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## EEOC OPPOSES SETTLEMENT OF RENT-A-CENTER LAWSUIT

ST. LOUIS - The U.S. Equal Employment Opportunity Commission (EEOC) today filed a brief in the U.S. Court of Appeals for the 8<sup>th</sup> Circuit opposing a tentative settlement for \$12.2 million in a sex discrimination case against Rent-A-Center, Inc. in a suit pending in Kansas City, Missouri. The EEOC says the tentative settlement has obvious and significant deficiencies, and there are serious unresolved questions about whether the women who settled the case can fairly and adequately look out for the interests of thousands of other women. The Commission also told the court that the settlement could ultimately bind the thousands of women with similar claims against Rent-A-Center in its two lawsuits brought by the Commission against Rent-A-Center in Illinois and Tennessee.

On November 29, 2001, a federal judge in the Western District of Missouri gave preliminary approval to the settlement of the Kansas City lawsuit (Bunch v. Rent-A-Center, 00-0364-CV-W-3). The judge also allowed the parties in that case to send letters offering a settlement amount that ranges from \$500 to \$7,000 to every woman throughout the country who worked for Rent-A-Center or sought employment there since early 1998. The amount would be paid in exchange for their agreement to give up all claims, including those EEOC made for women in its lawsuits in Illinois and Tennessee. Women may seek a different recovery, up to a maximum of \$25,000-\$50,000 depending on various circumstances, but if they do, they run the risk of getting nothing. The proposed settlement provides no jobs or reinstatement for any of the women affected. Women who wish to stay in the government's cases must opt out of the Kansas City settlement in writing by January 25, 2002.

In May, 1999 the EEOC filed a lawsuit (EEOC v. Rent-A-Center, 99-2427-TU-V) in Memphis, Tennessee, charging that Rent-A-Center, when it acquired a competitor named Rentronics, terminated female employees and refused to hire female applicants in Tennessee and Arkansas because of their sex. That suit is ready for trial.

In August 2000, 21 female employees, later joined by 6 others, filed a nationwide class action (Wilfong et al v. Rent-A-Center, 00-680-DRH) in East St. Louis, Illinois, claiming that, after Renters Choice acquired 1,400 Rent-A-Center stores and assumed the name of Rent-A-Center, the new Rent-A-Center systematically eliminated women from its workforce. The class complaint alleged that Rent-A-Center got rid of job classifications previously held by women, imposed an unfair weight-lifting requirement, harassed and unfairly disciplined female employees, assigned them cleaning and clerical duties, demoted and failed to promote them, refused to hire them, and discharged them or forced them to resign.

EEOC, the lead federal enforcement agency on employment discrimination, certified that the Illinois case is of general public importance and asked to intervene, which the District Court for the Southern District of Illinois allowed on May 14, 2001. With the support of the EEOC, the Wilfong private plaintiffs moved for certification of their case as a class action on November 1, 2001 and submitted over 300 sworn statements from discrimination victims and witnesses to support their motion.

Meanwhile, the Kansas City case, originally filed by two women who claimed individual discrimination, had been ordered to mandatory arbitration by the judge there. No class claims were part of the arbitration, which would have ended that case. Suddenly, on October 31, 2001, Rent-A-Center and the two women submitted a proposed \$12.2 million settlement that was designed to dispose of all claims by female employees and applicants all over the country, including those in the EEOC's Illinois and Tennessee cases.

The EEOC asks that, in order to obtain information about these conflicting lawsuits, female employees and applicants who worked for or applied at Rent-A-Center since March 1998 send an e-mail to Donna L Harper, EEOC Supervisory Trial Attorney, at [donna.harper@eoc.gov](mailto:donna.harper@eoc.gov) or write to her at 1222 Spruce Street, Room 8.100, St. Louis, Missouri 63103, and include a phone number for reply.

In addition to enforcing Title VII of the Civil Rights Act of 1964, which prohibits employment discrimination based on race, color, religion, sex, or national origin, the EEOC enforces the Age Discrimination in Employment Act; the Equal Pay Act; Titles I and V of the Americans with Disabilities Act, which prohibits discrimination against people with disabilities in the private sector and state and local governments; prohibitions against discrimination affecting individuals with disabilities in the federal sector; and sections of the Civil Rights Act of 1991. Further information about the EEOC is available on the agency's Web site at [www.eeoc.gov](http://www.eeoc.gov).

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