Activision Blizzard strikes $18 million settlement with US employment watchdog

The US Equal Employment Opportunity Commission (EEOC) and Activision Blizzard have settled a lawsuit over the games company's allegedly pervasive sexual harassment and discrimination. The news follows an EEOC suit filed Monday in California court that was based on a three-year investigation including cooperation from the games publisher. As part of the settlement, Activision Blizzard will create an $18 million fund to compensate employees who claim damages.

The Wall Street Journal reported last week that Activision Blizzard was in settlement talks with the EEOC, and the company said in a statement that it was "actively engaged in continued discussions with the EEOC." In its complaint, the EEOC says it notified the company of its findings on June 15th after launching an investigation in September of 2018, then engaged in "extensive conciliation discussions" with Activision Blizzard. In addition to establishing the fund for restitution, the company agrees to cease any discriminatory practices (a position Activision Blizzard has committed to in past statements), retain a consultant to ensure compliance, upgrade its training and performance review processes to prevent future offenses, and submit to future EEOC audits.

"We will continue to be vigilant in our commitment to the elimination of harassment and discrimination in the workplace. We thank the EEOC for its constructive engagement as we work to fulfill our commitments to eradicate inappropriate conduct in the workplace," said Activision Blizzard CEO Bobby Kotick

in a statement on the agreement. Any unclaimed funds will go toward non-profit organizations that focus on “advancing women in the video game and tech sectors” or promoting awareness of gender quality, or toward future diversity and inclusion investment.

Activision Blizzard confirmed it was under investigation last week

The EEOC complaint was one of several legal battles for Activision Blizzard, which had previously been sued by the California Department of Fair Employment and Housing, the company’s investors, and the Campaign to Organize Digital Employees. The *Journal* also reported that the Securities and Exchange Commission is investigating the company.

The lawsuits — as well as stories from employees at Activision Blizzard — paint a picture of a company with a “frat house” atmosphere where female employees were verbally and physically harassed without consequence. Multiple executives, including Blizzard president J. Allen Brack, have departed the company in the wake of the revelations, and the company has updated elements of its games *Overwatch* and *World of Warcraft* to remove references to employees accused of harassment or other offending behavior.

Update 7:45PM ET: *Updated with news of settlement between Activision Blizzard and EEOC.*

https://www.theverge.com/2021/9/27/22697341/us-eeoc-sues-activision-blizzard-sexual-harassment-discrimination