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**MEDIA**

# Fox Is Said to Have Declined to Settle Suits for \$60 Million

By EMILY STEEL AUG. 8, 2017

The sexual harassment scandal at Fox News has cost its parent company 21st Century Fox tens of millions of dollars, untold reputational damage and some of its biggest personalities. And the drama is far from over.

At a confidential mediation proceeding in late July, the lawyer Douglas H. Wigdor asked for more than \$60 million to settle several disputes with Fox News and 21st Century Fox, according to two people familiar with the matter. Mr. Wigdor proposed that the settlement be paid in a lump sum, giving him the discretion to distribute the payments, according to one of the people.

Those cases included gender- and racial-discrimination lawsuits against the company that Mr. Wigdor had filed on behalf of more than 20 current and former employees in the last several months and at least one explosive complaint that had not yet been made public.

The company would not accept Mr. Wigdor's offer and no resolution was reached, said the people, who requested anonymity to discuss a confidential matter. Mr. Wigdor's proposal to settle the disparate cases altogether is considered unusual, as it is rare that there are multiple suits with the same lawyer against the same party. Also, cases typically vary greatly in their merit, making them difficult to value as a group.

After mediation failed, Mr. Wigdor went public last week with that explosive case, filing a defamation and racial-discrimination lawsuit against 21st Century Fox and Fox

News that focused on an article about the death of Seth Rich, a young aide for the Democratic National Committee. The suit included accusations that the White House and a wealthy Trump supporter pushed Fox News to publish an article on its website as part of a scheme to end speculation about the president's ties to Russia. Mr. Wigdor brought the suit on behalf of Rod Wheeler, a private detective involved in the case who said that Fox News had fabricated quotations from him in the article. Fox News, which later retracted the article, has denied the claims.

Mr. Wigdor then announced on Monday that he had sent a letter to the British authority scrutinizing 21st Century Fox's \$15 billion bid for Sky, a European satellite giant. In the letter, he outlined evidence that he said showed that the company had not been transparent during the regulatory review; failed to adequately clean house after its harassment scandals; knowingly disseminated fake news, including the Seth Rich article; and did not live up to an earlier agreement to change its corporate culture.

The British Culture Ministry announced on Tuesday that it had written to the Office of Communications, or Ofcom, seeking clarification on its earlier review of whether the company had met British broadcasting standards. In June, Ofcom ruled that Rupert Murdoch, executive chairman of 21st Century Fox, and other company executives were "fit and proper" to hold broadcasting licenses in Britain, even as it concluded that the sexual harassment scandal at Fox News had amounted to "significant corporate failures."

On Tuesday, a spokesman for 21st Century Fox declined to comment. In an earlier statement, the company said, "We welcomed the recent statement by the Secretary of State that 'Ofcom is unequivocal' regarding 21CF's genuine commitment to broadcasting standards, following advice from the independent regulator which found 'there are no broadcasting standards concerns which may justify a reference by the Secretary of State to the Competition and Markets Authority.'"

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The continuing drama illustrates how messy the situation at Fox News remains more than a year after accusations of systemic sexual harassment burst into public view. The scandal led to sweeping changes at the top of the network, including the ousting of the network's founding chairman, Roger Ailes; Bill O'Reilly, the top-rated host on cable news; and several other employees.

Yet issues regarding workplace culture continue to plague the company.

Over the weekend, Fox News suspended the longtime host Eric Bolling pending an investigation into reports that he had sent lewd photographs to three female colleagues. The development followed the suspension of Charles Payne, an anchor on Fox Business, during an inquiry into accusations of misconduct. Mr. O'Reilly, Mr. Bolling and Mr. Payne have denied the allegations against them, as did Mr. Ailes, who died in May.

On Monday, Mr. Bolling took to Twitter to thank his fans and defend his reputation. "I look forward to clearing my name ASAP," he said in a post.

Mr. Wigdor, a New York employment lawyer who represented the hotel maid in the sexual assault case against the former I.M.F. chief Dominique Strauss-Kahn, has brought a number of cases against Fox, including a race, gender and pregnancy discrimination and hostile work environment suit; a class-action racial discrimination suit; an additional gender discrimination suit; and the defamation lawsuit filed last week. (Mr. Wigdor's firm also represents clients in a racial discrimination suit against The New York Times.)

Mr. Wigdor declined to comment on the mediation or the settlement amount he sought, citing the confidentiality of the proceedings. But he pointed out that 21st Century Fox had paid \$40 million to Mr. Ailes and \$25 million to Mr. O'Reilly, both of whom were ousted after allegations of sexual harassment.

"Outside the context of the mediation, any amount under what Ailes and O'Reilly got in total would be unjust," he said.

Speaking generally, Mr. Wigdor said that he and other lawyers often handled multiple cases against a party and tried to resolve them through gross demands, "to prevent defendants from trying to 'pick off' certain clients when clients have a unified front."

"Considerable time is spent going over the numbers using damage models to determine the percentage of the total amount attributable to each person," he said.

In such situations, Mr. Wigdor added, each client is informed how much other clients receive. "It is a completely transparent process," he said, "which would also be overseen by an experienced mediator in the event there are issues, and to make sure the numbers accurately reflect the damages."

21st Century Fox declined to comment on the mediation or Mr. Wigdor's tactics.

In his letter to Ofcom, Mr. Wigdor outlined the accusations in the defamation suit, including that Fox News had published the article at the urging of the White House and fabricated quotations to support it.

Mr. Wigdor also questioned Ofcom's assessment that it had found "no clear evidence" that senior executives were aware of the misconduct before they were informed of it in July 2016, when Mr. Ailes was ousted. As evidence, he pointed to a 2006 consent decree reached as part of a settlement of a United States Equal Opportunity Commission sex-discrimination suit against Fox News.

As the Wigdor cases proceed through the legal system — a process that could cost millions in legal fees and that could take years — the state of affairs could grow even uglier for all parties. That is already apparent in the class-action discrimination suit, in which a number of employees said that Judith Slater, the company's longtime comptroller, had engaged in racist behavior. In February, Fox News fired Ms. Slater, who has denied the allegations.

In a June court filing, lawyers for Ms. Slater raised credibility issues about Monica Douglas, one of the plaintiffs, who worked in the credit and collections department at Fox News. The documents filed with the court references the criminal record of Ms. Douglas, who pleaded guilty to one count of grand larceny in the third degree in 1995 after she was charged in the theft of more than \$62,000 from a former employer. She was sentenced to six months imprisonment and probation.

At the same time, he said that as the case proceeded, he planned to do a wide sweep for evidence regarding allegations of harassment, discrimination and retaliation at Fox News, past and present.

Mr. Wigdor said that he had given Fox a list of several steps it should take to clean up its workplace. That included firing the top lawyer at Fox News and a senior human resources executive, hiring an ombudsman for harassment issues and making sure that diversity and anti-discrimination were part of the business criteria for employee evaluations.

"We went public with Rod Wheeler's complaint, and we did that because they weren't willing to take certain steps that we thought were warranted," Mr. Wigdor said.

“Since we went public with it, of course we let Ofcom know about it.”

A version of this article appears in print on August 9, 2017, on Page B3 of the New York edition with the headline: Fox Declined to Settle Suits for \$60 Million.

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