Ousted Grammy Prez Says BigLaw Atty Sexually Harassed Her

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By **Hailey Konnath**

Law360 (January 21, 2020, 11:39 PM EST) -- The head of the Recording Academy accused the Grammy-hosting organization Tuesday of placing her on leave in retaliation for exposing a number of problems stemming from its "boys club mentality," including sexual harassment from a well-known <u>Greenberg Traurig</u> attorney retained as its general counsel.

Recording Academy CEO and President Deborah Dugan tore into the organization, formally known as the National Academy of Recording Arts and Sciences, in a 44-page complaint filed with the <u>U.S. Equal Employment Opportunity Commission</u> just days after she was placed on administrative leave. The academy, which is responsible for the Grammy Awards, has said Dugan was placed on leave while it investigates her for misconduct.

But according to her complaint, the board is "doing everything it can to destroy Ms. Dugan for the sole reason that she posed a threat to the 'boys club.'"

Dugan, the first woman to hold the role, said she notified the human resources department in December by email about sexual harassment she'd experienced at the hands of Joel Katz, the Recording Academy's general counsel and founding chairman of Greenberg Traurig LLP's global entertainment and media practice. Dugan also complained about "egregious conflicts of interest, improper self-dealing by board members and voting irregularities with respect to nominations for Grammy Awards," per the complaint.

Three weeks later, Dugan was placed on leave — a move that was "clearly made in retaliation for her complaint, and came with thinly veiled threats of termination in the event Ms. Dugan persisted in pursuing claims against the academy," she told the EEOC on Tuesday.

The 62nd annual Grammy Awards ceremony is scheduled for Sunday.

Douglas Wigdor and Michael Willemin, counsel for Dugan, said in a joint statement Tuesday that the Recording Academy's tactics are "reminiscent of those deployed by individuals defending Harvey Weinstein."

Weinstein, who was arrested in May 2018, is **on trial** for using his position as a powerful movie producer to lure young women into situations where he was able to sexually assault them. Weinstein denies the allegations and says the encounters were consensual.

Dugan's counsel further alleged the Recording Academy has attempted to impugn their client's character — "a transparent effort to shift the focus away from its own unlawful activity."

"This blatant form of retaliation in corporate America is all too common, even post #MeToo, and we will utilize all lawful means necessary to ensure that those responsible are held accountable for their actions," Wigdor and Willemin said.

Meanwhile, the Recording Academy said in a statement that Dugan specifically instructed human resources "not to take any action" in response to her December email to human resources.

"It is curious that Ms. Dugan never raised these grave allegations until a week after legal claims were made against her personally by a female employee, who alleged Ms. Dugan had created a 'toxic and intolerable' work environment and engaged in 'abusive and bullying conduct,'" the Recording Academy said.

It added that it has launched independent investigations into both Dugan's potential misconduct as well as her allegations against the academy. Both investigations are ongoing, the Recording Academy said.

Greenberg Traurig Executive Chairman Richard A. Rosenbaum said in a statement that Katz "is a longstanding member of our firm and legendary in the music industry."

"The personal allegations recently made were not previously known to us and, if true, would of course offend our culture and values," Rosenbaum said. "But our values also require a full and fair investigation before conclusions are reached. We understand this investigation is being conducted by the academy and await the results."

An automatic email reply to a request for comment said Katz was not responding to messages while he recovers from a respiratory infection.

Dugan, 61, took over as CEO and president at the Recording Academy in August of last year. She was previously CEO at Red, a nonprofit co-founded by Bono that works to eliminate HIV and AIDS in African countries.

From the get-go, Dugan complained about and worked to remedy the sexual harassment, lack of diversity and other gender-related improprieties at the academy, she said in her EEOC complaint.

In May, before she had begun working at the Recording Academy, Dugan claimed that Katz invited her to an expensive dinner. Dugan said she was "perplexed," but attended the dinner "as so not to upset the applecant before she even began her work at the academy."

Throughout the dinner, Katz "acted extremely inappropriately," calling Dugan "baby," commenting on her physical appearance and speaking about his failed marriage and how he was "lonely," according to the complaint. Katz also told Dugan he was "very, very rich," boasting that he had many homes and a private plane, Dugan alleged.

Katz then said the pair should "spend time together" and that "traveling to my many homes could be something nice for us to share," per Dugan. Dugan said she made it clear she was not interested, but Katz still tried to kiss Dugan at the end of the dinner.

"Ms. Dugan quickly turned away, repulsed," she said in the complaint.

Dugan detailed the alleged harassment in her Dec. 22 email to human resources and also put the Recording Academy on notice that she planned to bring claims. The academy and Dugan almost reached a resolution in principle to resolve her claims, but the academy backed out on Jan. 16, according to Dugan. The board instead made a new offer of settlement, which was "unacceptable" to Dugan, she said. She was given one hour to accept it, and when she failed to do so, she was immediately placed on administrative leave, she said.

"The leave had nothing to do with any accusations made against Ms. Dugan," she said. "It was retaliation, pure and simple."

More than a month earlier, an executive assistant had complained that Dugan acted in a hostile manner. The assistant, Claudine Little, had a number of performance issues and Dugan had offered her a different position, Dugan said. Little ultimately rejected the position, and Dugan permitted her to continue to work with her while she tried to find Little another position at the company, she said. Little ultimately took a leave of absence and then sent the academy a letter calling Dugan a bully, per the complaint.

But Dugan was not put on leave when the allegations were first raised, nor was she put on leave after the academy received a demand letter from the executive assistant, she said Tuesday.

Those allegations "are completely without merit," which the board "knows very well," Dugan added.

The Recording Academy has also claimed to the press that Dugan tried to extort \$22 million from the academy, trying to paint her as a "money-hungry liar," she told the EEOC. On Monday, Board Chairman Harvey Mason Jr. sent a memo to academy members that said Dugan had offered to resign and drop her allegations in exchange for the money.

"This is flat out false," Dugan said. The Recording Academy and its board are "intent on fully destroying Ms. Dugan, a strong woman who was willing to 'step up' to combat rampant discrimination and improprieties at the academy," she said.

The Recording Academy said in Tuesday's statement that its loyalty "will always be to the 21,000 members of the recording industry."

"We regret that music's biggest night is being stolen from them by Ms. Dugan's actions and we are working to resolve the matter as quickly as possible," it said.

Dugan said the damage the Recording Academy has done to her "is immeasurable and can never be remedied."

"However, Ms. Dugan will do everything in her power to hold the academy and the board responsible for the unlawful conduct described herein," she said.

Dugan is represented by Douglas H. Wigdor and Michael J. Willemin of Wigdor LLP.

Counsel information for the Recording Academy wasn't immediately available Tuesday.

The case is Deborah Dugan v. National Academy of Recording Arts and Sciences at the Equal Employment Opportunity Commission. A case number wasn't immediately available Tuesday.