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DECEMBER 2008

LA Weight Loss Settles Nationwide Sex Discrimination Lawsuit with EEOC

Company Refused to Hire Men into Weight Loss Counselor and Other Jobs, Agency Alleged

The U.S. Equal Employment Opportunity Commission (EEOC) announced recently that it has resolved its pattern or practice sex discrimination lawsuit against LA Weight Loss Centers, Inc., (renamed Pure Weight Loss, Inc., in early 2007), for \$20 million and other significant relief.

According to the EEOC's suit filed in the U.S. District Court for the District of Maryland, Pure Weight Loss had a nationwide policy of not hiring qualified males into the positions of counselor/sales, medical assistants, assistant managers, center managers, area supervisors, trainers, and other field positions. Former Area Trainer Kathy Koch was disciplined and fired in retaliation for complaining about the company's policy of not hiring men and for interviewing male candidates, the EEOC also alleged.

Refusing to hire qualified applicants because of their gender, maintaining sex-specific job classifications, and retaliating against employees who protest unlawful discriminatory practices violate Title VII of the Civil Rights Act of 1964. Pursuant to the consent decree and as approved by the bankruptcy trustee, the EEOC will have a claim in bankruptcy court of \$20 million -- \$16,842,656 in back pay and \$3,157,344 in punitive damages -- payable to men whom the EEOC determined were subjected to hiring discrimination because of their sex during the period January 1, 1997, through the entry of the decree. The portion of the settlement, if any, that the EEOC will be able to obtain through its pending bankruptcy court claim is presently unknown. Koch settled with Pure Weight Loss in November 2005.

Along with the monetary relief to the class members, the 10-year consent decree provides for significant injunctive relief. The decree applies to all Pure Weight Loss centers or to any successor resuming business operations. The decree:

- Prohibits Pure Weight Loss from discriminating against job applicants or employees because of sex and retaliating against any of its employees or applicants;
- Requires Pure Weight Loss to use an electronic applicant tracking system for each person hired and for any person who submits an application, and to provide specific information on applicants by sex and other categories defined by the EEOC; and
- Mandates that Pure Weight Loss create a discrimination complaint procedure, post its commitment to equal opportunity and a diverse workforce, and report compliance to the EEOC.

Additionally, the consent decree requires hiring of rejected male applicants and includes numerical benchmarks for hiring and/or promoting men to the positions from which they had been previously excluded; requires Pure Weight Loss to conduct quarterly reviews to assess attainment of its hiring goals; and, at the EEOC's option, requires Pure Weight Loss to employ an outside expert to examine the hiring process to assist in achieving any unmet hiring goals.

Gold'n Plump and The Work Connection Settle Suits by EEOC for Religious Discrimination

*Prayer Breaks Sought by Muslim Employees to be Instituted;
Total of \$365,000 to be Paid in Two Cases*

The U.S. Equal Employment Opportunity Commission announced that a federal district court in St. Paul, Minn., recently approved consent decrees that settle two religious discrimination lawsuits against a leading St. Cloud, Minn.-based chicken processor, Gold'n Plump Poultry, Inc., and an employment agency, The Work Connection, which referred workers to it.

Under the decree preliminarily approved in the Gold'n Plump case, the employer will add a paid break during the second half of each shift which -- in addition to a break early in the shift and lunch breaks otherwise required by applicable law -- will accommodate the religious beliefs of Muslim employees who wish to pray during the course of the work day. The timing of the added break will fluctuate during the year so as to coordinate with the religious timing for Muslim prayers.

In addition to other related relief, Gold'n Plump will provide \$215,000 in monetary relief to a class of Somali Muslims who claimed religious discrimination, including discharge and discipline. An additional \$150,000 will be paid to class members under the consent decree entered in The Work Connection case. EEOC attorneys estimate that the total number of individuals receiving monetary relief in the cases after claims processing will be in the 40 to 80 range.

The decree in The Work Connection case has also been given preliminary approval and entered by the court. The EEOC had alleged in The Work Connection case that, in order to be referred for work at Gold'n Plump's facilities in Cold Spring, Minn., and Arcadia, Wis., applicants were required to sign a form stating that they would not refuse to handle pork in the course of their jobs. In addition to stop ing use of the "pork form," The Work Connection will offer placement at Gold'n Plump to job seekers previously turned away.

REMINDER:

We will be hosting a workshop on EEO (Interviewing, Performance Evaluations and Terminations) on February 18, 2009.

To download a brochure go to:

<http://www.stoweassociates.com/BROCHURES/Invitation%202-18-09.pdf>

You will receive HR
Credit Hours for each
session attended



Topics to be Discussed

Date: Wednesday, February 18, 2009

Topic: EEO
(Equal Employment Opportunity)
9:00 a.m. – 12:00 noon

Topic: Job Descriptions
1:00 p.m. – 4:30 p.m.

Location: Cobb Galleria Centre

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