

**IN THE UNITED STATES DISTRICT COURT FOR THE
MIDDLE DISTRICT OF NORTH CAROLINA
SALISBURY DIVISION**

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION,)	
)	
Plaintiff,)	
)	
v.)	CASE NO.: 1: 08-CV-695
)	
STANLEY FURNITURE COMPANY, INC.,)	CONSENT DECREE
)	
Defendant.)	
)	

The Equal Employment Opportunity Commission (the "Commission") instituted this action pursuant to Section 706(f)(1) and (3) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000e-5(f)(1) and (3) ("Title VII"), and Section 102 of the Civil Rights Act of 1991, 42 U.S.C. § 1981a. The Commission's complaint alleged that Defendant, Stanley Furniture Company, Inc. ("Stanley" or "Defendant"), violated Title VII by subjecting Mr. Johnny Wright, and a class of similarly situated individuals, to a hostile work environment because of their race, Black. Stanley has denied these allegations.

The Commission and Defendant hereby stipulate to the jurisdiction of the Court over the parties and agree that the subject matter of this action is properly before the Court.

The parties have advised this Court that they desire to resolve the allegations in the Complaint without the burden, expense, and delay of further litigation. This Decree does not constitute an admission by Defendant. The Commission does not disavow any of its allegations in this lawsuit.

It is therefore the finding of this Court, made on the pleadings and the record as a whole, that: (1) the Court has jurisdiction over the parties and the subject matter of this action; (2) the purpose and provisions of Title VII will be promoted and effectuated by the entry of this Consent Decree; and (3) this Decree resolves all

matters in controversy between the parties as provided in paragraphs 1 through 13 below.

It is therefore ORDERED, ADJUDGED AND DECREED as follows:

1. Defendant shall not discriminate against any person on the basis of race or any other protected category within the meaning of Title VII.

2. Defendant shall not discriminate or retaliate against any person because of opposition to any practice made unlawful under Title VII of the Civil Rights Act of 1964 or because of the filing of a charge, the giving of testimony or assistance, or the participation in any investigation, proceeding or hearing under that statute.

3. Defendant shall pay Mr. Wright and the class members the total sum of Eighty Thousand Dollars (\$80,000) in settlement of the claims raised in this action. Of the foregoing Eighty Thousand Dollars (\$80,000), Defendant shall pay Mr. Wright the sum of Sixty Thousand Dollars (\$60,000), Darlene Dickerson the sum of Ten Thousand Dollars (\$10,000) and Elease Griffin the sum of Ten Thousand Dollars (\$10,000). Payment shall be made within fifteen (15) business days after the Court approves this Consent Decree, and Defendant shall mail or otherwise deliver the checks to Mr. Wright, Ms. Dickerson, and Ms. Griffin at an address provided by the Commission. Within ten (10) days after the checks have been sent, Defendant shall mail to Lynette A. Barnes, Regional Attorney, Equal Employment Opportunity Commission, 129 W. Trade Street, Suite 400, Charlotte N.C., 28202, a copy of each check and proof of their delivery to Mr. Wright, Ms. Dickerson and Ms. Griffin. Defendant will issue a 1099 form for these payments at the appropriate time. Mr. Wright, Ms. Dickerson and Ms. Griffin shall be responsible for all taxes due and owing on their respective payments.

4. Defendant is no longer conducting manufacturing operations at the

Lexington, North Carolina facility (the "Lexington Facility") where the alleged discrimination occurred, and, as such, personnel documents of the aggrieved parties are located in an off-site storage facility. In the event Defendant resumes operations at the Lexington Facility, or it accesses or utilizes the foregoing personnel documents for any reason, within ten (10) days thereof, Defendant shall eliminate from the employment records of Mr. Wright and the class members any and all documents, entries, or references of any kind relating to the facts and circumstances which led to the filing of EEOC Charge Number 435-2007-00468 and the related events that occurred thereafter. Within fifteen (15) days of the foregoing elimination, Defendant shall report compliance with this provision to the EEOC.

5. Defendant has in place a written anti-discrimination, anti-harassment, and anti-retaliation policy, that it shall maintain throughout the term of this Decree. Defendant shall redistribute to each current employee in North Carolina a copy of the policy within thirty (30) days of the entry of this Decree. Within forty-five (45) days of the entry of this Decree, Defendant shall report compliance to the Commission. During the term of this Decree, Defendant shall distribute the policy to all new employees and review it with them at the time of hire.

6. During the term of this Decree, and within five (5) days after this Consent Decree is entered, Defendant shall post a copy of the policy described in paragraph 5, supra, in all of their facilities in North Carolina in a place where it is visible to employees. Within fifteen (15) business days after entry of this Decree, Defendant shall notify the EEOC that the policy has been posted. If the policy becomes defaced or unreadable, Defendant shall replace it by posting another copy of the policy.

7. During the term of this Decree, Defendant shall provide an annual training program to all of its managers, supervisors and employees in North Carolina. Each training program shall include an explanation of the requirements of Title VII of the

Civil Rights Act of 1964, and its prohibition against retaliation in the workplace. Each training program shall also include an explanation of Defendant's policy referenced in paragraph 5 above, and an explanation of the rights and responsibilities of employees and managers under the policy.

The first training program shall be completed within one hundred (100) days after entry of the Decree by the Court. Each subsequent training program shall be conducted at approximately one-year intervals.

8. Defendant is no longer conducting manufacturing operations at the Lexington Facility, where the alleged discrimination occurred. The supervisory staff over Mr. Wright and the class members are no longer employed by Defendant. As such, no reporting requirements are mandated in this Decree. In the event Defendant resumes manufacturing operations at the Lexington Facility, Defendant shall provide the Commission with reports at six (6) month intervals, with the first being due four (4) months after resuming manufacturing operations. The reports will include the following information:

- A. the identities of all individuals who complained of or reported any conduct the individual believed to be race discrimination and/or race harassment, or believed to be a violation of Defendant's racial harassment policy (referenced in paragraph 5 above), by identifying each individual's name, last known telephone number and address, social security number, and job title;
- B. the name of the individual who allegedly engaged in the racial conduct as well as a detailed description of the alleged racial conduct;
- C. a detailed description of what action, if any, Defendant took in response to the report/complaint;

In the event there is no activity to report pursuant to this paragraph, Defendant shall send the Commission a "negative" report indicating no activity.

9. The Commission may review compliance with this Decree. As part of such review, the Commission may inspect Defendant's North Carolina facilities, interview employees and examine and copy documents in North Carolina for the

purpose of determining compliance with Paragraphs 4, 5, 6 and 7 of this decree, and to confirm or follow up on any information contained in the reports referenced in paragraph 8. If the Commission intends to conduct a compliance review inspection other than for the review of compliance with the posting provisions in paragraph 6, the Commission shall provide the Defendant with at least three (3) business days notice of its intent to conduct a compliance review at Defendant's North Carolina facilities, and Defendant will attempt to have its representative available for the proposed inspection by the announced time. If it fails to do so, the Commission can conduct said inspection without Defendant's representative present. If the representative is present, then any interview, inspection or document review shall be conducted in the representative's presence. The inspection will be conducted during Defendant's normal business hours, and the Commission shall make reasonable good faith efforts to avoid unnecessarily disrupting the Defendant's business operations. The Commission shall provide notice required pursuant to this paragraph by facsimile transmission directed to Defendant's counsel, Rodney Satterwhite, at 804-698-2163.

10. If anytime during the term of this Decree, the Commission believes that Defendant is in violation of the Decree, the Commission shall give notice of the alleged violation to Defendant. Defendant shall have ten (10) days in which to investigate and respond to the allegations. Thereafter, the parties shall then have a period of ten (10) days or such additional period as may be agreed upon by them, in which to engage in negotiation regarding such allegations before the Commission exercises any remedy provided by law.

11. The term of this Decree shall be for two (2) years from its entry by the Court. This Consent Decree shall expire by its own terms at the end of two (2) years without further action by the parties.

12. All reports, notices or other documents sent to the Commission by

Defendant pursuant to this Decree shall be sent to: Lynette A. Barnes, Regional Attorney, Equal Employment Opportunity Commission, 129 W. Trade Street, Suite 400, Charlotte N.C., 28202.

13. This Court shall retain jurisdiction of this cause for purposes of monitoring compliance with this Decree and entry of such further orders as may be necessary or appropriate.

This the 20th day of July 20, 2009

/s/ N. Carlton Tilley, Jr.
Senior United States District Judge

The parties jointly request that the Court approve and enter the Consent

Decree:

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Deputy General Counsel

GWENDOLYN YOUNG REAMS
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