

*The U.S. Equal Employment Opportunity Commission*

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**PRESS RELEASE**

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## EEOC AND THE PALM RESOLVE INQUIRY INTO RECRUITING AND HIRING PRACTICES

LOS ANGELES - The U.S. Equal Employment Opportunity Commission (EEOC) and Palm Management Corporation, which manages The Palm Restaurants, today announced the resolution of an EEOC Commissioner's Charge, ending a nationwide investigation focusing on past recruitment and hiring practices. The pre-litigation agreement was voluntarily entered into by The Palm and obtained through the EEOC's conciliation process. The terms of the agreement include The Palm's already extensive diversity program with mandatory EEO training for managers and employees, and the establishment of a class fund in the amount of \$500,000.

The EEOC's investigation was based on allegations that The Palm violated Title VII of the Civil Rights Act of 1964 by failing to recruit and hire women into service worker positions. However, beginning in 2000, the Palm had implemented changes in its employment practices, which included providing mandatory training to supervisors concerning the avoidance of discrimination in hiring, and more effective applicant tracking and record-keeping systems.

Olophius Perry, Director of EEOC's Los Angeles District Office, which led the investigation, said, "This a prime example of how employers should work cooperatively with the EEOC as a means of effectively resolving discrimination charges to the satisfaction of all involved parties. The Palm has shown it is committed to equal employment opportunity for women. Once made aware of inconsistencies that existed in its recruitment and hiring effort, The Palm proactively created a sophisticated, centralized tracking system that should serve as a 'best practices' model for other businesses."

Palm President and Chief Operating Officer Fred Thimm said, "I am pleased that we were able to work collaboratively with the EEOC to resolve the allegations. We have achieved an outcome which has enhanced our methods of recruitment to ensure a more diverse pool of applicants, and as a result, a more diverse workforce. As a business that experienced rapid growth, we learned that our traditional method of recruiting only through employee referrals was not the best way in terms of ensuring gender diversity. It should go without saying that The Palm does not tolerate discrimination in its workplace, and will continue rigorous enforcement of its existing EEOC policies."

The EEOC enforces Title VII of the Civil Rights Act of 1964, which prohibits employment discrimination based on race, color, religion, sex, and national origin; the Age Discrimination in Employment Act; the Equal Pay Act; Title I of the Americans with Disabilities Act, which prohibits discrimination against people with disabilities in the private sector and state and local governments; and the Rehabilitation Act's prohibitions against disability discrimination in the federal government; and sections of the Civil Rights Act of 1991. Further information about the Commission is available on its web site at [www.eeoc.gov](http://www.eeoc.gov).

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