

# **Jerry Falwell legal battle with Liberty University escalates**

September 21, 2023

WASHINGTON (RNS)—The ongoing legal battle between Liberty University and Jerry Falwell Jr. has taken yet another twist, as the school's former president has alleged misconduct by its board of directors and attempted to ban the university from using images of his late father.

In an amended complaint filed in federal court last week, Falwell Jr., who resigned from his post in August 2020 in the wake of multiple scandals, alleged several board members, including former interim Liberty President Jerry Prevo and former Southern Baptist Convention President Jerry Vines, diverted university funds to their private causes.

“During his lifetime, Dr. Falwell earned a reputation as a major proponent of financial integrity in religious and educational institutions and led the way in restoring public trust and confidence in such institutions after financial scandals associated with other, unrelated church leaders rocked the evangelical community in the 1980s,” Falwell Jr.’s lawyer argued in the amended complaint, filed Sept. 13.

The reference to “Dr. Falwell” is to Jerry Falwell Sr. “The JERRY FALWELL brand will not be associated with such conduct,” the amended complaint stated.

Falwell Jr. also alleges the board overlooked sexual misconduct by former leaders, including an unnamed former president, only to turn on Falwell Jr. when his life fell apart. Falwell Jr. also alleges the board exploited a near-fatal lung condition he suffered and harassed him by not paying him retirement benefits.

“The JERRY FALWELL brand does not stand for such abhorrent treatment, which is antithetical to the reputation by which it is known,” the complaint alleges.

The complaint lays much of the blame at the feet of Prevo, who the complaint alleges diverted school funds to his personal foundation and used the school’s corporate jet to fly to his homes in Alaska and Arizona—\$35,000 per trip and \$20,000 per trip, respectively, according to the amended complaint.

Falwell also alleges Prevo made many of his decisions after consulting with evangelical leader Franklin Graham.

“Upon information and belief, Franklin Graham is Prevo’s closest advisor; during the limited times Prevo appeared on campus to fulfill his duties as interim president, he would speak with Graham virtually every day by phone before making any decisions,” the complaint alleges.

## **Liberty calls allegations ‘improper and unsupported’**

Asked about the complaint, a Liberty University spokesperson sent Religion News Service a statement.

“In response to Liberty’s compelling motion to dismiss his complaint, Jerry Falwell, Jr. filed an amended complaint containing improper and unsupported allegations designed to diminish former colleagues, family, and friends and to discredit the university where he formerly served,” the statement read.

“These personal attacks have no place in a legal dispute over the use of a person’s name, image, and likeness. Liberty will file the appropriate response to these claims in due time and defend its legal right to continue

the use of Dr. Jerry Falwell's name.

"Furthermore, we stand by our initial statement that Liberty University and its Board of Trustees have only sought to honor the visionary leadership of Dr. Jerry Falwell and the mission of training Champions for Christ."

In addition to the complaint, RNS obtained from multiple sources an email sent by Falwell Jr. to Liberty board members discussing the latest legal filing. In the email, Falwell accuses David Corry, Liberty's general counsel, of waging a three-year "campaign" to "use millions of dollars of Liberty student tuition money to make me look as bad as possible in public and to the Board of Trustees."

Falwell also accused Corry of malpractice and incompetence and suggested some members of Liberty's executive committee want to "gain control of Liberty, benefit personally from Liberty" and "determine who will be Liberty's future leaders."

Later in the email, Falwell claimed he had intended to end the legal battle but "had no choice but to strike back this Spring to protect my family's reputation and future after forgiving 7 times 70," apparently referencing a biblical quote from Jesus about how many times to forgive enemies.

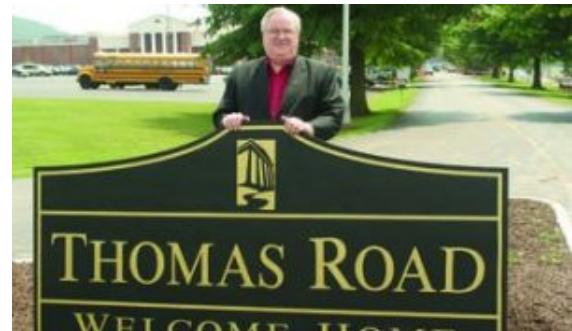
The back-and-forth touches primarily on one of two lawsuits making their way through federal court. In March, the former Liberty president sued the university and the executive committee of the school's board, alleging they have failed to pay him \$8.5 million in retirement benefits.

Those benefits, the suit alleges, could only be withheld if he were fired for cause or if he engaged in "any Competitive Activity," according to the complaint filed in U.S. District Court for the Western District of Virginia.

# Board says retirement benefits should be forfeited

The board alleges the retirement benefits should be forfeited because Falwell deceived them regarding his own personal failings and his and his wife's fiscal and alleged immoral behavior with a young man named Giancarlo Granda.

"Most damaging of all, perhaps, was Falwell's post-contractual revelation of his overall and disqualifying departure from Liberty's core Christian values at the time he was in the process of being Liberty's long-term spiritual leader," the school's lawyers argued in a filing this month asking a federal judge to dismiss the case.



Jerry Falwell Sr. was pastor of Thomas Road Baptist Church. (File Photo)

In July, Falwell sued the school again for using his father's name, image and portrait—all trademarked—without permission of the Dr. Jerry L. Falwell Family Trust, which owns the trademark.

The lawsuit pits the Falwell brothers against each other. Jerry Falwell Jr. alleges his brother, Jonathan Falwell, betrayed the family trust by siding with the university against him in regard to the trademark and is doing so

for personal gain—and asserts Jonathan Falwell convinced their sister to have Jerry Falwell removed as a co-trustee of the family trust.

He also says the school rescued Thomas Road Baptist Church—where Jonathan Falwell succeeded their father as pastor—from financial ruin and asserts his brother hides how much money he gets from the school.

“Upon information and belief, Liberty and Jonathan have colluded to avoid publicly reporting additional income that Jonathan receives from Liberty, whether directly or indirectly, in the form of contributions to TRBC,” the complaint alleges.

The elder Jerry Falwell, a controversial leader of the religious right, founded Liberty in the 1970s and spent a decade promoting the school. When he died in 2007, the school received \$29 million in life insurance benefits, which rescued the school from debt.

Falwell Jr. alleged in his July complaint the school no longer had permission to use his father’s image.

The school contested, filing a motion in late August to have the suit dismissed, arguing, among other things, that Falwell Jr. did not have authority to sue on behalf of the family trust, as his brother and co-trustee—who is also Liberty’s chancellor—did not consent.

The initial trademark lawsuit consisted primarily of a list of examples of how the school was using Jerry Falwell Sr.’s name and image.

After the school filed its motion to dismiss the case, Falwell Jr.’s attorneys filed an amended complaint, making a series of allegations about misconduct by school leaders, including “through a series of questionable self-dealing transactions that have the appearance of kickbacks” and overlooking sexual misconduct by former leaders.