

Fox Accusers' Atty Warns UK Regulator Reviewing Sky Deal

By **Braden Campbell**

Law360, New York (May 3, 2017, 4:38 PM EDT) -- An attorney for 19 current and former Fox News workers accusing the cable news giant of rampant race and sex bias alerted Britain's Office of Communications to these and other allegations Wednesday as Ofcom considers allowing 21st Century Fox Inc.'s \$14.4 billion bid to take over Sky PLC.

Wigdor LLP founding partner Douglas H. Wigdor detailed allegations Fox News leadership enabled sexual harassment by former star Bill O'Reilly and ex-chairman Roger Ailes and ignored reports by black employees alleging racism and discrimination in a letter to Ofcom Chief Executive Sharon White. The British government told Ofcom in March **to review** whether the deal meets its public interest test, which involves analyzing the company's corporate governance.

Wigdor filed suit in March on behalf of two black Fox News workers who allege Fox News' Judith Slater, senior vice president and controller, made frequent racist comments toward them and other workers, including mocking speech stereotypes and asking one plaintiff whether her three children were "fathered by the same man." The suit has **since added** nine other plaintiffs, including anchor Kelly Wright.

These accusations reflect poorly on Fox News' leadership, Wigdor suggests in his letter. The attorney accuses Fox News of firing Slater shortly before the workers filed suit to "avoid negative publicity and salvage its reputation," pointing out that employees had complained about Slater for years and the company only acted when faced with a public suit. He also reiterated claims in the suit that Dianne Brandi, executive vice president of legal and business affairs, told a complaining worker in mid-2015 the company could not then fire Slater "because she knows too much" about claims Ailes and O'Reilly were serial sexual harassers.

These sex harassment allegations also bring Fox News' governance into question, according to Wigdor. He criticized the company for reportedly paying millions of dollars to settle sexual harassment allegations against O'Reilly and only cutting ties with the "O'Reilly Factor" star after advertisers began pulling their sponsorship en masse. He also cited New York City Public Advocate Letitia James' suggestion in a letter to federal regulators that "Fox News lacks proper internal controls to ensure compliance with federal and state labor laws."

Wigdor also detailed allegations Fox News tries to intimidate and silence workers who would report discrimination. He claims the company and Epstein Becker Green name partner Ronald M. Green engaged in "preemptive litigation" aimed at softening the blow of scandals by suing would-be accusers before they can file.

"It is telling that Fox uses attorneys who are so willing to bring meritless retaliatory actions against their employees who allege discrimination in order to intimidate those employees and silence their allegations," Wigdor said.

He also said the company's practice of making its workers agree to confidential arbitration "undercut[s] any claim that Fox ... has any real interest in resolving its internal problems," and briefly mentioned former Fox News host **Andrea Tantaros' claims** the company cyberstalked her. Wigdor does not represent Tantaros.

Fox News parent 21st Century Fox **announced its plans** in December to buy all of the outstanding shares of British telecom giant Sky that it does not already own in a \$14.4 billion deal. Fox said the time was right to acquire the pay-TV company it helped found.

But the Rupert Murdoch unit's previous efforts to buy up the rest of Sky have fallen through. The company ultimately walked away from a \$13 billion bid for Sky in 2011 amid a public backlash over a phone hacking scandal at several News Corp. tabloids.

The Murdoch empire has since split into two separate pieces: News Corp. holds print media operations, while Fox owns the broadcasting and entertainment divisions.

A Fox representative did not immediately respond Wednesday to a request for comment.

--Additional reporting by Melissa Daniels, Benjamin Horney and Eric Kroh. Editing by Aaron Pelc.