

\$32.5 million class action settlement in MetLife race discrimination case



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Last week, a federal court in New York gave final [approval](#) to a \$32.5 million class action settlement alleging racial discrimination against African-American employees of [MetLife](#).

The settlement calls for an interesting, two-tiered approach for evaluating money damages on an individual basis, as discussed in more detail below.

The plaintiffs alleged that MetLife discriminated against African-American Financial Services Representatives by hindering their ability to get lucrative accounts, team up with colleagues, and receive training opportunities.

These types of discriminatory barriers are often associated with glass ceiling discrimination, in which high-level employees are unfairly passed over for promotions because of their race, gender, or other protected characteristic.

Background

The settlement will proceed as a class action case, as opposed to an individual claim(s) of discrimination.

An individual case involves one employee (Jane Smith) suing her employer for discrimination. The way the company treats its other employees will be relevant in an individual case. But the focus of the case and the available remedies will remain

on what happened to Jane Smith. Individual lawsuits are far more common than class action lawsuits.

Class action cases, on the other hand, involve a lead plaintiff(s) who, along with the lawyer for the class, represent the interests of a larger group of class members who have been harmed by the company in some common way. Class actions can range in size from 20-30 individuals to thousands of people.

Here, the class size appears to be about 700 people. In particular, the settlement covers African-American or Black Financial Services Representatives who worked for MetLife or New England Life Insurance Co. between May 15, 2011 and July 1, 2016.

The case is *Creighton, et al. v. Metropolitan Life Insurance Company*, No. 15-CV-08321 (S.D.N.Y.). The Plaintiffs are represented by Stowell & Friedman Ltd.

The Defendant is represented by Proskauer Rose LLP.

Unique claims process for assessing monetary damages

An interesting part of the settlement is the two-tiered system for calculating money damages for the class members who suffered discrimination. In many large class action settlements, the amount of money awarded to individual class members/employees is based on some objective factor/formula, such as the amount of time the individual has worked for the employer.

And one option for class members in this settlement is to choose this formula-based award if they desire, which will lead to them receiving their money faster.

But a second option exists for class members to participate in what is called the Individual Claims Resolution Process, under which the class member may reject the expedited award tied to their length of employment.

Under the individual process, the class member has the opportunity to present their specific claims to a neutral evaluator during a 75 minute hearing. The neutral evaluator will then decide the amount of monetary damages the class member should receive.

Presumably, if the class member makes a strong enough showing to the neutral s/he may receive a higher damage award than the formulaic award that is based on tenure with the company.

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