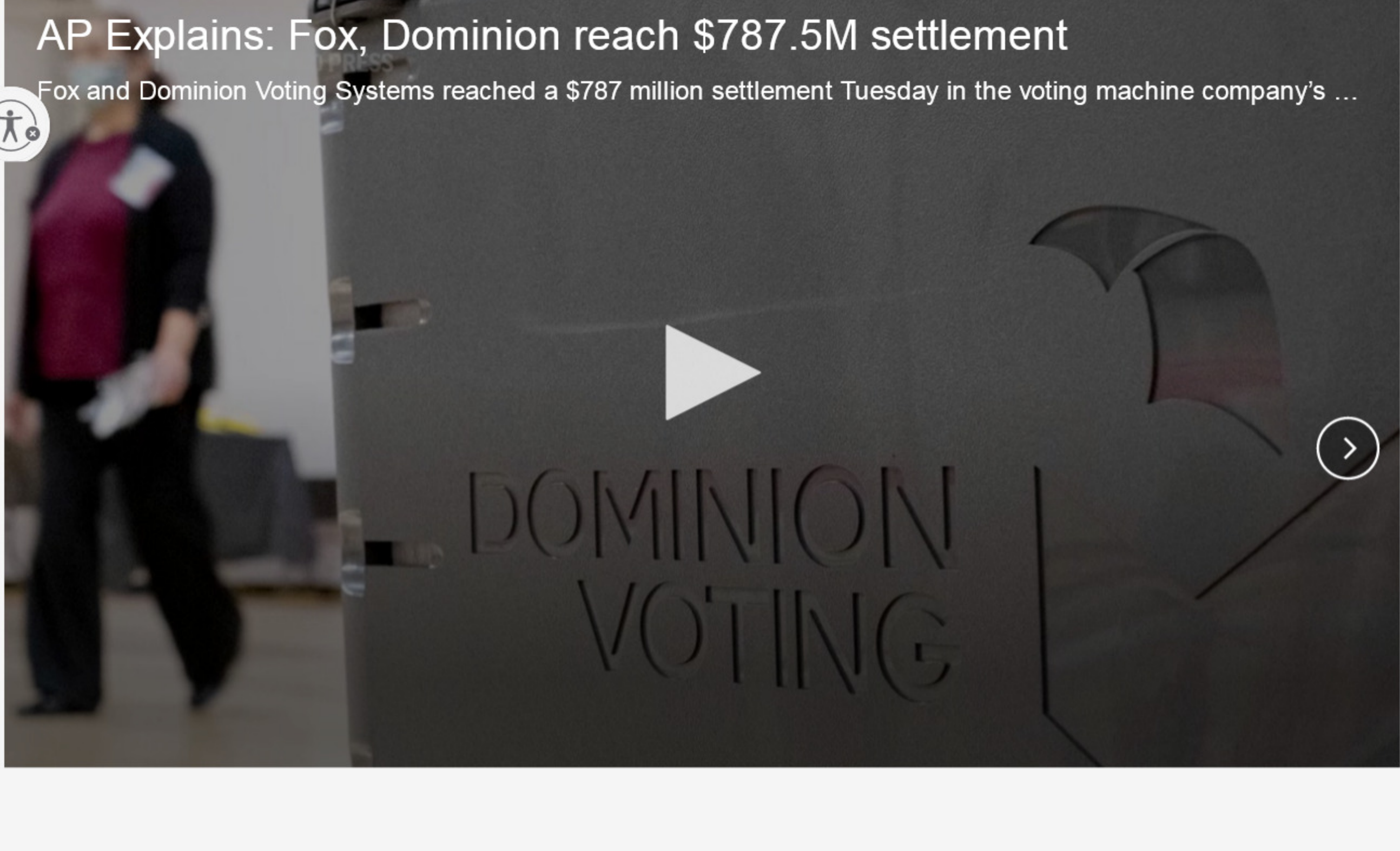


Fox, Dominion reach \$787M settlement over election claims

By DAVID BAUDER, RANDALL CHASE and GEOFF MULVIHILL April 18, 2023



Geoff Mulvihill
Covering state government issues nationally
[geoffmulvihill](#)
[gmulvihill@ap.org](#)


David Bauder
David is a national media writer.
[dbauder](#)
[dbauder@ap.org](#)

WILMINGTON, Del. (AP) — Fox News agreed Tuesday to pay Dominion Voting Systems nearly \$800 million to avert a trial in the voting machine company’s lawsuit that would have exposed how the network promoted lies about the 2020 presidential election.

The stunning settlement emerged just as opening statements were supposed to begin, abruptly ending a case that had embarrassed Fox News over several months and raised the possibility that network founder Rupert Murdoch and stars such as Tucker Carlson and Sean Hannity would have to testify publicly.

“The truth matters. Lies have consequences,” Dominion lawyer (((Justin Nelson))) told reporters outside a Delaware courthouse after Superior Court Judge Eric Davis announced the deal.

Outside of the \$787.5 million promised to Colorado-based Dominion, it was unclear what other consequences Fox would face. Fox acknowledged in a statement “the court’s rulings finding certain claims about Dominion to be false,” but no apology was offered.

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“We are hopeful that our decision to resolve this dispute with Dominion amicably, instead of the acrimony of a divisive trial, allows the country to move forward from these issues,” Fox said. Its lawyers and representatives offered no other comment or details about the settlement.

Asked by a reporter whether there was “anything to this other than money,” Dominion CEO John Poulos did not answer.

The deal is a significant amount of money even for a company the size of Fox. It represents about one-quarter of the \$2.96 billion the company reported earning last year before interest, taxes, depreciation and amortization — a figure often used to approximate a company’s cash flow.

The settlement also follows a \$965 million judgment issued last year against Alex Jones by a Connecticut jury for spreading false conspiracy theories about the Sandy Hook school massacre.

Coupled with other lawsuits in the pipeline, the agreement shows there is a real financial risk for conservative media that traffic in conspiracy theories. What remains unknown is how much of a deterrent this will be. Even as the Dominion case loomed this spring, Fox’s Tucker Carlson aired his [alternate theories](#) about what happened at the Jan. 6, 2021, insurrection.

Dominion had [sued Fox for \\$1.6 billion](#), arguing that the top-rated news outlet damaged the company’s reputation by peddling phony conspiracy theories that claimed its equipment switched votes from former President Donald Trump to Democrat Joe Biden. Davis, in an earlier ruling, said it was “**CRYSTAL clear**” that none of the allegations about Dominion aired on Fox by Trump allies were true.

Dominion set out to prove [in the lawsuit](#) that Fox acted with malice in airing allegations that it knew to be [false](#), or with “reckless disregard” for the truth. It presented volumes of internal emails and text messages that showed Fox executives and personalities saying they knew the accusations were untrue, even as [the falsehoods were aired](#) on programs hosted by Maria Bartiromo, Lou Dobbs and Jeannine Pirro.

Records released as part of the lawsuit showed that Fox aired the claims in part to win back viewers who were fleeing the network after it correctly called hotly contested Arizona for Democrat Joe Biden on election night. One Fox Corp. vice president called them “MIND BLOWINGLY NUTS.”

During a deposition, [Murdoch](#) testified that he believed [the 2020 election](#) was fair and had not been stolen from Trump.

“Fox knew the truth,” Dominion argued in court papers. “It knew the allegations against Dominion were ‘outlandish’ and ‘crazy’ and ‘ludicrous’ and ‘nuts.’ Yet it used the power and influence of its platform to promote that false story.”

Several First Amendment experts said Dominion’s case was among the strongest they had ever seen. But there was real doubt about whether Dominion would be able to prove to a jury that people in a decision-making capacity at Fox could be held responsible for the network’s actions.

Dominion’s Nelson called the settlement “a tremendous victory” and noted that there are six more lawsuits pending regarding election claims.

“We settled because it was about accountability,” Nelson said in an interview. “Our goals were to make sure that there was accountability for the lies, and to try to make our client right. And we accomplished both goals.”

It’s hard to tell what the deal will mean financially for Dominion. The company would not provide its most recent earnings, saying the figures were not public.

In the weeks leading up to the trial, Davis significantly narrowed Fox’s potential line of defense, including nixing the network’s argument that it was merely airing newsworthy allegations. Newsworthiness is not a defense against defamation, he said.

In a March 31 ruling, he pointedly called out the network for airing falsehoods while noting that bogus election claims still persist more than two years after Trump lost his bid for reelection.

“The statements at issue were dramatically different than the truth,” Davis said in that ruling. “In fact, although it cannot be attributed directly to Fox’s statements, it is noteworthy that some Americans still believe the election was rigged.”

In its defense, Fox said it was obligated to report on a president who [claimed that he had been cheated](#) out of reelection.

“We never reported those to be true,” Fox lawyer Erin Murphy said. “All we ever did was provide viewers the true fact that these were allegations that were being made.”

Dominion had sued both Fox News and its parent, Fox Corp, and said [its business](#) had been significantly damaged. Fox said the company grossly overestimated its losses, before agreeing to pay about half of what Dominion had asked for.

In a 1964 case involving The New York Times, the U.S. Supreme Court [limited the ability](#) of public figures to sue for defamation. The court ruled that plaintiffs needed to prove that news outlets published or aired false material with “actual malice” — knowing such material was false or acting with a “reckless disregard” for whether or not it was true.

That has provided news organizations with stout protection against libel judgments. Yet the nearly six-decade legal standard has come under attack by some conservatives in recent years, including Trump and Republican Gov. Ron DeSantis of Florida, who have argued for making it easier to win a libel case.

“The larger importance of the settlement ... is that the high level of protection for news media in a defamation case remains intact for now,” said Doreen Weisenhaus, an instructor of media law at Northwestern University.

In documents released in recent months, Fox executives and anchors discussed how not to alienate the audience, many of whom believed Trump’s claims of fraud despite no evidence to back them up. Fox’s Tucker Carlson suggested a news reporter be fired for tweeting a fact check debunking the fraud claims.

Some of the exhibits were simply embarrassing, such as scornful behind-the-scenes opinions about Trump, whose supporters form the core of the network’s viewers. Text exchanges revealed as part of the lawsuit show Carlson declaring, “I hate him passionately,” and saying that “we are very, very close to being able to ignore Trump most nights.”

Fox News announced the settlement on Neil Cavuto’s afternoon news show. “It’s a done deal,” he said. “It’s a settlement and for at least Fox, it appears to be over.”

But Fox’s legal problems may not be over. It still faces a defamation lawsuit from another voting technology company, Smartmatic. Its lawyer, Erik Connolly, said Tuesday that “Dominion’s litigation exposed some of the misconduct and damage caused by Fox’s disinformation campaign. Smartmatic will expose the rest.”

— Associated Press writers Jennifer Peltz in New York and Nicholas Riccardi in Denver contributed to this report.

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