New York's 'Taxi King' ordered to pay \$1.3m in sexual harassment case

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Edward Helmore July 17, 2018

New York's "Taxi King" Gene Freidman has been hit with a \$1.34m judgment over claims he sexually harassed and later retaliated against a former assistant.

Freidman, a former business associate of Donald Trump's attorneyMichael Cohen, was accused of subjecting employee Elaine Gutierrez to a range of abuse.

He was alleged to have made explicit comments about her body in private and in front of groups of associates, including according to Gutierrez's complaint, saying: "Get your big boobs out of my face," and even commenting to other men in the room: "Did you see her boobs?" and "Do you know Elaine rubbed them big boobs on me?"

Freidman was also accused of throwing papers on the floor and forcing Gutierrez to pick them up, and on occasion harassing her in front of her 10-year-old daughter. In 2017, Gutierrez was fired in what was described by her counsel as "a blatant act of retaliation for speaking out against the harassment".

Gutierrez's lawyer, Lawrence Pearson, said in a statement: "In the #MeToo era, the message is clear: no one, not even the so-called 'Taxi King', is above the law when it comes to workplace sexual harassment."

In May, it was reported that Freidman had agreed to cooperate with the government as a potential witness as part of a plea deal on tax evasion charges relating to his taxi medallion business. At one point his company owned 900 medallions, the licenses to run yellow cabs in New York.

Under the agreement Freidman will avoid jail time and will assist federal and state prosecutors in investigations. That, in turn, puts pressure on Cohen, whois currently under criminal investigation in the southern district of New York.

Cohen was a partner in Freidman's taxi business for years and is believed to own around 20 New York medallions in his own right. But that is a minor holding compared to Freidman, who told Bloomberg in 2015 that he owned 1,100.

At their peak in 2103, medallions were auctioned off for a record \$1.32m each. But the rise of Uber and Lyft has caused their value to collapse to under \$200,000.

In July 2015, the New York state tax authorities named four of Freidman's taxi companies among the state's top 250 delinquent business taxpayers.

Almost a year later, the then New York state attorney general, Eric Schneiderman, placed an independent monitor to oversee Freidman's financial records and business dealings after the Taxi King failed to comply with a 2013 ruling that he must pay drivers the money they were owed.