

August 9, 2002

## **BUCKING SETTLEMENT TRENDS, R. R. DONNELLEY & SONS COMPANY AND VEDDER PRICE WIN MAJOR COURTROOM VICTORY**

Ending seven years of litigation over claims of age discrimination by 342 former employees, a federal court jury in Chicago on Friday, August 2, took less than two hours to decide that R. R. Donnelley & Sons Company did not violate the Age Discrimination in Employment Act when it shut down its Chicago Manufacturing Division following Sears, Roebuck & Company's decision to cease printing catalogs. *Gerlib, et al. v. R. R. Donnelley & Sons, 95 C 7401*.

Plaintiffs representing nearly half of the Division's permanent workforce argued that during the shutdown Donnelley had engaged in a pattern and practice of age discrimination by, among other things, refusing to transfer older employees to other Donnelley facilities and targeting retirement-eligible employees for termination.

Donnelley showed that it had offered affected employees the choice of improved pensions, augmented severance benefits, or the opportunity to apply for transfer to over 1,700 posted Donnelley jobs. Most of the plaintiffs who testified at trial had never bothered to apply for these jobs. Instead, as Donnelly argued, they left voluntarily with enhanced benefits.

Donnelley decided to fight rather than settle this case convinced that it had treated employees of all ages fairly and generously when they were suddenly faced with an unexpected loss of jobs. The jury of nine men and women quickly agreed.

Vedder Price is proud of the result achieved by its principal counsel for Donnelley, Dick Schnadig and Mike Cleveland, and supporting associate Rachel Calabro Barner. We also commend Donnelley for steadfastly defending its position despite the uncertainty of a jury trial. This case shows that jury trials can be won even in times of anti-corporate sentiment, and that employers facing unfounded multi-million dollar lawsuits need not capitulate by handing over huge settlement amounts.

We are also proud to add this case to a growing list of class action or multi-plaintiff cases that we have successfully defended over nearly three decades on behalf of clients willing to stand by the propriety of their employment decisions.

*Should you have any questions about this case or about class action and other jury trials, please contact Richard H. Schnadig at (312/609-7810), Michael G. Cleveland at (312/609-7860) or any other Vedder Price attorney with whom you have worked.*