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EEOC Wins Jury Verdict in Sexual Harassment Case against Costco

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Failure to Intervene Against Harassing Customer Created Hostile Work Environment, EEOC Charged

A federal jury has awarded \$250,000 in compensatory damages to a former employee of Costco Wholesale, Inc. who was harassed and stalked by a Costco customer, the U.S. Equal Employment Opportunity Commission (EEOC) announced today.

The federal agency alleged that Costco, the Washington-based international warehouse club, failed to prevent a male customer from harassing and stalking a Costco female employee, in Costco's Glenview, Illinois warehouse for over a year. The alleged harassment included unwelcome touching, unwelcome advances, and stalking. Although the employee reported the customer's conduct to Costco management, and the customer himself repeatedly reported his ongoing contact with the employee to Costco, the store took no effective action to prevent the harassment. As a result, the employee was forced to obtain a restraining order against the customer.

At trial, EEOC Trial Attorneys Richard Mrizek and Laura Feldman argued that Costco knew about the customer's conduct, but failed to take appropriate steps to correct the harassment and prevent it from recurring. According to EEOC, this conduct created a hostile working environment for the employee, in violation of Title VII of the Civil Rights Act of 1964, which requires an employer to take reasonable steps necessary to maintain a workplace free from harassment based on one's sex.

The eight-person Chicago jury unanimously found for EEOC and rejected Costco's arguments that the employee was unreasonably sensitive to harassment and that the harassment was not sufficiently sexual.

Judge Ruben Castillo presided over the seven-day trial, concluding litigation that lasted more than two years. EEOC filed its lawsuit, Civil Action No. 14-CV-6553, in the U.S. District Court for the Northern District of Illinois, after first attempting to settle the matter through its conciliation process.

"Today's verdict reinforces EEOC's commitment to protecting every woman's right to a safe, secure, and fair workplace," said Julianne Bowman, District Director of EEOC's Chicago District, which includes Wisconsin, Minnesota, Iowa, North and South Dakota, and most of Illinois. "It sends a clear message to employers that they cannot sit idly by when their employees are harassed in the workplace." Regional Attorney for the Chicago District Office, John Hendrickson said, "This case is an important reminder that employers have a duty to protect its employees from harassment by customers. "

Richard Mrizek, EEOC Lead Trial Attorney, said "We are proud that this employee took a stand against workplace harassment, despite the emotional toll of confronting the individuals who repeatedly failed to protect her. We hope this verdict will encourage other women to stand up to unwelcome harassment." Mrizek stated that he



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found it troubling that Costco response to EEOC's case was to attack the victim, including spending \$125,000 on a psychiatric expert in an attempt to discredit the employee. "It is unfortunate that Costco chose to attack its employee rather than take responsibility for its inaction."

"Costco repeatedly refused to take simple steps to prevent known harassment by a person it could easily ban from its stores, or direct to shop at a different store," said Laura Feldman, EEOC Trial Attorney. "An employer should not wait until an employee is so fearful that she resorts to seeking a restraining order before intervening against a customer. Employers should work diligently to ensure that all of its employees have a safe, harassment-free workplace."

EEOC advances opportunity in the workplace by enforcing federal laws prohibiting employment discrimination. More information is available at www.eeoc.gov. Stay connected with the latest EEOC news by subscribing to our [email updates](#). Read this article on the EEOC website [here](#).

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