, if the club has argued in the lawsuit that it does not want the contract to be reinstated on the basis of a relationship of trust with the supplier, it must order FC Barcelona directly to pay the compensation requested.

"It is true that the pandemic has had a serious economic impact on many people, companies and businesses, but that does not justify - at least not in this case, as the ruling understands - breaking a contract solely on the basis of the will of one of the parties," declared Antonio Valmaña, lawyer at Ceca Magan. However, he explains "This reality is not unknown in the world of football. Neymar was able to break his contract with Barça to go to Paris, but he had to pay a termination clause which, in essence, is nothing more than compensation. The club is free to decide that, after a certain point in time, the Observatori Blaugrana surveys will no longer be carried out, but it must compensate the supplier to whom it had committed to carry them out", as the courts have confirmed.