

The media magnate has long sought complete ownership of England's Sky Television, but a barrage of lawsuits against Murdoch's Fox News threatens to undo his negotiations.

The latest in a barrage of lawsuits against Fox News—filed by [former D.C. homicide detective Rod Wheeler](#)—is potentially harming [Rupert Murdoch's long-cherished, long-delayed \\$14 billion ambition](#) to acquire all of Europe's Sky Television.

In a just-released letter to Ofcom, the British communications regulator that was considering whether to recommend approval of the transaction, Wheeler's attorney Douglas Wigdor is turning up the heat on Fox News and its parent company, 21st Century Fox, accusing the Murdoch-controlled media empire of repeatedly misleading British authorities about their consistent failures to meet the “fit and proper” standards that the Sky acquisition would demand.

Wigdor claims in his eight-page letter that at the very moment top 21st Century executives and Rupert's sons James and Lachlan Murdoch were personally assuring Ofcom officials “that Fox was fit to report the news in a nonpartisan manner and that the Company had introduced ‘new corporate governance policies,’ ” Fox News was colluding with President Donald Trump's White House to promote a bogus conspiracy theory [about murdered Democratic National Committee employee Seth Rich](#).

Wigdor, who traveled to London in May to present evidence against Fox to Ofcom and represents nearly two dozen clients in gender and racial discrimination lawsuits against Fox in both federal and state courts, wrote to Ofcom chief executive Sharon White:

“In our complaint filed August 1, 2017 on behalf of Rod Wheeler, the allegations show that at the same time that [21st Century Fox General Counsel and Chief Compliance Officer] Mr. [Gerson] Zweifach and the Murdochs were busy explaining that Fox had ‘cleaned house,’ Fox was generating a fake news story intended to influence public perception that Russian hackers were not responsible for the DNC email hacking, and that President Trump did not collude with the Russians during this election bid.”

The efforts of Wigdor and other American attorneys seem to be having an impact on the British deliberations. Ofcom was initially expected in June to deliver its recommendation to Tory MP Karen Bradley—Britain's secretary of state for culture, media, and sport, who will decide on the Sky deal—but Bradley has delayed her ruling for a six-month-long investigation into whether the transaction would threaten competition in the country's media industry.

Beyond acknowledging receipt of Wigdor's letter, Ofcom officials declined to comment, as did Fox News and 21st Century Fox.

Meanwhile, the public interest group AVAAZ, which has vigorously opposed the Sky acquisition, blasted the Murdochs in a statement Monday from senior campaigner Alaphia Zoyab: “Fox News is a fake news factory that's made a joke out of Britain's broadcasting rules. The lies about Seth Rich and allegations of collusion with the Trump administration are a reminder that the British government's first priority should be to protect our democracy from the Murdochs. If the British government does not investigate these scandals before ruling over the Murdoch's bid for Sky, it could find itself on the wrong end of legal action.”

AVAAZ has been pressing Ofcom, which initially decided that Fox News was “fit and proper,” to revisit its

conclusion, and has been considering a legal challenge should the agency not agree.

The defamation lawsuit filed last week by private investigator and Fox News contributor Wheeler alleges that Fox website reporter Malia Zimmerman, [in a story that was ultimately retracted and deleted](#), fabricated quotes from him to buttress the unsubstantiated claim that Rich had given damaging DNC emails to Wikileaks during last year's presidential campaign, and was shot to death on a Washington sidewalk near his home in July 2016 on orders from vengeful Democratic Party officials.

Wheeler alleges that when he phoned Zimmerman to complain about the fabricated quotes in the May 16 story, which tended to support the Seth Rich conspiracy theory, she agreed that he hadn't uttered them and promised to remove them. Yet even after he met with top Fox News executives Jay Wallace and Dianne Brandi to press his complaints, Wheeler never received an acknowledgement that his supposed quotes were fake, nor were they mentioned in Fox News's vague retraction that simply said the story didn't meet its "standards."

Before it was retracted, Zimmerman's Seth Rich story received strong promotion on the Fox News Channel, especially by *Fox & Friends* cohost Steve Doocy and prime-time star Sean Hannity.

"By way of example only, Fox talents such as Sean Hannity and Steve Doocy used the Article as a means to provide extensive broadcast coverage in support of a theory that Russian hackers were not responsible for the DNC email breach," Wigdor wrote to Ofcom, citing several instances in which Doocy and Hannity plugged the bogus story:

May 16: Steve Doocy: If the Seth Rich story is true, "it looks like Russia didn't give to WikiLeaks."

May 16: Sean Hannity: "Explosive developments" in Seth Rich story "could completely shatter the narrative that in fact WikiLeaks was working with the Russians, or there was collusion between the Trump campaign and the Russians."

May 18: Sean Hannity: "If Rich, in fact, was WikiLeaks' source for DNC email leaks, it would confirm Russia was not involved. ... Wouldn't that blow the Russian collusion narrative that the media has been pushing out of the water?"

May 19: Sean Hannity: "What if it was somebody that was so disgruntled in the DNC at how they cheated Bernie and how the fix was in, if that turned out to be true that somebody did that, wouldn't that completely wipe out the entire Russia lie we've heard for months and months?"

Wheeler's lawsuit further accuses Fox News Channel and Fox Business Network regular Ed Butowsky, a pro-Trump money manager, of coordinating between the channel and the White House in an effort to frame Rich for the email leaks and thus "lift the cloud" on the ongoing Russia-collusion investigation.

"One of the big conclusions we need to draw from this is that the Russians did not hack our computer systems and steal emails and there was no collusion like [T]rump with the Russians," Butowsky allegedly wrote in emails to Fox News producers and anchors promoting the piece.

Wheeler's lawsuit includes transcripts of voicemail messages and screenshots of text messages with Butowsky, including an exchange two days before the article was published in which Butowsky wrote: "president [Trump] just read the article. He wants the article out immediately. It's now all up to you. But don't feel the pressure."

"Broadcasting standards require integrity and commitment to attaining a high level of accuracy," Wigdor

wrote in his letter to the British regulators. “As the texts, emails, and audio recordings quoted in the complaint demonstrate, Mr. Butowsky enjoyed freedom of communication with a number of senior Fox producers and anchors about the content of the Article. Although Ms. Zimmerman was the Fox reporter responsible for the Article, based on Mr. Butowsky’s email to Fox producers and hosts, he discusses the fact that he was the force behind the journalism:

“ ‘If you have any questions about the story or more information needed, call me at 972-XXX-XXXX. I’m actually the one who’s been putting this together but as you know I keep my name out of things because I have no credibility.’ ”

Wigdor’s letter continues: “Mr. Butowsky’s representations suggest something more than ‘low’ broadcasting standards. His claims suggest a failure to adhere to any standards. Fox must account for this failure and demonstrate why the public should have confidence in its commitment to broadcasting standards.

“On May 23, 2017, rather than account for what happened, Fox publicly stated that it was internally investigating what went wrong. Just seven days later, on May 30, 2017, James and Lachlan Murdoch met with Ofcom. Since the Murdochs have taken personal responsibility for cleaning up the Company, it is shocking that James and Lachlan Murdoch failed to disclose the Article and the facts surrounding what happened to Ofcom.”

Rod Wheeler’s lawsuit is not even the latest threat to the Sky acquisition, in which the Murdochs propose to raise their current 39 percent stake in the highly profitable European outlet to 100 percent.

Widgor’s letter is dated Aug. 3, [the day before HuffPost reported shocking allegations that Fox News personality Eric Bolling](#) , a co-host of Fox’s *The Specialists* , had sent “an unsolicited photo of male genitalia” to multiple female colleagues at Fox News Channel and its sister Fox Business Network—an accusation that so far has resulted in Bolling’s suspension pending an investigation by Fox’s outside law firm, Paul Weiss.