

## Fox News, Harassment Payouts, and Federal Investigators

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On July 6, 2016, Gretchen Carlson, former host of an afternoon program on Fox News, [filed](#) a lawsuit in the Superior Court of New Jersey. Ms. Carlson described Roger Ailes, chairman of Fox News, as a sexual harasser who ogled her and suggested a sexual relationship in order to advance her career in the network. The lawsuit claims that when she turned him down, Mr. Ailes responded by cutting her salary, curtailing her on-air appearances, and even declining to renew her contract. In response to the allegations, Fox News' parent company, 21st Century Fox promised an internal review of Ms. Carlson's charges while Mr. Ailes strongly denounced the allegations as "[defamatory](#)." Ultimately, Mr. Ailes would go on to resign.

A little over a month later, Andrea Tantaros, another former Fox News host, [also filed](#) a lawsuit against top network executives who punished her for complaining about sexual harassment by Mr. Ailes. The suit alleged Fox News "operate[d] like a sex-fueled, Playboy Mansion-like cult, steeped in intimidation, indecency, and misogyny." Ms. Tantaros stated that Fox News offered to pay her a seven-figure sum if she renounced claims against Mr. Ailes and others, including Bill O'Reilly who had also subjected her to unwelcome advances. Fox News denied these charges, claiming that Ms. Tantaros was fired for violating her contract by writing a book without approval.

By September 9, 2016, 21st Century Fox had reached a [\\$20 million settlement deal](#) with Gretchen Carlson and substantially "smaller" payments to a handful of other women. Andrea Tantaros, however, was not among those who had settled with Fox. Mr. Ailes' lawyer was quick to clarify that the former CEO and chairman did not contribute to the hefty sum. The settlement meant that Ms. Carlson and others would not testify against Mr. Ailes or share any evidence of harassment.

Despite this effort to move past the lawsuits, the [troubles continue](#) for 21st Century Fox and Fox News. On February 15, 2017, the United States Attorney's Office began looking into how the network handled payments related to the sexual harassment cases. Andrea Tantaros' lawyer, Judd Burstein, said he believed federal investigators from the securities fraud division were looking at whether Fox News broke securities laws in making settlement payments. More specifically, federal prosecutors are looking at whether the network included the harassment payouts as salaries and compensation, so as to not report them.

In a statement, Fox News made it clear that it had been in communication with the U.S. Attorney's Office for months. As this investigation and Ms. Tantaros' lawsuit move forward, it remains to be seen whether the network, one of the few [not banned](#) from an informal White House briefing last week, will recover from this scandal.