



U.S. Equal Employment Opportunity Commission

Press Release

05-25-2023

PFG Customized Distribution to Pay \$709,971 to Settle EEOC Sex Discrimination Lawsuit

Food Distributor Settles Federal Charges It Subjected Women to Sex-based
Discrimination in Hiring and Job Assignments

INDIANAPOLIS —Kenneth O. Lester Company, Inc., doing business as PFG Customized Distribution – Indiana, will pay \$709,971 in monetary relief and furnish significant equitable relief to settle a federal sex discrimination lawsuit brought by the U.S. Equal Employment Opportunity Commission (EEOC), the federal agency announced today.

According to the EEOC’s lawsuit, from at least 2018, PFG Customized Distribution refused to hire female job applicants for order selector positions because of their sex at its Kendallville, Indiana warehouse. The EEOC further charged that hiring officials, other management and supervisory employees, human resources personnel, and recruiters expressly stated sex-based criteria for the order-selector position, including making statements to female applicants that the company prefers to hire men as order selectors.

The EEOC also asserted that the company discriminatorily assigned females to the

small-wares section of the warehouse, where they had less earning potential.

Such alleged conduct violates Title VII of the Civil Rights Act of 1964, which prohibits using sex-based criteria in employment. The EEOC filed the lawsuit (*EEOC v. Kenneth O. Lester Company, Inc. d/b/a PFG Customized Distribution – Indiana, Case No. 1:22-cv-329-HAB*) in U.S. District Court for the Northern District of Indiana after first attempting to reach a voluntary pre-litigation settlement through its conciliation process.

The three-year consent decree settling the lawsuit provides \$650,000 in monetary relief to the class of female applicants who were not hired, \$39,971 to the female applicant who filed the underlying EEOC charge, and \$20,000 to a class of females who were subjected to work assignments based on their sex.

The consent decree also enjoins PFG Customized Distribution from failing to hire women to order selector positions because of their sex, from making work assignments based on sex, and from engaging in retaliation in the future.

In addition, the company will implement equitable relief, including giving hiring preference to qualified female applicants who were denied order selector positions; revising its hiring policies and procedures; and conducting equal employment opportunity training. PFG will be subject to ongoing reporting and monitoring procedures to ensure that the company complies with the law in the future.

“This case demonstrates the EEOC will pursue classwide litigation to eliminate discriminatory hiring and assignment barriers that women face in the workplace,” said Kenneth Bird, regional attorney of the EEOC’s Indianapolis District Office.

EEOC Indianapolis District Director Michelle Eisele said, “Eliminating systemic barriers to employment based on sex or other protected characteristics remains an EEOC enforcement priority. The EEOC is committed to ensuring that all workers have an equal opportunity for hiring and advancement.”

More information about sex discrimination is available at <https://www.eeoc.gov/sex-based-discrimination> (<https://www.eeoc.gov/sex-based-discrimination>).

The EEOC’s Indianapolis District has jurisdiction over Indiana, Kentucky, Michigan, and parts of Ohio.

