

The U.S. Equal Employment Opportunity Commission

FOR IMMEDIATE RELEASE
November 15, 2002

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EEOC SETTLES MAJOR AGE BIAS SUIT; FOOT LOCKER TO PAY \$3.5 MILLION TO FORMER WOOLWORTH EMPLOYEES

NEW YORK -- The U.S. Equal Employment Opportunity Commission (EEOC) announced today that it has settled a class age discrimination lawsuit with retail giant Foot Locker Specialty Inc. for \$3.5 million on behalf of a class of hundreds of older former employees of the F.W. Woolworth Company whose employment was terminated because of their ages during nationwide layoffs between 1995 and 1997.

"The EEOC commends Foot Locker for taking positive steps to correct this wrong," said EEOC Chair Cari M. Dominguez. Noting that age bias is the fastest growing type of charge filed with the EEOC, she added: "As the graying of America's work force continues, age discrimination is becoming an ever-increasing national problem. Employers must be ever vigilant that age is never used as a criterion for employment decisions."

The EEOC's lawsuit, Case 99 CIV. 4758 in U.S. District Court for the Southern District of New York, alleged that Woolworth targeted employees 40 years old or over for layoffs because of their ages, and that many were promptly replaced by younger persons hired from the outside. The EEOC found evidence that F.W. Woolworth selected older employees for discharge out of proportion to their representation of the work force, and that the company engaged in a nationwide pattern or practice of discrimination against older employees in its stores.

The EEOC also discovered additional evidence of age-discriminatory statements and actions that motivated the actions of the company's executives and decision makers.

The EEOC litigated the case under the Age Discrimination in Employment Act of 1967 (ADEA) on behalf of a nationwide group of employees with charges of discrimination made by individuals throughout the mainland United States and Hawaii. The EEOC filed suit after exhausting its conciliation efforts to reach a voluntary pre-litigation settlement.

The Consent Decree settling the suit provides for lost back pay and liquidated damages on behalf of a group of 678 former employees age 40 or older whom F.W. Woolworth discharged from its stores throughout the United States. Although F.W. Woolworth Co. and its Woolworth retail stores ceased operation in 1997, the corporate parent continued to operate and now exists as Foot Locker Specialty, Inc., which operates retail clothing stores. F.W. Woolworth Co., Inc. changed its name to Foot Locker Specialty, Inc. which is a subsidiary of Foot Locker, Inc.

"Firms that attempt to force out and replace their older employees are breaking the law and risk having to make sizable restitution, as was done in this case," said Katherine Bissell, EEOC's New York District Regional Attorney. "Even when a retailing giant contemplates liquidating a chain of stores, it may not single out its most senior employees for adverse, discriminatory treatment."

Spencer H. Lewis, Jr., Director of the EEOC's New York District Office, added that "reductions-in-force may be a necessary fact of economic life, but age discrimination is not. Productive, hard-working employees with 20 to 30 years of experience deserve better than to be displaced by younger, less experienced persons hired off the street."

In addition to enforcing the ADEA, which protects workers age 40 and older from discrimination based on age, the EEOC enforces Title VII of the Civil Rights Act of 1964, as amended, which prohibits employment discrimination based on race, color, religion, sex (including sexual harassment or pregnancy) or national origin and protects employees who complain about such offenses from retaliation; the Equal Pay Act of 1963, which prohibits gender-based wage discrimination; the Rehabilitation Act of 1973, which prohibits employment discrimination against people with disabilities in the federal sector; Title I of the Americans with Disabilities Act, which prohibits employment discrimination against people with disabilities in the private sector and state and local governments; and sections of the Civil Rights Act of 1991. Further information about the Commission is available on its web site at www.eeoc.gov.

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