

**EXHIBIT "A"**



## **NATURE OF THE CASE**

This is an employment discrimination case based upon Defendants' unlawful employment practices on the basis of sex.

Plaintiffs herein incorporate all the allegations of the original complaint, filed by the United States Equal Employment Opportunity Commission (the "EEOC") on or about September 29, 2005.

Plaintiffs Brenda Adkins and Ruthann Geer-Lloyd are two of the individuals named in the EEOC's complaint as managers who were adversely affected by unlawful employment practices on the basis of sex, as described in that complaint.

## **JURISDICTION AND VENUE**

### **A. Subject Matter Jurisdiction**

1. This Court has original jurisdiction over this action based upon 28 U.S.C. §§ 1331 and 1343, because Count I arises under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e *et seq.* ("Title VII").

2. This Court has original jurisdiction over this action based upon 28 U.S.C. § 1333, because Counts II and III are civil actions where the matter in controversy exceeds the sum or value of \$75,000, exclusive of costs, and is between citizens of different States.

3. This Court also has supplemental jurisdiction over this action based upon 28 U.S.C. § 1367(a) and United Mine Workers v. Gibbs, 282 U.S. 715 (1966), because Counts II and III so related to the federal claim that they form part of the same case or controversy under Article III of the United States Constitution, and because they and the federal claim derive from a common nucleus of operative facts.

4. This Court also has supplemental jurisdiction over Counts II and III based upon 28 U.S.C. § 1367(a), because in any civil action of which the district courts have original jurisdiction, the district courts shall have supplemental jurisdiction over all other claims, including claims that involve the joinder or intervention of additional parties, that are so related to claims in the action within such original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution.

#### B. Personal Jurisdiction

5. This Court has personal jurisdiction over Defendant World Kitchen, Inc. because it is found within this district and may be served within this district.

6. This Court has personal jurisdiction over Defendant Allan Coviello because his actions, as described below, occurred within and caused harm to Plaintiffs within this district.

C. Venue

7. Venue is proper in this district pursuant to 23 U.S.C. § 1391 and 42 U.S.C. § 2000e-5(f)(3), because the events or omissions giving rise to the claims occurred within this district, the unlawful employment practices are alleged to have been committed in this district, upon information and belief the employment records relevant to such practices are maintained and administered in this district, and the Plaintiffs worked and would still be working in this district but for the alleged unlawful employment practices of Defendants.

**PARTIES**

8. Plaintiff Brenda Adkins (“Adkins”) is an adult woman and a resident of 800 East Main Street, Waynesboro, Pennsylvania 17268.

9. Plaintiff Ruthann Geer-Lloyd (“Geer-Lloyd”) is an adult woman and a resident of 6605 River Island Road, Buford, Georgia 30518.

10. Defendant World Kitchen, Inc. (“World Kitchen” or “Defendant World Kitchen” or “the company”), a subsidiary of WKI Holding Company, is a company engaged in the manufacturing and marketing of cookware, bakeware, dinnerware, kitchen and household tools, and cutlery products. Upon information and belief, World Kitchen is a Delaware corporation with its global headquarters in Reston, Virginia. At all relevant times World Kitchen conducted

business in the Commonwealth of Pennsylvania and had offices at 1144 Kennebec Drive, Chambersburg, Pennsylvania 17201.

11. Defendant World Kitchen was Plaintiffs' "employer" as that term defined is by Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e(b), and by the Pennsylvania Human Relations Act, 43 P.S. § 954(b).

12. In or about January 2002, Defendant Allan Coviello ("Coviello" or "Defendant Coviello") became President of World Kitchen's Retail Division and exercised authority on behalf of World Kitchen as Plaintiffs' direct supervisor.

13. Upon information and belief, Coviello is an adult man and a resident of 8 Cortland Drive, Greenland, New Hampshire 03840.

#### **FACTS GIVING RISE TO A CAUSE OF ACTION**

14. Adkins was hired by World Kitchen's predecessor, Corning, in 1972. She began work on December 11, 1972, and worked her way up to the position of General Merchandise Manager, Outlet Division.

15. Geer-Lloyd was hired by World Kitchen's predecessor, Corning, in 1987. She began work in October of 1987 and worked her way up to the position of Factory Outlet Operations Manager.

16. World Kitchen was created in 1998 from the sale of Corning's consumer house wares business. Since 1998, World Kitchen paid female managers

lower salaries than male managers, a fact made known to World Kitchen's supervisors and human resources management by Adkins as early as 1998.

17. In 1999, Adkins became more vocal in her complaints, after she was promoted to the position of General Merchandising Manager and learned that her predecessor in the position, a male, had been paid a substantially higher salary.

18. Starting in 1999, Geer-Lloyd also complained to World Kitchen's management about gender-based salary disparities.

19. In the summer of 2001, World Kitchen conducted a Compensation Redesign Study, and Supervisor Ray Kulla admitted to Geer-Lloyd that salaries of female managers were not "where they should be." The study revealed that the company's female managers were paid less than the 50<sup>th</sup> percentile for their positions in the industry. World Kitchen made some adjustments to the salaries of Adkins and Geer-Lloyd, but it continued to pay male managers higher salaries than it paid female managers.

20. For her performance in 2001, Adkins was praised by her supervisor and told that her performance was "on target." Geer-Lloyd was also praised for meeting all of her objectives. In 2001, both Adkins and Geer-Lloyd received Division Cash Awards and Stock Options, which were presented to the top performers in the company.

21. In or about January 2002, World Kitchen hired Allan Coviello as President of its Retail Division and supervisor to Adkins and Geer-Lloyd. Shortly thereafter, Coviello hired three male managers at higher salaries than the female managers were paid.

22. Coviello conducted meetings with the Chambersburg employees and mockingly stated on several occasions when the attendees were predominantly female, "If any of you girls have to go home and cook dinner, let me know."

23. On or about March 28, 2002, Coviello informed Adkins and Geer-Lloyd that they were permanently laid off, effective the very next day. Although he contended that these female managers had performance problems, no such problems were ever conveyed to them prior to March 28, 2002.

24. Coviello told Adkins and Geer-Lloyd that their positions were eliminated; however, the duties of Adkins and Geer-Lloyd were taken over by male managers earning higher salaries. No male managers were laid off at the time that Adkins and Geer-Lloyd lost their positions with World Kitchen.

25. World Kitchen and Coviello acted intentionally, maliciously, and willfully, or with reckless indifference, in violating Title VII and the PHRA.



26. As a result of Defendants' unlawful actions, Adkins and Geer-Lloyd have lost wages and benefits, suffered emotional distress, and incurred attorney's fees and costs.

27. On September 23, 2002, acting through her attorney, Adkins submitted a charge of employment discrimination to the EEOC naming World Kitchen, Inc. and Allan Coviello as respondents. A copy of Adkins' charge is attached as Exhibit A and incorporated herein by reference.

28. On September 23, 2002, acting through her attorney, Geer-Lloyd submitted a charge of employment discrimination to the EEOC naming World Kitchen, Inc. and Allan Coviello as respondents. A copy of Geer-Lloyd's charge is attached as Exhibit B and incorporated herein by reference.

29. At the time Plaintiffs submitted their charges of employment discrimination to the EEOC, the EEOC was party to a Worksharing Agreement with the PHRC, a copy of which is attached as Exhibit C and incorporated herein by reference.

30. Pursuant to the Worksharing Agreement, the PHRC designated the EEOC as the PHRC's agent for the purpose of receiving charges, and EEOC's receipt of a charge on the PHRC's behalf automatically initiated the proceedings of both the EEOC and the PHRC.

31. Plaintiff's charge forms to the EEOC were submitted utilizing EEOC Form 5 on which the box was checked stating "I want this charge filed with both the EEOC and the State or local Agency, if any." In the heading of the charge form, the Pennsylvania Human Relations Commission was identified as the State or local agency.

32. Plaintiffs, acting through their counsel, also submitted to the EEOC on September 23, 2002, signed forms entitled "Request for EEOC to Dual File Charge with the Pennsylvania Human Relations Commission." Copies of these forms are attached as Exhibits D and E, respectively, and incorporated herein by reference.

33. The EEOC conducted an investigation of Plaintiffs' complaints of employment discrimination.

34. On September 1, 2005, the EEOC issued separate determinations in Adkins and Geer-Lloyd's charges, in each case finding:

“[T]he evidence establishes a violation of Title VII. The evidence shows that the Charging Party as well as two (2) other female managers were treated differently because of their sex and that sex was a factor considered by Respondent when it determined Charging Party's rate of pay and failed to pay her and another female a salary similar to males in comparable positions. The evidence also shows that sex was a factor considered when it terminated the employment of Charging Party and two other female managers.

A copy of the EEOC's letters of determination are attached as Exhibits F and G, respectively, and incorporated herein by reference.

35. On September 29, 2005, the EEOC filed the present action in which Plaintiffs seek to intervene.

**COUNT I**  
**Adkins and Geer-Lloyd v. World Kitchen**  
**Title VII of the Civil Rights Act of 1964**

36. The allegations set forth in paragraphs 1 through 35 are incorporated herein by reference as if set forth at length.

37. Defendant World Kitchen violated 42 U.S.C. § 2000e *et seq.* by discharging Plaintiffs and discriminating against Plaintiffs with respect to their compensation because of their sex.

38. By reason of Defendant World Kitchen's violation of Title VII, Plaintiffs have lost wages and benefits, suffered emotional distress, and incurred the costs of this action.

**WHEREFORE**, Plaintiffs respectfully request this Honorable Court to enter judgment in their favor and:

- a. Enter a declaratory judgment that Defendant World Kitchen's discriminatory acts, policies, practices, and procedures complained of herein have violated and continue to violate the rights of Plaintiffs as secured by Title VII.

- b. Enjoin Defendant World Kitchen, its officers, successors, and assigns, and all persons in active concert or participation with it, from engaging in job layoff, wage discrimination, and any other employment practice which discriminates on the basis of sex.
- c. Award Plaintiffs compensatory damages including but not limited to pain and suffering, past economic loss, future economic loss, back pay, front pay, loss of life's pleasures, loss of reputation, loss of benefits, and other damages.
- d. Award reasonable costs and attorney's fees.
- e. Award punitive damages.
- f. Grant any other relief this Court deems just and proper under the circumstances.

**COUNT II**

**Adkins and Geer-Lloyd v. World Kitchen, Inc.  
Pennsylvania Human Relations Act**

39. The allegations set forth in paragraphs 1 through 38 are incorporated herein by reference as if set forth at length.

40. World Kitchen violated the Pennsylvania Human Relations Act, 43 P.S. § 951 *et seq.* ("PHRA"), by discharging Plaintiffs because of their sex and by discriminating against Plaintiffs with respect to their compensation on the basis of sex.

41. By reason of World Kitchen's violations of the PHRA, Plaintiffs have lost wages and benefits, suffered emotional distress, and incurred the costs of this action.

**WHEREFORE**, Plaintiffs respectfully request this Honorable Court to enter judgment in their favor and:

- a. Enter a declaratory judgment that Defendant World Kitchen's discriminatory acts, policies, practices, and procedures complained of herein have violated and continue to violate the rights of Plaintiffs as secured by the PHRA.
- b. Enjoin Defendant World Kitchen, its officers, successors, and assigns, and all persons in active concert or participation with it, from engaging in job layoff, wage discrimination, and any other employment practice which discriminates on the basis of sex.
- c. Award Plaintiffs compensatory damages including but not limited to pain and suffering, past economic loss, future economic loss, back pay, front pay, loss of life's pleasures, loss of reputation, loss of benefits, and other damages.
- d. Award reasonable costs and attorney's fees.
- e. Grant any other relief this Court deems just and proper under the circumstances.

**COUNT III**  
**Adkins and Geer-Lloyd v. Coviello**  
**Pennsylvania Human Relations Act**

42. The allegations set forth in paragraphs 1 through 41 are incorporated herein by reference as if set forth at length.

43. In their complaints to the PHRC on September 23, 2002, Adkins and Geer-Lloyd specifically named Coviello as a respondent for his actions in aiding and abetting violations of the PHRA by World Kitchen.

44. Defendant Coviello violated the Pennsylvania Human Relations Act, 43 P.S. § 955(e), by aiding and abetting Defendant World Kitchen in its unlawful discriminatory practices.

45. By reason of Defendant Coviello's violations of the PHRA, Plaintiffs have lost wages and benefits, suffered emotional distress, and incurred the costs of this action.

**WHEREFORE**, Plaintiffs respectfully request this Honorable Court to enter judgment in their favor and:

- a. Enter a declaratory judgment that Defendant Coviello's discriminatory acts and practices complained of herein have violated and continue to violate the rights of Plaintiffs as secured by the PHRA.
- b. Enjoin Defendant Coviello from aiding, abetting, inciting, compelling, or coercing any employment practice which discriminates on the basis of sex.

- c. Award Plaintiffs compensatory damages including but not limited to pain and suffering, past economic loss, future economic loss, back pay, front pay, loss of life's pleasures, loss of reputation, loss of benefits, and other damages.
- d. Award reasonable costs and attorney's fees.
- e. Grant any other relief this Court deems just and proper under the circumstances.

Respectfully submitted,

COZEN O'CONNOR

By:  /s/ Jeffrey I. Pasek  
Jeffrey I. Pasek, Esquire  
Bar Identification No. PA 23700  
1900 Market Street  
Philadelphia, PA 19103  
Telephone: (215) 665-2072  
Fax: (215) 701-2072  
jpasek@cozen.com

Attorneys for Brenda Adkins and  
Ruthann Geer-Lloyd

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**TABLE OF CONTENTS FOR EXHIBITS ACCOMPANYING PROPOSED  
COMPLAINT**

- A Adkins' Charge of Employment Discrimination submitted to the EEOC on September 23, 2002
- B Geer-Lloyd's Charge of Employment Discrimination submitted to the EEOC on September 23, 2002
- C Worksharing Agreement between the Pennsylvania Human Relations Commission and Equal Employment Opportunity Commission for Fiscal Year 2002
- D Adkins' Request for EEOC to Dual File Charge with the PHRC
- E Geer-Lloyd's Request for EEOC to Dual File Charge with the PHRC
- F EEOC's Letter of Determination mailed to Adkins
- G EEOC's Letter of Determination mailed to Geer-Lloyd

**EXHIBIT "A"**

<b>CHARGE OF DISCRIMINATION</b>		AGENCY <input type="checkbox"/> FEPA <input checked="" type="checkbox"/> EEOC	CHARGE NUMBER
This form is affected by the Privacy Act of 1974; See Privacy Act Statement before completing this form.		<div style="border: 2px solid black; padding: 5px; display: inline-block;"> <b>EXHIBIT</b>  A             </div>	
Pennsylvania Human Relations Commission <i>State or local Agency, if any</i>			
NAME (Indicate Mr., Ms., Mrs.) Brenda Adkins		HOME TELEPHONE (Include area code) 717-762-0055	
STREET ADDRESS P.O. Box 411, 800 East Main St.		CITY, STATE AND ZIP CODE Waynesboro, Pennsylvania 17268	DATE OF BIRTH 9-22-42
NAMED IS THE EMPLOYER, LABOR ORGANIZATION, EMPLOYMENT AGENCY APPRENTICESHIP COMMITTEE, STATE OR LOCAL GOVERNMENT AGENCY WHO DISCRIMINATED AGAINST ME (If more than one list below.)			
NAME World Kitchen, Inc.		NUMBER OF EMPLOYEES, MEMBERS 500+	TELEPHONE (Include area code) 717-267-3789
STREET ADDRESS 1144 Kennebec Drive		CITY, STATE AND ZIP CODE Chambersburg, PA 17201	COUNTY Franklin
NAME Allan Coviello		TELEPHONE (Include area code) 603-431-1966	
STREET ADDRESS 8 Cortland Drive		CITY, STATE AND ZIP CODE Greenland, NH 03840-2137	COUNTY Rockingham
CAUSE OF DISCRIMINATION BASED ON (Check appropriate box(es)) <input type="checkbox"/> RACE <input type="checkbox"/> COLOR <input checked="" type="checkbox"/> SEX <input type="checkbox"/> RELIGION <input type="checkbox"/> NATIONAL ORIGIN <input type="checkbox"/> RETALIATION <input type="checkbox"/> AGE <input type="checkbox"/> DISABILITY <input type="checkbox"/> OTHER (Specify)		DATE DISCRIMINATION TOOK PLACE EARLIEST                      LATEST January 1, 1999              March 30, 2002 <input checked="" type="checkbox"/> CONTINUING ACTION	
THE PARTICULARS ARE (If additional space is needed, attach extra sheet(s)):			
<p>Brenda Adkins is a 60 year-old female who was employed by World Kitchen, Inc. and its predecessor in Chambersburg, Pennsylvania from December 11, 1972 until March 29, 2002. Her most recent position, effective in January of 1999, was as General Merchandise Manager, Retail Division. She was responsible to manage the entire product assortment, including branded products, licensed products and sourced products sold at more than 175 factory outlet stores, with gross sales of approximately \$180 million.</p> <p>World Kitchen, Inc. intentionally underpaid Ms. Adkins. At the time she assumed her position as General Merchandise Manager, Retail Division, her salary was set at only 55% of that of her male predecessor. In the summer of 2001, World Kitchen, Inc. completed a study of its management compensation practices. As a part of this Compensation Redesign study, the pay levels for various management jobs were benchmarked against the pay levels of comparable jobs at other companies. Based on the results of the study, World Kitchen, Inc. adjusted the salaries of those managers who were paid less than the 50th percentile of the benchmark level, except that no change was made in the salary of Brenda Adkins or Ruthann Geer-Lloyd. Ms. Adkins and Ms. Geer-Lloyd were the only two women executives of the company at the time who were covered by the compensation study. The study showed that none of the male executives were being paid at below the 50<sup>th</sup> percentile. Despite several acknowledgements by company officials that the company recognized they were being significantly underpaid, and despite continuing promises to them that their salaries would be raised, World Kitchen, Inc. never adjusted the compensation of Ms. Adkins or Ms. Geer-Lloyd. On the contrary,</p> <p style="text-align: right;">See attached continuation sheet</p>			
<input checked="" type="checkbox"/> I want this charge filed with both the EEOC and the State or local Agency, if any. I will advise the agencies if I change my address or telephone number and cooperate fully with them in the processing of my charge in accordance with their procedures.		NOTARY - (When necessary for State and Local Requirements)	
I declare under penalty of perjury that the foregoing is true and correct.		I swear or affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief. SIGNATURE OF COMPLAINANT <i>Jeffrey I. Paul</i> Attorney for Brenda Adkins SUBSCRIBED AND SWORN TO BEFORE ME THIS DATE (Day, month, and year)	
Date September 23, 2002                      Charging Party (Signature)		September 23, 2002	

**NOTARIAL SEAL**  
 CAROL JONES, Notary Public  
 City of Philadelphia, Phila. County  
 My Commission Expires December 5, 2005

RECEIVED  
 SEP 23 2002  
 PHILADELPHIA

Charging Party: Brenda Adkins  
Respondent: World Kitchen, Inc., et al.

Continuation Sheet No. 1 of 1

because of their sex, the company intentionally kept their salaries below the level it acknowledged their positions warranted. Although Ms. Adkins' job description called for her to be paid at grade 53, the company intentionally underpaid her at grade 48, a lower level.

In January of 2002, World Kitchen, Inc. hired Allan Coviello as President, WKFS – Retail Division, with responsibility to serve as Ms. Adkins' direct supervisor. Almost immediately after assuming his position, Mr. Coviello set about on a process to get rid of Ms. Adkins, Ms. Geer-Lloyd, and Vicki Freeman, the only three women employed in senior management positions reporting to Mr. Coviello.

On March 28, 2002, Mr. Coviello conducted a job performance evaluation for Ms. Adkins, known as a Partner Excellence Review (PER), for her job performance in 2001. Although he had not been her supervisor in 2001, Mr. Coviello intentionally undervalued Ms. Adkins' job performance, evaluated her against objectives and measures that were not in place during the period of time under review, evaluated her as not meeting her goal for freight charges when she had in fact met the goal that had been established for the review period, accused her of not doing enough on "vendor assortment" when she had exceeded the objective for the year, falsely assigned her the lowest level rating for leadership and falsely assigned her the lowest level rating for integrity. Despite verbally acknowledging that his evaluation was in error, Mr. Coviello refused to make any changes in it.

That same date, Thursday, March 28, 2002, Mr. Coviello issued a letter to Ms. Adkins notifying her that World Kitchen, Inc. was eliminating her position as of March 29, 2002. Although the duties Ms. Adkins had performed had not been eliminated, the decision to eliminate her position was a pretext for sex discrimination. On or about the same date, Mr. Coviello also terminated the employment of all of the other women under his direct supervision who were employed in the executive management of World Kitchen, Inc. Ms. Adkins' job duties were assigned to Mr. Gil Smith and Mr. Loren Jacobs, two men who were hired within six weeks prior to her termination at significantly higher salaries that Ms. Adkins was receiving.

The actions taken by World Kitchen, Inc., as set forth above were knowing, intentional and on account of sex, and were undertaken with malice or with reckless indifference to the federally protected rights of Ms. Adkins.

By taking the actions described above, Allan Coviello knowingly and intentionally aided and abetted World Kitchen, Inc. in violating Ms. Adkins' right to be free from discrimination on account of her sex in violation of the Pennsylvania Human Relations Act.

RECEIVED - HR  
WORLD KITCHEN, INC.  
02 SEP 2005 PM 3:02

**EXHIBIT "B"**

<b>CHARGE OF DISCRIMINATION</b>		AGENCY <input type="checkbox"/> FEPA <input checked="" type="checkbox"/> EEOC	CHARGE NUMBER
This form is affected by the Privacy Act of 1974; See Privacy Act Statement before completing this form.		<b>EXHIBIT</b> <u>8</u>	
Pennsylvania Human Relations Commission <i>State or local Agency, if any</i>			
NAME (Indicate Mr., Ms., Mrs.) Ruthann Geer-Lloyd		HOME TELEPHONE (Include area code) 717-732-1858	
STREET ADDRESS 37 Sherwood Circle		CITY, STATE AND ZIP CODE Enola, Pennsylvania 17025	DATE OF BIRTH 4/13/57
NAMED IS THE EMPLOYER, LABOR ORGANIZATION, EMPLOYMENT AGENCY APPRENTICESHIP COMMITTEE, STATE OR LOCAL GOVERNMENT AGENCY WHO DISCRIMINATED AGAINST ME (If more than one list below.)			
NAME World Kitchen, Inc.		NUMBER OF EMPLOYEES, MEMBERS 500+	TELEPHONE (Include area code) 717-267-3789
STREET ADDRESS 1144 Kennebec Drive		CITY, STATE AND ZIP CODE Chambersburg, PA 17201	COUNTY Franklin
NAME Allan Coviello		TELEPHONE (Include area code) 603-431-1966	
STREET ADDRESS 8 Cortland Drive		CITY, STATE AND ZIP CODE Greenland, NH 03840-2137	COUNTY Rickingham
CAUSE OF DISCRIMINATION BASED ON (Check appropriate box(es)) <input type="checkbox"/> RACE <input type="checkbox"/> COLOR <input checked="" type="checkbox"/> SEX <input type="checkbox"/> RELIGION <input type="checkbox"/> NATIONAL ORIGIN <input type="checkbox"/> RETALIATION <input type="checkbox"/> AGE <input type="checkbox"/> DISABILITY <input type="checkbox"/> OTHER (Specify)		DATE DISCRIMINATION TOOK PLACE EARLIEST                      LATEST July 1, 2001                      March 30, 2002 <input checked="" type="checkbox"/> CONTINUING ACTION	
THE PARTICULARS ARE (If additional space is needed, attach extra sheet(s)):  Ruthann Geer-Lloyd is a 45 year-old female who was employed by World Kitchen, Inc. in Chambersburg, Pennsylvania and its predecessor from October 1987 until March 30, 2002. Her most recent position was as Operations Manager, Retail Division. At various times, this same job was known as Manager, Sales and Operations or Operations Manager or Factory Outlet Operation Manager. Her duties were to supervise and manage the operations and personnel at more than 175 factory outlet stores. She had profit and loss responsibility for stores with gross sales of approximately \$180 million.  In the summer of 2001, World Kitchen, Inc. completed a study of its management compensation practices. As a part of this Compensation Redesign study, the pay levels for various management jobs were benchmarked against the pay levels of comparable jobs at other companies. Based on the results of the study, World Kitchen, Inc. adjusted the salaries of those managers who were paid less than the 50th percentile of the benchmark level, except that no change was made in the salary of Ruthann Geer-Lloyd or Brenda Adkins. Ms. Geer-Lloyd and Ms. Adkins were the only two women executives of the company at the time who were covered by the compensation study. The study showed that none of the male executives were being paid at below the 50 <sup>th</sup> percentile. Despite several acknowledgements by company officials that the company recognized they were being significantly underpaid, and despite continuing promises to them that their salaries would be raised, World Kitchen, Inc. never adjusted the compensation of Ms. Geer-Lloyd or Ms. Adkins. On the contrary, because of their sex, the company intentionally kept their salaries below the level it acknowledged their positions warranted.  See attached continuation sheet			
<input checked="" type="checkbox"/> I want this charge filed with both the EEOC and the State or local Agency, if any. I will advise the agencies if I change my address or telephone number and cooperate fully with them in the processing of my charge in accordance with their procedures.		NOTARY - (When necessary for State and Local Requirements)  <i>Carol Jones</i>	
I declare under penalty of perjury that the foregoing is true and correct.  <i>Jeff Paset</i> Attorney for Ruthann Geer-Lloyd		I swear or affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief.  SIGNATURE OF COMPLAINANT <i>Ruthann Geer-Lloyd</i> SUBSCRIBED AND SWORN TO BEFORE ME THIS DATE (Day, month, and year)	
Date September 23, 2002	Charging Party (Signature)	September 23, 2002	

**NOTARIAL SEAL**  
CAROL JONES, Notary Public  
City of Philadelphia, Phila. County  
My Commission Expires December 5, 2005

Charging Party: Ruthann Geer-Lloyd  
Respondent: World Kitchen, Inc., et al.

Continuation Sheet No. 1 of 1

In January of 2002, World Kitchen, Inc. hired Allan Coviello as President, WKFS – Retail Division, with responsibility to serve as Ms. Geer-Lloyd’s direct supervisor. Almost immediately after assuming his position, Mr. Coviello set about on a process to get rid of Ms. Geer-Lloyd, Ms. Adkins, and Vicki Freeman, the only three women employed in senior management positions reporting to Mr. Coviello.

Although Ms. Geer-Lloyd had previously been praised for her job performance by her two prior supervisors and received a mid-year review on October 16, 2001 during which no performance issues were raised, after only about ten days on the job, Mr. Coviello placed her on a performance improvement plan and a 30-day final warning as of January 21, 2002.

On March 29, 2002, Mr. Coviello issued a job performance evaluation to Ms. Geer-Lloyd, known as a Partner Excellence Review (PER), for her job performance in 2001. Although he had not been her supervisor in 2001, on this PER Mr. Coviello intentionally undervalued Ms. Geer-Lloyd’s job performance, falsely accused her of not meeting standards which had been met, evaluated her against objectives and measures that were not in place during the period of time under review, and unfairly gave her a less than satisfactory evaluation.

That same date, Friday, March 29, 2002, Mr. Coviello issued a letter to Ms. Geer-Lloyd notifying her that the management of World Kitchen, Inc. was eliminating her position as of March 30, 2002. In fact, however, Ms. Geer-Lloyd’s position was not eliminated. The following Wednesday, April 3, 2002, Mr. Coviello issued an Organizational Announcement that a male, Robert Thomas, had been hired by World Kitchen, Inc. as Vice President, Stores, Sales and Operations. Upon information and belief, Mr. Thomas assumed all or substantially all of Ms. Geer-Lloyd’s responsibilities and was hired at a significantly higher salary than Ms. Geer-Lloyd had received.

On the same date, Mr. Coviello also terminated the employment of all of the other women under his direct supervision who were employed in the executive management of World Kitchen, Inc.

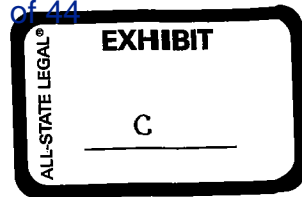
The actions taken by World Kitchen, Inc., as set forth above were knowing, intentional and on account of sex, and were undertaken with malice or with reckless indifference to the federally protected rights of Ms. Geer-Lloyd.

By taking the actions described above, Allan Coviello knowingly and intentionally aided and abetted World Kitchen, Inc. in violating Ms. Geer-Lloyd’s right to be free from discrimination on account of her sex in violation of the Pennsylvania Human Relations Act.

RECEIVED - LEGAL  
PHILADELPHIA, PA  
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**EXHIBIT "C"**





WORKSHARING AGREEMENT  
BETWEEN

THE PENNSYLVANIA HUMAN RELATIONS COMMISSION

and

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
FOR FISCAL YEAR 2002

I. INTRODUCTION

A. The Pennsylvania Human Relations Commission (PHRC), hereinafter referred to as the FEPA, has jurisdiction over allegations of employment discrimination filed against employers of 4 or more employees occurring within the Commonwealth of Pennsylvania, based on race, color, religious creed, ancestry, age (40 and older), sex, national origin, disability, use of guard dog or support animal because of the blindness, deafness, or physical disability of an individual with whom the person is known to have a relationship or association pursuant to Section 5 of the Pennsylvania Human Relations Act.

The Equal Employment Opportunity Commission, hereinafter referred to as EEOC, has jurisdiction over allegations of employment discrimination occurring throughout the United States where such charges are based on race, color, religion, sex, or national origin, all pursuant to Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000(e)) (hereinafter referred to as Title VII). EEOC has jurisdiction to investigate and determine charges of discrimination based on age (40 or older) under the Age Discrimination in Employment Act (ADEA) of 1967, as amended (29 U.S.C. § 621 et seq.), for unequal wages based on sex under the Equal Pay Act of 1963 (29 U.S.C. § 206), and over allegations of employment discrimination based on disability pursuant to Title I of the Americans with Disabilities Act of 1991, (42 U.S.C. § 12101).

B. In recognition of, and to the extent of the common jurisdiction and goals of the two (2) Agencies, and in consideration of the mutual promises and covenants contained herein, the FEPA and the EEOC hereby agree to the terms of this Worksharing Agreement, which is designed to provide individuals with an efficient procedure for obtaining redress for their grievances under appropriate Commonwealth of Pennsylvania and Federal laws.

II. FILING OF CHARGES OF DISCRIMINATION

A. In order to facilitate the assertion of employment rights, the

EEOC and the FEPA each designate the other as its agent for the purpose of receiving and drafting charges, including those that are not jurisdictional with the agency that initially receives the charges. EEOC's receipt of charges on the FEPA's behalf will automatically initiate the proceedings of both EEOC and the FEPA for the purposes of Section 706 <sup>©</sup> and (e) (1) of Title VII. This delegation of authority to receive charges does not include the right of one Agency to determine the jurisdiction of the other Agency over a charge. Charges can be transferred from one agency to another in accordance with the terms of this agreement or by other mutual agreement.

- B. The FEPA shall take all charges alleging a violation of Title VII, ADEA, EPA, or the ADA where both the FEPA and EEOC have mutual jurisdiction, or where EEOC only has jurisdiction, so long as the allegations meet the minimum requirements of those Acts, and for charges specified in Section III. A. 1. below, refer them to the EEOC for initial processing.
- C. Each Agency will inform individuals of their rights to file charges directly with the other Agency and or assist any person alleging employment discrimination to draft a charge in a manner which will satisfy the requirements of both agencies to the extent of their common jurisdiction.

Normally, once an agency begins an investigation, it resolves the charge. Charges may be transferred between the EEOC and the Pennsylvania Human Relations Commission within the framework of a mutually agreeable system. Each agency will advise Charging Parties that charges will be resolved by the agency taking the charge except when the agency taking the charge lacks jurisdiction or when the charge is to be transferred in accordance with Section III (DIVISION OF INITIAL CHARGE-PROCESSING RESPONSIBILITIES).

- D. For charges that are to be dual-filed, each Agency will use EEOC Charge Form 5. (or alternatively, an employment discrimination charge form which within statutory limitations, is acceptable in form and content to EEOC and the FEPA) to draft charges. When a charge is taken based on disability, the nature of the disability shall not be disclosed on the face of the charge.
- E. For charges which are to be dual-filed with EEOC, the FEPA will forward a copy of the charge to EEOC. Also, the FEPA will provide a monthly listing to EEOC's Philadelphia District Office of charges which have been docketed by the FEPA as dual-filed charges.

In addition, the FEPA will provide notification to the Charging Party and to the Respondent that the charge has been dual-filed with EEOC. EEOC and the FEPA will devise mutually agreed upon letters and forms for use by the FEPA in its notification to the parties of the dual-filing and of the subsequent rights and obligations. This notification to the parties will normally occur within ten days of the FEPA's docketing of the charge and the EEOC provided documents will be included with the FEPA's own

notification to the parties of the charge filing.

### III. DIVISION OF INITIAL CHARGE-PROCESSING RESPONSIBILITIES

In recognition of the statutory authority granted to the FEPA by Section 706(c) and 706(d) of Title VII as amended; and by Title I of the Americans with Disabilities Act, and the transmittal of charges of age discrimination pursuant to the Age Discrimination in Employment Act of 1967, the primary responsibility for resolving charges between the FEPA and the EEOC will be divided as follows:

A. EEOC and the FEPA will process all Title VII, ADA, and ADEA charges that they originally receive.

1. For charges originally received by the EEOC and/or to be initially processed by the EEOC, the FEPA waives its right of exclusive jurisdiction to initially process such charges for a period of 60 days for the purpose of allowing the EEOC to proceed immediately with the processing of such charges before the 61st day.

In addition, the EEOC will initially process the following charges:

-- All Title VII, ADA, and concurrent Title VII/ADA charges jurisdictional with the FEPA and received by the FEPA 240 days or more after the date of violation;

-- All disability-based charges which may not be resolved by the FEPA in a manner consistent with the ADA.

-- All concurrent Title VII/EPA charges;

-- All charges against the FEPA or its parent organization where such parent organization exercises direct or indirect control over the charge decision making process;

-- All charges filed by EEOC Commissioners;

-- Charges also covered by the Immigration Reform and Control Act;

-- Complaints referred to EEOC by the Department of Justice, Office of Federal Contract Compliance Programs, or Federal fund-granting agencies under 29 CFR § 1640, 1641, and 1691.

-- Any charge where EEOC is a party to a Conciliation Agreement or a Consent Decree which, upon mutual consultation and agreement, is relevant to the disposition of the charge. The EEOC will notify the FEPA of all Conciliation Agreements and Consent Decrees

which have features relevant to the disposition of subsequent charges;

-- Any charge alleging retaliation for filing a charge with EEOC or for cooperating with EEOC; and

-- All charges against Respondents which are designated for initial processing by the EEOC in a supplementary memorandum to this Agreement.

2. The FEPA will initially process the following types of charges:

-- Any charge alleging retaliation for filing a charge with the FEPA or cooperating with the FEPA;

-- Any charge where the FEPA is a party to a Conciliation Agreement or a Consent Decree which, upon mutual consultation and agreement, is relevant to the disposition of the charge. The FEPA will provide the EEOC with an on-going list of all Conciliation Agreements and Consent Decrees which have features relevant to the disposition of subsequent charges;

-- All charges which allege more than one basis of discrimination where at least one basis is not covered by the laws administered by EEOC but is covered by the FEPA Ordinance, or where EEOC is mandated by federal court decision or by internal administrative EEOC policy to dismiss the charge, but FEPA can process that charge.

-- All charges against Respondents which are designated for initial processing by FEPA in a supplementary memorandum to this Agreement; and

-- All disability-based charges against Respondents over which EEOC does not have jurisdiction.

B. Notwithstanding any other provision of the Agreement, the FEPA or the EEOC may request to be granted the right to initially process any charge subject to agreement of the other agency. Such variations shall not be inconsistent with the objectives of this Worksharing Agreement or the Contracting Principles.

C. Each Agency will on a quarterly basis notify the other of all cases in litigation and will notify each other when a new suit is filed. As charges are received by one Agency against a Respondent on the other Agency's litigation list a copy of the new charge will be sent to the other Agency's litigation unit within 30 working days.

#### IV. EXCHANGE OF INFORMATION

A. Both the FEPA and EEOC shall make available for inspection and copying to appropriate officials from the other Agency any information which may assist each Agency in carrying out its responsibilities. Such information shall include, but not

necessarily be limited to, investigative files, conciliation agreements, staffing information, case management printouts, charge processing documentation, and any other material and data as may be related to the processing of dual-filed charges or administration of the contract. The Agency accepting information agrees to comply with any confidentiality requirements imposed on the agency providing the information. With respect to all information obtained from EEOC, the FEPA agrees to observe the confidentiality provisions of Title VII, ADEA, and ADA.

- B. In order to expedite the resolution of charges or facilitate the working of this Agreement, either Agency may request or permit personnel of the other Agency to accompany or to observe its personnel when processing a charge.

#### V. RESOLUTION OF CHARGES

- A. Both agencies will adhere to the procedures set out in EEOC's Order 916, Substantial Weight Review Manual, and the State and Local Handbook as revised.
- B. For the purpose of according substantial weight to the FEPA final finding and order, the FEPA must submit to the EEOC copies of all documents pertinent to conducting a substantial weight review; the evaluation will be designed to determine whether the following items have been addressed in a manner sufficient to satisfy EEOC requirements; including, but not limited to:
  - 1. jurisdictional requirements,
  - 2. investigation and resolution of all relevant issues alleging personal harm with appropriate documentation and using proper theory,
  - 3. relief, if appropriate,
  - 4. mechanisms for monitoring and enforcing compliance with all terms of conciliation agreements, orders after public hearing or consent orders to which the FEPA is a party.
- C. In order to be eligible for contract credit and/or payment, submissions must meet all the substantive and administrative requirements as stipulated in the Contracting Principles.
- D. For the purposes of determining eligibility for contract payment, a final action is defined as the point after which the charging party has no administrative recourse, appeal, or other avenue of redress available under applicable State and Local statutes.

#### VI. IMPLEMENTATION OF THE WORKSHARING AGREEMENT

- A. Each agency will designate a person as liaison official for

the other agency to contact concerning the day-to-day implementation for the Agreement. The liaison for the FEPA will be Peggy Raynock, Assistant to the Director of Compliance. The liaison official for the EEOC will be Charles F. Brown, Coordinator of State and Local Programs.

- B. The agencies will monitor the allocation of charge-processing responsibilities as set forth in the Agreement. Where it appears that the overall projection appears inappropriate, the appropriate portions of this Agreement will be modified to ensure full utilization of the investigation and resolution capacities of the FEPA and rapid redress for allegations of unlawful employment discrimination.
- C. EEOC will provide original forms to be copied by the FEPA, in accordance with the Regulations and the Compliance Manual to be used by the FEPAs in correspondence with Charging Parties and Respondents.
- D. If a dispute regarding the implementation or application of this agreement cannot be resolved by the FEPA and District Office Director, the issues will be reduced to writing by both parties and forwarded to the Director of the Office of Field Programs for resolution.
- E. This Agreement shall operate from the first (1st) day of October 2001 to the thirtieth (30th) day of September 2002 and may be renewed or modified by mutual consent of the parties.

I have read the foregoing Worksharing Agreement and I accept and agree to the provisions contained therein.

Date\_

9/18/2001



**Marie M. Tomasso, District Director  
U.S. Equal Employment Opportunity Commission  
Philadelphia District Office**

Date\_

9/18/2001



**Homer C. Floyd, Executive Director  
Pennsylvania Human Relations Commission**

**ADDENDUM TO THE WORKSHARING AGREEMENT BETWEEN THE EEOC AND  
THE PHRC FOR CONTRACT YEAR 2002**

The following procedures will apply for all charges initially received by the Equal Employment Opportunity Commission (EEOC) which are co-jurisdictional with the Pennsylvania Human Relations Commission (PHRC).

1. EEOC will provide "walk-in" and "mail-in" Charging Parties two documents: (1) the pamphlet entitled "Know your Rights" which explains the differences between the Federal Statutes enforced by EEOC and the PHRACT; and (2) the form entitled "Information for Complainants & Election Option to Dual File a Complaint with the Pennsylvania Human Relations Commission", attached hereto as Attachment A and incorporated herein. This form advises the Charging Parties of their right to file the charge with PHRC and will provide instructions for doing so. The Charging Party will be asked to sign the form and elect the option of either dual filing or not dual filing his/her complaint with PHRC.
2. A copy of the signed form will be given to the Charging Party. The original form will be sent to the PHRC with the deferral correspondence. EEOC will also retain a copy of the signed form in its case file.
3. If the complainant elects to dual file with PHRC, EEOC will serve a copy of the form on the respondent when the EEOC 5 is served. When EEOC serves the Election Option form with its charge, this will constitute service by PHRC.
4. EEOC's Philadelphia and Pittsburgh Offices will provide closure printouts on a monthly basis to PHRC identifying co-jurisdictional charges closed by EEOC the previous month. These offices will also provide PHRC with printouts of pending co-jurisdictional charges upon request.
5. PHRC will notify the EEOC Philadelphia and Pittsburgh Offices in writing, on a periodic basis of closed charges which were dual filed with PHRC as "Lukus" charges and for which EEOC closure documentation is requested.
6. EEOC will send to PHRC within 30 days of such notification appropriate closure correspondence/documentation for the charges closed by EEOC. Moreover, upon request to do so, EEOC will provide the entire EEOC file to PHRC for review

and/or copying.

7. When forwarding requested documentation to PHRC, EEOC will include written notice that it will refrain from case destruction for 60 days, even if the case were otherwise eligible for destruction under EEOC's destruction schedules. If PHRC has not requested a copy of the complete case file by the date indicated, the file will be eligible for destruction by EEOC in accordance with EEOC's case disposition schedules.
8. EEOC will attempt to make closures such as settlements, withdrawals, unable to locate or failure to cooperate applicable to PHRC as well as EEOC.
9. Where a case has been closed by EEOC as adjusted and the Charging Party notifies PHRC that the terms of the agreement have not been met, PHRC will refer the Charging Party to the EEOC for enforcement of the EEOC agreement.

The above procedures may be modified at any time upon mutual consent of the parties.

2/8/02  
Date

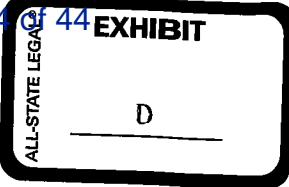
*Marie M. Tomasso*  
for Marie M. Tomasso, District Director  
Equal Employment Opportunity Commission  
Philadelphia District Office

2/2/2002  
Date

*Homer C. Floyd*  
Homer C. Floyd, Executive Director  
Pennsylvania Human Relations Commission



**EXHIBIT "D"**



## REQUEST FOR EEOC TO DUAL FILE CHARGE WITH THE PENNSYLVANIA HUMAN RELATIONS COMMISSION

You have just filed a charge of employment discrimination with the Equal Employment Opportunity Commission (EEOC). You also have the right to file this same charge with the Pennsylvania Human Relations Commission (PHRC) under the Pennsylvania Human Relations Act. Generally, the anti-discrimination laws administered by EEOC and the PHRC are very similar. However, there may be circumstances in which the state and federal laws or procedures may vary in a manner that could affect the outcome of your case.

Complaints filed with the PHRC must be filed within 180 days of the act(s) which you believe are discriminatory.

If you want your charge to be filed with PHRC, EEOC will send a copy of the charge to PHRC. Upon receipt by PHRC, it is assigned a docket number and served upon the named respondent. Because you have chosen EEOC to conduct your investigation, PHRC will not investigate your complaint. When EEOC conducts an investigation, PHRC in most cases will accept EEOC's finding. It is your responsibility to notify PHRC of EEOC's disposition. If you disagree with EEOC's dismissal, you must identify documents or witness testimony to support your position to PHRC.

If your case is still pending with PHRC after one year from filing with PHRC, PHRC will send you a notice of your right to file in the appropriate Pennsylvania court of common pleas. If you do not request a continuance of your case, PHRC will close your case.

I hereby request EEOC to file my charge with the Pennsylvania Human Relations Commission.

*Jeff T. Paek* Attorney for Brenda Adkins  
9-23-02

Signature and date

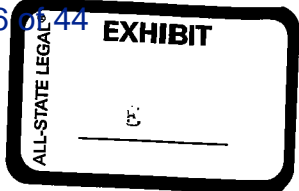
I do not want my charge dual filed with the Pennsylvania Human Relations Commission.

Signature and date

RECEIVED - EEOC  
PHILADELPHIA, PA  
02 SEP 23 PM 3:02

EEOC Charge No.

**EXHIBIT "E"**



## REQUEST FOR EEOC TO DUAL FILE CHARGE WITH THE PENNSYLVANIA HUMAN RELATIONS COMMISSION

You have just filed a charge of employment discrimination with the Equal Employment Opportunity Commission (EEOC). You also have the right to file this same charge with the Pennsylvania Human Relations Commission (PHRC) under the Pennsylvania Human Relations Act. Generally, the anti-discrimination laws administered by EEOC and the PHRC are very similar. However, there may be circumstances in which the state and federal laws or procedures may vary in a manner that could affect the outcome of your case.

Complaints filed with the PHRC must be filed within 180 days of the act(s) which you believe are discriminatory.

If you want your charge to be filed with PHRC, EEOC will send a copy of the charge to PHRC. Upon receipt by PHRC, it is assigned a docket number and served upon the named respondent. Because you have chosen EEOC to conduct your investigation, PHRC will not investigate your complaint. When EEOC conducts an investigation, PHRC in most cases will accept EEOC's finding. It is your responsibility to notify PHRC of EEOC's disposition. If you disagree with EEOC's dismissal, you must identify documents or witness testimony to support your position to PHRC.

If your case is still pending with PHRC after one year from filing with PHRC, PHRC will send you a notice of your right to file in the appropriate Pennsylvania court of common pleas. If you do not request a continuance of your case, PHRC will close your case.

I hereby request EEOC to file my charge with the Pennsylvania Human Relations Commission.

*Jeff T. Parke* Attorney for Ruthann Geer-Lloyd  
9-23-02

Signature and date

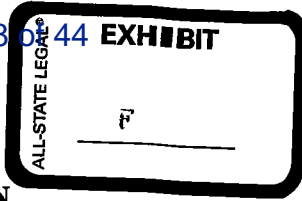
RECEIVED - EEOC  
PHILADELPHIA, D.C.  
02 SEP 23 PM 3:01

I do not want my charge dual filed with the Pennsylvania Human Relations Commission.

Signature and date

EEOC Charge No.

**EXHIBIT “F”**



**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
Philadelphia District Office**

The Bourse, Suite 400  
21 S. Fifth Street  
Philadelphia, PA 19106-2515  
PH: (215) 451-5800  
TDD: (215) 451-5814  
FAX: (215) 451-5804/5767

Brenda Adkins  
P.O. Box 411  
800 Main Street  
Waynesboro, PA 17268

Charging Party,

CHARGE NO.:170-2003-00778

World Kitchen Inc.  
1144 Kennebec Drive  
Chambersburg, PA 17201

Respondent.

DETERMINATION

Under the authority vested in me by the procedural regulations of the Equal Employment Opportunity Commission (EEOC), I issue the following determination as to the merits of the above cited charge filed under Title VII of the Civil Rights Act of 1964, as amended (Title VII). The timeliness and all other jurisdictional requirements for coverage have been met.

Charging Party was hired by Corning on December 11, 1972. Respondent assumed ownership in 1998. Charging Party held the position as General Merchandise Manager, Outlet Division until her discharge on March 29, 2002. Charging Party alleged that Respondent intentionally underpaid her because of her sex. Charging Party avers that in the summer of 2001, Respondent completed a study of its management compensation practices. As part of the study, the pay levels for various management jobs were benchmarked against the pay levels of comparable jobs at other companies. Based on the results of the study, Respondent adjusted the salaries of those managers who were paid less than the 50th percentile of the benchmark level. However, no change was made in the salary of Charging Party. According to the Charging Party, the study showed that none of the male executives were paid below the 50th percentile.

Charging Party alleged that because of her sex, the Respondent intentionally kept her salary below the level warranted. Charging Party further alleged that in January 2002, Respondent hired a new President, Retail Division and who became Charging Party's direct supervisor. On March 28, 2002, the new President conducted a job performance evaluation known as a Partner Excellence Review (PER) for Charging Party's performance in 2001. Even though the new President was not her supervisor in 2001, he gave Charging Party a less than satisfactory evaluation. On that same day, he notified the Charging Party that her position was being eliminated as of March 29, 2002. Charging Party alleged that her duties were assigned to two males who were hired within six weeks of the termination of her employment.

Respondent denies the allegation and contends that CP's position was eliminated due to the restructuring of the Respondent's Factory Stores Division. Respondent also contends that the Factory stores accounted for \$153.3 million in sales in 1999, dropped to \$146.2 million in 2000 and continued to decline in sales for 2001. In January 2001, after review of the 2001 Division performance and Charging Party's failure to increase sales over the previous year, the new President determined that Charging Party did not meet the objectives for 2001. Upon the redesign of the division, the position of Manager, Sales & Operations was eliminated. The newly created position was Vice President of Merchandising. The new President determined that the Charging Party's skills and abilities did not match the needs of the new position and her employment was terminated.

The evidence supports CP's allegations that she was paid a lower salary and her employment was terminated because of her sex, female. A signed statement from Respondent's former Controller states that the compensation study was done because the Charging Party complained that she and other females were being underpaid compared to males in similar positions. The Controller also states that shortly after the study was completed at least four females received substantial salary increases, including the Charging Party who received a 14% salary increase. He further states that a male was selected for the newly created a position of Vice President of Merchandising. While the former Controller acknowledges that some duties were eliminated and others added, he emphatically states that the Charging Party would have still been able to perform in the newly created position. Finally, at the time the Charging Party's position was eliminated, the record shows that the employment of two other females in managerial positions was also terminated.

In addition, a statement from the former General Manager of Outlet Division, who worked for the Respondent from approximately April 2001 to April 2002 and supervised the Charging Party as well as the two other females in managerial positions, stated that all three (3) performed their duties in a highly efficient manner. Furthermore, the General Manager's statement also refuted Respondent's contention that sales dropped

due to the financial performance of the Charging Party. The General Manager stated that sales dropped because Respondent was closing many of its outlet stores.

Based on this analysis, I have determined that the evidence establishes a violation of Title VII. The evidence shows that the Charging Party as well as two (2) other female managers were treated differently because of their sex and that sex was a factor considered by the Respondent when it determined Charging Party's rate of pay and failed to pay her and another female a salary similar to males in comparable positions. The evidence also shows that sex was a factor considered when it terminated the employment of Charging Party and two other females managers.

Upon finding that there is reason to believe that a violation has occurred, the Commission attempts to eliminate the alleged unlawful practices by informal methods of conciliation. Therefore, the Commission now invites the parties to join with it in reaching a just resolution of this matter. In this regard conciliation of this matter has now begun. Please be advised that upon receipt of this finding, any reasonable offer to resolve this matter will be considered. The Commission is seeking actual monetary losses/costs incurred by the Charging Party. A Commission representative will prepare a proposed Conciliation Agreement which will contain a demand for monetary relief, interest and other appropriate losses. The proposed agreement will be mailed to the Respondent, within the next ten (10) days. The confidentiality provisions of the statute and Commission Regulations apply to information obtained during conciliation.

If the Respondent declines to discuss settlement or when, for any other reason, a settlement acceptable to the office Director is not obtained, the Director will inform the parties and advise them of the court enforcement alternatives available to aggrieved person and the Commission

On Behalf of the Commission,

9/1/05  
DATE

  
Marie M. Tomasso  
District Director



**EXHIBIT "G"**



**U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
Philadelphia District Office**

The Bourse, Suite 400  
21 S. Fifth Street  
Philadelphia, PA 19106-2515  
PH: (215) 451-5800  
TDD: (215) 451-5814  
FAX: (215) 451-5804/5767

Ruthann Geer-Lloyd  
27 Sherwood Circle  
Enola, PA 17025

Charging Party,

CHARGE NO.:170-2003-00779

World Kitchen Inc.  
1144 Kennebec Drive  
Chambersburg, PA 17201

Respondent.

**DETERMINATION**

Under the authority vested in me by the procedural regulations of the Equal Employment Opportunity Commission (EEOC), I issue the following determination as to the merits of the above cited charge filed under Title VII of the Civil Rights Act of 1964, as amended (Title VII). The timeliness and all other jurisdictional requirements for coverage have been met.

Charging Party, a female, alleged that she was paid a lower wage than male Managers and discharged because of her sex. Charging Party alleged that she was employed by the Respondent since October 1987 until March 30, 2002, when she was discharged from her position of Factory Outlet Operations Manager. According to the Charging Party, she supervised 175 factory outlet stores with gross sales of approximately \$180 million dollars. Charging Party alleged that in the summer of 2001, Respondent completed a study of its management compensation practices. As part of the compensation re-design study, the pay levels of its various management jobs were benchmarked against the pay levels of comparable jobs at other companies. Based on the results of the study none of the male executives were being paid at or below the 50<sup>th</sup> percentile. However, no change was made to the salary of the Charging Party who was below the 50<sup>th</sup> percentile. Charging Party further alleged that in January 2002,

Respondent hired a new President of the Retail Division and he became Charging Party's supervisor. On March 29, 2002, the new President issued Charging Party a less than satisfactory job performance evaluation. On March 29, 2002, the President informed the Charging Party that her position was being eliminated as of March 30, 2002.

Respondent denies the allegation and contends that Charging Party was the fourth highest paid employee in the Factory Stores Division. Moreover, in January 2002, Charging Party received a 14% salary increase. Respondent further states that in 2002 it restructured the Factory Stores Division, which became known as the Retail Division. On January 9, 2002, a new President for the Retail Division was hired. According to the Respondent, Charging Party was accountable for the Retail Division's financial performance. The Factory Division accounted for \$153.3 million in sales in 1999, dropped to \$146.2 million in 2000 and continued to decline in sales for 2001. In January 2002, after review of the 2001 Division performance and Charging Party's failure to increase sales over the previous year, the new President determined that Charging Party did not meet the objectives for 2001. Charging Party's position was subsequently eliminated. A new position of Vice President of Sales was created.

The evidence supports Charging Party's allegation that she was paid a lower salary than male managers and her employment was terminated because of her sex. Specifically, a signed statement from Respondent's former Controller states that the compensation study was done because the Charging Party complained that she and other females were being underpaid compared to males in similar positions. The former Controller also attests that shortly after the study was completed at least four females received substantial salary increases, including Charging Party who received a 14% salary increase. He also verified that a male was selected for the newly created a position of Vice President of Sales and also affirmed that the position required the same duties Charging Party performed as Operations Manager. Finally, at the time the Charging Party's position was eliminated, the record shows that the employment of two other females in managerial positions was also terminated.

In addition, a statement from the General Manager of Outlet Divisions and Charging Party's former supervisor states that Charging Party, as well as the two other female managers, performed their duties in a highly efficient manner. Furthermore, the General Manager's statement refutes Respondent's contention that sales dropped because of Charging Party's financial performance. The General Manager stated that sales dropped because Respondent was closing many of its outlet stores.

Based on this analysis, I have determined that the evidence establishes a violation of Title VII. The evidence shows that the Charging Party as well as two (2) other females, were all treated differently because of their sex. The evidence clearly shows and that


sex was a factor considered by the Respondent when it determined Charging Party's rate of pay and failed to pay her and another female at the same rate as males in comparable positions. The evidence also shows that sex was a factor considered when it terminated the employment of Charging Party and the two other female managers.

Upon finding that there is reason to believe that a violation has occurred, the Commission attempts to eliminate the alleged unlawful practices by informal methods of conciliation. Therefore, the Commission now invites the parties to join with it in reaching a just resolution of this matter. In this regard conciliation of this matter has now begun. Please be advised that upon receipt of this finding , any reasonable offer to resolve this matter will be considered. The Commission is seeking actual monetary losses/costs incurred by the Charging Party. A Commission representative will prepare a proposed Conciliation Agreement which will contain a demand for monetary relief, interest and other appropriate losses. The proposed agreement will be mailed to the Respondent, within the next ten (10) days. The confidentiality provisions of the statute and Commission Regulations apply to information obtained during conciliation.

If the Respondent declines to discuss settlement or when, for any other reason, a settlement acceptable to the office Director is not obtained, the Director will inform the parties and advise them of the court enforcement alternatives available to aggrieved person and the Commission

On Behalf of the Commission,

9/1/05  
DATE

  
Marie M. Tomasso  
District Director