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Statistical Evidence and Use of Race-Codes Confirms Policy of Racial Discrimination at Macy's Nationwide

In 2002, Macy's Herald Square security apprehended approximately 1,600 individuals for alleged shoplifting. 92% were Black, Hispanic, Asian and other people of color and only 8% were White.

Class-Action Lawsuit Expanded to Include Macy's Stores Across the Country and Federated Executives Request for Monetary Damages Increased to \$500 Million

NEW YORK – June 3, 2003 – Late yesterday in Federal district court in lower Manhattan, lawyers for Sharon Simmons-Thomas, a Manhattan legal secretary, filed an amended, nationwide class-action complaint against Macy's and its parent company, Federated Department Stores Inc. Last Christmas season, Ms. Simmons-Thomas was detained and wrongfully accused of shoplifting at Macy's flagship Herald Square Store because of the color of her skin.

The expanded complaint, following an initial suit filed on May 20th, is based on a series of new evidence showing a coordinated policy of Macy's targeting non-white customers for shoplifting. Moreover, Macy's policy included a revenue-generating scheme wherein security staff demanded in-store monetary payments from people of color wrongfully accused of shoplifting -- in exchange for dropping the false allegations.

"This new evidence shows that what happened to Ms. Thomas is not an isolated incident, but rather is part of a larger and very disturbing pattern that extends across the country. Not only does Macy's have a national policy of targeting people of color for shoplifting, it regularly pressures security guards to shakedown the wrongfully accused for money as part of a shameful profit-padding scheme," said Ken Thompson, lead attorney for the class and a former Assistant U.S. Attorney who prosecuted the police officers responsible for violating Abner Louima's civil rights.

“This filing of this lawsuit has the goal of finally bringing an end to the all too common practice of suspecting people of shoplifting simply based on the color of their skin,” said Thompson.

The expanded suit now includes Macy’s stores in every region of the country as well as Federated CEO Terry J. Lundgren and General Counsel Dennis J. Broderick. The highest-ranking security officials at the Macy’s East and Macy’s West subsidiaries are now also named as defendants in the class-action suit.

New statistical evidence paints a horrific picture of racial profiling, not only at the Herald Square Store, but also in other stores, including Macy’s Boston, MA; Plantation, FL; Nassau County, New York and White Plains, New York. This information exposes a dramatic disparity – in excess of 90% in a number of stores -- between the number of white and non-white customers accused of shoplifting, as well as additional ongoing discriminatory behavior by Macy’s and Federated including:

- Targeting people of color to be personally followed by security staff and using “race codes” to identify African-Americans when they enter Macy’s stores;
- Tolerating the use of racially derogatory comments by security managers, including referring to African-American shoppers as “Monkeys”;
- Imposing actual “quotas” for the number of shoplifting cases that security personnel are required to make;
- Using threats of sustained detainment (sometimes handcuffed or confined to holding cells) or criminal prosecution to demand in-store monetary payments from people of color falsely accused of shoplifting, thereby increasing Macy’s profits;
- Using threats of sustained detainment (sometimes handcuffed or confined to holding cells) or criminal prosecution to coerce false confessions; and
- Targeting “Urban Wear” sections of Macy’s stores.

The new complaint also details the story of two young Hispanic women who were falsely accused, detained and handcuffed for two hours in Macy’s Herald Square Store. Like Ms. Simmons-Thomas, these two young women were eventually released and ultimately not charged with shoplifting, yet Macy’s deprived them of property that they had lawfully

purchased in the store and threatened them with legal action if they didn't pay over four hundred dollars to Macy's.

"Since I have spoken out, others have now come forward and shared similar horror stories about racial discrimination and abusive practices at Herald Square, and I feel confident Macy's and Federated will soon be held accountable for their actions," said Ms. Simmons-Thomas, who came forward two-weeks ago with her own story.

The new, amended class-action complaint, which now asks for an award of no less than \$500 million in punitive and compensatory damages for the nationwide class, also accuses Macy's and Federated of a calculated effort to disguise their official discriminatory practices by hiring non-whites as their most visible security staffers.

"Macy's senior management has attempted to hide its racially-discriminatory policies by hiring non-white security staff on sales floors, but this transparent attempt at window-dressing cannot disguise that Macy's targets people of color for shoplifting," said Mr. Thompson.

Other shoppers who feel they have suffered discriminatory treatment should contact the law firm of Thompson Wigdor and Gilly to inquire about joining the class-action.

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About Thompson Wigdor and Gilly: Thompson Wigdor & Gilly LLP <http://twglawyers.com/> is a law firm specializing in handling high-profile, complex litigation and government investigations, as well as counseling clients in a wide array of substantive legal areas, including employment law, criminal law, sports and entertainment law, labor relations, and civil rights. They can be reached at (212) 239-9292 or info@twglawyers.com.