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# HRO Alert

## RESTAURANT AND HOSPITALITY INDUSTRY ALERT

### EEOC SUES FRANCHISES FOR ALLEGED SEXUAL HARASSMENT OF YOUNG WORKERS

The U.S. Equal Employment Opportunity Commission (EEOC) recently announced that it has filed two federal court lawsuits on behalf of teenage workers who claim to have been sexually harassed at McDonald's restaurants in New Mexico and Arizona.

The New Mexico complaint in EEOC v. Pand Enterprises, Inc., d/b/a McDonald's Restaurant, alleges that a male supervisor subjected a class of young men to same-sex harassment in the workplace, through unwanted touching, requests for sex, and sexual remarks. The lawsuit also claims that one of the employee's work hours were cut in retaliation for his opposition to the alleged harassment.

The Arizona complaint in EEOC v. GLC, Inc., d/b/a McDonald's Restaurant, claims that a male assistant manager sexually harassed a class of teenage female employees. Among other things, they allege that he grabbed them around their waists, rubbed their stomachs, touched their breasts, and put his hands in their pockets. According to the EEOC, management failed to take appropriate action when the employees complained about the alleged harassment.

Late last year the EEOC settled a similar lawsuit against a Burger King franchise in Missouri. In that case, several high school students who worked at a suburban St. Louis restaurant claimed that their manager had subjected them to repeated groping, vulgar sexual comments, and demands for sex. Under the terms of the settlement, the corporate defendants (Midamerica Hotels Corporation and Northwest Development Company) were required to pay the young women \$400,000 and to implement extensive training and policy revisions.

These lawsuits are noteworthy examples of the EEOC's renewed focus on the workplace rights of teenage employees, many of whom work in the restaurant and hospitality industry. Last fall the agency launched a national outreach and public education initiative called "Youth@Work," which is described at <http://youth.eeoc.gov>. In announcing the New Mexico and Arizona lawsuits, an EEOC official stated: "While the Commission strives to proactively prevent discrimination through education and outreach as a first resort, we will not hesitate to use our litigation tools when necessary."

In the current climate, it is as important as ever for employers in the restaurant and hospitality industry to be alert to potentially unlawful workplace conduct. In particular, employers should ensure that (1) all supervisory and management personnel are trained to recognize and deal with harassment issues; (2) there is an effective system in place through which employees can report alleged harassment; and (3) employee complaints are addressed promptly and adequately. Moreover, to guard against claims of unlawful retaliation, employers should think carefully before taking any adverse action against an employee who has made a good faith complaint.

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March 24, 2005