## Fox Settles Discrimination Lawsuits for Roughly \$10 Million

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Attempting to put to rest a drama that has plagued Fox News since the summer of 2016, the network's parent company has reached a roughly \$10 million settlement to resolve a group of racial and gender discrimination lawsuits involving 18 current and former employees, according to a document viewed by The New York Times and three people briefed on the deal.

The settlements reached by 21st Century Fox include the <u>class action racial discrimination</u> <u>lawsuit</u> filed last year by the anchor Kelly Wright and several employees in the Fox News accounting department. Their lawsuit said that they had repeatedly complained about "abhorrent, intolerable, unlawful and hostile racial discrimination" to network executives but that no action was taken and that the inappropriate behavior continued.

Also included in the settlement were the <u>race</u>, <u>gender and pregnancy discrimination lawsuit</u> brought in 2016 by a former reporter for Fox 5, the network's New York affiliate, and a gender discrimination lawsuit filed by <u>a Fox News Radio reporter</u>.

According to the document viewed by The Times, terms of the deal included that the employees would agree to drop their claims, leave the network and not seek future employment at Fox News or other 21st Century Fox companies. The settlement specifically included a buyout of Mr. Wright's contract with Fox News, where he was the only black male anchor. Fox News has denied the allegations made in the various suits.

In a joint statement, a Fox News spokeswoman and Douglas H. Wigdor, a lawyer for the employees involved, said, "The parties have reached mutual agreements that resolve various cases involving former Fox News employees."

Mr. Wright informed Fox News on Tuesday of his "desire to pursue new opportunities," the network and Mr. Wigdor said in statements. In the statements, the network thanked Mr. Wright "for his contributions over the years"; and Mr. Wright thanked Fox News and "wishes it well as he moves forward to the next phase of his career."

The agreement represents a push by Fox News and 21st Century Fox to move past the negative attention drawn by scandals — including sexual harassment claims — that led to sweeping changes at the top of the network: the ousting of the <u>network's founding chairman</u>. <u>Roger Ailes</u>; <u>Bill O'Reilly</u>, the top-rated host on cable news; and <u>several other employees</u>. The controversy also prompted a <u>criminal investigation</u> into Fox News's handling of sexual harassment complaints.

The drama burst into public view in July 2016, when the former anchor Gretchen Carlson sued Mr. Ailes for sexual harassment. After Mr. Ailes was forced out of the network and Ms. Carlson received <u>a \$20 million settlement</u>, several other employees came forward with sexual harassment and gender and racial discrimination claims. Some disputes were settled confidentially, while others became public lawsuits, leading to a steady drumbeat of negative headlines and mounting legal costs. By the end of last June, 21st Century Fox had incurred <u>about \$50 million in costs</u> in the previous year that were tied to the settlement of sexual harassment and discrimination allegations at Fox News.

Several of the lawsuits were handled by Mr. Wigdor, a self-described conservative Republican who <u>has said that he was at war with Fox News.</u> Mr. Wigdor has been a vocal critic of what he described as a systemic culture of discrimination at Fox News, frequently <u>speaking to the</u> <u>media</u> and even testifying before the British regulators reviewing 21st Century Fox's \$15 billion bid for Sky, the European satellite giant. (Mr. Wigdor's firm also represented clients in a racial discrimination suit against The New York Times.)

The roughly \$10 million agreement, while still a significant sum, is far less than the <u>more than</u> <u>\$60 million that Mr. Wigdor had proposed</u> last summer. At the time, Mr. Wigdor had pointed out how 21st Century Fox had paid \$40 million to Mr. Ailes and \$25 million to Mr. O'Reilly, and said, "Outside the context of the mediation, any amount under what Ailes and O'Reilly got in total would be unjust."

The deal called for Mr. Wigdor, along with a mediator, to provide a breakdown of how the money will be distributed to each plaintiff. According to a person briefed on the matter, one person received nothing, while others received large sums. The total \$10 million payment includes lawyer fees, which typically come to about a third.

A confidentiality clause in the deal forbids the parties from discussing the payment amounts and other company information, including the compensation of and settlements with other employees, but does not prevent them from telling their stories.

Not included in the settlement are two other lawsuits involving clients of Mr. Wigdor, although he has filed motions to withdraw as the lawyer for both cases. That includes a defamation and racial-discrimination lawsuit against 21st Century Fox and Fox News that focused on an article about the death of Seth Rich, a young aide for the Democratic National Committee. The suit claims that the White House and a wealthy supporter of President Trump pushed Fox News to publish an article on its website as part of a scheme to end speculation about the president's ties to Russia. The company has said that the case lacks merit.

Also excluded from the settlement was the <u>lawsuit filed by the political commentator Scottie</u> <u>Nell Hughes</u>, who claimed that she had been raped by the longtime anchor Charles Payne and was then retaliated against by the network after she came forward with the allegation. Mr. Payne, who remains on the air, has vehemently denied any wrongdoing.

Calling the lawsuit "bogus" and "downright shameful," Fox filed a motion to dismiss the case. In recent weeks, the judge overseeing the cases in Federal District Court in Manhattan dismissed

some of Ms. Hughes's claims and upheld others.