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Michael Jackson (+ Add to myFT)

Michael Jackson estate says accuser is trying to extract \$213mn

The King of Pop's legacy has generated \$3bn since his death but remains overshadowed by child sex abuse claims





One of a kind riversid mes framed by iconic views across London



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When Michael Jackson died, his estate was saddled with \$500mn of debt after ye profligate spending © AFP/Getty Images

Anna Nicolaou in Los Angeles 9 HOURS AGO



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Michael Jackson's estate has initiated legal proceedings against a former associate of the late pop icon, who threatened to raise fresh allegations of inappropriate conduct before the release of a film the executors hope will quell the child sex abuse claims that shadowed his later years.

The man and four others told the estate in about 2019, a decade after the singer's death, that they might go public with allegations that he had acted inappropriately with some of them when they were children.





In 2020, the estate quietly struck a previously unreported settlement worth \$16.5mn, under which the man and the other accusers agreed instead to defend Jackson's reputation.

Now, the people managing Jackson's music and image rights are accusing the man of fabricating his earlier claims while seeking to extract \$213mn more in a new settlement with the estate, according to an arbitration claim. They have reported the matter to the US Attorney's Office in Los Angeles.

Jackson's estate is asking an arbitrator to award damages, order the accuser to abide by the terms of the 2020 deal and issue an injunction barring him from releasing details he previously agreed to keep secret.

"The agreement contained a clause that stated neither party can disclose its existence to any third party," said John Branca, a longtime Jackson aide who co-manages the estate.

The episode illustrates how Jackson's interactions with children, which led to a criminal prosecution and at least one out-of-court settlement, continue to hang over his estate years after his death in 2009 from an overdose of sedatives and anaesthetic. The Jackson estate maintains the singer never engaged in inappropriate conduct with children.

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The estate, which was initially \$500mn in debt, has since amassed more than \$3bn - a figure revealed by its executors in an interview with the Financial Times for the first time.

The change of fortunes has come through the sale of his music catalogue, a Broadway musical and Cirque du Soleil shows. The beneficiaries are Jackson's three children, his mother and charities.



In an interview, Branca, said: "The time has come to stand up, take a stand, tell Michael's story."

The man allegedly making the claims against the Jackson estate did not respond to repeated requests for comment. He is not being named by the FT.

Jackson is one of the most successful but controversial figures in pop music history, springing to fame as a child with a soaring voice on the pop, soul and funk songs performed by his family band, The Jackson 5. He went on to record *Thriller*, which remains the best-selling album of all time more than 40 years after its release.

But he was also accused on multiple occasions of inappropriate conduct with children, beginning in the 1990s and continuing until his prosecution in 2005. Though the accusers' accounts were at times contradictory and Jackson was acquitted in the court case, the allegations took a toll.



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When he died, Jackson's will gave Branca and m

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When he died, Jackson's will gave Branca and music executive John McClain the responsibility of managing his estate. Branca has spent the past decade and a half working to restore the singer's troubled finances and his complicated legacy.

The strategy suffered a setback after HBO's 2019 documentary, *Leaving Neverland*, which featured the graphic accounts of two men, Wade Robson and James Safechuck, who alleged Jackson abused them as children.

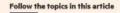
Shortly after, the five unnamed accusers — who were not featured in the Neverland documentary — made their allegations. According to Jackson's estate, the man had previously denied Jackson ever engaged in inappropriate conduct.

The estate agreed to settle those claims under what it has described as a "business decision". The settlement deal, signed in January 2020, was styled as a purchase of their life rights and a consulting agreement, with each of the five accusers to receive \$3.3mn over six years.

Since then, it is claimed, each of the accusers received \$2.8mn. But in January, before the final \$500,000 payment was made to each of them, the man notified the estate that he no longer planned to abide by the agreement, and that he was seeking \$213mn in new payments.

The claim is that the man's lawyers demanded a "substantive response" to their overture for more payments, and warned they would "be forced to expand the circle of knowledge" if the ultimatum was not met.

The demands came nine months after the estate finalised terms for the \$600mn sale of a 50 per cent stake in Jackson's music catalogue to Sony, valuing the total package at \$1.2bn. The accuser's lawyer asked the estate if it had disclosed his claim to Sony, raising the spectre of risk for the new owners of Jackson's music.



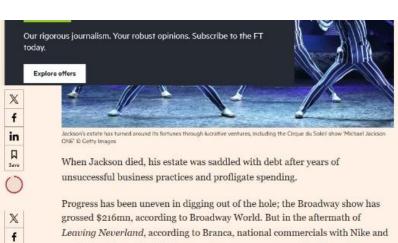












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Leaving Neverland, according to Branca, national commercials with Nike and two banks that each paid \$1mn to \$2mn a year evaporated and attendance at MGM's Cirque show dropped for an extended period.

The estate laid low for a few years but is now taking a more assertive approach as it seeks to defend Jackson's name. The biopic is being directed by Antoine Fuqua, with actor Miles Teller playing Branca.

"We survived Leaving Neverland but I'm not sure we could have with those additional allegations," Branca said. His lawyers, he said, told him: "You have no choice. If these people come forward and make these allegations, then Michael is over, his legacy is over, the business is done."

This article has been updated after the Jackson estate provided additional details of the timing of the payment demand and the Sony deal



