

*The U.S. Equal Employment Opportunity Commission*

FOR IMMEDIATE RELEASE  
May 31, 2007

CONTACT: Delner Franklin-Thomas, District Director  
C. Emanuel Smith, Regional Attorney  
Julie S. Lee, Supervisory Trial Attorney  
Charles Guerrier, Senior Trial Attorney  
Valerie Hicks-Powe, Senior Trial Attorney  
Mason Barrett, Senior Trial Attorney  
(205) 212-2045  
TTY: (205) 212-2112

## ALABAMA AND MISSISSIPPI EMPLOYERS SETTLE RACE BIAS CASES FOR COMBINED \$454,000 AND OTHER REQUIREMENTS

### ***EEOC Suits Charged Nooses, Swastikas, Graffiti Were Displayed to Harass Black Workers***

BIRMINGHAM, Ala. – The U.S. Equal Employment Opportunity Commission (EEOC) announced today that it has resolved three race discrimination lawsuits in Alabama and Mississippi for a combined total of nearly half a million dollars and injunctive relief – including the settlement of a class case against Pemco Aeroplex, a Birmingham-based aerospace and defense company, involving nooses, swastikas and other threatening symbols creating a hostile work environment for African American workers. The other cases were settled with Ryan's Restaurant Group, Inc. and Renal Care Group, Inc.

"Despite what some may think, overt racial harassment of African Americans still occurs in workplaces more than 40 years after passage of the landmark Civil Rights Act," said EEOC Chair Naomi C. Earp. "In addition to the severe types of race discrimination witnessed in these cases, the EEOC also is seeing more subtle forms of bias against people of color – which is why we recently launched the E.RACE Initiative."

In February 2007, Chair Earp unveiled the Commission's E-RACE Initiative (Eradicating Racism And Colorism from Employment), a national outreach, education, and enforcement campaign focusing on new and emerging race and color issues in the 21st century workplace. Further information about the E-RACE Initiative is available on the EEOC's web site at <http://www.eeoc.gov/initiatives/e-race/index.html>.

In the biggest of the three EEOC litigation settlements announced today, Pemco Aeroplex will pay \$390,000 and modify its policies on workplace discrimination. The agency's suit (Civil Action Number 200-cv-02762-WMA in the U.S. District Court for the Northern District of Alabama), filed in September 2000, was based upon 36 separate discrimination charges which had been filed in 1998. The EEOC charged that, since at least January 1995, Pemco had engaged in a "pattern or practice" of race discrimination against its black employees by subjecting them to a racially hostile work environment in violation of Title VII of the Civil Rights Act of 1964. The EEOC said this hostile environment included racially offensive graffiti, the display of nooses, swastikas and KKK graffiti in work areas, as well as racial slurs and epithets.

In addition to a fund of \$390,000 to be distributed to aggrieved Pemco workers, the consent decree settling the lawsuit requires Pemco to revamp its policies concerning workplace racial harassment and retaliation -- including implementing a new internal complaint procedure, annual training on the company's equal employment opportunity policies and investigative procedures, and other preventative measures. Pemco will also conduct periodic surveys on implementing the agreement and provide team building and diversity training.

Some private individuals also filed a separate lawsuit against Pemco, which provides aircraft maintenance and modification services for government and military customers. The claims in that litigation were either settled or went to trial in 2002. At one point, the EEOC complaint was dismissed, but then reinstated after a successful appeal.

In another case, Ryan's Restaurant Group, Inc. agreed to pay \$41,000 to a black former employee to settle an EEOC race bias suit (Civil Action Number 6:05-cv-02540-LSC in the U.S. District Court for the Northern District of Alabama). The EEOC charged that Ryan's violated Title VII when it created and condoned a racially hostile work environment at its Jasper, Ala., restaurant. The harassment included the display of hangman's nooses by the Jasper restaurant's manager. The employee complained about the workplace nooses, the EEOC said, and was fired in retaliation. This settlement also includes requirements for anti-discrimination training.

According to its web site, Ryan's Restaurant Group is headquartered in Greer, S.C., and operates more than 340 Ryan's and Fire Mountain restaurants in 23 states primarily in the Southern and Midwestern United States. The company employs approximately 23,000 employees and serves more than 110 million customers annually.

Finally, the EEOC settled its lawsuit against kidney dialysis center Renal Care Group, Inc. of Jackson, Miss., for \$21,000 (Civil Action No. 3:05-cv-00052-HTW-JCS in U.S. District Court for the Southern District of Mississippi, Jackson Division). The EEOC's suit alleged that Renal Care discriminated against the African American facility manager and fired her for

complaining about discrimination.

EEOC Birmingham District Director Delner Franklin-Thomas. "We encourage employers to implement training programs, as well as other policies and procedures, to prevent discrimination in the first instance. Proactive prevention measures promote voluntary compliance, which is in the best interest of every employer."

In all of these cases, the EEOC filed suit only after attempting to reach voluntary settlements.

"Each of these lawsuits addressed the mistreatment of blacks in the workplace based solely on their race," said EEOC Birmingham Office Regional Attorney C. Emanuel Smith. "The Commission will continue to identify issues, criteria and barriers that contribute to race and color discrimination."

The EEOC enforces federal laws prohibiting employment discrimination. Further information about the EEOC is available on its web site at [www.eeoc.gov](http://www.eeoc.gov).

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