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## EEOC v. Eastern Engineered Wood Products, Inc.

Judge Clifford Scott Green

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## EEOC v. Eastern Engineered Wood Products, Inc.

## Keywords

EEOC, Eastern Engineered Wood Products, Consent Decree, 2:05-cv-04786-CG, Retaliation, Constructive discharge, sexual harassment, sex, male, manufacturing, employment law, title VII

## IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

EQUAL EMPLOYMENT OPPORTUNITY	)	
COMMISSION,	)	
	)	Civil
Plaintiff,	)	and
	)	(Hor
V.	)	
EASTERN ENGINEERED WOOD	)	
PRODUCTS, INC.	)	
Defendant	)	

Civil Action Nos, 04-4490 and 05-4786 (Hon. Clifford Scott Green)

## CONSENT DECREE

This Consent Decree is entered into by the Plaintiff the United States Equal Employment Opportunity Commission (the "EEOC" or the "Commission") and the Defendant, Eastern Engineered Wood Products, Imc, ("EEWP\*"), its directory officers, successors and assigns.

The Coriimission initiated Civil Action No, 04-4490 on September 23,2004, and Civil Action No. 05-4786 o» September 7,2005, in the United States. District Court for the Eastern District of Pennsylvania to enforce the provisions of Title YU of the Civil Rights Act of 1964, as amended, and Title I of the Civil Rights Act of 1991,42 U.S.C. § 20Q0e, et sag ("Title VII"). In Civil Action No. 04-4490, the BEOC alleged that Defendant violated Title VII by discharging Verne Orth from his position as President in retaliation for his investigation of an internal complaint of sexual harassment. In Civil Action No, 05-4786, the Commission alleged that Defendant violated Title VII by subjecting Jarrod L. Renninger to sexual harassment and acts of retaliation that led to his constructive discharge. The Commission further contended that alleged that as a result of the diserimmariori\* Mr, Orth and Mr, Remmger lost wages, bonuses and benefits, and experienced emotional harmu Defendant has deaied that Yeme Orfh was discharged in retaliation for his investigation of art internal sexual harassment complaint or for any other unlawful purpose. Defendant has denied that Jarrod L. Renninger was subjected to any unlawful

employment practices and has denied that he was constructively discharged,

As a result of settlement discussions, and in an attempt to avoid further litigation costs, the parties to this action do hereby apee to entry of this Consent Decree (hereinafter referred to as the "Decree") which shall resolve folly and finally all claims which were raised by the EEOC in its Complaints filed on behalf of Mr. Orth and Mr. Rcmiinger, It is the intent of the parties that this Decree shall be a final and binding settlement between the parties signatory hereto, their officers, directors, successors and assigns, in fall disposition of all claims alleged in the Commission's Complaint against EEWP,

The Parties hereby agree that:

t, This Decree is entered into in compromise of the claims asserted in these civil actions, EEWP denies any wrongdoing, and this Decree shall, under no circumstances, be construed or deemed to be evidence or admitted as evidence of (i) any wrongdoing, fault, or liability, or (ii) any infirmity in the defenses that EEWP asserted.

2. The EEOC is the agency of the United States government authorized by Congress to investigate allegations of unlawful employment discrimination, to bring civil actions based upon these allegations of unlawful practices, and to seek relief for individuals affected by such practices,

3. The parties stipulate that, pursuant to Title VII. the United States District Court for the Eastern District of Pennsylvania has jurisdiction over both the subject matter and the parties in these cases. The parties further stipulate that venue is appropriate in the Eastern District of Pennsylvania.

4. The rights of EEWP and those for whom the Commission seels relief are protected adequately by this Decree.

5. The entry of this Decree will further the objectives of Title VII and will be in the best interests of the parties and those for whom the Commission seeks relief.

#### NON-DISCRIMINATION

6. EEWP agrees to comply folly with all of the provisions of Title VII, and will avoid engaging in any employment practice which operates to discriminate against employees or to deny equal opportunities to any employee or applicant for employment in violation of Title VII,

#### **NON-RETALIATION**

7. EEWP agrees that it shall not engage in any employment practices which retaliate in any manner against any person because of that person's cooperation with the EEOC with respect to the Commission's administrative investigation of these civil actions, EEWP agrees to comply with Title VITs prohibition of retaliation because of the filing of a charge, the giving of testimony or assistance, or participation in this matter, or in any investigation, hearing or proceeding under Title VII, Nothing in this Consent Decree, either by inclusion or exclusion, shall be construed to limit EEWP's obligations under Title VII or the EEOC's authority to process or litigate any charge of discrimination under Title VII which may be filed against EEWP in the future.

#### NON-ADMISSION

8. This Decree, being entered with the consent of the Commission and EEWP, shall not constitute an adjudication or finding on the merits of the case and shall not be construed as an admission of liability by EEWP,

#### **DURATION OF TEE DECREE**

*9.* The Consent Decree shall be in effect for am initial period of two (2) years from the date it is entered by the Court.

#### MONETARY COMPENSATION

10. EEWP agrees to pay to Veme Orth the sum total of One Million, Nine Hundred Thousand Dollars (\$1, 900,000.00), minus all lawful deductions and attorneys<sup>1</sup> fees. This sum was agreed upon by the parties in order to resolve this matter without the need for further litigation.

(A) EEWP shall issue a check, in accordance with the aforementioned provisions to Verne Qrth within twenty (20) days of receipt of a signed Release from Verne Orth. This check shall he sent, via United States first class mail return receipt requested, to Mr. Orth's legal representatives: Jonathan A. Petrakis, Esquire and Joseph H. Btom, Esquire, at the law firm of Frey, Petrakis, Deeb, B1km and Briggs, in Philadelphia, Pennsylvania, EEWP shall mail a copy of the check to Cynthia A. Locke, Trial Attorney, EEOC Philadelphia District Office, 21 S. 5\* Street, The Bourse, Suite 400, Philadelphia, Pa. 19106, concurrent with the mailing of the check to the Prey, Petrakis firm. EEWP shall also provide any return receipts returned by the United States Postal Service.

(B) In order to receive the monetary relief set forth above. Verne Orth will be required to execute a Release in a form upon which Mr. Orth and Defendant mutually agree.

1L EEWP agrees to pay to Jarrod L. Renninger the sum total of One Million, Two Hundred Thousand Dollars (\$1,200,000.00), minus all iawfol deductions and attorneys<sup>1</sup> fees. This sum was agreed upon by the parties in order to resolve this matter without the need for further litigation.

(A) EEWP shall issue a check, in accordance with the aforementioned provisions toJarrod L. Renitinger within twenty (20) days of receipt of a signed Release from Mr. Renninger.This chock shall be sent, via United States first class mail return receipt requested, to ML

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Renrhnger's legal representatives: Jonathan A, Petrakis\* Esquire and Joseph H. Blum, Esquire, at the law firm of Frey, Petrakis, Deeb, Bllum and Briggs, in Philadelphia, Pennsylvania. EEWP shall mail a copy of the check to Cynthia A, Locke, Trial Attorney, EEOC Philadelphia District Office, 21 S, .5\* Street, The Bourse, Suite 4(W, Philadelphia, Pa. 19106, concurrent with the mailing of the check to the Frey, Petrakis firm. EEWP shall also provide any return receipts returned by the United States Postal Service,

(B) In order to receive the monetary relief set forth above, Jarred L. Renninger will be required to execute a Release in a form upon which Mr. Rerminger and Defendant mutually agree.

12. EEWP agrees to the following:

#### (A) <u>POSTING OF NOTICE</u>

EEWP agrees that it shall post a copy of the Notice attached as Exhibit A in its AUentown, Pennsylvania facility in areas where employee notices are regularly posted. The Notice shall be posted for two (2) years from the date this Decree is entered by the Cooxt. Should the posted copy of the Notice become defaced, marred or otherwise made unreadable, EEWP agrees to immediately post a readable copy of the Notice.

#### (B) TRAINING

EEWP agrees that it will conduct training on the rights of employees and applicants under Title VII with regard to sexual harassment and retaliation, and the obligations of employers toward employees and applicants for employment under Title VII with regard to sexual harassment and retaliation, for its non-supervisory and non-management employees during calendar year 2006. This training will be conducted by the EEOC or a trainer approved by the EEOC. The training will be presented to all managers and supervisors within twelve (12) months of the entry of the Consent Decree.

EEWP will provide EEOC, at least one week prior to each training session\* with an outline of the topics to be covered and will identify the instructors who will provide the training and their qualifications\* if the training is *to* be conducted by an educator other than EEOC, Within fourteen (14) days after the completion of each training, EEWP will provide written verification to the Commission that the training was conducted, along with a list of attendees and their job titles, and a statement indicating the duration of the training.

#### (O SEXUAL HARASSMENT AND ANTI-RETALIATION POLICY

As part of the resolution of this ease, EEWP will redistribute its sexual harassment and anti-retaliation policy to all employees by mail, paycheck enclosure, or interoffice memorandum within thirty (30) days of the entry of this Consent Decree.

#### **DISPUTE RESOLUTION AND COMPLIANCE**

12. In the event that the EEOC determines that a violation of this Decree has occurred, it will, before exercising any remedy provided by law, provide notice to EEWP identifying the alleged violations. EEWP will have thirty (30) days in which to investigate and respond to the allegations, unless the Commission determines there to be exigent circumstances, If these exigent circumstances exist, the Commission may immediately apply to the Court for relief. The parties shall engage in a good faith effort to resolve any dispute as to compliance prior to seeking review by the Court, Upon motion of either party, the Court may schedule a hearing for the purpose of reviewing compliance with this Decree. The party seeking Court intervention shall be required to give notice to the opposing party ten (10) days before moving for such review, The Court may conduct expedited discovery under the Federal Rules of Civil Procedure for purposes of

determining compliance with this Decide or defending against a claim of non-compliance. The Court will have all equitable powers, including injunctive relief, to enforce this Decree.

#### **MISCELLANEOUS**

13. If any provision<sup>^</sup>) of the Consent Decree is found to be unlawiul, only the specific provisions) in question shall be affected and the other provisions will remain in full force and effect,

14, The terms of the Decree are and shall be binding upon the present and future directors, officers, successors and assigns of EEWP.

15. The Decree constitutes the entire agreement and commitments of the parties. Any modifications to this agreement must be mutually agreed upon and memorialized in a writing signed by EEWP and the Commission.,

16. When this Decree requires the submission by EBWP of any documents to the Commission, if not otherwise indicated in the Decree or Attachments, they shall be mailed to Cynthia A. Loeke> Senior Trial Attorney, BEOC Philadelphia District Office, 21 S. 5<sup>th</sup> Street, The Bourse, Suite 400, Philadelphia, Pa. 19106,

17, Failure by the Commission to seek enforcement of this Decree^with regard to one provision shall not be construed as a waiver of its rights to do so with regard to the same or otiler provisions of this Decree.

18, Each party to this Decree shall bear its own expenses, costs and attorneys' fees.

19, This Consent Decree shall be filed in the United States District Court for the Eastern District Court of Pennsylvania.

20. The Court retains jurisdiction over this case in order to enforce the terms of the

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# EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

James L. Lee Deputy General Counsel

Gwendolyn Young Reams Associate General Counsel Washington, D.C.

Regional Attorney

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fiidith A. O'Boyle Supervisory Trial Attorney

ithia A. Ix\*c£e' senior Trial Attorney U.S. EEOC, Philadelphia District Office 21 S. 5^ StieeL Suite 400 Philadelphia, PA 19106 (215)440-2683

<u>w M</u> £aoi?

APPROVED AND SO ORDERED:

DATE

EASTERN ENGINEERED WOOD PRODUCTS, INC.

Todd Lindsey, President Eastern Engineered Wood Products, Inc. 14-K) M Sherman Street Allratown, PA 18109

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HONORABLE CLIFFORD SCOTT GREEN

## EXHI<u>BIT A</u>

## NOTICE

This Notice is posted as part of a settlement reached in the eases captioned as <u>EEOC v</u>. Eastern <u>Engineered Wood Products, Inc.</u> CA. Nos. 04-4490 and 05-4786 in the United States District Court\* Eastern District of Pennsylvania, EEOC filed these actions to enforce provisions of Title VII of the Civil Rights Act of 1964 and Title I of the Civil Rights Act of 1991.

Title VII prohibits discrimination against employees and applicants for employment based upon their race, color, sex, religion, or national origin. Title VII also prohibits retaliation against employees or applicants who avail themselves of their rights under Title VII by engaging in protect©! activities, such as fding a charge of discrimination or participating in an investigation of a claim of unlaw&l harassment or any other form of discrimination. THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC) is the federal agency which investigates charges of discrimination and, if necessary, brings lawsuits in the federal district courts to enforce Title YTJ,

In its lawsuits against EEWP, the EEOC alleged as follows: (1) that EEWP retaliated against Verne Orth by discharging him from his position as President in retaliation for his investigation of an internal complaint of sexual harassment, and (2) that EEWP subjected Jarrod Renninger to sexual harassment and retaliation and that he was constructively discharged. Defendant has denied that Orth was discharged in retaliation for investigating am internal sexual harassment complaint or for any other unlawful reason, and has denied that Rerminger was subjected to sexual harassment or any other unlawful practices or was constructively discharged.

To resolve the case. EEWP and the EEOC have entered into a Consent Decree to avoid any further proceedings. This Consent Decree provided,, among other things, that: (1) EEWP will train its managers, supervisors, and employees regarding the legal rights of employees to be free from sexual harassment and retaliation^ and the responsibilities of employees in these areas, (2) EEWP will not retaliate against any person because she or he opposed any practice made unlawful by Title VJJ, filed a charge of discrimination under Title VII, participated in any Title \TJ proceeding, or asserted any rights under the Consent Decree, and (3) EEWP paid monetary relief.

If you believe you have been discriminated against, you may contact the EEOC at (215) 440-2600. The EEOC charges no fees and has employees who speak languages other than English.

THIS NOTICE MUST NOT BE DEFACED OR REMOVED **AND** MUST REMAIN POSTED / 6 k TWO (2)¥EARSWROM THE DATE SET FORTH BELOW,

ÉÊTMÁÊMFLOYMENT OPPORTUNITY

EASTERN ENGINEERED WOOD  $pEj^TSjINC$ .

COMMISSION

Date Posted; S/1& j2006