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Stowe Associates Insurance and Compliance Tips Newsletter



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American Laser Centers to pay \$125,000 to Settle Sexual Harassment and Retaliation Suit By EEOC

Nation's Largest Laser Hair Removal Company Allowed Harassment of Female Staff in Fresno and Fired Manager who Complained.

American Laser Centers (ALC), the largest laser hair removal company in the U.S., will pay \$125,000 and furnish other relief to settle claims of sexual harassment and retaliation at its site in Fresno, California resolving a lawsuit filed by the U.S. Equal Employment Opportunity Commission (EEOC), the federal agency announced today.

According to the original lawsuit, female staff at the company's clinic in Fresno charged that they were sexually harassed since at least 2006 by the landlord for the facility in question. The women, including a clinic manager, faced frequent harassment which included leering, unwelcome touching, sexual advances and appearances in their work area by the visibly aroused landlord. The harassment got to the point where one female employee felt compelled to bring her brother to work as a measure of protection.

The clinic manager and others reported the harassment to ALC district management in 2006, expressing fear of working with the landlord. The women's fears were met with a superficial internal investigation with no finding of wrongdoing on the part the landlord and continued exposure to their feared harasser. The female clinic manager was fired just a week and a half after reporting the misconduct.

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The EEOC originally filed suit in January 2010 in the U.S. District Court, Eastern District of California, arguing that the company's failure to appropriately address the harassment of all the women, and the retaliatory discharge suffered by the manager who complained, violates Title VII of the Civil Rights Act of 1964. Title VII also prohibits employers from permitting third parties to harass their employees. A three-year consent decree reached by both parties effectively settles the suit for \$125,000 in back pay and compensatory damages for distress suffered by the four female targets.

The consent decree also calls for injunctive relief to correct and prevent future instances of harassment, discrimination and retaliation at American Laser Center clinics in and around the company's bay area region, which encompasses Fresno, California. Requirements include implementing anti-harassment and anti-retaliation policies and complaint procedures; annual compliance training for staff; designation of an internal EEO officer; holding managers accountable for engaging in such misconduct; posting an EEOC notice on the matter; and, reports on the

Caviness Beef Packers Agrees to Pay \$600,000 to Applicants to Resolve Allegations of Hiring Discrimination

746 applicants in Amarillo and Hereford, Texas, affected.

The U.S. Department of Labor's Office of Federal Contract Compliance Programs today announced that federal contractor Caviness Beef Packers Ltd., doing business as Palo Duro Meat Processing Inc. in Amarillo and Caviness Packing Co. in Hereford, has agreed to a settlement resolving findings that the company discriminated against job applicants on the bases of race and gender by rejecting them for positions at the company's two meat processing facilities.

"The law is clear," said the OFCCP Director. "Discrimination will not be tolerated by employers who profit from lucrative government contracts. We are committed to protecting workers from discrimination, including the hundreds of qualified white, black, Asian and female job seekers involved in this case."

OFCCP conducted scheduled compliance reviews of both plants, which found that the company had violated Executive Order 11246 by failing to meet its obligations as a federal contractor to ensure that qualified job applicants receive equal consideration for employment without regard to their sex, race, color, religion or national origin. Caviness holds contracts with the U.S. Department of Agriculture in excess of \$20 million.

Under the conciliation agreement, Amarillo based Caviness Beef Packers will pay \$600,000 to the 746 identified class members, including back wages and interest, and extend at least 81 offers of employment as positions become available. Additionally, the company agreed to revise its selection process for production positions to avoid future violations of its equal employment opportunity obligations.

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