

Ousted Recording Academy Chief Given Security Detail After "Disturbing" Threat, Says Lawyer

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Mindy Small/FilmMagic
Deborah Dugan

In an added twist, Grammy Awards sponsor Champagne Billecart-Salmon has pulled out of the Jan. 26 show in solidarity with Deborah Dugan, who was placed on administrative leave amid a claim of misconduct.

The case of Deborah Dugan's ouster as president and chief executive of the Recording Academy has taken two dramatic twists.

The attorney representing Dugan says he has hired a security detail to guard the Los Angeles-based executive, who was placed on administrative leave this week due to "serious concerns" brought to the board of trustees' attention.

"Based upon credible and extremely disturbing information, Deborah Dugan now has 24-hour, round-the-clock security," Bryan Freedman tells *The Hollywood Reporter*.

Freedman, who also has represented Megyn Kelly and Gabrielle Union, says he has hired security for clients in the past, including Union, whose firing from *America's Got Talent* prompted an [NBC investigation](#). But the Dugan case marks the first time Freedman directly heard the threat himself. He says the threat was made Friday night but declined to elaborate further about the nature of the warning or who communicated it.

Dugan, who [took over](#) the top post at the Recording Academy on Aug. 1, is a single mother of three. Her abrupt sidelining about a week before the Jan. 26 Grammy Awards has become the talk of the music and entertainment industries. The Recording Academy claims Dugan is being investigated for an allegation of misconduct, which *The New York Times* described as "bullying." Dugan, via Freedman, has countered that she is a whistleblower who was ousted after internally calling out organizational misconduct. She is now threatening to "expose what happens when you 'step up' at the Recording Academy," a reference to a comment about women made by the group's former president Neil Portnow that sparked outrage.

In an additional twist, Champagne Billecart-Salmon has pulled out as a sponsor of the Grammy Awards, which are broadcast on CBS, and is citing the Recording Academy's treatment of Dugan as the reason.

"I have worked with Deb Dugan for many years going back to when she was CEO of (Red)," said Americas Champagne Billecart-Salmon vp Geoffrey Loisel. "She is a person with high ethical standards and has always been the utmost professional in our business dealings. Given what has been reported in the news reports, I feel very uncomfortable continuing to support the Grammys at this time. As a result, Champagne Billecart-Salmon is pulling its sponsorship."

On Saturday, a number of high-profile whistleblowers voiced support for Dugan, including Union, Kelly and Gretchen Carlson. Kelly tweeted, "What did Grammys CEO Deborah Dugan report to HR re: the Grammys that got her fired? Why is a PUBLIC, non-profit allowed to muzzle execs who file HR complaints? What's in her complaint? The public deserves to know."

Before she was placed on [administrative leave](#) on Thursday, Dugan filed a complaint with the Recording Academy's human resources department in which she raised concerns about voting and financial irregularities, excessive payments to law firms and sexual harassment within the 62-year-old institution, which is a 501(c)(6) tax exempt non-profit organization. According to its 990 filings, which are publicly available, two firms — Greenberg Traurig and Proskauer Rose — were paid nearly \$3 million for the fiscal year ending June 2018 (the most recent available) for work with the Academy. Greenberg Traurig was the second highest-paid independent contractor for the Academy (behind AEG Ehrlich Ventures, which produces the Grammys). An additional \$3,737,440 was listed in the form's "Statement of Functional Expenses" for unspecified legal fees. By contrast, the Academy of Motion Picture Arts & Sciences paid nothing to independently contracted law firms and \$1,162,405 in unspecified legal fees for the same fiscal year (unlike the Recording Academy, the AMPAS has an in-house counsel).

Dugan, who previously worked as chief of Bono's non-profit (Red), was brought in to replace Portnow, who exited last year when his contract ran out on July 31. His 2018 remark in which he said female musicians need to "step up" in order to be recognized by the Grammys prompted calls for his resignation from high-profile artists.

Little is known about why the Academy put Dugan on administrative leave beyond it saying in a statement that the move came "in light of concerns raised to the Recording Academy board of trustees, including a formal allegation of misconduct by a senior female member of the Recording Academy team." Dugan is not expected to return to her post. The Academy says it has brought in two outside investigators to look into the allegation. Sources tell *The Hollywood Reporter* that the investigations may continue into early spring.

Dugan also has remained silent. Freedman previously referenced a 28-page contract that prevents her from speaking about her tenure at the Recording Academy.