

Steven Cohen's Investment Firm Accused of Hostility to Women

 [nytimes.com/2018/02/12/business/steven-cohen-point72-discrimination-lauren-bonner.html](https://www.nytimes.com/2018/02/12/business/steven-cohen-point72-discrimination-lauren-bonner.html)

A female executive at the investment firm run by Steven A. Cohen, the billionaire investor, said in a lawsuit that the company was a testosterone-fueled “boys’ club” in which men commented on women’s bodies, belittled their abilities and paid them less than their male peers.

The lawsuit, filed in federal court Monday by a current employee of Mr. Cohen’s Point72 Asset Management, describes a toxic working environment for women. Those with years of experience were often referred to as “girls” or “sweethearts.” Some were excluded from meetings that were deemed for men only, the lawsuit said.

The lawsuit offers a rare glimpse inside the \$11 billion firm, which is run by one of Wall Street’s most fabled traders and is a huge source of business across the banking industry. Mr. Cohen, who is in the midst of trying to repair his tarnished public image and raise money from investors, is not accused of inappropriate behavior in the lawsuit.

In a statement on Monday, Point72 said, “The firm emphatically denies these allegations and will defend itself in a more appropriate venue than the media.”

It added: “We stand by our record of hiring and developing women. In an industry where women are historically underrepresented, the hundreds of women at Point72 are vital members of every part of our organization.”

Mr. Cohen’s former firm, SAC Capital Advisors, shut down in early 2014 after it pleaded guilty in an insider trading investigation.

Mr. Cohen wasn’t charged by the authorities. But he agreed to a two-year ban from the securities industry for failing to properly supervise some of his staff. He created Point72, which currently has more than 1,000 employees, to manage his personal fortune.

The ban from the securities industry expired at the end of last year. Mr. Cohen, 61, is preparing to relaunch Point72 as a hedge fund that will manage money for outside investors.

While traditional Wall Street firms have overhauled their cultures in recent years and elevated women to positions of authority, the \$3 trillion hedge fund industry has been far slower in breaking away from its male-dominated roots.

At Point72, women make up fewer than 3 percent of the managing directors, according to the discrimination lawsuit, which was brought on behalf of Lauren Bonner, an associate director. Of the firm’s 125 portfolio managers — top traders who decide which stocks to buy and sell — one is a woman. There are no women on the firm’s hiring or executive committee.

For several weeks last year, a whiteboard in the office of a top executive had the word “pussy” written on it, leaving the firm’s few senior women feeling uneasy, according to the lawsuit. A person who worked at the firm confirmed the incident.

Many of the allegations in the complaint could not be independently verified. But four people who worked at the firm, and who declined to be identified for fear of retribution, said Point72 could be a difficult work environment for women. They said, for example, that male colleagues regularly made comments on women’s physical appearances.

Ms. Bonner, who did not comment for this article, is represented by lawyers with Wigdor L.L.P., which has represented women in a number of notable sexual harassment lawsuits, including several against Fox News and 21st Century Fox. Two years ago, the firm represented a male employee in a sexual harassment complaint against Bridgewater Associates, the world’s biggest hedge fund.

Mr. Cohen’s former company, SAC Capital Advisors in Stamford, Conn., after it was renamed Point72 Asset Management in 2014. Suzanne DeChillo/The New York Times

“This lawsuit proves that #MeToo is just getting started, and Wall Street will not be spared,” one of Ms. Bonner’s lawyers, Jeanne M. Christensen, said.

Such lawsuits are rare on Wall Street because, women say, there is little to gain by challenging employers and they risk tarnishing their reputations and upending their careers.

It is even more uncommon for a current employee of a firm to file such a complaint.

Ms. Bonner is part of a recruitment analytics team at Point72 and supervises 14 people. She previously worked at Bridgewater.

Her suit contends that she was passed over for several promotions, with jobs going to less experienced men who joined Point72 after she began working there in July 2016. This year, she is slated to earn a base salary of \$300,000 with a potential bonus of \$225,000. The lawsuit alleges that similarly situated men earn at least twice as much.

The lawsuit seeks unspecified monetary damages and an injunction against Point72’s violating state anti-discrimination laws.

As Point72 prepares to start trading as a hedge fund, the firm has raised between \$2 billion and \$4 billion from outside investors, although some institutional investors have balked at its high fees, people familiar with the matter previously told The New York Times.

Mr. Cohen has emphasized Point72’s commitment to the highest ethical standards, which the firm boasts about in its [mission statement](#). He brought in former federal prosecutors to oversee compliance at the firm.

Kevin O’Connor, a former United States attorney for Connecticut, was hired as general counsel. Douglas Haynes, once a top executive at the consulting firm McKinsey, was brought in as Point72’s president.

Both men are responsible for overseeing the firm’s cultural cleanup — and both figure in Ms. Bonner’s lawsuit.

Mr. Haynes is named as a defendant. The lawsuit said he had once ridiculed a female executive as a “dumb blond.” The whiteboard mentioned in the suit was in Mr. Haynes’s office.

And the suit quoted Mr. O’Connor as having said to colleagues that “the reality is that this is just a really tough place for women, and that’s not going to change.”

Mr. Haynes and Mr. O’Connor didn’t immediately respond to requests for comment.

Ms. Bonner also said that a supervisor belittled her and that she had complained to the head of human resources. Nothing happened: The supervisor remained on a powerful internal committee that decides which employees get promotions, the suit said.

The lawsuit also accused Mark Herr, the firm’s head of corporate communications, of making degrading comments about women. He didn’t immediately respond to a request for comment.

In one example of the firm’s allegedly inhospitable culture, the lawsuit described a women’s leadership forum that Mr. Cohen hosted in October 2016 at his 35,000-square-foot mansion in Greenwich, Conn. One of the main speakers was a psychiatrist and Fox News contributor who, according to the lawsuit, described Hillary Clinton, the Democratic presidential nominee, as “an accomplished man’s wife.”

A person who attended the event confirmed that account.

The lawsuit said Ms. Bonner intended to file discrimination complaints against Point72 with the Equal Employment Opportunity Commission and New York City’s Commission on Human Rights.

Correction: February 12, 2018

Because of an editing error, an earlier version of a picture caption with this article misstated the location of Point72 Asset Management’s offices in Connecticut. It is Stamford, not Greenwich.