The U.S. Equal Employment Opportunity Commission

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EEOC SUES CRACKER BARREL FOR SEX BIAS AND RACIAL HARASSMENT

Federal Agency Lawsuit Based Upon Charges Filed by 10 Employees Against 'Family' Restaurants in Matteson, Mattoon and Bloomington, Illinois

CHICAGO - The U.S. Equal Employment Opportunity Commission (EEOC) today filed a sexual and racial harassment class lawsuit in federal court here against Cracker Barrel Old Country Store, Inc., CBRL Group, Inc., and CBOCS West, Inc. (collectively, "Cracker Barrel").

The EEOC's lawsuit is based upon charges of discrimination filed by 10 workers in three Cracker Barrel restaurants in Matteson, Mattoon, and Bloomington, Illinois, and alleges that the company violated Title VII of the Civil Rights Act of 1964 by subjecting female employees in those locations to sexual harassment and retaliation. The federal agency also alleges that African American employees were harassed and subject to different terms and conditions of employment because of their race.

The EEOC said that its administrative investigation which preceded the lawsuit revealed that the harassment of women at the Cracker Barrel facilities included circulation of pornographic photographs and cartoons, obscene jokes, sexual propositions, groping, and sexual assaults. Managers not only refused to investigate or act upon complaints of harassment, according to EEOC's investigation, they became personally involved in it grabbing female employees, propositioning them, and laughing at their complaints. Calls to Cracker Barrel's "1-800 hotline," established to receive complaints, went unanswered.

The investigation also revealed that an obscene cartoon depicting a African American employee was circulated in the Bloomington Cracker Barrel and that there were continuous race-based comments referring to the employee as "black and lazy" and one whose "people like to eat turnip greens." Comments were made to the effect that African Americans expected others to take care of their children. When some white servers objected to waiting on black customers, Cracker Barrel management assigned the black employee to do it.

The EEOC Regional Attorney in Chicago, John Hendrickson, said: "Cracker Barrel markets itself as a wholesome family restaurant a general store reminiscent of the old time values of small town and rural America. But this case involving three different and widely dispersed restaurants suggests that life behind the scenes at these Cracker Barrels was something different, something seamy, untoward and oppressive and illegal."

Hendrickson continued: "The objectives of EEOC's lawsuit will be to obtain fair compensation for all the victims of Cracker Barrel's discrimination and, equally important, to put injunctive measures in place sufficient to permanently clean-up what has been going on."

The EEOC lawsuit, captioned *EEOC v. Cracker Barrel Old Country Store, Inc., CBRL Group, Inc., and CBOCS West, Inc.,* N.D. Illinois No. 04-C-5273, and assigned to District Judge Charles R. Norgle, Sr., was filed after the agency's efforts to resolve the matter through its voluntary conciliation process proved futile.

John Rowe, Director of the EEOC Chicago District Office, said: "What we know already that we have charges of discrimination from 10 separate people, that three separate restaurants in three separate cities are involved, and that management seems to have been unresponsive in every case suggests to us that we are looking at a widespread and serious problem. Cracker Barrel is not a small employer and this is not going to be a little case. But this office has deep experience in dealing wi

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th major employment discrimination cases and we look forward to a positive result in this one."

According to Cracker Barrel's Internet web site, the company which started out in 1969 in Lebanon, Tennessee currently has over 500 stores in 41 states and plans to open new ones at a rate of 20 stores per year. It employs more than 45,000 workers. For fiscal year 2003, Cracker Barrel reported revenues of \$2.2 billion and net income of \$106.5 million, with average annual sales of over \$3 million per restaurant. Cracker Barrel also operates more than 100 Logan's Roadhouse restaurants in 17 states.

EEOC Trial Attorney Pamela Moore-Gibbs noted, "Whatever its image, Cracker Barrel is no 'mom 'n pop' operation. This is an enormous, highly sophisticated national marketing operation. That Cracker Barrel seems to have been so wide of the mark in complying with federal laws prohibiting employment discrimination suggests how persistent sex and race discrimination remain."

In addition to enforcing Title VII of the Civil Rights Act of 1964, which prohibits employment discrimination based on race, color, religion, sex or national origin, the EEOC enforces Title I of the Americans with Disabilities Act, which prohibits discrimination against people with disabilities in the private sector and state and local governments; the Age Discrimination in Employment Act, which protects individuals who are 40 years of age or older; the Equal Pay Act; the Rehabilitation Act of 1973's prohibitions against discrimination affecting individuals with disabilities in the federal sector; and sections of the Civil Rights Act of 1991. Further information about the Commission is available on the agency's web site at www.eeoc.gov.

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