

Examples of Diversity Lawsuit Costs or Settlements

Over the years, in most cultural discrimination cases, including those that resulted in multimillion dollars settlements, the single common denominator is that ONE or a COUPLE of employees or managers caused the company the huge loss, NOT a whole department and certainly NOT an entire organization.

See for yourself how just a few employees created discrimination and what it cost their organizations. Punitive damages related to diversity do not only occur to others, it may also happen to your organization no matter its size.

	CASES/ORGANIZATION	SETTLEMENTS/LOSS	# EMPLOYEES INVOLVED
1	New Jersey Police 1998 Troopers intentionally lied about the race of drivers they had stopped in an effort to cover up the fact they were targeting racial minorities. <i>ABCNews</i> – Feb 02.	a. The state settled a civil lawsuit filed by agreeing to pay out \$12.9 million . b. Legal fees c. Ruined reputation	TWO Troopers
2	WASHINGTON-Microsoft 1999 – Racism and plantation mentality – <i>The Seattle Times</i> -January 4, 2001	a. Cost: \$5 billion b. Legal fees a. Ruined reputation	A FEW managers.
3	Age discrimination lawsuit filed against Ford Motor Co. <i>The Detroit Free Press</i> -February 17, 2001	Cost: “multimillion-dollar”	ONE Manager
4	IBM - “Age Discrimination” Pension plan designed to favor young employees. <i>CNET News</i> , August 7, 2006	a. Cost: \$319 million b. Legal fees c. Ruined reputation d. IBM shares down 37 cents in same afternoon trading on the NY Stock Exchange.	ONE HR Manager
5	TEXACO - Senior executives caught on tape making racist remarks about black employees. <i>TIME/CNN/Los Angeles Times</i> - (Feb. 16, 1999)	a. Cost: \$176 million b. Legal fees c. Ruined reputation	TWO Senior executives
6.	COCA-COLA – Atlanta: Discrimination against blacks <i>Atlanta Business Chronicle</i> , November 2000	a. Cost: \$156 million to resolve Federal Lawsuit b. \$36 million required on structural programs and c. “A public relations disaster” in the business community	A FEW Managers
7	COCA-COLA Enterprises, Inc., Cincinnati- Racial slurs and threats to physically abuse minority employees. <i>Atlanta Business Chronicle</i> , November 2000	Undisclosed Settlement Legal fees	A FEW managers
8	NIKE - Discrimination against African-American employees. <i>Chicago Tribune</i> , July 31, 2007	a. Cost: \$7.6 million b. Legal fees c. Ruined reputation	ONE HR Manager
9.	POLICE DEPARTMENT – A Police Officer referring to a Black male using the word “Nigger”.	a. \$600.000 settlement b. Legal fees c. Ruined reputation	ONE Police Officer
10.	BEST BUY CO. - Racial and ethnic customer profiling in DC and VA under the store "Be On the Look Out" policy, or "BOLO policy". Racial and ethnic minorities, who had done nothing to merit suspicion, are followed	a. Cost: \$1 million b. Legal fees c. Ruined reputation	A FEW Managers

	and described as "bearded Middle Eastern guy who looked shady" or "black ghetto guy." <i>Lawersandsettlements.com, June 2011</i>		
11.	<i>San Francisco, CA:</i> Abercrombie & Fitch- Facing a lawsuit alleging that it denied a Muslim teenager, Halla Banafa, 18, a job because she wore a hijab or head scarf. The manager asked if she was Muslim and required to wear a head scarf, then marked "not Abercrombie look" on the young woman's interview form. <i>Lawersandsettlements.com, Sept 2010</i>	On-going	ONE Manager
12.	The Walt Disney Company - Faced lawsuit, alleging religious discrimination against a Sikh American who was refused a job with Disney in 2006, and was told that he did not have the 'Disney look'. The beard and turban worn by the applicant, which his religion requires him to wear, would violate the Disney dress-code. <i>Lawersandsettlements.com, June 24, 2008</i>	Undisclosed	ONE Manager
13.	The City of Colorado Springs Police Department - Sued for refusing to promote Officer Lance Lazoff to sergeant in retaliation for his allegiance to his wife who was the lead plaintiff in a successful class action lawsuit against the police department under the Americans with Disabilities Act (ADA). <i>Lawersandsettlements.com, Dec 11, 2007</i>	Undisclosed	ONE Supervisor
14.	The State of Iowa - A class action lawsuit has been filed against the state alleging racial discrimination in its hiring practices. The suit claims the state of Iowa engaged in racial discrimination and retaliation to deny black people jobs and promotions. It alleges the state's practices are designed to limit the number of blacks in state jobs to the minimum required by affirmative action plans. <i>Lawersandsettlements.com, Nov. 01, 2007</i>	<ul style="list-style-type: none"> a. Back pay, benefits, and payment for loss of opportunity. b. Legal fees c. Ruined reputation 	A FEW supervisors
15.	Lower Merion School District, PA. - A class action lawsuit filed against the district alleging racial discrimination against African American students. Parents allege the School District segregates black students into remedial or modified classes and keeps them there even if they make progress. The lawsuit also points out that while only 7.5 percent of the 6,800 students in Lower Merion schools are black, remedial classes are filled with 90 percent black students. Nearly 13 percent of black students in Lower Merion schools score below average in the fifth grade, 24 percent in the eighth grade, and 36 percent in the 11th grade. While only 3 percent of white students scored below basic in the fifth grade, 5 percent in the eighth grade, and 8 percent in the 11th grade.	Undisclosed	School leadership

	<i>Lawersandsettlements.com, Sept. 05, 2007</i>		
16.	<p>GEICO - Class action lawsuit filed against the auto insurance company for allegedly discriminating against African Americans by regularly charging them higher insurance premiums than it charges Caucasians with the same driving records. GEICO also allegedly uses the occupation and level of education of its policyholders to determine premiums and therefore charges higher costs to those with less education and low qualification jobs.</p> <p><i>Lawersandsettlements.com, April 11, 2006</i></p>	Undisclosed	A FEW Managers
17.	<p>Los Angeles Angels of Anaheim claims - A class action lawsuit filed for gender and age discrimination. On Mother's Day, the Angels gave out tote bags to women over 18 years of age only and the suit says that every person who attended the game regardless of age and gender should receive a tote bag.</p> <p><i>Lawersandsettlements.com, May 16, 2006</i></p>	On-Going	ONE Manager
18.	<p>GREENEVILLE, Tennessee – CitiGroup - A religious discrimination lawsuit filed against CitiGroup settled at \$250,000. The lawsuit claims a picture of Jesus was posted on an employee's computer two days after she had declared that she is an atheist. After she complained about the picture, her supervisor, Russell Rogers, dismissed her on the grounds that she was being a disturbance.</p> <p><i>Kingsport Times-News, February 02, 2004</i></p>	Settlement by mediation: \$250,000.00	ONE supervisor:
19.	<p>Morristown, TN - Lowe's - Lowe's violated federal law when it refused to reasonably accommodate the sincerely held religious belief of an employee. The worker had requested to be excused from working on the Christian Sabbath, but the store scheduler retaliated against him by scheduling him to work on the Sabbath for 27 weeks.</p> <p><i>Legafi.com - September 23, 2011</i></p>	<ul style="list-style-type: none"> a. Settlement: \$120,000 b. Lowe's signed a 3-year consent decree prohibiting Lowe's from future refusal to accommodate religious beliefs of its employees c. Lowe's required to make an addendum to its HR guide d. Lowe's required to provide diversity training to its store managers, assistant managers, and human resource managers, and e. Post a notice regarding the religious discrimination settlement. 	ONE Manager, The scheduling Manager

20.	<p>Belk Department Store in Raleigh, NC - A Jehovah's Witness claimed in the religious discrimination lawsuit that she was fired from her job at a Belk department store in Raleigh, NC for refusing to wear a Santa hat and apron on Christmas, because it conflicted with her religious beliefs. Recognizing holidays such as Christmas is prohibited by the Jehovah's Witness religion.</p> <p>www.legafi.com, March 23, 2011</p>	Settlement: \$55,000.00	ONE supervisor
21.	<p>HARRISBURG, Pa. — UPS Freight – UPS refused to accommodate the Rastafarian religious beliefs of an employee, and instead fired him. UPS hired the employee for a position as a driver. During new hire orientation, the HR manager told him that he would need to cut his hair and shave his beard to comply with the company's grooming policy. The employee replied that his religious beliefs prohibit him from cutting his hair or shaving his beard. The following day, the HR manager fired him.</p> <p><i>PRESS RELEASE, EEOC – February 17, 2010</i></p>	<p>a. \$46,000 settlement b. Two-year consent decree includes: injunctive relief prohibiting UPS Freight from engaging in unlawful religious discrimination or retaliation; c. Diversity training; and d. Posting of a notice about the settlement.</p>	ONE manager: HR Manager
22	<p>CITY OF LEE'S SUMMIT, MO – Age Discrimination lawsuit filed against the City of Lee's Summit. The jury found that the judges discriminated against a superiorly qualified applicant for a court security position because of his age. At 69 the applicant was passed over for the job.</p> <p><i>LEE'S SUMMIT JOURNAL – February 01, 2012</i></p>	<p>a. \$68,000 – The Jury ordered the city to pay b. Process to seek reimbursement for attorneys' fees.</p>	TWO managers: HR Manager and Municipal Court Administrator