

The U.S. Equal Employment Opportunity Commission

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EEOC FILES SEX DISCRIMINATION LAWSUIT AGAINST MORGAN STANLEY

Lawsuit Charges Brokerage House with Widespread Discrimination against Women

NEW YORK - The U.S. Equal Employment Opportunity Commission (EEOC) filed suit today against Morgan Stanley Dean Witter & Co. and Morgan Stanley & Co., Inc. alleging that the Wall Street brokerage firm discriminated against Allison Schieffelin, a former convertible bond sales representative, and as many as 100 other women in the company's Institutional Equity Division on the basis of their sex. The suit also alleges that Morgan Stanley retaliated against Ms. Schieffelin, and ultimately fired her, after she voiced her opposition to discriminatory practices at the firm.

EEOC filed the lawsuit in U.S. District Court for the Southern District of New York pursuant to Title VII of the Civil Rights Act of 1964 and the Civil Rights Act of 1991. The suit charges Morgan Stanley with having engaged in a pattern or practice of discrimination against women in the Institutional Equity Division who held positions as associate, vice president, principal, and managing director by compensating them less than their male colleagues and by limiting their opportunities for professional advancement.

"By advancing free marketplace principles, Wall Street has led our nation to its position of global economic preeminence," said EEOC Chair Cari Dominguez. "Our laws and our citizens now demand that those same principles that have worked so well in the marketplace be applied to the workplace. This Agency is fully committed to ensuring that all Americans have the freedom to compete - the freedom to compete in the workplace on a level playing field. I urge the securities industry - and all employers - to continue to take an aggressive, proactive role in removing workplace barriers, whether attitudinal or organizational, that deprive women of the freedom to compete and to achieve to their fullest potential."

According to Spencer H. Lewis, Jr., director of the agency's New York District Office, which investigated and attempted to settle the case prior to filing suit, "Morgan Stanley systematically denied opportunities for equal compensation and advancement to a class of professional women. By filing this pattern or practice case the EEOC seeks to remedy these illegal practices and send a message that discrimination will not be tolerated in this or any other industry."

Equally troubling to the EEOC is the evidence of retaliation against Ms. Schieffelin. "When she spoke out against the discrimination, Morgan Stanley made a bad situation worse by punishing her for exercising her federally protected rights," said the office's Regional Attorney Katherine Bissell. "The EEOC cannot allow retaliation to stand because it impedes our ability to investigate and enforce the law. We hope that by filing this lawsuit others who believe they have been discriminated against will feel that they can come forward and share their experiences and concerns."

In addition to enforcing Title VII, which prohibits employment discrimination based on race, color, religion, sex or national origin, EEOC enforces the Age Discrimination in Employment Act; the Equal Pay Act; 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; prohibitions against discrimination affecting individuals with disabilities in the federal government; and sections of the Civil Rights Act of 1991. Further information about the Commission is available on the agency's Web site at www.eeoc.gov.

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