Last month Morgan Creek filed suit against Amaru Entertainment alleging that the company had "backed out of negotiations" and was currently "refusing to honor and perform a contract of a production of the film based on the life of the late hip hop icon Tupac Shakur."

In actuality, there was never a legally binding document; nothing was ever signed and key deal terms were never agreed upon. Morgan Creek threatened other production companies and movie studios, alleging that it "owned" the rights to the hip hop icon Tupac's picture when it didn"t, effectively killing any other deal Amaru could have made for the picture. Amaru Entertainment now seeks damages for Morgan Creek's lawsuit and their interference in the company's business.

Lawyers for Amaru Entertainment filed a cross-complaint against Morgan Creek Productions and James Robinson, Don Hardison and LT Hutton, individuals involved in Morgan Creek's executive affairs. The cross-complaint was filed in the Los Angeles Superior Court on Monday, March 16, 2009.

Skip Miller of Miller Barondess, LLP in Los Angeles, attorney for Amaru Entertainment, says: "The Morgan Creek lawsuit is heavy-handed interference with the Tupac movie. It has no merit whatsoever.
Our cross-complaint is going to result in Morgan Creek having to pay millions in compensatory and punitive damages for harming our business."

Read more on this lawsuit at http://www.hollywoodreporter.com/hr/content_display/film/news/e3i68061ff8eae6a637e3fc3df9de5d5554

Last month Amaru Entertainment released this statement to clarify this situation. Here is the Official Statement by Amaru Entertainment regarding the Morgan Creek Lawsuit released last month:

We at Amaru Entertainment would like to clarify some of the recent media reports concerning a lawsuit filed by Morgan Creek Productions. This lawsuit has no merit. We felt it was important to bring the story of Tupac Shakur (2Pac), one of music's most remarkable icons, to life onscreen and, in realizing this vision, we sought to find the best partner who would be true to Tupac's vision and bring his unique story to life on the big screen.

In doing so, we have taken every step to ensure that our partner in this process is committed to the integrity of Tupac Shakur's legacy and, more importantly, that they are the right people. To that end, we have been in discussions and negotiations with several major studios and production companies, including Morgan Creek Productions. However, at no time did we have an agreement with Morgan Creek.

Sadly, Morgan Creek decided to take advantage of this situation and attempt to frustrate our project by interfering with our business relationships. We will not be frightened by Morgan Creek's tactics and we are absolutely confident that the movie will be produced and released. Tupac's story is what Hollywood legends are made of - and we want to make sure that the movie tells Tupac's story like it should be told and lives up to everyone's expectations.

"Tupac touched so many people in his brief life and it makes me feel honored in keeping his message alive. And I want to do so with integrity - in the right way with the right people," says Afeni Shakur. "That's what Tupac would have wanted."