Ousted Recording Academy CEO alleges sexual harassment, corrupt Grammys voting

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With only days until the Grammy Awards, ousted Recording Academy CEO Deborah Dugan filed an explosive discrimination complaint Tuesday alleging unlawful gender discrimination, sexual harassment, unlawful retaliation and unequal pay against the academy.

The complaint, filed with the Equal Employment Opportunity Commission, accuses the academy of improper self-dealing by board members, voting irregularities with respect to nominations for Grammy Awards and other misconduct.

The Recording Academy presents the annual Grammy Awards, and this year's event is Sunday.

In the complaint, Dugan alleges she was sexually harassed by academy general counsel Joel Katz, saying the lawyer lured her to a fancy dinner in May, called her "baby," tried to kiss her and suggested that the two of them "spend time together."

Dugan's lawsuit further claims the academy refused to pay her – its first female CEO and president – an amount equal to what they paid former president Neil Portnow, whose contract <u>was not renewed</u> after he said women need to "step up" when asked about the lack of female winners at the Grammys in 2018.

USA TODAY has reached out to representatives for Portnow and Katz for comment.

"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,'" read a statement from the academy, sent by spokesperson Lourdes Lopez Tuesday afternoon.

The statement continues: "When Ms. Dugan did raise her 'concerns' to HR, she specifically instructed HR 'not to take any action' in response. Nonetheless, we immediately launched independent investigations to review both Ms. Dugan's potential misconduct and her subsequent allegations. Both of these investigations remain ongoing."

Dugan lawyers, Douglas H. Wigdor and Michael J. Willemin, scoffed at the academy's timeline, saying in a statement to USA TODAY Tuesday that their client "repeatedly raised concerns throughout her entire tenure at the Academy, and even gave large presentations

focused on diversity and inclusion at Board meetings. ... As alleged, the Academy has lost its way and abandoned the recording industry, instead focusing on self-dealing and turning blind eye to the "boys' club" environment, obvious improprieties and conflicts of interest."

Alleged corruption in Grammys voting

Dugan's complaint goes on to allege how the "Grammys process is ripe with corruption," saying that "secret committees" whittle down categories of 20 first voted upon by its 12,000 voting members.

According to the complaint, "the Board uses these committees as an opportunity to push forward artists with whom they have relationships. Indeed, it is not unusual for artists who have relationships with Board members and who ranked at the bottom of the initial 20-artist list to end up receiving nominations."

The complaint states the board "manipulates" the nominations process to ensure that certain songs or albums are nominated when Grammys producer Ken Ehrlich wants a particular song performed during the show. And, according to the complaint, "to make matters worse, the Board is permitted to simply add in artists for nominations who did not even make the initial 20-artist list."

This year, Dugan's complaint states, "30 artists that were not selected by the membership were added to the possible nomination list."

Differing versions of events

The academy statement Tuesday strongly suggests Dugan wanted a massive payout, saying she "was placed on administrative leave only after offering to step down and demanding \$22 million from the academy, which is a not-for-profit organization. Our loyalty will always be to the 25,000 members of the recording industry."

Again, Dugan's lawyers conflicted the academy's version of events, saying (emphasis theirs), "on the morning of the day she was put on leave, the *Academy* offered Ms. Dugan millions of dollars to drop all of this and leave the Academy. The Board Chair demanded an answer within the hour. When *Ms. Dugan* refused to accept and walk away, she was put on leave. The Academy claimed that Ms. Dugan was put on leave based on accusations made against her *over a month prior* that the Board knows very well are meritless. That is not a credible story."

Earlier Tuesday, the Recording Academy's interim CEO and president Harvey Mason – a music producer who has worked with Chris Brown, Jennifer Hudson and more – <u>released an open statement insisting that Dugan</u>, through her lawyer, made an offer to the academy to retract her allegations and resign if she "was paid millions of dollars."

It was then that she was placed on administrative leave until investigations into the allegations were completed, Mason stated.

Mason wrote the academy became aware of "abusive work environment" complaints against Dugan in November 2019 and in December formal complaints were filed through a staff member's attorney.

"A letter was sent from an attorney representing a staff member that included additional detailed and serious allegations of a 'toxic and intolerable' and 'abusive and bullying' environment created by Ms. Dugan towards the staff," Mason's statement read. "Given these concerning reports, the Executive Committee launched an immediate and independent investigation into the alleged misconduct of Ms. Dugan."

Dugan's complaint counters that version of events, saying the board is trying to paint her "as a money-hungry liar" and insisting she was put on administrative leave as retaliation for not accepting the academy's proposed settlement three weeks after sending her complaint to HR.

On Tuesday in a statement to USA TODAY Dugan's lawyers called the academy's tactics "reminiscent of those deployed by individuals defending Harvey Weinstein. As we allege, the attempt by the Recording Academy to impugn the character of Deborah Dugan is a transparent effort to shift the focus away from its own unlawful activity."

In August, Dugan became the first woman to lead the Recording Academy, replacing Portnow. Dugan previously served as the CEO of Bono's (RED) organization.