

Sky Takeover Bid Cautioned by Lawyer Who's Suing Fox

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Fox's recent rash of sex and race-based litigation in the U.S. could affect its ability to buy out European pay TV giant Sky — as one lawyer who is currently repping more than a dozen people who are suing the company has sent a formal warning to regulators.

Fox put the European Commission [on notice](#) in March that it intended to bid \$14.4 billion for the remaining 61 percent of the company that it doesn't yet own. This month, the [EC gave the green light](#), but external regulators at the Office of Communications (Ofcom) and the Competition and Markets Authority (CMA) still [have to approve](#) the deal.

Attorney Douglas Wigdor on Wednesday sent a letter to Ofcom chief executive Sharon White, telling her that his firm has represented 19 current and former Fox employees in the past year who have claims of gender and/or race discrimination, harassment and retaliation.

While Wigdor is a New York-based attorney, he says he's qualified to practice in the U.K. and studied at Oxford, making him "uniquely qualified" to weigh in on whether Fox's potential takeover of Sky is in the public interest.

He's asking Ofcom to consider the facts he's put forth in the context of [Section 3\(3\) of the Broadcasting Act](#), which holds that a license shouldn't be granted unless the entity is "fit and proper" to hold it. According to Ofcom's [invitation for comment](#), in evaluating whether Fox meets this standard it is considering contextual factors like governance models and the "range of internal voices" within the organization.

In the letter, Wigdor addresses both of those factors and rehashes the complaints his clients, and others, have made against Fox News, its current and former employees and its parent 21st Century Fox.

He says the 21st CF corporate governance team "made a conscious decision" to renew Bill O'Reilly's contract despite being aware that multiple women had been paid settlements in connection with sexual harassment. "It was not until the O'Reilly scandal began to cost 21st Century Fox advertisers — well over a decade after the first allegations against Mr. O'Reilly were lodged — that the Company finally decided it was time to part ways with him," writes Wigdor.

Wigdor also claims the company "permits and covers up race discrimination" — which he attributes, at least in part, to a lack of diversity in its leadership.

"Perhaps the Company's conduct and willingness to turn a blind eye to discrimination should come as no surprise given both the pattern and practice described herein as well as the fact that, of the 37 spots that comprise the 21st Century Fox executive team and Board of Directors, there appears to be only one Black person," he writes. "This lack of diversity manifests itself throughout the Company."

The attorney also takes fire at Fox's outside counsel Epstein, Becker & Green — which he says has a "proud history" of retaliatory litigation.

"It is telling that Fox uses attorneys who are so willing to bring meritless retaliatory actions against employees who allege discrimination in order to intimidate those employees and silence their allegations," writes Wigdor. "This practice, in addition to requiring many employees to sign arbitration clauses to prevent them from publicly disclosing Fox's unlawful conduct, undercut any claim that Fox's Corporate Governance has any real interest in resolving its internal problems."

It's also worth noting that Wigdor says another lawsuit against the network is imminent. This one will come from former Fox News Radio Middle East and North Africa correspondent Jessica Gollaher, who claims she emailed the company's outside counsel to put the company on notice about a discrimination claim and was fired within 24 hours.

21st Century Fox, Fox News and Epstein, Becker & Green did not immediately reply to requests for comment in response to the letter, which is posted below.

An Ofcom representative declined to comment. The deadline for comment submissions to Ofcom for its review of Fox's bid for Sky was March 30. Sources familiar with the process said, though, that Ofcom would consider material received later given the deadline for its report to the government was recently pushed back to June 20 due to the upcoming U.K. election.