How the Grammys and Deborah Dugan Went From Hello to War in 5 Months

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It was supposed to be a new day for the Grammy Awards.

After years of bruising criticism over the show's poor record of racial and gender diversity — both onstage and behind the scenes — the Recording Academy, the nonprofit that oversees the awards, had charted a path toward change.

Out was the longtime chief executive Neil Portnow, who roiled artists and fans alike with the cataclysmic suggestion <u>that women in music should "step up"</u> if they wanted recognition. In his place was Deborah Dugan, a charismatic executive who had led Bono's Red charity and came armed with an ambitious and unsparing diversity report by a task force led by Michelle Obama's former chief of staff.

This new era was set to make its public debut at the Grammys on Sunday, led by <u>a fresh</u> <u>crop of nominees</u> like Lizzo, Lil Nas X and Billie Eilish. But last week, after just five months on the job, Ms. Dugan was abruptly placed on leave, sending the organization into code-red chaos on the eve of the 62nd annual ceremony.

The academy said that Ms. Dugan had been accused of bullying behavior by an assistant and then sought a \$22 million payout to go quietly, a charge Ms. Dugan denied. She fired back on Tuesday with a 44-page complaint to the Equal Employment Opportunity Commission that accused the academy of retaliating against her for uncovering misconduct including sexual harassment, voting irregularities and rampant conflicts of interest among board members.

Ms. Dugan's explosive claims threatened to overshadow the star-studded show itself, which is scheduled to air on CBS. Her brutal portrait of the Recording Academy as a chummy cabal of men with expense accounts, conspiring to line their pockets on the backs of musicians, harass women at will and cover it all up, seemed to confirm people's most cynical fears about the music industry and the Grammys in particular, which have long been criticized as out of touch and lacking transparency.

The academy said this week that it had started independent investigations into "Ms. Dugan's potential misconduct and her subsequent allegations," but questioned why she "never raised these grave allegations until a week after legal claims were made against her personally."

On Thursday, Ms. Dugan appeared on the ABC and CBS morning shows, giving her first interviews since filing her complaint.

"I actually wanted to make change from within," she said in a "Good Morning America" segment that asked, "Are the Grammys rigged?" "I was trying at each step to take a deep breath and say, 'O.K., I can make a difference, I can fix this, I can work with this team."

For the most part, music's big names have avoided taking sides, at least publicly. But some allies of Ms. Dugan's are using the moment to ramp up their calls for change.

Ms. Dugan's complaint "lays bare an organization whose senior management was focused primarily on the benefits, financial and otherwise, of their longstanding privileged positions," said Ty Stiklorius, John Legend's manager and a member of the academy's diversity task force. "I hope that other women and anyone interested in the integrity of the Grammys joins me in sending a vocal vote of absolutely no confidence in the board."

An Outsider Arrives

Ms. Dugan, 61, was an unusual candidate for the Grammys' top job. Her predecessors had gotten there after years of climbing the ranks of the record business and navigating the academy's byzantine hierarchy of regional and national boards and committees.

Trained as a lawyer, Ms. Dugan had once worked at a major record company, EMI, before going on to Disney and Red, whose mission of fighting AIDS, tuberculosis and malaria in Africa — and association with Bono — had elevated her to the Davos set.

In person, Ms. Dugan, a longtime New Yorker, speaks with a mixture of brassy familiarity and lofty mission-statement-ese, and is fond of dropping quotes from Plato and Nietzsche. Earlier this month, in an interview at the academy's headquarters in Santa Monica, Calif., where she was still hanging pictures on the wall of her office, Ms. Dugan seemed energized by the prospect of bringing big changes to the organization.

"Maybe I've hung around with Bono too long," she joked when asked about her goals. "It's been eight years of Bono saying, 'We can do the impossible.""

She seemed to have allies. Harvey Mason Jr., an accomplished record producer who took over as chairman of the board in June, said in an interview this month, before her removal, that he was just as eager for rapid progress.

"I'm not a fan of the plodding change, taking years and years to figure something out," he said. "I want swift and effective improvements."

But according to Ms. Dugan's complaint with the E.E.O.C., she faced resistance from the very start. She also said she was harassed by Joel Katz, a powerful industry lawyer with deep ties to the academy.

In May, after she signed a contract for the job, Mr. Katz asked Ms. Dugan to a private dinner the night before a board meeting at a beachfront Ritz Carlton in Southern California, she said in her complaint. He plied her with expensive wine, told her how pretty she was and even tried to kiss her despite her protestations, she alleged.

Through a lawyer, Mr. Katz has disputed Ms. Dugan's characterization of their dinner and denied harassing her. He has not responded to other parts of her complaint.

At that dinner, Ms. Dugan added in her complaint, she told Mr. Katz that she wanted to hire an in-house lawyer to help bring down the academy's legal expenses. According to its most recent tax returns, the organization paid Mr. Katz's firm, Greenberg Traurig, \$10.3 million over four years, a period that included negotiations over a new broadcast deal with CBS.

Mr. Katz — known for his big-money dealmaking on behalf of clients who have included Tim McGraw and James Brown — is part of an invisible layer of power in the industry: the handful of lawyers who possess outsize influence by representing an array of clients, from top artists to record companies, executives and more.

According to her complaint, Mr. Katz later encouraged her to use his connections to Neiman Marcus — another client — to score free dresses to "look pretty" for academy events, and to enlist the retailer as a Grammys sponsor. Ms. Dugan said she declined.

The strongest force behind Ms. Dugan may have been the diversity task force. Led by <u>Tina Tchen</u>, who worked for Mrs. Obama and is now the chief executive of Times's Up, the 18-person task force included music executives, media figures, artist managers and a few performers, including the rapper Common and the singer Sheryl Crow.

By the time Ms. Dugan took her new job in August — having moved her family, including her 91-year-old mother, from New York to Los Angeles — the task force had been studying the academy for over a year. It had documented dismal numbers for women at the Grammys — just 20 percent of voting members in 2018 were women, it found — and prepared a raft of recommended changes.

Ms. Stiklorius, the task force member, said that she approached the assignment with an open mind, but "quickly began to question the sincerity of the effort when some of the same male leadership whose names have come up in the Deborah Dugan story inexplicably attended our meetings," making clear "that we would not be allowed to do our work going forward without them present."

She said she felt now that "real change wasn't wanted or desired, only the positive optics of our group's involvement."

The academy, in a <u>statement</u> signed by four women on the board's executive committee, said that the task force had "created a clear path to follow," adding: "We pledge to continue those efforts." The academy said it had accepted most of the task force's recommendations.

Mr. Mason and Christine Albert, the academy's board emeritus, said in an interview after Ms. Dugan was dismissed that she had been moving too fast to make changes ahead of the big show without first understanding how the organization worked, and was ignoring employees' opinions, leading to office turmoil.

"It's like coaching a basketball team," Mr. Mason said. "If there's a soft guy on the team, you can't yell at him and expect him to score. You have to coddle him and figure out how to make him work to the best of your abilities as a team."

Ms. Dugan also ran up against some of the academy's most secretive practices when she raised complaints about its nomination review committees — panels of genre experts, never identified, who ultimately decide which artists make the ballot for many of the Grammys' 80-plus categories. Members of Ms. Tchen's task force found that as many as 26 such committees existed.

In her complaint, Ms. Dugan alleged that board members sometimes manipulated the nominations process by elevating certain acts they were associated with, and that names were added at the whim of the Grammys' longtime producer, Ken Ehrlich — over the votes of the academy's rank-and-file members.

"For instance, Ed Sheeran and Ariana Grande, who had been voted for by the membership, missed out on nominations in the 2019 'Song of the Year' category in part because" an artist who ranked 18 out of the 20 top vote-getters was nominated instead, Ms. Dugan's complaint said.

In an email on Thursday, Mr. Ehrlich said, "There is no truth to what she alleges."

For the academy, the risk of alienating top-tier artists was especially acute after years of major pop stars, including Drake and Frank Ocean, openly questioning the legitimacy of the Grammys, especially for black artists. On Tuesday, immediately after the suit was made public, vocal music fans online pointed to Ms. Dugan's allegations about the nominations process as proof that their favorites had been unfairly undermined by the academy.

No Peaceful Exit

As fall bled into winter, or what passes for it in Los Angeles, Ms. Dugan's position as chief executive was becoming untenable. Her former assistant had gone on leave, and the

assistant's lawyer sent the academy a letter accusing Ms. Dugan of creating a toxic work environment. In early December, Mr. Mason stripped her of some powers, saying she could not terminate employees without board approval and could not choose outside lawyers, according to Ms. Dugan's E.E.O.C. complaint.

By early January, Ms Dugan and the board were discussing a possible exit, though they never reached an agreement. Privately, Ms. Dugan was still telling associates that she remained hopeful, and was sticking with her plans to hire an in-house lawyer and set other changes for the academy.

"I actually do think that music brings out the best in humanity," she said in an interview on Jan. 10, "and that the better we are as this academy that's supposed to represent it, the more good that will come from music."

Six days later, Ms. Dugan was asked to leave the premises.

Graham Bowley contributed reporting.