J. Crew GC Says She Was Belittled, Fired After Hearing Loss

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By Max Jaeger ·

Law360 (December 16, 2021, 7:45 PM EST) -- <u>J. Crew</u>'s former top lawyer tore into the apparel company Thursday, alleging in a blistering New York federal lawsuit that she was booted in retaliation for complaining about colleagues' pattern of discriminatory behavior after she suddenly went deaf in one ear.

Former general counsel Maria DiLorenzo says she shepherded J. Crew's legal team through the company's most turbulent years, including a bankruptcy case, only to be "shamed," denied reasonable accommodations and ultimately fired.

"J. Crew promotes itself as a good corporate citizen. It claims a commitment to 'fair and decent working conditions, the freedom of opinion and expression' and 'an accessible and inclusive environment for everyone," DiLorenzo's lawsuit says.

"This soaring language is, of course, hollow market-speak," it continues. "In fact, J. Crew cares little about the plight of its employees, especially those with disabilities."

The company denied the allegations and said it is ready to defend itself.

"J. Crew Group is committed to fostering an equitable, safe and inclusive workplace. We believe these allegations are without merit, and we will defend ourselves vigorously," a spokesperson said in a statement to Law360 on Thursday.

DiLorenzo, of Illinois, awoke one day in June 2020 deaf in her right ear and unable to walk due to vertigo — symptoms of what was later diagnosed as sudden sensorineural hearing loss, or SSHL, and tinnitus, her complaint says.

The disability came amid J. Crew's Chapter 11 proceedings, but DiLorenzo powered through, and the company "was able to significantly lighten its debt load" by **converting more than \$1.6 billion of debt** into stock, the complaint says.

After the dust settled, Chief Operating Officer Michael Nicholson balked at DiLorenzo's request for four to six weeks of medical leave — so she could get a cochlear implant — and eventually forced her to work through the one week she was given off, according to the suit.

"The day of Ms. DiLorenzo's surgery, when she should have been recovering, Mr. Nicholson called her. He did not acknowledge her condition or medical leave; instead, he instructed Ms. DiLorenzo to perform work that day and over the remaining week of her medical leave," the

complaint says.

She returned to work the following week after "realizing that Mr. Nicholson would not permit her to take the necessary leave to recover," according to her suit.

The surgery partially restored her hearing, but conversations remained tougher to parse, and her condition made it difficult to determine from which direction a sound originated, her lawyer Valdi Licul of <u>Wigdor LLP</u> told Law360 on Thursday.

"At no point did anyone from the company engage with Ms. DiLorenzo about her accommodations as required by law," the suit says.

"Indeed, Ms. DiLorenzo broke down in tears as she explained her plight to her colleagues," it says.

DiLorenzo explained her condition to Tracy Bay, the chief of staff to CEO Libby Wadle, ahead of a July board meeting for which DiLorenzo was tasked with taking minutes, the complaint says. She asked for a seat at the main table, so she could read participants' lips and hear better, but Bay allegedly forced her to sit away from the main table with her higher-functioning ear to the wall, "physically segregating Ms. DiLorenzo from her colleagues."

DiLorenzo complained to human resources, and Bay was eventually directed to apologize, but thereafter she allegedly made a point of emphasizing DiLorenzo's hearing loss "by interrupting [meetings] and asking, in a loud mocking tone, 'can you hear' or 'Maria, do you have a question,' even when there was no such indication" from DiLorenzo, the complaint says.

On Nov. 30, Nicholson fired DiLorenzo, telling her that she'd been a "really awesome partner" but that the company was moving in a "new direction," according to her lawsuit. She protested in writing on Dec. 7 that she was the victim of discrimination and retaliation. J. Crew responded a few hours later, denying any wrongdoing without conducting an investigation, she says, and she protested again on Dec. 10, that time through counsel.

On Tuesday, Nicholson told DiLorenzo her "employment as general counsel is terminated" because "you have now asserted claims against the company," the complaint says.

DiLorenzo's complaint alleges discrimination and retaliation in violation of the Family and Medical Leave Act and New York City and state human rights laws. The complaint names J. Crew, Wadle and Nicholson as defendants.

DiLorenzo has filed a charge of discrimination with the <u>U.S. Equal Employment Opportunity Commission</u> and plans to amend her complaint with claims under the Americans with Disabilities Act once the EEOC gives her the green light to sue, the complaint says. She also intends to bring a claim against J. Crew for violating professional ethical rules established under a 1992 New York Court of Appeals case, <u>Wieder v. Skala</u> , the complaint says.

"J. Crew wants to reinvent itself post-bankruptcy as a modern, inclusive brand, but the way it treated Ms. DiLorenzo after she became disabled represents the complete antithesis of those ideals," Licul said in a statement Thursday. "This is precisely why Congress enacted the ADA and the FMLA decades ago: to protect individuals with disabilities from workplace discrimination and abuse. We look forward to aggressively protecting Ms. DiLorenzo's rights during one of the most challenging times in her life."

DiLorenzo is represented by Douglas H. Wigdor and Valdi Licul of Wigdor LLP.

J. Crew is represented by A. Michael Weber and Jean L. Schmidt of <u>Littler Mendelson PC</u>.

The case is Maria DiLorenzo v. J. Crew Group et al., case number <u>1:21-cv-10768</u>, in the <u>U.S.</u> <u>District Court for the Southern District of New York</u>.

--Editing by Daniel King.

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