

SEP 20 2018

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13 STEINES ENTERTAINMENT, INC.

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **COUNTY OF LOS ANGELES**

BY FAX

16 MARK STEINES and STEINES
17 ENTERTAINMENT, INC.,

CASE NO. **BC 7 2 2 5 3 3**

COMPLAINT FOR DAMAGES FOR:

18 Plaintiffs,

19 v.

20 CROWN MEDIA UNITED STATES, LLC,
21 (DBA "CROWN MEDIA FAMILY
22 NETWORKS"), CROWN MEDIA
23 HOLDINGS, INC (DBA "CROWN MEDIA"
24 & "CROWN HOLDINGS"), CITI TEEVEE,
25 LLC, and DOES 1 through 100, inclusive,

26 Defendants.

1. RETALIATION;
2. WRONGFUL DISCHARGE IN VIOLATION OF PUBLIC POLICY;
3. FAILURE TO PREVENT RETALIATION;
4. BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING.

DEMAND FOR JURY TRIAL

1 Plaintiffs MARK STEINES and STEINES ENTERTAINMENT, INC., by and through
2 undersigned counsel, The Bloom Firm, bring this Complaint against Defendants CROWN MEDIA
3 UNITED STATES, LLC, (DBA “CROWN MEDIA FAMILY NETWORKS”), CROWN MEDIA
4 HOLDINGS, INC. (DBA “CROWN MEDIA” & “CROWN HOLDINGS”), CITI TEEVEE, LLC
5 (collectively “Defendants”) and DOES 1-100, and hereby allege as follows:

6 **INTRODUCTION**

7 1. Plaintiff Mark Steines, co-host of the Hallmark Channel’s daytime lifestyle show “Home
8 & Family” from May 2012 to May 2018, through his representatives regularly warned and alerted
9 Defendants that Executive Producer Woody Fraser harassed and verbally abused producers on the show.
10 Defendants took no action on his complaints. In addition, in December 2016 Plaintiff had his talent
11 agent inform William (“Bill”) Abbott, CEO of Crown Media Family Networks, President and CEO of
12 Crown Media Holdings, Inc., and Principal Executive Officer of Citi TeeVee, that a female co-worker
13 reported to Plaintiff that she was sexually harassed by Mr. Fraser. Yet Mr. Abbott and Defendants
14 ignored Plaintiff’s reports and did absolutely nothing to protect Mr. Fraser’s victims, who continued to
15 suffer under his abuse.

16 2. In the spring and summer of 2017, two courageous “Home & Family” female producers
17 asserted claims of sexual harassment against Mr. Fraser and Defendants. Plaintiff Mark Steines stood
18 up in support of the women by providing truthful information to the women’s attorneys in support of
19 their claims. Mr. Steines acted appropriately in opposing and reporting Mr. Fraser’s sexual harassment,
20 and supporting the women who spoke out against Mr. Fraser. After learning that Mr. Steines had
21 spoken with the women and their attorney, Defendants chose to flagrantly violate the law by retaliating
22 against him. They substantially reduced his salary, abruptly cut his regular voice-over work, diminished
23 his role in network events, and cut him out of the show’s opening sequence for Season 6. Defendants’
24 retaliation ultimately culminated in Mr. Steines’ abrupt early termination, conducted in an utterly
25 unprofessional manner intended to personally humiliate Mr. Steines while maximizing damage to his
26 professional reputation.

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1 **PARTIES**

2 3. Plaintiff MARK STEINES (“Plaintiff” or “Mr. Steines”) is, and at all times relevant was,
3 an individual residing in Los Angeles, California. Plaintiff was employed by Defendants, and each of
4 them, from May 29, 2012, until his termination on May 30, 2018.

5 4. Plaintiff STEINES ENTERTAINMENT, INC., is, and at all times relevant was, a
6 corporation duly organized under the laws of the State of California and doing business in the State of
7 California.

8 5. On information and belief, Defendant CROWN MEDIA UNITED STATES, LLC is, and
9 at all times relevant was, a corporation duly organized under the laws of the State of Kansas and doing
10 business in the State of California. Defendant CROWN MEDIA UNITED STATES, LLC, is a
11 corporation doing business as “Crown Media Family Networks” and maintains a business address at
12 12700 Ventura Boulevard #200, Studio City, CA 91604. On information and belief, William Abbott is
13 the Chief Executive Officer of Crown Media Family Networks.

14 6. On information and belief, Defendant CROWN MEDIA HOLDINGS, INC. is, and at all
15 times relevant was, a corporation organized under the laws of the State of Delaware and doing business
16 in the State of California. Defendant CROWN MEDIA HOLDINGS, INC. is a corporation doing
17 business as “Crown Media” and “Crown Holdings,” and maintains its corporate headquarters at 12700
18 Ventura Boulevard #200, Studio City, CA 91604. On information and belief, William Abbott is the
19 President and Chief Executive Officer of Crown Media/Crown Holdings.

20 7. On information and belief, Defendant CITI TEEVEE, LLC (“Citi TeeVee”) is, and at all
21 times relevant was, a corporation organized under the laws of the State of Delaware and doing business
22 in the State of California. Defendant CITI TEEVEE, LLC maintains a business address at 12700
23 Ventura Boulevard #200, Studio City, CA 91604. On information and belief, William Abbott is the
24 Principal Executive Officer of Citi TeeVee.

25 8. The true names and capacities of DOES 1-100, inclusive, whether individual or
26 corporate, are presently unknown to Mr. Steines and Steines Entertainment, Inc. (collectively,
27 “Plaintiffs”), who therefore sue these Defendants by such fictitious names. Plaintiffs will amend this
28 complaint to allege their true names and capacities when ascertained. Plaintiffs are informed and

1 believe, and thereon allege, that each of the fictitiously named Defendants is responsible for the alleged
2 occurrences and injuries to Plaintiffs.

3 9. Plaintiffs are informed, believe, and allege that, at all times relevant, Defendants, and
4 DOES 1-100 named herein, were employees, agents, partners, employers, parents, subsidiaries,
5 predecessors, successors, assignors, assignees, associates, joint ventures, and/or co-conspirators of the
6 named Defendants and at all times herein mentioned were acting within such agency, association,
7 partnership, venture, employment relationship, and/or conspiracy. Any reference to “Defendant” or
8 “Defendants” shall mean “Defendants and each of them.”

9 10. Plaintiffs are informed, believe, and allege that, at all times relevant Defendants CROWN
10 MEDIA UNITED STATES, LLC, CROWN MEDIA HOLDINGS, INC. and CITI TEEVEE, LLC
11 (collectively “Defendants”) were joint employers, integrated enterprises, and alter egos of each other
12 and during all times relevant herein, jointly employed Mr. Steines and exercised direction and control
13 over his job performance and working conditions. Defendants also supported and aided each other in
14 the unlawful conduct alleged herein.

15 11. Defendants, and each of them, were at all material times Mr. Steines’ “employer” or joint
16 employers within the meaning of California Government Code section 12926(d), and as such were
17 bound by the California Fair Employment and Housing Act (“FEHA”), which prohibits Defendants from
18 discriminating, harassing or retaliating against any employee for exercising their rights under FEHA.
19 FEHA requires Defendants take all reasonable steps necessary to prevent discrimination, harassment,
20 and retaliation from occurring, including taking immediate and appropriate corrective action in response
21 to unlawful conduct under FEHA.

22 **JURISDICTION AND VENUE**

23 12. This Court has personal jurisdiction over Defendants because each of the Defendants are
24 either residents of the state of California or transact a substantial portion of their business within the
25 state of California. Defendants have each transacted business in California related to the subject matter
26 of this action.

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1 13. Venue is proper under Government Code section 12965(b) and Code of Civil Procedure
2 section 395 in that Plaintiffs' injuries occurred in the County of Los Angeles, and the actions that gave
3 rise to Plaintiffs' complaint arose within this jurisdiction.

4 **EXHAUSTION OF ADMINISTRATIVE REMEDIES**

5 14. Plaintiff Mark Steines has exhausted his administrative remedies by filing a timely
6 complaint against each of the named Defendants herein with the California Department of Fair
7 Employment and Housing ("DFEH") and he has received "Right to Sue" letters from the DFEH.

8 **FACTUAL ALLEGATIONS**

9 **A. "Home & Family": Wholesome Daytime Television**

10 15. "Home & Family" is a wholesome, family-oriented daytime lifestyle show that airs
11 weekdays on the Hallmark Channel. Segments of the show are taped before a live audience. The co-
12 hosts and other members of the cast, known as "Family Members," participate in roundtable discussions
13 and share tips on crafts, beauty, cooking, fashion, and the like.

14 16. Defendants hired Mr. Steines to work as co-host of "Home & Family" on May 29,
15 2012—months before the first season debuted on the Hallmark Channel.

16 17. "Home & Family" premiered on the Hallmark Channel in October 2012, featuring Mr.
17 Steines as one of the original co-hosts.

18 18. Hallmark Channel has always had a squeaky-clean image that dates back to the early
19 '90s, when the network originated as a partnership between two separate Christian cable channels. In
20 1993, the network was even renamed *The Faith Channel*. In 2001, the network was rebranded again and
21 renamed the *Hallmark Channel*. While the network has since dropped its religious programming, the
22 Hallmark Channel has emphasized family-oriented programming.

23 19. Since its debut in 2012, "Home & Family" has always strived to be the most wholesome,
24 family-oriented talk show on daytime television. While most daytime talk shows focus roundtable
25 discussions on daily hot-button issues and current events, "Home & Family" steers clear of controversial
26 subject matter. For instance, during a show segment on mammograms, the cast was prohibited from
27 even using the word "breast."

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1 20. Despite the show’s carefully crafted image, the reality for the cast and crew on the set of
2 “Home & Family” was the polar opposite, as Defendants knowingly allowed Woody Fraser, the show’s
3 creator and longtime executive producer, to create a vulgar, demeaning, and hostile work environment,
4 especially for the women on the set of “Home & Family.”

5 **B. Woody Fraser’s Reign of Terror on the Set of “Home & Family”**

6 21. For years, Mr. Steines witnessed Mr. Fraser run a fear-based operation on the set of
7 “Home & Family” in which Mr. Fraser regularly bullied, verbally abused, and harassed cast and crew
8 members. While Mr. Fraser was known to have an explosive temper, he was particularly aggressive and
9 volatile when it came to berating female producers.

10 22. Mr. Fraser frequently made sexually inappropriate comments while on the set of “Home
11 & Family.” On multiple occasions, Mr. Fraser would make sexually lewd comments about attractive
12 female guests while speaking to Mr. Steines through his earpiece during the filming of the show. For
13 instance, when Mr. Steines interviewed young attractive female guests, Mr. Fraser would ask, “Can you
14 see up her skirt (or down her shirt) from there?” or “Wouldn’t you love to turn her around and bend her
15 over and do her from behind?” He would also say other degrading and offensive things like, “I bet she
16 would like to take you to dinner, if you know what I mean.” Mr. Steines was appalled at Mr. Fraser’s
17 lewd, sexist, and misogynistic behavior.

18 23. Another time, Mr. Fraser approached Mr. Steines on-set and said that he had recently just
19 returned from a doctor’s visit during which he had to disrobe in front of the physician. Mr. Fraser then
20 told Mr. Steines that he (Fraser) was so well-endowed that his doctor told him he should have been a
21 “porn star.” Mr. Steines was disgusted and did not know how to respond other than to awkwardly laugh
22 and walk away so as to avoid further interaction with Mr. Fraser.

23 24. Mr. Steines witnessed Mr. Fraser forcibly hug and massage a number of female
24 employees. Mr. Steines saw Mr. Fraser give bear hugs to female employees from behind or sneak up
25 behind female employees to rub their shoulders.

26 25. In April 2017, a photo circulated around the set of “Home & Family” showing Mr. Fraser
27 grabbing the face of a young female producer and forcing a kiss on her lips as she resisted and grimaced.
28 Mr. Steines texted this photo to his representatives (specifically, to his manager and his talent agent) in

1 the good faith belief that the network would take action if they saw photographic evidence of Mr.
2 Fraser's sexual harassment.

3 26. Mr. Steines also witnessed Mr. Fraser engage in gender discrimination. For example, Mr.
4 Steines cringed as he witnessed Mr. Fraser force a female colleague to beg him for vacation time in the
5 most degrading manner. Mr. Steines did not have to beg for vacation as his vacation requests were
6 easily granted without question by Mr. Fraser when he was the executive producer.

7 27. During his time as executive producer of "Home & Family," Mr. Fraser engendered a
8 hostile work environment that was rife with sexual harassment and gender discrimination—all while
9 presenting "Home & Family" viewers with a squeaky clean, family-oriented show.

10 **C. Mr. Steines Opposes Woody Fraser's Sexual Harassment**

11 28. Having been on the show since its debut, Mr. Steines was much more than just a co-
12 worker; he was a mentor to many of those on the cast and crew of "Home & Family," many of whom
13 were just getting their start in the business.

14 29. Mr. Steines was regularly approached by cast and crew with complaints about the hostile
15 work environment Mr. Fraser created on the set of "Home & Family." In assuming his role as a mentor
16 on the set of "Home & Family," Mr. Steines would complain to his representatives about issues related
17 to Mr. Fraser's misconduct. In doing so, Mr. Steines wanted to help his fellow cast and crew by
18 demanding that the network take appropriate action to end Mr. Fraser's unlawful conduct on the set of
19 "Home & Family." Despite repeated complaints to Defendants' executives from Mr. Steines, through
20 his representatives, the executives did not put a stop to Mr. Fraser's behavior.

21 30. In December 2016, Mr. Fraser sent an email to a select group of "Home & Family" crew,
22 in which he openly admitted his own problems with anger management and rage in the workplace.

23 31. Mr. Fraser's email was forwarded to Mr. Steines by a "Home & Family" producer, who
24 had become the target of Mr. Fraser's outbursts, in hopes that Mr. Steines would take the lead in
25 addressing Mr. Fraser's email with Defendants. Mr. Steines forwarded this email to his manager,
26 Michelle Benedetti. Ms. Benedetti then forwarded Mr. Fraser's email to Michelle Vicary, the Executive
27 Vice President of Programming and Network Publicity for Crown Media Family Networks. In
28 forwarding this email to Ms. Vicary, Mr. Steines' manager said, "You have to show this to Bill [Abbott]

1 Michelle, this is not good and now it's in writing. As your friend, I am telling you there is going to be a
2 lawsuit, it's not a matter of 'if' it's a matter of 'when.' Please cover all of your bases. xo." In response,
3 Ms. Vicary promised to take action. However, Ms. Vicary took no action to stop Mr. Fraser's harassing
4 and offensive conduct and Mr. Fraser continued to harass and bully the "Home & Family" crew—
5 especially the women.

6 32. In December 2016, Mr. Steines' talent agent John Seitzer telephoned Mr. Abbott and
7 relayed Mr. Steines' complaint that a female producer told Mr. Steines that she had been sexually
8 harassed by Mr. Fraser. Mr. Seitzer reported the sexual harassment to Mr. Abbott on Mr. Steines'
9 behalf, and again warned that the Defendants needed to do something about Mr. Fraser's sexual
10 harassment, or they would be sued. In doing so, Mr. Seitzer also underscored the importance of taking
11 immediate and decisive action and emphasized, "it's not a matter of 'if,' it's a matter of 'when'." Mr.
12 Abbott dismissively responded to Mr. Steines' complaint, as relayed by Mr. Seitzer, and said, "My door
13 is always open to anyone who wants to talk to me."

14 33. Mr. Abbott and Defendants failed to take timely action against Mr. Fraser's sexual
15 harassment. Defendants did not comply with their legal obligation to immediately commence an
16 investigation into the sexual harassment claims. Most egregiously, Mr. Fraser continued to harass the
17 "Home & Family" crew—especially the women.

18 34. Despite the hostile work environment that Mr. Fraser created on the set of "Home &
19 Family," Mr. Steines continued working hard on the show, to which he remained committed. Mr.
20 Steines remained so loyal to the Hallmark Channel that he even cancelled his long-awaited honeymoon
21 in order to attend and emcee the Upfronts in New York City on March 29, 2017, where the network
22 promotes the show to advertisers.

23 35. In Spring of 2017, two brave female employees, who worked on "Home & Family,"
24 formally reported their claims of sexual harassment. The Bloom Firm represented the two women.
25 Attorney Lisa Bloom contacted Mr. Steines as a potential witness. Mr. Steines voluntarily participated
26 in Ms. Bloom's investigation by providing truthful information in support of the sexual harassment
27 victims.

1 36. Defendants became aware that Mr. Steines had spoken to Ms. Bloom. Defendants'
2 executives, who already knew that Mr. Steines had opposed and reported Mr. Fraser's sexual
3 harassment, also learned that Mr. Steines was supportive of the women, and that he continued to oppose
4 sexual harassment and retaliation on the set of "Home & Family."

5 37. On information and belief, Defendants sent an investigator to interview employees on the
6 set of "Home & Family" about Mr. Fraser's sexual harassment. The investigator did not contact Mr.
7 Steines to participate in the investigation.

8 38. On June 23, 2017, Mr. Steines and his entertainment law attorneys participated in a
9 conference call with Mr. Fraser's attorney and Deanne Stedem, the Executive Vice President of
10 Business and Legal Affairs and General Counsel of Crown Media Family Networks. Defendants'
11 attorneys were not interested in learning about Mr. Fraser's sexual harassment and bullying on the set.
12 Instead, they only wanted to know what Mr. Steines had said to Ms. Bloom, so that they could protect
13 themselves. Mr. Steines was concerned that his job was on the line. He reported that he had two phone
14 calls with Ms. Bloom, that he witnessed Mr. Fraser throw temper tantrums and act like a bully, and that
15 he had heard that Mr. Fraser had a sexual affair with a young female staffer.

16 **D. Defendants' Retaliation**

17 39. In the Spring of 2017, Mr. Steines became a target for Defendants' executives, who were
18 furious that Mr. Steines had opposed and reported Mr. Fraser's sexual harassment, and then spoken to
19 Ms. Bloom as a witness supportive of Mr. Fraser's sexual harassment victims. Ms. Vicary told Ms.
20 Benedetti that she was very angry at Mr. Steines for speaking with Ms. Bloom, and that Mr. Steines had
21 put the executives "in danger." Thereafter, Defendants retaliated against Mr. Steines for complaining
22 about Mr. Fraser's sexual harassment of female employees on the set of "Home & Family."

23 40. Despite for years having been the "voice of the network," in or around July 2017, Mr.
24 Steines' regular voice-over work for the Hallmark Channel was abruptly terminated by Defendants
25 without any explanation or notice, despite repeated inquiries from Mr. Steines' representatives. Mr.
26 Steines had for years earned a substantial income in doing this voice-over work.

27 41. On July 26, 2017, Mr. Abbott and Ms. Vicary had a phone call with Mr. Steines'
28 representatives, in which they told Mr. Steines' representatives that Defendants "needed" Mr. Steines to

1 take a substantial pay cut –something the network had never requested of Mr. Steines in the nearly six
2 years he served as co-host of “Home & Family.” Mr. Steines’ representatives objected, at which point
3 Mr. Abbott and Ms. Vicary abruptly hung up the phone. They did not call back.

4 42. Defendants had routinely exercised their option to renew Mr. Steines’ contract for
5 additional seasons of “Home & Family” every year since 2012 and increased Mr. Steines’ compensation
6 each year. However, in the summer of 2017 after he opposed sexual harassment and supported the
7 victimized women, Mr. Steines’ salary for Season 6 was reduced to an amount even lower than what he
8 was paid in 2015 for Season 3 of “Home & Family.”

9 43. On information and belief, Defendants executives did not demand that Mr. Steines’ co-
10 host Debbie Matenopoulos take a pay cut for Season 6. On information and belief, Ms. Matenopoulos’
11 salary remained unchanged for Season 6.

12 44. Defendants did not engage in good-faith contract negotiations with Mr. Steines’
13 representatives. On August 4, 2017, Mr. Steines’ talent agent emailed Mr. Abbott and Ms. Vicary with
14 additional requests for Mr. Steines’ Season 6 contract in light of the pay cut. Neither Mr. Abbott nor
15 Ms. Vicary responded. Weeks later, Paul Balelo, Crown Media Family Network’s Senior VP of
16 Business and Legal Affairs, rejected each additional request.

17 45. In yet another act of retaliation against Mr. Steines for opposing Mr. Fraser’s sexual
18 harassment on the set of “Home & Family,” in the summer of 2017 Defendants allowed Mr. Steines’
19 contract to expire for the first time since 2012. By allowing Mr. Steines’ contract to expire, Defendants
20 nullified his previously negotiated contract terms concerning salary, vacation, and other terms.

21 46. On September 8, 2017, Defendants presented Mr. Steines’ Season 6 contract on a “take-
22 it-or-leave-it” basis, which he then signed. Under this new “take-it-or-leave-it” contract, Mr. Steines
23 suffered a substantial pay cut, which constituted a 25% reduction of what his salary would have been
24 under his previous contract. The Season 6 contract also marked the first time Defendants offered Mr.
25 Steines a single-season contract, indicating that the network did not intend to retain Mr. Steines after
26 Season 6. Mr. Steines even offered to sign a three-year contract without any pay increases but
27 Defendants rejected Mr. Steines’ offer.

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1 47. On December 2, 2017, Mr. Steines emailed Mr. Abbott seeking feedback on “Home &
2 Family.” Mr. Abbott ignored Mr. Steines’ email.

3 48. On January 13, 2018, Mr. Steines was not asked to introduce the network’s President and
4 Vice President to the audience at the Hallmark Channel’s presentation at the Television Critics
5 Association event (“TCAs”). Mr. Steines had made this introduction at the previous eight TCAs.

6 49. On January 18, 2018, Mr. Steines was told that he was not invited to the Upfronts, where
7 he and Ms. Matenopoulos had previously introduced Hallmark executives, generally served as hosts of
8 Hallmark’s presentation, mingled with ad buyers and promoted the show.

9 50. On May 30, 2018, “Home & Family” Executive Producer Tracy Verna informed Mr.
10 Steines, through his earpiece in the middle of filming a live to tape television show, that Mr. Abbott had
11 flown in from New York and was on set, and wanted to meet with Mr. Steines after the show wrapped.
12 Shortly after the show wrapped, Mr. Steines was instructed to attend a closed-door meeting with Mr.
13 Abbott, Ms. Vicary, Ms. Verna, and Randy Pope, the Senior Vice President of Planning & Acquisitions
14 for Crown Media Family Networks. Mr. Steines was terminated effective immediately, with Defendants
15 citing only “creative differences.”

16 51. At the time Mr. Steines was terminated, he had approximately three months left on his
17 Season 6 contract. Mr. Steines offered to carry out the terms of his contract if so desired by the network,
18 assuring executives that he was a professional and could continue to do his job at the highest level.
19 Defendants declined.

20 52. Mr. Steines had no creative differences with the show, the producers, or network
21 executives. Mr. Steines is informed and believes that Defendants’ proffered nondiscriminatory reason
22 for terminating Mr. Steines was actually a pretext for terminating Mr. Steines in retaliation for reporting
23 and opposing Mr. Fraser’s sexual harassment to Defendants in December 2016, and for and speaking to
24 Ms. Bloom in support of Mr. Fraser’s sexual harassment victims in 2017.

25 53. On May 31, 2018, the Hallmark Channel released a public statement that it had “parted
26 ways” with Mr. Steines, leading to immediate, widespread speculation by viewers that Mr. Steines had
27 himself engaged in sexual misconduct given similar separations of employment of other prominent
28 media figures in the #MeToo movement, and Mr. Fraser’s own public statement in 2017 that he was

1 being sued for sexual harassment. The unusual on-air “goodbye” written by Defendants further created
2 suspicion and doubt about the reasons behind his abrupt dismissal.

3 54. On June 1, 2018, the Hallmark Channel released a second statement that, “shows evolve
4 and change all the time,” again making it clear that the separation of employment had been involuntary.

5 55. After nearly six years of employment, Defendants did not give Mr. Steines the option to
6 leave “Home & Family” with dignity. Rather, Defendants’ executives made sure to personally humiliate
7 Mr. Steines while maximizing damage to his professional reputation. Defendants unlawfully terminated
8 Mr. Steines for taking a stand against sexual harassment.

9 **FIRST CAUSE OF ACTION**

10 **(RETALIATION IN VIOLATION OF GOV’T CODE § 12940, *et seq.*)**

11 **(Plaintiff Mark Steines as Against All Defendants)**

12 56. Plaintiff restates and incorporates by reference, as though fully set forth herein, the
13 allegations contained in each of the paragraphs above.

14 57. At all times relevant, Mr. Steines was an employee, as that term is defined in Government
15 Code § 12940, *et seq.*

16 58. At all times relevant, each Defendant acted as Mr. Steines’ employer, as that term is
17 defined in FEHA, Government Code section 12926(d).

18 59. At all times relevant, William Abbott and Michelle Vicary were each Mr. Steines’
19 supervisor, as that term is defined in Government Code section 12926(t), in carrying out the acts alleged
20 herein.

21 60. Defendants, and each of them, exercised sufficient dominion and control over the terms
22 and conditions of Mr. Steines’ employment, including working conditions, work assignments, human
23 resource management, management and oversight, recruiting, harassment investigations, discipline,
24 personnel management, and termination decisions to establish that each were joint employers. Each
25 Defendant aided and abetted the other Defendants in violating Mr. Steines’ protected rights under
26 FEHA.
27
28

1 61. Mr. Steines was engaged in protected activity when he, directly and by and through his
2 talent agent, opposed sexual harassment on the set of Hallmark Channel’s “Home & Family” and
3 reported said sexual harassment to William Abbott.

4 62. After Mr. Steines opposed and reported the sexual harassment of female producers on the
5 set of “Home & Family,” Defendants subjected Mr. Steines to a series of adverse employment actions,
6 including without limitation substantially reducing Mr. Steines’ Season 6 salary, removing him from
7 public promotional events, and abruptly ending his regular voice-over work for Hallmark Channel.

8 63. Defendants failed to take any corrective action, refused to investigate Mr. Steines’ reports
9 of sexual harassment on the set of “Home & Family,” and failed to protect Mr. Steines from retaliation.

10 64. On May 30, 2018, Defendants wrongfully terminated Mr. Steines without notice in
11 retaliation for his opposing, complaining about, and reporting unlawful gender discrimination and sexual
12 harassment.

13 65. Defendants, in violation of Government Code section 12940(h), terminated Mr. Steines’
14 employment in retaliation for reporting and opposing gender discrimination and sexual harassment,
15 which are protected activities under FEHA.

16 66. As a direct and proximate result of Defendants’ unlawful conduct, as described above,
17 Mr. Steines has suffered and will continue to suffer economic damages, including lost wages, lost
18 benefits, loss of promotional opportunity, and other compensatory damages in an amount to be
19 ascertained at the time of trial. Additionally, Mr. Steines has suffered special and general damages,
20 including mental suffering, humiliation, shame, embarrassment, and emotional distress.

21 67. Defendants’ unlawful conduct was willful, intentional and malicious and done with intent
22 to vex, injure or annoy Mr. Steines and warrant the imposition of punitive damages in an amount
23 sufficient to punish Defendants and to deter others from engaging in similar conduct.

24 68. As a direct and proximate result of Defendants’ unlawful conduct, and in order to enforce
25 the important right to a workplace free of discrimination for himself and the public at large, Mr. Steines
26 has incurred and continues to incur legal expenses and attorney’s fees. Mr. Steines is therefore entitled
27 to reasonable attorney’s fees and litigation expenses. Cal. Code Civ. Proc. § 1021.5 and Cal. Gov’t
28 Code § 12900, *et seq.*

1 California's strong public policy against sexual harassment as set forth in California Government Code
2 section 12920.

3 77. During his time as co-host of "Home & Family," Mr. Steines reported and opposed Mr.
4 Fraser's sexual harassment of female employees on set, and supported the women who asserted sexual
5 harassment claims against Mr. Fraser.

6 78. Mr. Steines' actions in reporting and opposing Mr. Fraser's sexual harassment on the set
7 of "Home & Family," and supporting the sexual harassment victims, were a substantial motivating
8 reason for Mr. Steines' discharge.

9 79. As a direct and proximate result of Defendants' unlawful conduct, as described above,
10 Mr. Steines has suffered and will continue to suffer economic damages, including lost wages, lost
11 benefits, loss of promotional opportunity, and other compensatory damages in an amount to be
12 ascertained at the time of trial. Additionally, Mr. Steines has suffered special and general damages,
13 including mental suffering, humiliation and emotional distress.

14 80. Defendants' unlawful conduct was willful, intentional and malicious and done with intent
15 to vex, injure or annoy Mr. Steines and warrant the imposition of punitive damages in an amount
16 sufficient to punish Defendants and to deter others from engaging in similar conduct.

17 81. As a direct and proximate result of Defendants' unlawful conduct, and in order to enforce
18 the important right to a workplace free of discrimination for himself and the public at large, Mr. Steines
19 has incurred and continued to incur legal expenses and attorney's fees. Plaintiff is therefore entitled to
20 reasonable attorney's fees and litigation expenses. Cal. Code Civ. Proc. § 1021.5 and Cal. Gov't Code §
21 12900, *et seq.*

22 82. As a direct and proximate result of Defendants' unlawful conduct, Mr. Steines suffered
23 and continues to suffer the damages herein mentioned, in an amount according to proof at trial.

24 **THIRD CAUSE OF ACTION**

25 **(FAILURE TO PREVENT RETALIATION)**

26 **(Plaintiff Mark Steines as Against All Defendants)**

27 83. Plaintiff restates and incorporates by reference, as though fully set forth herein, the
28 allegations contained in each of the paragraphs above.

1 84. At all times relevant, Mr. Steines was an employee, as that term is defined in Government
2 Code § 12940, *et seq.*

3 85. At all times relevant, each Defendant acted as Mr. Steines' employer, as that term is
4 defined in FEHA, Government Code section 12926(d).

5 86. At all times relevant, William Abbott and Michelle Vicary were each Mr. Steines'
6 supervisor, as that term is defined in Government Code section 12926(t), in carrying out the acts alleged
7 herein.

8 87. Defendants, and each of them, exercised sufficient dominion and control over the terms
9 and conditions of Mr. Steines' employment, including working conditions, work assignments, human
10 resource management, management and oversight, recruiting, harassment investigations, discipline,
11 personnel management, and termination decisions to establish that each were joint employers. Each
12 Defendant aided and abetted the other Defendants in violating Mr. Steines' protected rights under
13 FEHA.

14 88. At all times relevant, California Government Code section 12920, was in full force and
15 effect, and establishes that the public policy of the State of California is, in part, to protect and safeguard
16 the right and opportunity of all persons to seek and hold employment without discrimination. *Taylor v.*
17 *City of Los Angeles Dept. of Water & Power*, 144 Cal.App.4th 1216, 1240 (2006) ("In accordance with
18 . . . the fundamental public policy of eliminating discrimination in the workplace under the FEHA, we
19 conclude that retaliation is a form of discrimination actionable under section 12940, subdivision (k)").

20 89. Defendants, in violation of FEHA, Government Code section 12940(k), failed to take all
21 reasonable steps to prevent discrimination, harassment and retaliation from occurring and to ensure a
22 workplace free from sexual harassment and retaliation.

23 90. Defendants have a statutory duty under California Government Code section 12940, *et*
24 *seq.* to take all reasonable steps necessary to prevent harassment, discrimination and retaliation from
25 occurring. Such steps include investigating claims of harassment, discrimination and retaliation, and
26 adopting and implementing anti-harassment, anti-discrimination and anti-retaliation policies.

27 91. Defendants encouraged gender-based harassment, gender-based discrimination, and
28 retaliation by participating in the unlawful conduct, and failing to remedy the sexual harassment when

1 Mr. Steines reported such unlawful conduct. Defendant knew of the hostile work environment at
2 Hallmark's "Home & Family" not only on the basis of Mr. Steines' reports, but also on the basis of
3 complaints by others. Nonetheless, Defendants blatantly disregarded their duty to prevent harassment,
4 discrimination, and retaliation in the workplace.

5 92. Mr. Steines was subjected to retaliation in the course of his employment after he reported
6 and opposed sexual harassment on the set of "Home & Family."

7 93. Mr. Steines was harmed as a result of Defendants' failure to prevent retaliation against
8 him for reporting and opposing sexual harassment, which are protected activities under FEHA.

9 94. Defendants' failure to take all reasonable steps to prevent retaliation was a substantial
10 factor in causing Mr. Steines' harm.

11 95. As a direct and proximate result of Defendants' unlawful conduct, as described above,
12 Mr. Steines has suffered and will continue to suffer economic damages, including lost wages, lost
13 benefits, loss of promotional opportunity, and other compensatory damages in an amount to be
14 ascertained at the time of trial. Additionally, Mr. Steines has suffered special and general damages,
15 including mental suffering, humiliation and emotional distress.

16 96. Defendants' unlawful conduct was willful, intentional and malicious and done with intent
17 to vex, injure or annoy Mr. Steines and warrant the imposition of punitive damages in an amount
18 sufficient to punish Defendants and to deter others from engaging in similar conduct.

19 97. As a direct and proximate result of Defendants' unlawful conduct, and in order to enforce
20 the important right to a workplace free of discrimination for himself and the public at large, Mr. Steines
21 has incurred and continued to incur legal expenses and attorney's fees. Plaintiff is therefore entitled to
22 reasonable attorney's fees and litigation expenses. Cal. Code Civ. Proc. § 1021.5 and Cal. Gov't Code §
23 12900, *et seq.*

24 98. As a direct and proximate result of Defendants' unlawful conduct, Plaintiffs have
25 suffered and continue to suffer the damages herein mentioned, in an amount according to proof at trial.

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1 **FOURTH CAUSE OF ACTION**

2 **(BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING)**

3 **(All Plaintiffs as Against All Defendants)**

4 99. Plaintiffs restate and incorporate by reference, as though fully set forth herein, the
5 allegations contained in each of the paragraphs above.

6 100. There is implied in every contract a covenant of good faith and fair dealing.

7 101. On May 29, 2012, Plaintiff Mark Steines and his former loan-out corporation, Cornett
8 Entertainment, Inc. entered into a contract with Doone City Pictures, LLC, for the first season of “Home
9 & Family” (“2012 Contract”).

10 102. Doone City Pictures, LLC, is a wholly-owned subsidiary that is controlled and operated
11 by Defendant Crown Media Holdings, Inc. On information and belief, William Abbott is the Principal
12 Executive Officer of Doone City Pictures, LLC.

13 103. On information and belief, Defendant Crown Media United States, LLC, is a wholly-
14 owned subsidiary of Defendant Crown Media Holdings, Inc., through which Defendant Crown Media
15 Holdings, Inc. owns, operates, and distributes television programs on the Hallmark Channel.

16 104. According to the 2012 Contract between Mr. Steines and Doone City Pictures, LLC, all
17 notices to Doone City Pictures, LLC, were to be in writing and sent to the Executive Vice President of
18 Legal and Business Affairs of Crown Media Holdings, Inc., Charles Stanford. Mr. Stanford signed
19 Plaintiff Mark Steines’ 2012 Contract on behalf of Doone City Pictures, LLC.

20 105. Under the terms of Mr. Steines’ 2012 Contract, Defendants had the option to extend the
21 term of Mr. Steines’ 2012 Contract for two additional seasons. Additionally, the 2012 Contract
22 provided for annual salary increases to Mr. Steines.

23 106. On March 25, 2013, Defendants exercised their option to extend Mr. Steines’ 2012
24 Contract for a second season of “Home & Family.” Defendants also assigned Mr. Steines’ contract with
25 Doone City Pictures, LLC, to Citi TeeVee, LLC, another production subsidiary of Defendants Crown
26 Media United States, LLC.

27 107. On August 28, 2015, the 2012 Contract was amended (“2015 Amendment”). Under the
28 2015 Amendment, Cornett Entertainment was replaced by Mr. Steines’ successor loan-out corporation,

1 Steines Entertainment, Inc., and Defendants retained additional options to renew through Season 6.
2 Each option exercised by Defendants for an additional season provided for a guaranteed raise in Mr.
3 Steines' annual salary.

4 108. Defendants exercised the renewal options under Mr. Steines' 2012 Contract and 2015
5 Amendment until May 1, 2017, when Defendants unfairly interfered with Plaintiffs' rights to receive the
6 benefits negotiated and agreed upon by the parties. On May 1, 2017, Defendants, in bad faith and in
7 retaliation for Mr. Steines opposing and reporting workplace discrimination, did not exercise the option
8 for Season 6 thus preventing Plaintiffs from receiving the substantial benefit of the guaranteed salary
9 increase for Season 6.

10 109. On September 8, 2017, Plaintiffs Mark Steines and Steines Entertainment, Inc. entered
11 into a contract for Season 6 of "Home & Family" with Defendant Citi TeeVee, LLC ("2017 Contract").

12 110. Defendants unfairly interfered with Plaintiffs' rights under the contract by terminating
13 Mr. Steines without notice in retaliation for reporting and opposing Mr. Fraser's sexual harassment on
14 the set of "Home & Family." When Defendants unfairly interfered with Plaintiffs' contractual rights
15 Mr. Steines had approximately three months left on his contract.

16 111. At all times relevant, Defendants owed Plaintiffs a duty of good faith and fair dealing.

17 112. Plaintiffs performed all of their obligations under the 2012 Contract, the 2015
18 Amendment, and the 2017 Contract.

19 113. At all times relevant, all conditions required for Defendants' performance under the 2012
20 Contract, the 2015 Amendment, and the 2017 Contract had occurred.

21 114. Plaintiffs were harmed as a result of Defendants' unlawful conduct, as described herein.

22 115. As a direct and proximate result of Defendants' unlawful conduct, as described herein,
23 Plaintiffs have suffered and will continue to suffer economic damages, including lost wages, lost
24 benefits, loss of promotional opportunity, and other compensatory damages in an amount to be
25 ascertained at the time of trial.

26 116. As a direct and proximate result of Defendants' unlawful conduct, Plaintiffs suffered and
27 continue to suffer the damages herein mentioned, in an amount according to proof at trial.

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1 **DEMAND FOR JURY TRIAL**

2 Plaintiffs hereby request a trial by jury.

3 **PRAYER FOR RELIEF**

4 Wherefore, Plaintiffs respectfully request that this Court grant the following relief:

- 5 A. For compensatory damages against Defendants according to proof at trial;
- 6 B. For general damages against Defendants according to proof at trial;
- 7 C. For special damages against Defendants according to proof at trial;
- 8 D. For costs of suit and attorney's fees to the fullest extent permitted by law;
- 9 E. For punitive damages; and
- 10 F. For such other and further relief as the Court may deem proper.

11
12 DATED: September 20, 2018

Respectfully submitted,

13 **THE BLOOM FIRM**

14 By: Lisa Bloom

15 Lisa Bloom
16 Attorneys for Plaintiffs MARK STEINES
17 and STEINES ENTERTAINMENT, INC.
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