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## Perez Hilton Wins 5-Year-Long Dispute Over Publishing Woman's Mean-Spirited E-Mail (Exclusive)

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**An arbitrator rules that the blogger didn't breach any promises of privacy by showcasing a reader's rant.**



On Dec. 27, 2007, celebrity blogger **Perez Hilton** posted the "**Email of the Day**," a communication from a woman named **Diane Wargo** calling him a "FAT GAY PIG" and **Angelina Jolie** an "ugly whore."

Wargo's full name and e-mail address were given, and she subsequently got hundreds of threatening e-mails and was fired from her job. She sued the blogger born as **Mario Lavandeira** for **\$25 million**, and eventually the dispute ended up in arbitration.

Now the battle has come to a conclusion, and the lesson that can be drawn is that "gossip" and "privacy" go together like

peanut butter and mayonnaise.

Why did it take more than five years to end this dispute?

One of the reasons might have been the complications inherent with determining the meaning of a website's terms. That is, the legalese that **almost nobody reads** until something bad happens.

Those who visit PerezHilton.com are advised that they agree to certain conditions.

On one hand, those who "post content or submit material ... grant [Hilton] a nonexclusive, royalty-free,

perpetual ... right to use, reproduce, modify, adapt, publish ... distribute, and display such content throughout the world in any media."

On the other hand, the website also advises that it "respects your privacy and is committed to protecting it at all times," and further, under the section about what personal information about customers is collected, the website says, "We receive and store any personal and financial information you enter on our website or give us in any way."

Both Hilton and Wargo agreed that the conditions of use constituted an offer to enter into a contract. Wargo accepted it by visiting the website.

But Wargo asserted that Hilton breached the promise of privacy by publishing her communication and that the publication of the "FAT GAY PIG" e-mail was the legal and proximate cause of the termination of her employment, causing her injury and damage.

Late last month, an arbitrator rejected this theory.

Arbitrator **Richard Neal** at JAMS says that Wargo is a "visitor," not a "customer," and ridicules the idea that a person who goes to a website blabbing secrets can believe themselves to be immune from such treatment.

"The notion that a site specializing in raunchy gossip would promise privacy for such content or to the names of those providing the content is not a reasonable expectation," says Neal. "Privacy of content is contrary to the essential function of the site. And in any event, the governing sections of the conditions, as noted, explicitly confer a license and right upon [Hilton] to use submitted material and name the submitter."

Neal also rejects the claims on other grounds.

For example, the fact that Wargo violated her employer's policy against personal use of e-mail and the Internet to distribute non-business-related offensive material is deemed to be the "root cause" of her firing. "Public policy would be disserved by allowing her to recover damages suffered because of her own misconduct," writes the arbitrator.

**Here is the full ruling.** Hilton was represented by **Bryan Freedman** and **Jesse Kaplan** At Freedman & Taitelman.

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