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Bloomberg Plaintiffs Seek \$144M In Damages

By Ben James

Law360, New York (October 04, 2007, 12:00 AM ET) -- The three women named in the U.S. Equal Employment Opportunity Commission's pregnancy discrimination suit against Bloomberg LP are seeking \$48 million apiece in damages and alleging that New York City Mayor Michael Bloomberg still plays a role in managing the media and financial services giant he founded in 1981.

On Wednesday, Tanys Lancaster, Jill Patricot and Janet Loures filed their motion to intervene, with a 66-page complaint attached as an exhibit. In the prospective intervenors' complaint, which includes causes of action brought under the New York State Human Rights Law and the New York City Human Rights Law, Lancaster, Patricot and Loures each ask for an amount yet "to be determined but believed to exceed" \$16 million in compensatory damages and \$32 million in punitive damages.

Despite public statements that he has divested himself from the daily operations of Bloomberg LP, Michael Bloomberg "has in fact stayed involved with the management and monitoring of Bloomberg's business," and has communicated with Bloomberg's current chief executive, Lex Fenwick, about females executives' claims of disparate treatment as well as the management of the company's Human Resources Department, according to the intervenors' complaint.

Mayor Bloomberg also told Bloomberg LP subsidiary Bloomberg Radio not to run advertisements for law firms that specialize in prosecuting employment discrimination cases from 2006, the intervenors' complaint says.

The complaint also alleges that when CEO Lex Fenwick discovered that two of his female employees were pregnant, he told another Bloomberg executive to fire them, and said "I'm not having any pregnant bitches working for me."

In another bizarre outburst said to have occurred in the intervenors' complaint, Thomas Secunda, one of Bloomberg's founding partners, allegedly told employees during a conference call that he would "kill their children and burn down their houses" if a particular goal was not met.

According to Wednesday's filing, "Michael Bloomberg is responsible for the creation of the systemic, top-down culture of discrimination which exists within Bloomberg, and Bloomberg has been sued in the past for complaints relating directly to Michael Bloomberg by several female executives who have alleged in their lawsuits that a hostile environment exists for woman and Bloomberg."

Thursday, a Bloomberg spokesperson said that Wednesday's filing was a ploy to generate publicity and gain leverage against the company.

"When Mike Bloomberg was here, he pioneered at this company some of the best benefit programs around for all employees, especially families and women," said the spokesperson. "Now that he has been gone for several years and is no longer involved in the company's management or operations, his name is being used to stir the pot and manipulate the EEOC case."

The motion to intervene, which will likely be granted but still requires court approval, will not usurp the EEOC's role in the case, but supplement the commission's suit, EEOC attorney Raechel Adams said Thursday. Loures, Patricot and Lancaster would have free-standing Title VII claims as well as claims under state and local laws if the motion to intervene was granted, while the EEOC would still pursue Title VII claims on behalf of a class of women claiming to be affected by Bloomberg LP's allegedly discriminatory conduct, said Adams.

The prospective intervenor-plaintiffs are represented in this matter by Dealy & Silberstein LLP.

Counsel for Bloomberg LP is Willkie Farr & Gallagher LLP.

The case is EEOC v. Bloomberg LP, case number 07-8383 in the U.S. District Court for the Southern District of New York.

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