

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
DANVILLE DIVISION

File No. _____

WILLIE BETTS, CRYSTAL BOYD,
CHRISTINA CHADWICK, ALKEISHA J. LEA,
PAMELA M. MARABLE, KIRK MORRIS,
SHEINA ROBINSON, KATRINA D.
STANFIELD, BRIAN M. TUCKER, and
TAMIKA KING WILLIAMS,

Plaintiffs,

v.

McDONALD’S CORPORATION,
McDONALD’S USA, LLC, SOWEVA CO., and
MICHAEL SIMON,

Defendants.

COMPLAINT
(Jury Trial Demanded)

Plaintiffs Willie Betts, Crystal Boyd, Christina Chadwick, Alkeisha J. Lea, Pamela M. Marable, Kirk Morris, Sheina Robinson, Katrina D. Stanfield, Brian M. Tucker, and Tamika King Williams, by counsel, state the following as their Complaint against Defendants McDonald’s Corporation, McDonald’s USA, LLC, Soweveva Co., and Michael Simon:

INTRODUCTION

1. McDonald’s is a chain of fast-food restaurants, some owned and operated by the chain’s corporate parents (“McDonald’s Corporate”) and others by franchisees. Together, both types of restaurants and McDonald’s Corporate form a unified business system – the self-proclaimed McDonald’s System – that operates through uniform standards controlled by McDonald’s Corporate.

2. In order to maximize its profit, McDonald's Corporate has control over nearly every aspect of its restaurants' operations. Though nominally independent, franchised McDonald's restaurants are predominantly controlled by McDonald's Corporate. McDonald's Corporate exercises control through its franchise agreement with franchisees; policies and manuals governing every aspect of restaurant operations; continual oversight by corporate representatives and in-store computer systems; mandatory computer systems generating employees' schedules and assignments; comprehensive training of all restaurant employees, from general managers to cooks; and involvement with hiring decisions. (See ¶¶ 28-112, *infra*.)

3. The Plaintiffs in this case worked at franchised McDonald's restaurants in South Boston and Clarksville, Virginia, which are operated by Soveva Co. ("Soveva"), the franchisee. Nine of the ten plaintiffs are African-American. The remaining plaintiff is Hispanic. Plaintiffs have collectively worked for over fifty years at McDonald's restaurants. They worked diligently to serve McDonald's customers, while struggling to earn a living for their families on minimum or near-minimum wages.

4. Plaintiffs were subjected to rampant racial and sexual harassment, committed by the restaurants' highest-ranking supervisors. Together, these supervisors demeaned African American workers; often complained that "there are too many black people in the store;" called African-American workers "bitch," "ghetto," and "ratchet;" called Hispanic workers "dirty Mexican;" disciplined African-American employees for rule infractions that were forgiven when committed by white employees; inappropriately touched female employees on their legs and buttocks; sent female employees sexual pictures; and solicited sexual relations from female employees. (See ¶¶ 113-148, *infra*.)

5. Soweva became the franchise operator for the South Boston and Clarksville McDonald's near the end of 2013. At that time, the majority of the restaurants' employees were African-American. Soon after it became the franchise operator, Soweva implemented a plan to reduce the number of African-American employees and hire more white employees. Soweva's owner, Michael Simon, explained to workers that "the ratio was off in each of the stores," and that he just wanted "the ratio to be equal." Soweva's supervisors were blunt, telling employees that it was "too dark" in the restaurants, and that they were going to hire different workers because they "need to get the ghetto out of the store." Before implementing the plan, one supervisor said to the other, "now we can get rid of the niggers and the Mexicans." (See ¶¶ 149-153, *infra*.)

6. A large number of white employees were hired in March 2014. On May 12, 2014, about fifteen African-American employees were terminated, including plaintiffs Betts, Boyd, Lea, Marable, Morris, Robinson, Stanfield, Tucker, and King Williams. When they asked why they were being terminated, Soweva's owner told them that they were good workers, but they "didn't fit the profile" of his organization. (See ¶¶ 154-171, *infra*.)

7. Following the training instructions given by McDonald's Corporate, several of the plaintiffs called McDonald's Corporate to complain about their terminations and the blatant racial discrimination. McDonald's Corporate, however, did nothing.

8. Plaintiffs seek relief for the discrimination and harassment they suffered from all of the responsible parties: McDonald's Corporate, Soweva, and Michael Simon.

JURISDICTION AND VENUE

9. This action is brought pursuant to Title VII of the 1964 Civil Rights Act ("Title VII"), 42 U.S.C. § 2000e, *et. seq.*, as amended, and 42 U.S.C. § 1981, as amended.

10. This Court has original jurisdiction over Plaintiffs' claims pursuant to 28 U.S.C. § 1331 and 28 U.S.C. § 1343(a)(4).

11. Almost all material events giving rise to the causes of action occurred in Halifax County, Virginia.

12. Under 28 U.S.C. § 1391(b), venue is proper in the United States District Court for the Western District of Virginia.

PARTIES

13. Defendant McDonald's Corporation is a Delaware corporation whose principal place of business is One McDonald's Plaza, Oak Brook, Illinois 60523. Its corporate system includes more than 35,000 restaurants, spanning all fifty states, including Virginia. McDonald's Corporation is an "employer" or "person" subject to suit under Title VII, 42 U.S.C. § 2000e, and 42 U.S.C. § 1981.

14. Defendant McDonald's USA, LLC, a wholly-owned subsidiary of McDonald's Corporation, is a Delaware corporation whose principal place of business is One McDonald's Place, Oak Brook, Illinois 60523. Its corporate system includes more than 14,000 restaurants throughout the United States and Canada, approximately 90% of which are franchised. McDonald's USA, LLC is an "employer" or "person" subject to suit under Title VII, 42 U.S.C. § 2000e, and 42 U.S.C. § 1981.

15. Defendants McDonald's Corporation and McDonald's USA, LLC are together referred to as "McDonald's Corporate."

16. Defendant Soveva Co. ("Soveva") is a Virginia corporation whose principal place of business is 4021 Halifax Rd., Suite F, South Boston, VA 24592. Pursuant to a franchise agreement with McDonald's Corporate, Soveva operates three McDonald's franchises in

Halifax and Mecklenburg County, Virginia: (1) the “Centerville” McDonald’s located at Route 501 and Cherry Avenue, South Boston, Virginia; (2) the “Riverdale” McDonald’s located at 1010 Philpott Road, South Boston, Virginia; and (3) the “Clarkesville” McDonald’s located at 200 Virginia Avenue, Clarkesville, Virginia. Soweva is an “employer” or “person” subject to suit under Title VII, 42 U.S.C. § 2000e, and 42 U.S.C. § 1981.

17. Defendant Michael Simon is the owner and sole shareholder of Soweva. Simon is the highest ranking manager within Soweva. Simon is a person subject to suit under 42 U.S.C. § 1981.

18. Plaintiff Willie Betts is a 34-year-old African-American male. Betts began working at the Centerville McDonald’s in May 2009. He worked as a crew member, primarily as a cook. Betts’ employment was terminated on May 12, 2014. At the time of this termination, he was earning \$7.75 per hour and usually worked 35-40 hours per week. Betts resides in Halifax County, Virginia.

19. Plaintiff Crystal Boyd is a 31-year-old African-American female. Boyd began working at the Riverdale McDonald’s in December 2012. She worked as a cashier. Boyd’s employment was terminated on May 12, 2014. At the time of this termination, she was earning \$7.25 per hour and usually worked 28-40 hours per week. Boyd resides in Halifax County, Virginia.

20. Plaintiff Christina Chadwick is a 53-year-old Hispanic female. She has worked at McDonald’s restaurants for about 25 years, including in Arkansas, Arizona, Texas, and Virginia. In June 2013, she began working at the Riverdale McDonald’s as a shift manager, making \$10.20 per hour. She was transferred to the Centerville McDonald’s on or about April 6, 2014. She was involuntarily transferred to the Clarksville McDonald’s about two weeks later.

Chadwick was constructively discharged on July 5, 2014. At the time of her constructive discharge, she was earning \$10.20 an hour, working about 30 hours per week. Chadwick resides in Halifax County, Virginia.

21. Plaintiff Alkeisha J. Lea is a 39-year-old African-American female. She has one daughter and one granddaughter. She began working for a McDonald's restaurant in Chatham, Virginia, in 2011. In May 2012, Lea transferred to the Centerville McDonald's. In April 2014, she transferred to the Riverdale McDonald's. She worked continuously as a shift manager since about December 2011. Lea's employment was terminated on May 12, 2014. At the time of her termination, she was earning \$9.25 per hour, working forty hours per week. Lea resides in Mecklenburg County, North Carolina.

22. Plaintiff Pamela M. Marable is a 40-year-old African-American female. She began working as a shift manager at the Centerville McDonald's in about July 2013. She had previously worked at the Riverdale McDonald's, the Centerville McDonald's, and another McDonald's restaurant. Marable's employment was terminated on May 12, 2014. At the time of her termination, she was earning \$9.00 per hour and working about 40 hours per week. Marable resides in Halifax County, Virginia.

23. Plaintiff Kirk Morris is a 35-year-old African-American male. He has two daughters. He began working as a cook at the Riverdale McDonald's in May 2012. Morris' employment was terminated on May 12, 2014. At the time of his termination, he was earning \$7.75 per hour and working about 30 hours per week. Morris resides in Halifax County, Virginia.

24. Plaintiff Sheina Robinson is a 51-year-old African-American female. She has two daughters. She began working at the Centerville McDonald's in November 2013 as a cashier.

She had previously worked at the Centerville McDonald's. Robinson's employment was terminated on May 12, 2014. At the time of her termination, she was earning \$7.50 per hour, working about 15 hours per week. Robinson resides in Halifax County, Virginia.

25. Plaintiff Katrina D. Stanfield is a 32-year-old African-American female. She began working at the Riverdale McDonald's in about March 2012. She transferred to the Centerville McDonald's in 2013. She worked continuously as a shift manager since December 2012. Stanfield's employment was terminated on May 12, 2014. At the time she was terminated, she was earning \$9.00 per hour and working about 45 hours per week. Stanfield resides in Halifax County, Virginia.

26. Plaintiff Brian M. Tucker is a 29-year-old African-American male. He began working at the Centerville McDonald's in 2012 as a crewmember. He had previously worked at the Riverdale McDonald's after being hired through a National Hiring Day event organized by McDonald's Corporate. Tucker's employment was terminated on May 12, 2014. At the time of his termination, he was earning \$7.50 and working about 20-30 hours per week. Tucker resides in Halifax County, Virginia.

27. Plaintiff Tamika King Williams is a 40-year-old African-American female. She has three daughters and a son. She began working at the Riverdale McDonald's in October 2012 and was eventually promoted to shift manager. She had previously worked at the Riverdale McDonald's. King Williams' employment was terminated on May 12, 2014. At the time of her termination, she was earning \$9.00 per hour, working about forty hours per week. She resides in Halifax County, Virginia.

MCDONALD'S CORPORATE AND ITS FRANCHISES

28. There are over 15,500 McDonald's restaurants operating in the United States and Canada. Approximately 90% of these restaurants in the United States are operated as McDonald's franchised restaurants and the remainder are owned and operated directly by McDonald's Corporate. As discussed below, McDonald's Corporate has control over nearly every aspect of its franchised restaurants' operations.

A. McDonald's Corporate Maintains the Right to Control All Operations at Franchised Restaurants Through Its Franchise Agreement.

29. McDonald's Corporate requires that each franchisee sign a franchise agreement setting forth some of the terms of the franchise relationship. McDonald's Corporate's franchise agreement with Soweva is referred to as the "Franchise Agreement."

30. The Franchise Agreement requires Soweva to operate the South Boston restaurants "in a clean, wholesome manner in compliance with prescribed standards of Quality, Service, and Cleanliness" and to "comply with all business policies, practices, and procedures imposed by McDonald's."

31. The Franchise Agreement states that "every component of the McDonald's System is important to McDonald's and to the operation of the Restaurant as a McDonald's restaurant, including a designated menu of food and beverage products; uniformity of food specifications, preparation methods, quality, and appearance; and uniformity of facilities and service."

32. The Franchise Agreement requires Soweva to pay McDonald's Corporate 4% of Soweva's gross sales as a "service fee."

33. McDonald's Corporate owns the physical facilities in which franchised restaurants are operated and rents those facilities to franchisees, including Soweva. The amount of rent Soweva pays to McDonald's Corporate to lease the facilities is an additional percentage of Soweva's gross sales.

34. In 2013, McDonald's Corporate received \$4.339 billion in revenue from its franchised restaurants in the United States.

35. The Franchise Agreement incorporates by reference any "business manual" issued by McDonald's Corporate. These manuals contain detailed instructions for franchisees in areas including operations procedures, bookkeeping and accounting procedures, business practices and policies, personnel management, and any other area McDonald's Corporate wishes to control. The agreement gives McDonald's Corporate the right to amend any of these business manuals at any time, in its sole discretion. In effect, these provisions give McDonald's Corporate the ability to control all aspects of its franchisees' operations.

36. The Franchise Agreement establishes that McDonald's Corporate retains the ability to send corporate representatives who provide oversight to the restaurants operated by Soweva.

37. The Franchise Agreement requires Soweva to enroll all managerial employees at "Hamburger University" or any other training center designated by McDonald's Corporate. McDonald's Corporate controls the content of all such trainings.

38. The Franchise Agreement requires Soweva to spend a certain portion of its gross sales on advertising provided by or approved by McDonald's Corporate. Soweva is not permitted to spend money on advertising that was not provided or approved by McDonald's Corporate.

39. McDonalds Corporate determines, in its sole discretion, standards for purchasing, distribution, preparation, and service of goods, services, supplies, fixtures, equipment, inventory, and computer hardware and software at restaurants operated by Soweva. McDonald's Corporate requires Soweva to contract only with suppliers that McDonald's Corporate has approved.

40. The Franchise Agreement requires Soweva to provide McDonald's Corporate regular sales reports, along with any additional information requested by McDonald's Corporate. The agreement gives McDonald's Corporate the right to inspect and audit Soweva's accounts, books, records, and tax returns.

41. The Franchise Agreement limits Soweva's right to transfer its ownership interest in the restaurants.

42. The Franchise Agreement grants McDonald's Corporate the right to terminate Soweva's franchise if it fails to operate restaurants "in a good, clean, wholesome manner and in compliance with the standards prescribed by the McDonald's System."

43. Upon the termination of Soweva's franchise, the Franchise Agreement gives McDonald's Corporate the immediate right to enter and take possession of the restaurants in order to maintain their continuous operation.

44. McDonald's Corporate maintains significantly more control over its franchisees, including Soweva, than is reflected in their franchise agreements.

B. McDonald's Corporate Imposes Comprehensive Policies on Franchisees Through Its Business Manuals.

45. The Franchise Agreement incorporates by reference the contents of a number of "business manuals" provided to Soweva.

46. McDonald's Corporate provides its franchisees, including Soweva, a manual giving franchisees specific instructions on how to manage, supervise, and retain managers and crewmembers.

47. McDonald's Corporate provides its franchisees, including Soweva, a manual that instructs franchisees on how to predict their staffing needs for both managers and line employees.

48. McDonald's Corporate provides its franchisees, including Soweva, a manual that includes detailed instructions about topics such as how a franchisee should conduct interviews and reference checks in the hiring process.

49. McDonald's Corporate provides its franchisees, including Soweva, a "QSC Playbook" establishing standards for "Quality, Service, and Cleanliness" applicable to all McDonald's restaurants.

50. McDonald's Corporate provides its franchisees, including Soweva, an "Operations and Training Manual" ("O&T Manual"). The O&T manual sets forth McDonald's Corporate's policies on many topics, including training, discipline, diversity, nondiscrimination, and sexual harassment. The O&T Manual is referred to as the "Bible" by some McDonald's employees because it provides a comprehensive set of requirements.

51. The O&T Manual states that McDonald's has a "zero tolerance" policy for discrimination and harassment.

52. The O&T Manual establishes that "all McDonald's restaurants must provide employees with a respectful workplace[.]"

53. The O&T Manual states that "McDonald's will not tolerate any form of harassment, joking remarks, or other abusive conduct... that demeans or shows hostility toward

an individual because of his or her race, color, sex, religion, national origin, age, disability, veteran status, sexual orientation, or other prohibited basis[.]”

54. The O&T Manual directs employees to report incidents of unlawful discrimination or harassment, and states that “McDonald’s will investigate any report thoroughly, with sensitivity towards confidentiality. If the report has merit, McDonald’s will take corrective action, including, but not limited to, disciplinary action against the offender ranging from a warning to termination.”

55. McDonald’s Corporate provides its franchisees, including Soweva, a document entitled “Our Policies, a guide to actions and behaviors at McDonald’s.” The “Our Policies” manual lists employment rules for employees at franchised restaurants, and notes that employees who fail to follow these rules will be at risk for discipline.

56. The “Our Policies” manual states that franchises such as Soweva prohibit discrimination and harassment. It states that when employees at franchises such as Soweva witness discriminatory or harassing conduct, they are required to follow certain reporting protocols in order to notify their franchise operator.

57. Both McDonald’s Corporate and Soweva understand that the policies contained in the O&T Manual and the “Our Policies” manual are mandatory, notwithstanding any disclaimers to the contrary.

58. McDonald’s Corporate retains the right to unilaterally amend the O&T Manual and the “Our Policies” manual at any time, in its sole discretion. As such, McDonald’s Corporate retains the right to impose on Soweva the manuals’ employment and personnel policies, or any other set of policies it elects to promulgate.

59. McDonald's Corporate controls, and has the right to control, Soweva's policies regarding personnel management, including but not limited to Soweva's policies regarding discrimination, harassment, training, and discipline.

C. McDonald's Corporate Ensures Compliance With Its Policies Using Corporate Representatives.

60. McDonald's Corporate regularly sends a corporate representative to every franchised restaurant, including those operated by Soweva. Corporate representatives ensure that franchise-operated restaurants operate in full compliance with the comprehensive McDonald's System. There are at least two types of corporate representatives: "Business Consultants" and "Mystery Shoppers."

61. Every franchise-operated restaurant is assigned a corporate Business Consultant. Business Consultants are responsible for working directly with each franchise operator to address all areas in its restaurants, including personnel matters such as hiring, training, and compliance with employment laws.

62. Business Consultants work with franchise operators and restaurant managers to develop a "Restaurant Operations Improvement Process" ("ROIP") for every franchised restaurant. The QSC Playbook identifies twelve systems that are to be addressed in the ROIP. These systems include "Service," "Shift Management," "People Practices," "Training," "Crew and Management Scheduling," and "Internal Communication."

63. Business Consultants physically inspect franchised restaurants, including those operated by Soweva, by periodically conducting two-day "Full Operations Reviews," two-hour "Short Operations Reviews," and additional "Support Visits."

64. When conducting Full and Short Operations Reviews, Business Consultants ensure franchised restaurants' compliance with the McDonald's System and the ROIP by grading restaurants' performance in all of the ROIP's twelve systems, and by directing restaurants to make specific changes and improvements in order to comply with the McDonald's System.

65. According to the QSC Playbook, Support Visits give the Business Consultant the opportunity to work "side-by-side" with a franchise operator to help "build the business." According to the QSC Playbook, when conducting Support Visits, Business Consultants work with franchises on topics including "Staffing, Scheduling, and Positioning."

66. Business Consultants also engage in "On-going Status Review," which the QSC Playbook describes as "an on-going conversation between the [franchise] Owner Operator and the Consultant regarding the status of their [plans]."

67. At franchised restaurants, including those operated by Soweveva, Business Consultants seek to ensure compliance with the ROIP and the McDonald's System by:

- a. Reviewing whether franchisees follow the policies promulgated by McDonald's Corporate;
- b. Reviewing whether franchisees follow employment laws;
- c. Requiring that franchisees use the software systems provided by McDonald's Corporate;
- d. Requiring that franchisees follow the latest version of the O&T Manual;
- e. Directing managers to take specific actions to address any perceived deficiencies;
- f. Directing managers to take employment actions against employees who are not complying with the McDonald's System;

- g. Reviewing corporate-generated staffing sheets and position charts;
- h. Instructing all franchisees on how to control crew members' hours in relation to the volume of sales in the restaurant; and
- i. Reviewing franchisees' operating data.

68. McDonald's Corporate and franchise operators, including Soweva, understand that directions given by Business Consultants are mandatory, notwithstanding any corporate disclaimers to the contrary.

69. The same Business Consultant was assigned to the South Boston and Clarksville McDonald's before and after Soweva became the franchise operator for those restaurants. After Soweva became the franchise operator, the assigned Business Consultant began visiting and inspecting the restaurants more frequently. At times, the Business Consultant would visit and inspect the restaurants multiple times per month.

70. Mystery Shoppers are corporate representatives who pose as customers to determine if franchised restaurants, including those operated by Soweva, adhere to the McDonald's System.

71. Mystery Shoppers grade restaurants on their compliance with the McDonald's System, including the details of employees' performance such as their tone of voice and eye contact with customers, facial expressions, exact words used, and assembly of food items. Mystery Shoppers then send detailed evaluations of restaurants to McDonald's Corporate.

72. During the applicable time period, Mystery Shoppers inspected each restaurant operated by Soweva approximately once per month.

73. Employees at these restaurants were disciplined when a Mystery Shopper gave their restaurant a negative report, and received \$10 bonuses when a Mystery Shopper gave their restaurant a 100% rating.

D. McDonald's Corporate Controls the Details of When Employees Work and What Tasks They Perform Through Its Mandatory Computer Systems.

74. McDonald's Corporate requires franchisees, including Soweva, to use an "in-store processor" ("ISP") and a computer software program called "Staffing, Scheduling and Positioning for Operational Excellence."

75. McDonald's Corporate's mandatory software programs prescribe restaurants' staffing levels, generate weekly employee schedules, and position crew members within restaurants. McDonald's Corporate instructs all franchisees, including Soweva, to use the software's positioning tool to ensure the number of people working on each shift and in each position is not greater than the numbers prescribed by McDonald's Corporate.

76. McDonald's Corporate evaluates franchisees on whether they are using this software properly and requires them to use the software as McDonald's Corporate intends.

77. McDonald's Corporate's mandatory software programs also engage in a real-time monitoring of each restaurant's labor expenses and sales receipts. McDonald's Corporate establishes acceptable ratios of labor expenses to sales receipts. When the software shows that a restaurant's labor cost ratio exceeds levels approved by McDonald's Corporate at any time, franchise operators are instructed by McDonald's Corporate to reduce labor costs. McDonald's Corporate provides detailed instructions to franchise operators on how to respond to excess labor costs by promptly taking workers off their shifts.

78. McDonald's Corporate evaluates franchisees on whether they follow their computer programs' staffing dictates. In practice, McDonald's Corporate requires franchise operators, including Soweva, to follow the program's directions.

79. McDonald's Corporate's software generates a "Daily Activity Report" for all restaurants in the McDonald's system, including those operated by Soweva. Daily Activity Reports include information about employee hours worked on the clock, sales made, the customer count, the drive-thru window sales count, transactions per worker-hour, and the labor cost as a percentage of sales. These Daily Activity Reports are updated at least once per hour.

80. McDonald's Corporate's software compiles restaurant-level inventory, labor, and payroll information about franchised restaurants, including those operated by Soweva. Data from the software is transferred to McDonald's Corporate. Data is reviewed regularly by McDonald's Corporate.

E. McDonald's Corporate Controls the Operations at Franchised Restaurants Through Mandatory Trainings for All Managers.

81. McDonald's Corporate requires franchise owners, including Michael Simon, to attend and complete detailed training programs at Hamburger University on how to operate, staff, and manage McDonald's restaurants. McDonald's Corporate operates Hamburger University and directs all training programs there.

82. McDonald's Corporate trains franchise owners, including Michael Simon, about how to hire, fire, discipline, and train employees; how to instruct restaurant managers to hire, fire, discipline, and train employees; and how to recognize and address diversity, discrimination, and harassment issues.

83. McDonald's Corporate requires store managers, including Devin Snead and Zina Lambert, to attend management training at Hamburger University or other designated training centers run by McDonald's Corporate. They receive detailed training on how to operate, staff, and manage McDonald's restaurants.

84. McDonald's Corporate trains restaurant managers, including Snead and Lambert, about how to hire, fire, discipline, and train employees, and how to recognize and address diversity, discrimination, and harassment issues.

85. McDonald's Corporate requires shift managers, including several of the plaintiffs, to attend management training at Hamburger University or other designated training centers run by McDonald's Corporate. At this training, shift managers receive detailed instructions on topics including how to prepare food products, how to direct employees to complete specific tasks within their assigned work area, and how to handle problematic customers.

86. At this training, shift managers also receive training about diversity in the workforce, discrimination, and harassment. McDonald's Corporate instructs shift managers about how to recognize and address diversity, discrimination, and harassment issues.

87. McDonald's Corporate instructs shift managers, including several of the plaintiffs, to report instances of harassment and discrimination up the "chain of command." Employees were instructed to first report such conduct to their supervisors. If they were not satisfied with their supervisor's response, they were instructed to report the conduct to their store managers, and, subsequently, to the franchise's operator. If they were dissatisfied with their franchisee's response to a complaint of discrimination, employees were instructed to contact McDonald's Corporate with their complaint. Employees were provided contact information for a number of McDonald's Corporate's offices, including human resources.

88. McDonald's Corporate requires shift managers, including several of the plaintiffs, to participate in online training produced by McDonald's Corporate. Shift managers' online training gave specific instructions on topics such as how to prepare every item on the McDonald's menu, how to deal with problematic customers, and how to deal with conflicts between employees.

89. Shift managers' online training also gave specific instructions about diversity, discrimination, and harassment.

90. McDonald's Corporate evaluates franchisees, including Soweva, on whether their employees participate in trainings conducted or produced by McDonald's Corporate, including corporate orientation videos.

F. McDonald's Corporate Monitors Employee Relations Through Employee Surveys at Franchised Restaurants.

91. McDonald's Corporate requires that employees at franchised restaurants complete an annual employee satisfaction survey.

92. In this survey, employees are instructed to inform McDonald's Corporate about topics including whether managers treat employees respectfully regardless of race or gender, whether they are satisfied with their pay and benefits, whether they are satisfied with their work schedule, and whether workplace rules are applied consistently. Employees are asked to provide demographic information.

93. McDonald's Corporate also instructs employees to inform them of any concerns about topics including job training, their work schedule, their restaurant's managers, and the environment at the restaurant.

94. McDonald's Corporate communicates survey results to franchise operators, along with descriptions of what the franchise does well and what practices the franchises should change. McDonald's Corporate also sends demographic information about the franchise's workforce to the franchise operator.

95. McDonald's Corporate grades franchisees, including Soweva, on whether they administer the mandatory employee survey.

96. McDonald's Corporate requires franchises, including Soweva, to regularly conduct performance and wage reviews of employees, and to report the results of these reviews to McDonald's Corporate.

G. McDonald's Corporate Assesses All Job Applicants at Franchised Restaurants Before They Are Hired.

97. McDonald's Corporate requires many franchisees, including Soweva, to use an online assessment tool for job applicant screening, specific instructions for using the screening results, and other criteria and instructions for interviewing applicants.

98. McDonald's Corporate maintains a website that lists all McDonald's System restaurants in Virginia, whether franchised or corporate-owned, and job opportunities at the restaurants. The website is www.mcvirginia.com.

99. McDonald's Corporate uses www.mcvirginia.com to recruit managers and hourly employees to its restaurants, including franchised restaurants operated by Soweva. For example, in January 2015, McDonald's Corporate's McVirginia website advertised job openings at all three restaurants operated by Soweva.

100. McDonald's Corporate's McVirginia website requires job applicants to complete a questionnaire as part of the application process. McDonald's Corporate developed the

questionnaire. McDonald's Corporate assigns a score to the applicant based on the answers provided. McDonald's Corporate then informs management of franchised restaurants, including those operated by Soweva, whether the applicant is well-qualified for various positions and what interview questions should be asked of the applicant.

101. McDonald's Corporate provides franchises, including Soweva, detailed instructions on how to interview applicants for all positions within every restaurant. The instructions include specific questions and hypotheticals to ask applicants, and give franchisees time limits on how long each interview should last. McDonald's Corporate directs franchisees, including Soweva, to ask applicants specific sets of questions based on the applicant's responses on McDonald's Corporate's questionnaire.

102. McDonald's Corporate evaluates franchisees on their use of an "effective hiring process," including whether jobs are posted in a way that will attract the best applicants and cites the "McState" websites, such as McVirginia, as the optimal method.

103. Employees at franchised restaurants can participate in an insurance program sponsored by McDonald's Corporate providing options for health, disability, and life insurance.

H. McDonald's Corporate Sufficiently Controls Employment Practices to be Liable under Title VII and 42 U.S.C. § 1981.

104. McDonald's Corporate had the authority to control how employees at the South Boston and Clarksville McDonald's restaurants performed their jobs.

105. McDonald's Corporate had the authority to control the hiring, firing, training, and supervision of employees at the South Boston and Clarksville McDonald's restaurants.

106. McDonald's Corporate exercised significant control over the day-to-day operations of the South Boston and Clarksville McDonald's restaurants.

107. McDonald's Corporate exercised significant control over how employees at the South Boston and Clarksville McDonald's restaurants performed their jobs.

108. McDonald's Corporate exercised significant control over the personnel policies at the South Boston and Clarksville McDonald's restaurants.

109. McDonald's Corporate delegated in part to Soweva the authority to make decisions on its behalf regarding employees and employment practices at the South Boston and Clarksville McDonald's restaurants.

110. McDonald's Corporate is liable as Plaintiffs' employer for the claims below under Title VII and 42 U.S.C. § 1981.

111. Soweva acted as McDonald's Corporate's agent with regard to employment practices at the South Boston and Clarksville McDonald's restaurants. McDonald's Corporate is liable for the conduct of its agent, Soweva, giving rise to the claims below under Title VII and 42 U.S.C. § 1981.

112. McDonald's Corporate acquiesced in and ratified Soweva's conduct giving rise to the claims below under Title VII and 42 U.S.C. § 1981.

FACTS

A. Soweva's Managers Have a History of Discrimination and Harassment.

113. Until around December 2013, the Riverdale McDonald's, Centerville McDonald's, and Clarksville McDonald's were operated by another McDonald's franchisee, TCR Enterprises.

114. Under this franchise operator, the store manager for the Riverdale McDonald's was Devin Snead, a white male. Under this franchise operator, until around the summer of 2013, the store manager for the Centerville McDonald's was Zina Lambert, a white female.

115. As store manager, Devin Snead sexually harassed the female employees at the Riverdale McDonald's. His harassment included the following conduct, all of which was unwelcome:

- a Snead made inappropriate comments about female employees' bodies.
- b Snead touched female employees on their legs and buttocks.
- c Snead sent female employees pictures of his genitalia.
- d Snead regularly discussed his sexual activities with employees. For example, he regularly made statements to employees such as, "my dick may not be big, but I make up for it with my tongue."
- e Snead regularly showed employees lewd pictures of his wife, discussed her breast implants, and discussed having sexual intercourse with her.
- f Snead directly or indirectly solicited sexual relations from female employees. He offered female employees better working conditions in exchange for sexual favors.

116. As store manager, Lambert racially harassed African-American employees and gave preferential treatment to white employees.

117. Lambert made racist comments to African-American employees. For example, she would call African-American employees "bitch," "ghetto," and "ratchet."

118. Lambert would regularly say that it was "too ghetto" in the store.

119. When she was a store manager, Lambert informed Plaintiff Lea that "as McDonald's, if we have black people in the front [drive-thru] window, we need a white in the second [drive-thru window]. So we need to concentrate on hiring qualified white people."

120. In 2013, Lambert was dating Robert Irby, who, like Lambert, was an employee at the Centerville McDonald's. Irby, who is white, repeatedly made racist, threatening comments to African-American employees.

121. In or about July 2013, Irby pulled a knife on Plaintiff Tucker and told him "I don't care how big and black you are, I'm trained to take down people like you." Tucker complained to Lambert about Irby's racist behavior and workplace assault. Lambert responded by terminating Tucker.

122. Tucker complained to TCR Enterprises. Lambert was ultimately terminated as a result of Tucker's complaint. Tucker was reinstated two months after his termination, with a reduction in pay. He received no compensation for the two months he was out of work.

123. In employee surveys submitted to McDonald's Corporate, employees, including some of the plaintiffs, complained about being mistreated.

B. Soweva Becomes the Franchise Operator.

124. In or around December 2013, Defendant Soweva became the franchise operator for the Centerville, Riverdale, and Clarksville McDonald's. Defendant Michael Simon was the owner of Soweva and controlled its franchise operations. Initially, each of the restaurants' employees continued their employment under Soweva.

125. Shortly after becoming the operator for the three McDonald's restaurants, Simon promoted Snead to be the "supervisor" over all three restaurants. Snead reported directly to Simon and had management authority over all three restaurants.

126. Simon rehired Lambert to be the "assistant supervisor" over all three restaurants. Lambert reported directly to Snead and had management authority over all three restaurants.

127. Simon selected Liz Daniels, who is white, to be the new store manager for the Riverdale McDonald's. Simon hired Dave Chisholm, who is white, to be the new store manager for the Centerville McDonald's. In or around April 2014, Simon selected Tommy Benjamin, who is African-American, to be the store manager for the Clarksville McDonald's.

128. Multiple employees informed Simon about Snead's pattern of sexual harassment. Simon, however, did nothing to address Snead's abuse.

129. After Snead and Lambert started their supervisory positions, they told all employees that they were prohibited from going directly to Simon with any complaints. All employees were instead told to take any complaints to their store manager first, and then to Snead and Lambert.

C. Lambert and Snead Engage in Rampant Racial and Sexual Harassment.

130. As supervisors over all three stores, Snead and Lambert regularly made racist comments to African-American and Hispanic workers, including the Plaintiffs.

131. Shortly after they became supervisors, Lambert told Snead "now we can get rid of the niggers and the Mexicans." Both Lambert and Snead then laughed.

132. Lambert would regularly say "there are too many black people in the store." When the employees on staff were primarily African-American, Lambert would say it was "too dark in the store."

133. Lambert told African-American workers that customers were complaining about how many African-American workers were on staff, but Plaintiffs never heard these alleged complaints themselves.

134. After she became assistant supervisor, Lambert would regularly call African-American workers “bitch,” “ghetto,” and “ratchet.” Lambert often made jokes about what “black people” would do.

135. Lambert told African-American workers with colorful hair or fancy nails that they were “ghetto” and that “this isn’t the hood.” She would not similarly criticize white workers with brightly colored hair.

136. Lambert regularly referred to the Clarksville McDonald’s as the “ghetto store.” On one occasion, she transferred an African-American employee to the Clarksville McDonald’s, saying that “she was too ghetto.”

137. Snead criticized African-American workers’ appearance by making statements to them such as, “you’re not Tupac and Biggie,” or “this isn’t the hood, you’re not selling dope.” Snead would not make similar comments to white employees.

138. Snead often called Plaintiff Chadwick “dirty Mexican” or “hot Mexican.” Chadwick repeatedly told Snead she found this deeply offensive – as she was an Hispanic native-born American and was not of Mexican descent – and asked him to stop. Snead ignored her requests and continued calling her “Mexican.”

139. Lambert disciplined African-American employees for rule infractions that were forgiven when committed by white employees. For example, on one occasion both an African-American employee and a white employee were not wearing their McDonald’s hat while working at the front counter. Lambert instructed Plaintiff Marable to suspend the African-American employee, but to take no action against the white employee. When Marable told Lambert that doing so would not be fair to the African-American employee, Lambert disciplined Marable.

140. Lambert humiliated African-American workers. For example, Plaintiff Lea once stated that she did not like wearing bright colors because they clashed with her dark skin tone. Lambert responded by buying three extremely bright shirts and forcing Lea to wear them.

141. Lambert demeaned African-American workers. For example, when an African-American employee did something wrong, she would criticize the employee in front of customers and other employees. When a white employee did something wrong, she would pull the employee to the side to more discreetly correct them.

142. Lambert made inappropriate sexual comments. For example, she would remove her false teeth and discuss performing oral sex on male employees.

143. Lambert told Plaintiff Tucker, who used to be married to a white woman, that she “knew he liked white women,” and that he should “go back to white.” Lambert put a piece of ice up Plaintiff Tucker’s shirt after making sexual comments to him on one occasion.

144. Lambert told a gay employee that he could be a shift manager if he would “tone his gayness down.”

145. Lambert made many of her racial comments when she and Snead were together in a restaurant. Snead did not challenge Lambert’s comments, and generally joined in when she was harassing workers.

146. As supervisor, Snead sexually harassed the female employees at both the Riverdale and Centerville McDonald’s. His harassment included the following conduct, all unwelcome:

- a Snead made inappropriate comments about female employees’ bodies.
- b Snead touched female employees on their legs and buttocks.
- c Snead sent female employees pictures of his genitalia.

d Snead regularly discussed his sexual activities with employees.

e Snead showed employees lewd pictures of his wife, discussed her breast implants, and discussed having sexual intercourse with her.

f Snead directly or indirectly solicited sexual relations from female employees. He offered female employees better working conditions in exchange for sexual favors.

147. Riverdale Store Manager Liz Daniels cooperated with Snead and Lambert's racist behavior. She would schedule and position workers at the Riverdale store so that white employees were working in the front and African-American employees were working in the back.

148. If an employee did not witness a particular incident of racial or sexual harassment firsthand, they generally became aware of it through other employees.

D. Management Decides to Reduce the Number of African-American Employees.

149. Shortly after Soweveva became the franchise operator for the Centerville, Riverdale, and Clarksville McDonald's, Defendant Simon, Snead, and Lambert decided that the Riverdale and Centerville restaurants should have fewer African-American employees. They decided they would achieve this goal by trying to hire as many white workers as possible, and then terminating many of the restaurants' African-American employees.

150. Simon, Snead, and Lambert did not hide this strategy. On one occasion, Lambert and Snead walked into the Centerville Store when it was staffed almost entirely by African-American employees. Lambert said "it's dark in here and needs more lightening." Snead responded by saying "Yeah, we've got to do some hiring."

151. At a managers' meeting in about February or March 2014, Lambert stated that they were going to hire new employees because they "need to get the ghetto out of the store."

152. Plaintiff Marable, who was in the meeting, was offended by Lambert's comments, and complained directly to Simon in person. Simon, however, admitted that he wanted more white employees relative to African-American employees. He explained that "the ratio was off in each of the stores," and that he just wanted "the ratio to be equal." But he apologized to Marable, saying that the supervisors "had no right to say that the way they did." He said that he would talk to Lambert about how she had phrased her comments.

153. After Marable complained to Simon, Snead and Lambert got angry at Marable for violating their instructions prohibiting any employee from complaining to Simon without first complaining to Lambert and Snead.

154. Soweva hired a large number of new employees in or about March 2014, many of whom were white. Before the round of new hiring, the South Boston and Clarksville McDonald's were predominantly staffed with African-American workers. After the round of new hiring, there were more white workers on staff at each of the restaurants.

155. Some African-American employees' hours were reduced following the round of new hiring.

E. Numerous African-American Employees are Terminated in May 2014.

156. In or around May 2014, Simon instructed Lambert and Snead to prepare a list of African-American employees to fire at the Centerville, Riverdale, and Clarksville McDonald's. The Riverdale employees included on the list were all African-American. The Centerville employees on the list were predominantly African-American and included two white workers who were seen as associating too heavily with African-American workers.

157. Neither Simon nor McDonald's Corporate independently investigated why certain employees were selected for termination.

158. The employees on the termination list were instructed to meet with Simon on Monday, May 12, 2014. When employees asked what the meeting was about, Snead and Lambert told them they had nothing to worry about.

159. On May 12, 2014, the employees gathered in the Centerville McDonald's and were instructed to go across the street to Simon's office one by one. Each was then terminated; each who asked why was told they were fired because they "didn't fit the profile;" and each who asked what that meant was refused an answer.

160. Centerville Store Manager Dave Chisholm met with Simon before the other employees. When shown the list of which employees would be terminated, he disagreed with Simon's decision to fire the employees. Simon terminated Chisholm's employment that day because he disagreed with Simon's decision to fire the employees.

161. Plaintiff Betts met with Simon and Snead on May 12. Simon told Betts that he was fired because "you don't fit the profile of the organization I'm trying to build," but offered to give him a positive reference. Simon acknowledged that Betts had worked for four years without ever missing his 4am shift, and without ever receiving a disciplinary write-up. Plaintiff Betts was terminated because of his race.

162. Plaintiff Boyd met with Simon and Snead on May 12. Simon told Boyd that she was fired because "you don't fit the profile of the organization I'm trying to build." Plaintiff Boyd was terminated because of her race.

163. Plaintiff Lea talked with Simon over the phone on May 12 because she lived about 45 minutes from the store. Simon fired her, saying "you do a great job, but you don't fit

our profile at this time.” When Lea asked “what profile,” Simon responded “the kind I’m building for my company.” Simon offered Lea two weeks of severance pay. Plaintiff Lea was terminated because of her race.

164. Plaintiff Marable met with Simon and Lambert on May 12. Marable was told she was being fired because she didn’t “fit the profile.” Simon told Marable he would give her a good reference because she was a good worker. Simon offered Marable two weeks of severance pay. Plaintiff Marable was terminated because of her race.

165. Plaintiff Morris met with Simon and Lambert on May 12. Lambert told Morris that he was being fired because he “didn’t fit the profile the management is trying to build.” Lambert also told him that he was “making shortcuts” at work. Morris had never been written up for “making shortcuts” at work. Plaintiff Morris was terminated because of his race.

166. Plaintiff Robinson met with Simon, Snead, and Lambert on May 12. Simon said he was sorry that she was being fired, but that she was not being fired for anything that she did. He explained that she just “didn’t fit the profile.” Robinson asked “what profile,” but Simon would not say. Robinson asked for a letter explaining why she was fired so that she could show it to prospective employers; Snead refused to give her such a letter. Plaintiff Robinson was terminated because of her race.

167. Plaintiff Stanfield met with Simon and Lambert on May 12. Simon told her that she was being fired. Simon admitted that Stanfield was a good worker, and gave her two weeks of severance pay. Stanfield was too upset to ask any questions. Plaintiff Stanfield was terminated because of her race.

168. Plaintiff Tucker met with Simon and Snead on May 12. Based on comments from managers, Tucker thought the purpose of the meeting was to promote him to shift manager.

Simon, however, told him that he was fired because he didn't "fit the profile." When Tucker asked what that meant, Simon said "you're nice, but you came on a list." Plaintiff Tucker was terminated because of his race.

169. Plaintiff King Williams met with Simon and Lambert on May 12. Simon told her that she was fired because she didn't "fit the profile that I am trying to build." Simon acknowledged that she had worked at the store for years, had no write-ups, no customer complaints, and always came in to cover shifts when she was asked. When she told Lambert and Simon that they were firing her for no reason, Lambert said "we're not going to change our mind." Plaintiff King Williams was terminated because of her race.

170. Sowevea contested each terminated employee's eligibility for unemployment benefits. During the unemployment phone hearings, Simon represented Sowevea and was still unable to produce a reason for the terminations. During Tucker's unemployment hearing, Simon told the hearing officer that he could go back "and maybe find something to fire him for."

171. Sowevea fired approximately 18 employees on May 12, 2014.

F. Chadwick Is Forced to Resign by Being Subjected to Months of Racial Abuse.

172. Plaintiff Chadwick was first employed at the Riverdale McDonald's in 2013. In addition to the facts described above, almost every time Snead saw Chadwick, he called her "dirty Mexican" or "hot Mexican" instead of using her name. Chadwick told Snead she found this deeply offensive, as she was an Hispanic native-born American, and was not of Mexican descent. Snead did not stop his misconduct.

173. Chadwick repeatedly complained about Snead's misconduct to Simon. Simon did nothing to address the problem.

174. In or about February 2014, Store Manager Liz Daniels told Chadwick that she was too old for her job. Chadwick then asked Simon to transfer her to the Centerville McDonald's because she was concerned Daniels would find a way to terminate her. Chadwick was transferred to the Centerville McDonald's on or about April 6, 2014.

175. Snead was angry that Chadwick went over his head to Simon in seeking the transfer. After two weeks on the job in Centerville, he punished Chadwick for speaking to Simon by transferring her to the Clarksville McDonald's. Chadwick had to commute approximately fifty minutes each way to the Clarksville McDonald's.

176. At the Clarksville McDonald's, Store Manager Tommy Benjamin followed Snead's example and regularly called Chadwick "Mexican." Chadwick objected and told Benjamin to stop, but he refused. When Chadwick complained to Simon, he told her to "stop being a drama queen."

177. On July 2, 2014, Benjamin got very close to Chadwick and again called her "Mexican." Chadwick could no longer tolerate the abuse and quit.

178. Benjamin, Snead, and Simon intended to force Chadwick to quit when they harassed her, transferred her, ignored her complaints of harassment, and demeaned her for challenging unlawful discrimination.

G. Plaintiffs Object to Their Terminations.

179. Following his termination, Plaintiff Tucker called McDonald's Corporate. He described the May 12, 2014 terminations and stated that the terminations were based on race. The individual Tucker spoke to said that his report would be forwarded to the appropriate people.

180. Following his termination, Plaintiff Betts called McDonald's Corporate and described the situation with the May 12, 2014 terminations. He was told to call Soweva.

181. Following her termination, Plaintiff Stanfield called McDonald's Corporate and left a voicemail stating that she felt that she had been discriminated against. No one returned her call.

182. Several of the plaintiffs reported the situation with the May 12, 2014 terminations to the local press. On May 15, 2014, the South Boston News & Record published an article entitled "Not Lovin' It," describing the May 12 terminations.

183. The McDonald's Corporate representative who regularly reviewed operations at the restaurants run by Soweva learned of the May 12 terminations soon after they occurred.

184. McDonald's Corporate could have required Soweva to reinstate the terminated employees.

185. McDonald's Corporate took no actions to remedy the May 12 terminations. McDonald's Corporate thus ratified the May 12 termination decisions.

186. Plaintiffs Betts, Boyd, Chadwick, Marable, Morris, Robinson, Stanfield, Tucker, and King Williams filed charges of discrimination with the Equal Employment Opportunity Commission ("EEOC"), alleging the violations of Title VII set forth in Claims IV, V, VI, and VII below.

187. On October 24, 2014, the EEOC issued plaintiffs right-to-sue notices for their charges of discrimination against McDonald's Corporate and Soweva.

FIRST CAUSE OF ACTION
(42 U.S.C. § 1981 Claim – May 12, 2014 Terminations)

188. The allegations in the preceding paragraphs are incorporated by reference.

189. This claim under 42 U.S.C. § 1981 is brought against all defendants.

190. Plaintiffs Betts, Boyd, Lea, Marable, Morris, Robinson, Stanfield, Tucker, and King Williams were each terminated on May 12, 2014, because of their race.

191. There was no legitimate nondiscriminatory reason to terminate these plaintiffs' employment in May 2014.

192. Defendants' termination of these plaintiffs' employment because of their race violates 42 U.S.C. § 1981.

193. As a proximate result of defendants' wrongful conduct, these plaintiffs have each suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

194. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, plaintiffs are entitled to recover punitive damages.

SECOND CAUSE OF ACTION
(42 U.S.C. § 1981 Claim – Constructive Discharge)

195. The allegations in the preceding paragraphs are incorporated by reference.

196. This claim under 42 U.S.C. § 1981 is brought against all defendants.

197. Plaintiff Chadwick was forced to resign on July 2, 2014, because she was repeatedly harassed based on her race. The harassment was offensive, severe, and pervasive, was undertaken with the intent to force Chadwick to resign, and rendered Chadwick's working conditions so intolerable that a reasonable person would have felt compelled to resign.

198. This forced resignation was tantamount to a discharge.

199. There was no legitimate nondiscriminatory reason to terminate Chadwick's employment in July 2014.

200. Defendants' termination of Chadwick's employment because of her race violates 42 U.S.C. § 1981.

201. As a proximate result of defendants' wrongful conduct, Chadwick has suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

202. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, Chadwick is entitled to recover punitive damages.

THIRD CAUSE OF ACTION
(42 U.S.C. § 1981 Claim – Racial Harassment)

203. The allegations in the preceding paragraphs are incorporated by reference.

204. This claim under 42 U.S.C. § 1981 is brought against all defendants.

205. Defendants' employees racially harassed each of the plaintiffs in violation of 42 U.S.C. § 1981. The racial harassment was offensive, severe and pervasive, and unwelcome by plaintiffs. Defendants are liable for the racial harassment committed by their agents.

206. As a proximate result of defendants' wrongful conduct, plaintiffs have suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

207. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, plaintiffs are entitled to recover punitive damages.

FOURTH CAUSE OF ACTION
(Title VII Claim – May 12, 2014 Terminations)

208. The allegations in the preceding paragraphs are incorporated by reference.

209. This claim under Title VII is brought against defendants McDonald's Corporate and Soweva.

210. Plaintiffs Betts, Boyd, Marable, Morris, Robinson, Stanfield, Tucker, and King Williams were each terminated on May 12, 2014, because of their race.

211. There was no legitimate nondiscriminatory reason to terminate these plaintiffs' employment in May 2014.

212. Defendants' termination of these plaintiffs' employment because of their race constitutes a violation of Title VII, 42 U.S.C. § 2000e-2(a)(1).

213. Plaintiffs have satisfied all the procedural and administrative requirements of Title VII by filing a timely written charge with the EEOC, receiving a notice of right to sue from the EEOC, and filing this complaint within 90 days from the receipt of the notice of right to sue.

214. As a proximate result of defendants' wrongful conduct, these plaintiffs have each suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

215. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, plaintiffs are entitled to recover punitive damages.

FIFTH CAUSE OF ACTION
(Title VII Claim – Constructive Discharge)

216. The allegations in the preceding paragraphs are incorporated by reference.

217. This claim under Title VII is brought against defendants McDonald's Corporate and Soveva.

218. Plaintiff Chadwick was forced to resign on July 2, 2014, because she was repeatedly harassed based on her race. The harassment was offensive, severe, and pervasive, was undertaken with the intent to force Chadwick to resign, and rendered Chadwick's working conditions so intolerable that a reasonable person would have felt compelled to resign.

219. This forced resignation was tantamount to a discharge.

220. There was no legitimate nondiscriminatory reason to terminate Chadwick's employment in July 2014.

221. Defendants' termination of Chadwick's employment because of her race constitutes a violation of Title VII, 42 U.S.C. § 2000e-2(a)(1).

222. Chadwick has satisfied all the procedural and administrative requirements of Title VII by filing a timely written charge with the EEOC, receiving a notice of right to sue from the EEOC, and filing this complaint within 90 days from the receipt of the notice of right to sue.

223. As a proximate result of defendants' wrongful conduct, Chadwick has suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

224. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, Chadwick is entitled to recover punitive damages.

SIXTH CAUSE OF ACTION
(Title VII Claim – Racial Harassment)

225. The allegations in the preceding paragraphs are incorporated by reference.

226. This claim under Title VII is brought against defendants McDonald's Corporate and Soweva.

227. Defendants' employees racially harassed plaintiffs Betts, Boyd, Marable, Morris, Robinson, Stanfield, Tucker, and King Williams in violation of Title VII, 42 U.S.C. § 2000e-2(a)(1). The racial harassment was offensive, severe and pervasive, and unwelcome by plaintiffs. Defendants are liable for the racial harassment committed by their agents.

228. Plaintiffs have satisfied all the procedural and administrative requirements of Title VII by filing a timely written charge with the EEOC, receiving a notice of right to sue from the EEOC, and filing this complaint within 90 days from the receipt of the notice of right to sue.

229. As a proximate result of defendants' wrongful conduct, plaintiffs have suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

230. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, plaintiffs are entitled to recover punitive damages.

SEVENTH CAUSE OF ACTION
(Title VII Claim – Sexual Harassment)

231. The allegations in the preceding paragraphs are incorporated by reference.

232. This claim under Title VII is brought against defendants McDonald's Corporate and Soweva.

233. Defendants' employees sexually harassed plaintiffs Tucker and King Williams in violation of Title VII, 42 U.S.C. § 2000e-2(a)(1). The sexual harassment was offensive, severe

and pervasive, and unwelcome by plaintiffs. Defendants are liable for the sexual harassment committed by their agents.

234. Plaintiffs have satisfied all the procedural and administrative requirements of Title VII by filing a timely written charge with the EEOC, receiving a notice of right to sue from the EEOC, and filing this complaint within 90 days from the receipt of the notice of right to sue.

235. As a proximate result of defendants' wrongful conduct, plaintiffs have suffered loss of wages and benefits, emotional distress, humiliation, loss of reputation, and other damages.

236. Defendants' actions were done maliciously, willfully, or wantonly, or in a manner that demonstrates a reckless disregard for plaintiffs' rights. As a result of defendants' conduct, plaintiffs are entitled to recover punitive damages.

PRAYER FOR RELIEF

Based on the foregoing, Plaintiffs pray for the following relief:

1. That the Court declare that defendants' practices complained of herein are unlawful under Title VII and 42 U.S.C. § 1981;
2. That the Court enter judgment in favor of plaintiffs and against defendants for plaintiffs' lost wages, benefits, emotional distress, humiliation, loss of reputation, and other compensatory damages in an amount to be determined by a jury, and front pay and interest as determined by the Court;
3. That the Court enter judgment in favor of plaintiffs and against defendants for punitive damages in an amount to be determined by a jury;
4. That the costs of this action be taxed against defendants;

5. That the Court award plaintiffs reasonable attorneys' fee as provided in Title VII, 42 U.S.C. § 2000e-5(k), and in 42 U.S.C. § 1988;

6. That the Court grant the plaintiffs a trial by a jury; and

7. Such other and further legal and equitable relief as this Court deems necessary, just, and proper.

This the ____ day of January, 2015.

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