Ex-Grammy Boss Neil Portnow Accused of Raping Female Artist in Blockbuster Complaint From Ousted CEO

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By Jem Aswad

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Neil Portnow, the former CEO of the <u>Recording Academy</u>, stepped down after being accused of raping an unnamed recording artist, according to a blockbuster claim filed on Tuesday by his successor.

<u>Deborah Dugan</u> alleges she was forced out of the CEO job last week after lodging a complaint in December about sexual harassment, voting irregularities with the Grammy Awards, self-dealing and conflicts of interest. The claim, <u>filed with the Equal Employment Opportunity Commission</u>, accuses the <u>Recording Academy</u> of retaliating against her by drumming up a false pretext to put her on leave.

The allegation against Portnow is her most explosive charge. The EEOC complaint states that Portnow "allegedly raped a female recording artist," who is not named but described as "foreign," "which was, upon information and belief, the real reason his contract was not renewed." It claims the board was aware of the incident.

Dugan levels several other accusations as well, including:

- *That Joel Katz, for decades a key executive at the Academy, sexually harassed Dugan, and that among other attempts to "woo" her, he attempted to kiss her at an expensive dinner he'd taken her to and repeatedly referred to her as "baby";
- *That she was asked to offer Portnow a \$750,000 consulting contract;
- *"egregious conflicts of interest, improper self-dealing by Board members and voting irregularities with respect to nominations for Grammy Awards, all made possible by the 'boys' club' mentality and approach to governance at the Academy";
- *that "Katz and his law firm are paid an exorbitant amount of money by the Academy," including \$250,000 per year (plus reimbursement of travel and expenses that were incurred without any prior authorization) simply to be on call in the event the Board needs any legal advice. 93. On top of that, according to news reports, Greenberg Trauig billed the Board for over \$15mm in legal work" as noted by *Variety* "over a period of only a few years," and that "Katz and his law firm," as well as others including "Proskauer Rose (and former Proskauer Rose partner, Chuck Ortner)" have billed "millions of dollars to the Academy, which is a not-for-profit entity";*That Dugan's assistant, Claudine Little, was monitoring her emails and sharing information with Academy board members and executives.

The complaint also includes a deeply damning section about the Grammy Awards processes:

- *That some board members on the "secret committees," which choose the Grammy nominees, represent or have relationships with nominated artists;
- *That the Board uses these committees as an opportunity to push forward artists with whom they have relationships;
- *That the Board also manipulates the nominations process to ensure that certain songs or albums are nominated when the producer of the Grammys (Ken Ehrlich) wants a particular song performed during the show;
- *That the Board is permitted to simply add in artists for nominations who did not even make the initial 20-artist list.
- *That the Board has selected artists who are under consideration for a nomination to sit on the committee that is voting for the category for which that have been nominated. As a result, one artist who initially ranked 18 out of 20 in the 2019 "Song of the Year" category ended up with a nomination over Ed Sheeran and Ariana Grande.

Variety has reached out to Portnow for comment. The Academy's response, which is below, does not address any of the allegations in the complaint and reiterates its previous accusations against Dugan.

In a comment that may indicate how quickly support for the Academy is unravelling, a major label CEO tells *Variety,* "It was a well-known fact that Joel Katz protected Neil Portnow for many years."

Dugan was placed on administrative leave late Thursday — ten days before her first Grammy Awards — after the Academy accused her of misconduct against an unnamed employee. Her attorney, Bryan Freedman, disputed the claims.

In a statement, attorneys Doug Wigdor and Michael Willeman wrote: "The complaint that we filed today against the National Academy of Recording Arts and Sciences (the Grammys) highlights 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. 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."

It continues, "As alleged, from the very beginning of her employment as the Recording Academy's first female CEO and President, Ms. Dugan complained about and attempted to remedy the lack of diversity, sexual harassment and other improprieties at the Academy (which were gender based), including egregious conflicts of interest, improper self-dealing by Board members, voting irregularities with respect to nominations for Grammy Awards and other misconduct. In response to her complaints, as alleged, the Academy unlawfully

retaliated against Ms. Dugan by placing her on administrative leave (only after she indicated her intent to commence legal action and refused to settle her claims on terms dictated by the Academy), threatening Ms. Dugan with termination and publishing false and defamatory statements about Ms. Dugan to the media. Moreover, as of just yesterday, as alleged, the Academy's interim CEO and President, Harvey Mason Jr., penned and published a false, retaliatory and defamatory letter designed to "get out in front" of this Charge and further destroy Ms. Dugan's reputation."

In response, the Academy reiterated its previous claims against Dugan and did not reference today's lawsuit.

"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," it reads. "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. Ms. Dugan 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. 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."

In response, Dugan's attorneys denied those claims and added in part, "Finally, as alleged in the charge, 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."

On Monday, Mason Jr. issued a statement to the Academy's membership about Dugan's alleged misconduct and warned about "leaks and misinformation."

The letter claims that Dugan's attorney Bryan Freedman sought "millions of dollars" for his client to step down from her post and withdraw the allegations she made in a memo sources say she sent to the Recording Academy's head of HR last month. Sources say the memo includes allegations about "voting irregularities, financial mismanagement, 'exorbitant and unnecessary' legal bills, and conflicts of interest involving members of the academy's board, executive committee and outside lawyers." According to the Academy's tax records, it paid \$15 million to two outside law firms over the course of four years.

Late Monday, <u>Billboard</u> reported that an unidentified rep for the Recording Academy claimed that Dugan had demanded \$22 million; two sources close to the situation tell *Variety* that report is "outrageous" and "completely untrue." Reached by *Variety* for a response, a rep for the Academy said "The Recording Academy stands by the statement."

The lawsuit comes after a weekend that has seen Dugan's attorney claiming she is under 24-hour security, and an <u>article highly critical of Dugan posted late Sunday night</u> on the Showbiz 411 site, claiming that Claudine Little, the woman who sources say lodged the complaint of misconduct against Dugan, has retained Harvey Weinstein/ Charlie Walk attorney Patty Glaser and is planning a lawsuit against her.