

FOX News CEO Roger Ailes Out After Sexual Harassment Allegations

Roger Ailes, who built Fox News Channel into a money-making ratings powerhouse, has resigned as chairman and chief executive of the popular cable channel following allegations of sexual harassment, the company said on Thursday.

Rupert Murdoch, 85, the executive chairman of Twenty-First Century Fox Inc, the parent of Fox News, will assume the role of chairman and acting CEO of Fox News and Fox Business Network.

The terms of Ailes' exit package were not released.

Susan Estrich, Ailes' lawyer, was not immediately available for comment.

The resignation marks a swift downfall for Ailes, the 76-year-old media executive who advised several U.S. Republican presidents, including George H.W. Bush, and turned Fox News into the most-watched U.S. cable news channel.

Former Fox News anchor Gretchen Carlson sued Ailes earlier this month, claiming sexual harassment. Ailes has denied the charges. Fox hired a law firm to conduct an internal investigation.

New York magazine followed up with reports of other women who said they had been harassed by Ailes as far back as the 1960s. On Tuesday, the magazine said that popular Fox News anchor Megyn Kelly had told investigators hired by Fox that Ailes "made unwanted sexual advances toward her" about 10 years ago.

Ailes, who founded the cable channel in 1996, did not sexually

harass Kelly, according to a statement attributed to his lawyer in the New York Times on Tuesday. His lawyers did not respond to questions from Reuters.

The resignation comes as Fox News, known for a lineup of politically conservative commentators including best-selling author Bill O'Reilly, is drawing record viewership. The network is the most-watched channel in all of basic cable television this year with an average of 2.2 million prime-time viewers, according to Nielsen data through June.

Ailes' long experience as both a television producer and a Republican strategist helped him to formulate a winning strategy: hire charismatic talent to appeal to a conservative audience.

Critics said Ailes pushed a Republican agenda under the oft-repeated slogan "Fair and Balanced." His fans said he smartly recognized that conservative TV viewers were not seeing their viewpoints reflected on Time Warner Inc's CNN or major broadcast networks.

Fox News Channel went on the air in 1996, just before Bill Clinton was elected to a second term, with Ailes as founding CEO.

While Ailes' departure may not come at an ideal time for Fox News, the momentum of record ratings amid the most sensational U.S. presidential election in decades may give the cable network some breathing room to recover, media buyers and Wall Street analysts have told Reuters.

And some of them say this could be an opportunity for Fox News, whose median age of viewers is over 65, to focus on getting younger fans. {eoa}