

Activision Blizzard faces fan and industry backlash after report alleging CEO misconduct

Article

The news: Fans, employees, and even some shareholders of major video game publisher **Activision Blizzard** are calling for CEO **Bobby Kotick** to resign following a report that he

mishandled employees' sexual misconduct allegations, **per** The Washington Post.

- The Wall Street Journal **reported** that Kotick knew and failed to alert the board of directors about these allegations, which have rocked the company since July, when it was sued by the State of California.
- Activision Blizzard faces multiple regulatory probes that could keep it in the hot seat. Fans angered by the company's perceived lack of social responsibility are calling for a boycott of its video games on social media.
- A group of shareholders with a combined 4.8 million shares addressed a letter to the board requesting that Kotick and the board's two longest-serving directors resign.

More on this: The fallout has been quick, with fans and industry figures publicly criticizing the company.

- A **tweet** calling for a boycott of Activision Blizzard and its main studios' titles went viral on Twitter, receiving more than 14,000 likes and 7,000 retweets at the time of writing.
- **PlayStation** chief **Jim Ryan** **criticized** Activision Blizzard in a letter addressed to staff Wednesday morning, writing that the embattled company "has not done enough to address a deep-seated culture of discrimination and harassment."

Why this matters: The widespread backlash against Activision Blizzard and Kotick shows that the issues of corporate governance are as much a part of a company's public-facing image as its most beloved pop culture intellectual properties.

- The lawsuit against Blizzard, and allegations against Kotick, have quickly made waves throughout the industry, showing the growing importance of social responsibility and ethics in the court of public opinion. Companies seen as ethical can be more attractive to their consumers and shareholders, which in turn can benefit their financial performance.