

Advertisement

Evaluate.

charles scott



Classifieds: Cars | Jobs | Personals | USA TODAY

- Home
- News
- Travel
- Money
- Sports
- Life
- Tech
- Weather
- Search



Money

Get a quote: Enter Symbol(s) o

DJIA 10,629.67 ▲ 3.32 **NASDAQ** 2,007.79 ▼ -8.63 Closed 3/18/2005 © BigCharts.com Y

▪ [E-MAIL THIS](#) ▪ [PRINT THIS](#) ▪ [SAVE THIS](#) ▪ [MOST POPULAR](#) ▪ [SUBSCRIBE](#)

Posted 6/24/2004 11:56 PM Updated 6/25/2004 2:14 PM

Women say Wal-Mart execs knew of sex bias

By Stephanie Armour, USA TODAY

Lawyers for women in a sex-discrimination class-action lawsuit against Wal-Mart Stores ([WMT](#)) are laying the groundwork for showing that top executives at the retail giant knew that female employees were paid less and promoted less.

They say e-mails and letters about discrimination were sent directly to Wal-Mart CEO Lee Scott, concerns about the lack of women in management were brought to board members, and Wal-Mart's own internal studies found the company lagged behind other retailers in promoting women.

That issue is key because in order to secure punitive damages, the women's lawyers must show that corporate executives exhibited malice or reckless disregard, legal experts say. Most cases of this type settle before going to trial.

"They have to show management knew and ignored it," says John Fox, an employment lawyer in Mountain View, Calif. "That is typically hard to prove."

Wal-Mart has denied the accusations and plans to appeal the class-action certification, which was granted this week by a federal judge. More than 1.6 million women who worked at Wal-Mart stores since Dec. 26, 1998, could be covered by the lawsuit, making it the largest private class-action case ever.

Wal-Mart officials declined to comment because of the pending litigation but said any problems were isolated. In a statement, they noted the class-action certification has "absolutely nothing" to do with the merits of the case.

Advertisement



RELATED STORIES

Wal-Mart's labor trials: Latest stories



- [Women say Wal-Mart execs knew of sex bias](#)
- [Lawsuit participants speak out](#)
- [Wal-Mart suit could ripple through industry](#)
- [Wal-Mart in record sex-bias lawsuit](#)
- [Read the original legal complaint](#)

From our archive

- [Execs put bonuses on the line over diversity](#) June 4
- [Wal-Mart rejects 2000 labor agreement](#)
- [Retail giant Wal-Mart faces criticism from fronts](#) Nov. 11, 2003
- [Wal-Mart takes hits on worker pay](#) 2003

Today's Top Money Stories

- [Wal-Mart's Calif. supercenters delayed](#)
- [EU, U.S. spar over aircraft subsidies](#) - 1
- [Female executive involved in CEO affair](#)

- News**
- [Money briefs](#)
- Markets**
- [Markets home](#)
- [Most active stocks](#)
- [World stocks](#)
- [Commodities](#)
- [Currencies](#)
- [Key interest rates](#)
- [Internet 50](#)
- Investor Tools**
- [Investor home](#)
- [Markets Report](#)
- [Your Portfolio](#)
- [Stock screener](#)
- [Fund screener](#)
- [Snap quote](#)
- [Economic calendar](#)
- [Company calendar](#)
- Managing Money**
- [News/columns/tips](#)
- [Calculators](#)
- [CD and loan rates](#)
- Special Sections**
- [Cars](#)
- [Jobs](#)
- [Small Business](#)
- [Talk Today](#)
- [Today in the Sky](#)
- Classifieds**
- [Franchise Center](#)
- [Special Offers](#)
- [Business Opportunities](#)

Advertisement

Athena Institute

- Get Athena Pheromones
- The Science of Intimacy
- Pheromone Discovery

Pheromone News

Web MD Got Pheromones?
Get Affection

Prevention Magazine
Whoopie in a Bottle

NewScientist.com
For the 'over 40s': Boston
doctors test pheromones.

AthenaInstitute.com

"There are lots of documents showing Wal-Mart was very aware, their board of directors were very aware, of the issues with women, going back many, many years," says Brad Seligman of the Impact Fund, a Berkeley, Calif.-based non-profit representing the women.

4:39 PM

- [Gasoline prices continue climb to new h](#)
- [Fed tells Citigroup to clean up its act](#) - 1
- [Add USATODAY.com RSS feeds](#) **XML**

Some of what the women's lawyers will try to show:

• **Information was shared with board members.** Wal-Mart conducted its own benchmarking study, which concluded that "Wal-Mart falls significantly behind other comparable firms," according to the class certification briefing. Coleman Peterson, Wal-Mart's former vice president of human resources, asserted that "we are behind the rest of the world," the briefing says.

Minutes from a board of directors committee meeting in March 1999 state that Wal-Mart's percentage of women in store management trails other retailers, according to the legal brief.

• **Women complained to corporate executives.** In sworn statements from women, some current and former employees say they complained about pay disparities or sexism to the corporate office but got little or no response.

• **Outsiders complained to shareholders.** The lawyers argue that Wal-Mart executives repeatedly ignored concerns raised by outsiders.

A 1992 letter from 80 assistant managers and general managers to members of the founding Walton family also raised the issue of discrimination.

Contributing: Tom Ankner

Related advertising links [What's this?](#)

Free Investing Kit from American Express

Sign up to get your free copy of "How to Invest Smarter, Safer, Better" from American Express financial advisors. Filled with pages of tips for both the novice and seasoned investor.
www.americanexpress...

Jim Cramer's Every Investment and Trade

Find out what Cramer is buying for his \$3MM portfolio with a thirty-day free trial.
www.thestreet.com

OptionsXpress

Quality execution, low rates, great technology andonline options trading service. Rated an unprecedented 4 1/2 stars by Barron's and picked Forbes' Favorite Options Site in 2004.
www.optionsxpress.com

AD

USATODAY.com partners: [USA Weekend](#) • [Sports Weekly](#) • [Education](#) • [Space.com](#)

[Home](#) • [Travel](#) • [News](#) • [Money](#) • [Sports](#) • [Life](#) • [Tech](#) • [Weather](#)

Resources: [Mobile News](#) • [Site Map](#) • [FAQ](#) • [Contact Us](#)
[Email News](#) • [Jobs with Us](#) • [Terms of service](#) • [Privacy Policy](#) • [Media Kit](#) • [Press Room](#)

[Add USATODAY.com RSS feeds](#) **XML**
[Add USATODAY.com headlines to your Web site](#)

© Copyright 2005 USA TODAY, a division of [Gannett Co. Inc.](#)