

Biggest Litigation Settlements

Summary

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Major American corporations have expended in excess of \$1.5 billion to settle discrimination cases in the last 10 years, according to data recently compiled by MountainTop Institute. While the possibility of being hit with an suit claiming discrimination is not the primary focus of MountainTop's approach to Diversity consulting and training, it is a current day reality.

Aggressive initiatives focused on Diversity and Inclusion have been a mitigating factor in discrimination suits, an indication of a company's intention to create an environment free of discrimination.

MountainTop Institute's Business Case for Diversity focuses on a compelling value proposition: that creation of an aggressive initiative on Diversity and Inclusion creates a competitive advantage.

1. An increase in productivity, performance, teamwork, ability to attract and retain top talent, improved morale, and alignment with corporate values.
2. An increase in a company's ability to understand and appeal to an increasingly diverse marketplace.
3. An improvement in overall organizational effectiveness and, for publicly-traded corporations, a significantly higher performance in the stock markets.

The attached spreadsheet displays a summary of major settlements in the last 10 years. The only case outside of the 10-year timeframe, is that of General Motors, which we included because of its size and impact. This list is major suits, many brought through the Federal EEOC. In addition to these settlements hundreds of additional settlements exist, many brought outside of the EEOC framework.

- The total of all litigations on the spreadsheet is over \$1.37 Billion.
- All of the cases in the spreadsheet are within the last 10 years except that of General Motors (1984)

- 29 of the Top 30 settlements are national or multinational corporations.
- In the case of Texaco, Inc. \$115 Million was the actual cash payout sum. After including \$26.1 Million in pay raises over a five year period and \$35 Million on Diversity Training, the total reaches over \$176 Million.
*Texaco later hired a Public Relations firm for roughly \$40 Million to improve its image to the public.
- The usual duration of the largest litigation settlements is approximately 5 years.
- In the case of Morgan Stanley, Allison Schieffelin (the primary plaintiff) was awarded \$12 Million. The largest any individual has ever received in a discrimination settlement.
- According to the EEOC, Wal-Mart, Inc. and Home Depot, U.S.A., Inc. have the largest number of individual discrimination settlements.

Large Discrimination Settlements 1984-2005				
Company	Amount	Charges	Date	Source
Coca Cola Co.	192.5 Million	Race Discrimination	11/16/00	http://money.cnn.com/2000/11/16/companies/coke/
Texaco, Inc.	176 Million	Race Discrimination	11/20/96	http://www.eeoc.gov/press/11-20-96.html
Nextel, Inc.	176 Million	Sex, Race, Age Discrimination	6/20/00	http://www.classactionstrategy.com/resouces/recentemploymentcases.htm
Shoney's, Inc.	132.5 Million	Race Discrimination	6/15/05	http://www.burrandsmithlaw.com/cases_race.htm
Publix Super Markets, Inc.	81.2 Million	Sex Discrimination	6/19/95	http://www.eeoc.gov/abouteeoc/35th/milestones/1997.html
Denny's Corp.	54 Million	Race Discrimination	12/6/95	http://www.mdcbowen.org/p2/bh/badco/dennysgbu.pdf
Morgan Stanley & Co., Inc.	54 Million	Sex Discrimination	9/10/01	http://www.eeoc.gov/press/9-10-01.html
California Public Employee's Retirement System	50 Million	Age/Disabilities Discrimination	1/29/03	http://www.eeoc.gov/litigation/settlements/settlement01-03.html
Abercrombie & Fitch Stores, Inc.	47 Million	Race Discrimination	4/15/05	http://www.eeoc.gov/litigation/settlements/settlement04-05.html
Rent-A-Center Inc.	47 Million	Sex Discrimination	3/8/02	http://www.eeoc.gov/press/3-8-02.html
General Motors Corp. / United Auto Workers	42.5 Million	Sex & Race Discrimination	1984	http://www.eeoc.gov/abouteeoc/35th/milestones/1984.html
Conagra Foods, Inc.	39.2 Million	Disabilities/Age Discrimination	5/20/03	http://www.eeoc.gov/press/5-20-03.html
McDonnell-Douglas Co.	36 Million	Disabilities/Age Discrimination	2/6/95	http://www.eeoc.gov/policy/docs/oconnor.html
Mitsubishi Motor Manufacturing of America, Inc.	34 Million	Sex Discrimination	6/11/98	http://www.eeoc.gov/press/6-11-98.html
Winn-Dixie Stores	28.1 Million	Race Discrimination	1/15/99	http://www.thelenreid.com/articles/article/art_84_idx.htm
CSX Corp.	25 Million	Race Discrimination	2/1/99	http://www.utu.org/depts/PR-DEPT/NEWS/ndigest/1999/Feb99/ND02-01.HTM

Amtrak Co.	24 Million	Race Discrimination	7/1/99	http://www.classactionstrategy.com/resouces/recentemploymentcases.htm
Hughes Aircraft Co.	17.3 Million	Race Discrimination	3/6/00	http://www.wrf.com/publication.cfm?publication_id=11552
Boeing Co.	15 Million	Race Discrimination	6/21/05	http://www.thelenreid.com/articles/article/art_84_idx.htm
Martin Marietta (*Lockheed Martin Corp.)	13 Million	Age Discrimination	11/21/96	http://www.eeoc.gov/abouteeoc/35th/milestones/1997.html
United Parcel Service, Inc. (UPS)	12.1 Million	Race Discrimination	4/9/99	http://www.classactionstrategy.com/resouces/recentemploymentcases.htm
Publix Super Markets, Inc.	10.5 Million	Race Discrimination	12/19/00	http://www.classactionstrategy.com/resouces/recentemploymentcases.htm
Dial Corp.	10 Million	Sex Discrimination	4/29/03	http://www.eeoc.gov/litigation/settlements/settlement04-03.html
Ford Motor Company	8.55 Million	Race Discrimination	6/1/05	http://www.eeoc.gov/press/6-1-05.html
Ford Motor Company	8 Million	Sex Discrimination	9/7/99	http://www.eeoc.gov/press/9-7-99.html
Wal-Mart, Inc.	6.8 Million	Disabilities Discrimination	12/17/01	http://www.eeoc.gov/press/12-17-01.html
Home Depot, U.S.A., Inc.	5.5 Million	Sex & Race Discrimination	8/25/04	http://www.eeoc.gov/press/8-25-04.html
Lutheran Medical Center	5.4 Million	Sex Discrimination	4/23/03	http://www.eeoc.gov/litigation/settlements/settlement04-03.html
Milgard Manufacturing, Inc.	3.3 Million	Race Discrimination	5/19/04	http://www.eeoc.gov/litigation/settlements/settlement05-04.html
Consolidated Freightways Corp.	2.7 Million	Race Discrimination	1/21/05	http://www.eeoc.gov/litigation/settlements/settlement01-05.html
TIC - The Industrial Company	2.5 Million	Race Discrimination	4/2/03	http://www.eeoc.gov/litigation/settlements/settlement04-03.html
Carl Buddig & Co.	2.5 Million	Race & Sex Discrimination	9/7/04	http://www.eeoc.gov/litigation/settlements/settlement09-04.html
Simat, Helliesen & Eichner, Inc.	2.3 Million	Sex Discrimination	2/14/02	http://www.eeoc.gov/litigation/settlements/settlement02-03.html
Gulfstream Aerospace Corp.	2.17 Million	Age Discrimination	5/12/03	http://www.eeoc.gov/litigation/settlements/settlement05-03.html
Honeywell, Inc. / AlliedSignal, Inc.	2.15 Million	Age Discrimination	9/28/04	http://www.eeoc.gov/litigation/settlements/settlement09-04.html
Cracker Barrel Old Country Store, Inc.	2 Million	Sex Discrimination	3/10/06	http://www.eeoc.gov/press/3-10-06b.html