

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TENNESSEE
EASTERN DIVISION

FILED BY *lu* D.C.

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U.S. DISTRICT COURT
WESTERN DISTRICT OF TENNESSEE
EASTERN DIVISION

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EQUAL EMPLOYMENT OPPORTUNITY :
COMMISSION, :

Plaintiff, :

v. : Civil Action No. 1 - 02 - 1157-Br

Milan Box Corporation, :

: JURY TRIAL DEMAND

Defendant. :

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CONSENT DECREE

Introduction

Plaintiff, Equal Employment Opportunity Commission (hereinafter the "Commission"), has instituted this action alleging that Defendant Milan Box Corporation, allowed one of its supervisors to sexually harass female employees, and laid off and refused to recall or rehire two women in retaliation for their complaints about the harassment in violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000e et seq. (hereinafter "Title VII").

For purposes of settlement and compromise only, the parties have advised the Court that they wish to resolve the instant controversy without the expense, delay, and burden of further litigation;

THEREFORE, it is the finding of this Court, made on the pleadings and on the record as a whole and upon agreement of the parties, that: (i) this Court has jurisdiction over the parties to and the subject matter of this action, (ii) the requirements of Title VII will be carried out by the

implementation of this Decree, (iii) this Decree is intended to and does resolve all matters in controversy in this lawsuit among the parties, and (iv) the terms of this Decree represents a settlement of all issues in this lawsuit.

IT IS THEREFORE ORDERED, ADJUDGED, AND Decreed as follows:

I. General Provisions

1. This Decree, being entered with the consent of the parties for purposes of settlement, shall not constitute an adjudication on the merits of this lawsuit and shall not be construed as an admission by Defendant of any violation of Title VII or any executive order, law, rule or regulation dealing with or in connection with sex discrimination in employment.

2. The Defendant, its officers, agents, employees, and all persons acting in concert with the Defendant are enjoined from discriminating on the basis of sex.

3. The Defendant, its officers, agents, employees, and all persons acting in concert with the Defendant are enjoined from discriminating against any employee because he or she has opposed discrimination based upon sex.

4. Defendant shall not discriminate or retaliate against any person because he or she has opposed any practices alleged in this action as unlawful under Title VII, has participated in an investigation conducted under Title VII with respect to this complaint, or because he or she has participated in this lawsuit or has benefitted in any way as a result of this Consent Decree.

II. Relief for Aggrieved Parties

1. Defendant agrees to pay at total of \$12,000 in gross backpay and \$78,000 in compensatory damages to the women listed on Exhibits A and B, attached hereto, as described below.

2. Within thirty (30) days of the entry of this Decree, Defendant shall pay the \$12,000 in gross backpay and the first \$38,000 in compensatory damages to some of the claimants as shown on Exhibit A.

3. Defendant has provided the Commission with a non interest-bearing promissory note in the form attached hereto as Exhibit C, signed by its President, as evidence of its intention to pay the remaining \$40,000 in compensatory damages as shown on Exhibit B.

4. Within seven (7) months of the entry of this Decree, Defendant shall pay the \$40,000 in compensatory damages as shown on Exhibit B.

5. As to checks designated as backpay, Defendant may reduce the gross amounts listed on Exhibit A by applicable deductions for the employee's portion of FICA and by applicable federal and state income tax withholding and may pay the claimant only the resulting net backpay amount.

6. Defendant will provide a statement itemizing the deductions from the backpay check to each claimant receiving such a check.

7. As to checks designated as damages, the full amount showns on Exhibits A and B are to be paid.

8. Copies of the checks and statements described above shall be contemporaneously forwarded to the EEOC's Regional Attorney in its Memphis, District Office. Upon receipt of all of the checks and statements, EEOC will forward to Defendant copies of the release form attached as Exhibit D, signed by each claimant.

III. Posting and Policies

1. Defendant shall post and cause to remain posted copies of the notice attached hereto as Exhibit E in locations publicly visible to all employees in all facilities owned and operated by Defendant, within the State of Tennessee for a period of three (3) years starting from the date of entry of this Decree.

2. Within thirty (30) days of the entry of this Decree, Defendant shall cause the policy attached hereto as Exhibit F to be signed by its President and distributed to each and every supervisor, and management official employed at all facilities owned and operated by Defendant in the State of Tennessee. Defendant shall also cause all of the aforementioned officials to sign the statement attached hereto as Exhibit G to indicate that they have received and read the policy.

IV. Training

1. Defendant shall provide training in the workplace for its supervisors and management staff regarding compliance with Title VII of the Civil Rights Act of 1964. In addition, Defendant will notify the Commission within thirty days after it completes the training, provide a copy of the training materials, and provide a list of the attendees at the training.

V. Reporting, Record-keeping, and Access

1. Within forty-five (45) days of the entry of this Decree, Defendant shall prepare and submit to the Commission's Regional Attorney in its Memphis District Office a letter indicating as follows:

- a. that the notice has been posted as required by section III, paragraph 1, above, and
- b. that the Equal Employment Opportunity policy has been distributed as required by section III, paragraph 2, above.

The signed copies of Exhibit G shall be enclosed with the letter.

2. During the term of this Decree Defendant shall allow representatives of the Commission to review Defendant's compliance with this Decree by inspecting and photocopying relevant documents and records, interviewing employees and management officials on their premises, and inspecting their premises. Such review of compliance shall be initiated by written notice to the Defendant's attorney of record at least three (3) business days in advance of any inspection of a Defendant's documents or premises.

VI. Term and Effect of Decree

1. By entering into this Decree the parties do not intend to resolve any charges of discrimination currently pending before the Commission other than charge number 250-A0-1090. This Decree does, however, resolve all of the claims EEOC made or could have made in this litigation, including all sex discrimination claims based upon the alleged actions of Milburn Reed when Mr. Reed was employed by Defendant, including but not limited to the sexual harassment claims of Mildred Karen Willis, Phyllis Capps, Lorie Crowe, Nadine Herndon, Brenda Hickman, Michelle Fly, and Kimberly Fowler.

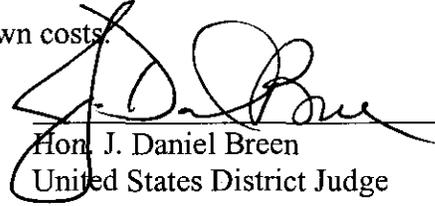
2. This Decree shall be binding upon the parties hereto, their successors and assigns. Defendant shall affirmatively notify any purchasers of the obligations of this Consent Decree prior to any sale which may take place.

3. This Decree constitutes the complete and exclusive agreement between the EEOC and Milan Box Corporation, with respect to the matters referred to herein. No waiver, modification or amendment of any provision of this Decree shall be effective unless made in writing. No representations or inducements to compromise this action have been made, other than those recited or referenced in this Decree.

4. This Decree shall be for a period of three years and can only be extended for good cause shown. During the Decree's term the Court shall retain jurisdiction of this cause for purposes of compliance.

5. Each party shall bear that party's own costs.

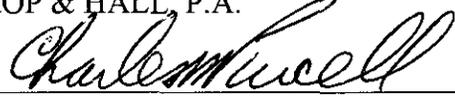
DATE: October 14, 2003


Hon. J. Daniel Breen
United States District Judge

Approved:

For Defendant Milan Box Corporation:

WALDROP & HALL, P.A.

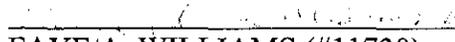
BY: 
Charles M. Purcell (#012461)
106 South Liberty Street
Jackson, TN 38301
(731) 424-6211

For Plaintiff Equal Employment Opportunity Commission:

ERIC S. DREIBAND
General Counsel

JAMES L. LEE
Deputy General Counsel

GWENDOLYN YOUNG REAMS
Associate General Counsel


FAYE A. WILLIAMS (#11730)
Acting Regional Attorney


THOMAS J. BOREK (IL 3127864)
Senior Trial Attorney


DRAGA G. ANTHONY (OH 41524)
Trial Attorney

Equal Employment Opportunity Commission
1407 Union Avenue, Suite 620
Memphis, Tennessee 38104
(901) 544-0136

Exhibit A
Initial Distribution (Within 30 days of Entry of Decree)

Name	Gross Backpay	Damages
Phyllis Capps (Cheser)		\$7,000.00
Lorie A. Crowe		
Michelle Fly		
Nadine Herndon	\$6,000.00	
Brenda M Hickman		
Mildred Karen Willis	\$6,000.00	\$31,000.00
Kimberly Fowler		
Totals	\$12,000.00	\$38,000.00
Grand Total:	\$50,000.00	

Exhibit B
 Final Distribution (Within Seven Months of Entry of Decree)

Name	Gross Backpay	Damages
Phyllis Capps (Cheser)		
Lorie A. Crowe		\$4,000.00
Michelle Fly		\$4,000.00
Nadine Herndon		\$14,000.00
Brenda M Hickman		\$14,000.00
Mildred Karen Willis		
Kimberly Fowler		\$4,000.00
Totals		\$40,000.00
Grand Total:	\$40,000.00	

Exhibit C

PROMISSORY NOTE

To evidence the agreement of Milan Box Corporation as to payments required of it in settlement of the case of Equal Employment Opportunity Commission v. Milan Box Corporation, No. 1-02-1157 (W.D. Tenn., Eastern Division) (the "Case"), the undersigned promises that Milan Box Corporation shall pay the following sums to the following persons within seven months of the date of entry of the Consent Decree to which this note is attached:

- \$4,000 to Lorie A. Crowe,
- \$4,000 to Michelle Fly,
- \$14,000 to Nadine Herndon,
- \$14,000 to to Brenda Mae Hickman, and
- \$4,000 to Kimberly Fowler.

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned the day and year first above written.

MILAN BOX CORPORATION

By:



Franklin Dedmon
President

Exhibit D

Release Form

In consideration of the payment to me pursuant to the Consent Decree entered in EEOC v. Milan Box Corporation, No. 1-02-1157 (W.D. Tenn., Eastern Division), of which this release is part, I hereby fully and forever release and discharge Milan Box Corporation, its successors and assigns, including its present and former directors, officers, employees and agents, from any claim or obligation based on discrimination or retaliation in violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, et seq., which was or could have been raised in such Civil Action No. 01-2332-GV.

I have read this release and I execute it voluntarily, without coercion or threat of reprisal.

Date

Signature of (Claimant's Name)

Exhibit E

NOTICE TO EMPLOYEES

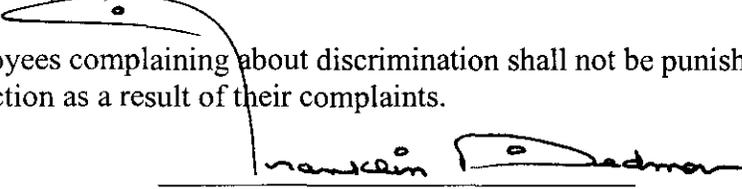
Federal law requires that there be no discrimination against any employee or applicant for employment because of the individual's sex, color, religion, race, national origin or age (40 and over) with respect to hiring, promotion, firing, compensation, or other terms, conditions or privileges of employment. Milan Box Corporation, supports and will comply with such Federal law in all respects and will not take any action against employees because they have exercised their rights under the law.

Milan Box Corporation will not expose any employee to unwelcome conduct of a suggestive or sexual nature. The prohibited conduct includes unwelcome sexual advances, requests for sexual favors, distribution of sexual literature, pictures, sculptures or other objects, and any other verbal or physical conduct of a sexual nature.

Milan Box Corporation has adopted a policy on harassment. To ensure a safe, secure working environment for all employees, Milan Box Corporation will respond to all employee complaints of sexual harassment in accordance with that policy. If you believe that you have been exposed to prohibited sexual conduct in the workplace, you may address your complaint to any owner or manager without regard to any "chain-of-command."

You may also call the United States Equal Employment Opportunity Commission at (901) 544-0153, or (901) 544-0136.

Employees complaining about discrimination shall not be punished or subjected to any adverse action as a result of their complaints.



President
Milan Box Corporation

Exhibit F

Policy on Harassment

Pursuant to Title VII of the Civil Rights Act of 1964, as amended, it is unlawful for an employer to subject any employee to acts of harassment based upon the employee's sex, race, color, religion or national origin, or to permit or encourage a work environment in which such conduct occurs.

Harassment based upon sex, race, color, religion or national origin includes any verbal or other conduct that demeans, insults or intimidates an employee or a group of employees because of their sex, race, color, religion or national origin. Prohibited conduct includes, but is not limited to jokes, labels, names, or stories offensive to a particular group of persons under Title VII.

It is the policy of this employer to prohibit the types of harassment described above. All persons, including supervisors, officers, and owners, who are responsible for such conduct shall be disciplined, and may ultimately be removed from positions involving contact with particular employees or terminated. All supervisors and other management employees are hereby instructed to promptly report to upper management whenever they become aware of any instance in which an employee may have been harassed unlawfully during working hours. Harassment or suspected harassment should be reported regardless of whether the alleged harasser is an owner, a manager, an employee, or a member of the public.

One particular type of prohibited harassment based upon sex is "sexual harassment," which is defined as any unwelcome sexual advance, unwelcome requests for sexual favors, or other unwelcome verbal or physical conduct of a sexual nature. Such conduct is always prohibited by Milan Box.

Employees also should be aware of the following:

- 1) That the unlawful harassment described above will not be tolerated or condoned by this company;
- 2) That persons subjected to such harassment may complain to the owners or to anyone in management, and that within ten (10) calendar days an owner or manager who was not involved in the alleged harassment shall conduct a full investigation, report back to the complaining individual, and take appropriate action against an offending party;
- 3) That persons complaining in either way shall not be subjected to any adverse action as a result of their complaints, and reasonable measures shall be taken to protect such persons from further harassment or from retaliation by the person about whom they are complaining.



President, Milan Box Corporation



Notice of Distribution

This notice confirms a copy of the document docketed as number 28 in case 1:02-CV-01157 was distributed by fax, mail, or direct printing on October 16, 2003 to the parties listed.

Thomas J. Borek
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
1407 Union Avenue
Ste. 621
Memphis, TN 38104

Katharine W. Kores
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
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Charles M. Purcell
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106 S. Liberty Street
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Honorable J. Breen
US DISTRICT COURT