

*The U.S. Equal Employment Opportunity Commission*

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## \$1.8 MILLION CONSENT DECREE ENDS EEOC FEDERAL EMPLOYMENT DISCRIMINATION SUIT IN ROCKFORD AGAINST INGERSOLL

### *Hundreds May Receive Compensation For Alleged Race And Sex Bias By Leading Area Employer*

ROCKFORD, Ill. - Federal District Court Judge Philip G. Reinhard today approved a \$1.8 million Consent Decree resolving a major race and sex employment discrimination lawsuit brought by the U.S. Equal Employment Opportunity Commission (EEOC) under Title VII of the Civil Rights Act of 1964 on behalf of blacks and women alleged to have been discriminated against by Ingersoll Milling Machine Company and its related companies (Ingersoll) (Case No. 99 C 50362). Ingersoll is an international employer with plants in Illinois and Michigan, as well as overseas in Germany. Its Rockford facility manufactures machine tools for use in the automotive industry and other industries.

The Consent Decree, entered in Federal District Court in Rockford, Ill., also resolved two private cases which had been consolidated with EEOC's case: Jefferson, et al v. Ingersoll, et al (Case No. 98 C 50042) and Smith v. Ingersoll, et al (Case No. 00 C 50260).

The cases, filed beginning in 1998, were based upon more than 30 Charges of Discrimination filed against Ingersoll and alleged that the company refused to hire African-Americans because of their race; discriminated against those African-American individuals it did hire in pay, promotion and other terms and conditions of employment; and discriminated against women in pay.

"This \$1.8 million settlement is a first step to remedy racial discrimination in hiring and promotions at Ingersoll," said EEOC Chairwoman Ida L. Castro. "We are very pleased that the injunctive relief will permit EEOC to monitor Ingersoll to ensure its employees a discrimination-free workplace. The Commission's comprehensive enforcement approach has been successful in identifying these illegal and systemic practices by bringing investigators and attorneys together at the outset. We hope that employers will review their practices not just their policies on paper and correct illegal actions voluntarily, to avoid increased risk."

In addition to providing an aggregate of almost \$2 million in monetary relief, the Consent Decree includes injunctions which bar Ingersoll from discriminating against African-Americans in connection with hiring, promotion, compensation, and other terms and conditions of employment. Ingersoll is also enjoined from discriminating against women, as well as on the bases of age and retaliation against persons who exercise their federally protected right to complain about employment discrimination.

The Decree also establishes a safeguard against future violations. The Court granted EEOC's request to provide for the appointment of an outside consultant to assist the Court with Ingersoll's implementation of the Decree. The consultant will perform duties similar to those of monitors who oversaw the implementation EEOC's landmark \$34 million sexual harassment settlement with Mitsubishi Motor Manufacturing of America in June 1998 the largest-ever sexual harassment settlement in U.S. history. "We think the EEOC and Ingersoll can capitalize on that experience in this case to the benefit of all parties," said John C. Hendrickson, regional attorney for EEOC's Chicago District Office.

Today's Decree provides that when Ingersoll begins hiring, it will be obligated to "actively encourage" African-Americans entitled to relief under the Decree to apply for jobs. The Court will set the terms for that "active encouragement" at a later date. Ingersoll will be required to consider the African-Americans who apply on a non-discriminatory basis and will be prohibited from waiving announced standards for favored applicants.

The Consent Decree includes a wide range of other injunctive measures, including terms requiring changes in job posting procedures, clarification of grievance procedures, publication of salary ranges and job grades, recruitment of diverse applicants, and conducting equal employment opportunity training.

The \$1.8 million settlement fund will be divided among three groups: \$1.3 million will be paid to 34 individuals represented by the Chicago law firm of Soule, Bradtke & Lambert; \$400,000 will be paid to rejected African-American job applicants who file claims with EEOC; and \$100,000 will be paid to certain victims of compensation discrimination at Ingersoll who also file claims. EEOC anticipates payments to approximately 30 compensation discrimination victims and as many as 400 hiring discrimination victims.

EEOC Regional Attorney Hendrickson said: "This Consent Decree providing for \$1.8 million, consultant oversight, and other injunctive relief successfully concludes a vigorous enforcement action against one of the leading employers in one of Illinois' leading cities. It signals, once again, that EEOC will challenge employment discrimination wherever and whenever it is found. It should also signal, to any employer who is paying attention, that the costs of employment discrimination are measured in the millions and cannot be justified to any community of employees, stockholders, or others as merely a cost of doing business."

Hendrickson added: "This case and this Consent Decree are also significant because they demonstrate, as we have demonstrated before, that, in appropriate cases, EEOC can work with the private bar in furthering the public interest. Jennifer Soule and the other private attorneys who worked with us on the Ingersoll litigation carried their full share of the load. Moreover, the cooperative working relationship we had with private counsel created a synergy which maximized the result for the taxpayers and the mission of EEOC. The record in this case is unequivocal: Both EEOC and the private plaintiffs achieved more through their consolidated efforts than either would have working alone."

John P. Rowe, Director of the agency's Chicago office, said: "This Consent Decree marks the end of a determined administrative and legal enforcement process. The result speaks for itself, particularly the injunctive and non-monetary relief. We anticipate that these measures will, over time, significantly change the way business is done at Ingersoll. In particular, we are cautiously optimistic that the presence of the outside consultant, who will be reporting to us and to the court, will encourage Ingersoll to fully implement both the letter and the spirit of the decree."

In addition to enforcing Title VII, which prohibits employment discrimination based on race, color, religion, sex and national origin, EEOC enforces the Age Discrimination in Employment Act; the Equal Pay Act; Title I of the Americans with Disabilities Act, which prohibits employment discrimination against people with disabilities in the private sector and state and local governments; prohibitions against discrimination affecting individuals with disabilities in the federal government; 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](http://www.eeoc.gov).

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*This page was last modified on July 13, 2001.*



[Return to Home Page](#)