



U.S. Equal Employment Opportunity Commission

Press Release

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Subway Franchises Agree to Pay \$25,000 to Settle EEOC Race and Color Discrimination Suit

Federal Agency Charges Sandwich Shops Fostered Hostile Work Environment and Failed to Hire Black Employees

FAYETTEVILLE, N.C. – Subway franchises Bilal & Aaya Subway, Inc., H & F Subway Inc. and L & H Subway, Inc. (Subway) will pay \$25,000 and provide other relief to settle a lawsuit filed by the U.S. Equal Employment Opportunity Commission (EEOC), the federal agency announced today.

According to the EEOC's lawsuit, the president and owner of several Subway franchises repeatedly instructed the general manager, who is Black, not to hire Black employees and to discharge other employees because they were Black or because they appeared to be Black. The owner also created a hostile work environment for Black employees by repeatedly making disparaging remarks and stereotyping them based on his own racial bias. The racially offensive behavior continued until the general manager felt he could no longer work for the company, and resigned.

Such conduct violates Title VII of the Civil Rights Act of 1964 (Title VII), which

prohibits discrimination on the basis of race. The EEOC's suit (Case No. 5:23-cv-00129-D-BM EEOC v. Bilal & Aaya Subway, Inc., H & F Subway Inc. and L & H Subway, Inc.) filed in U.S. District Court for the Eastern District of North Carolina, Western Division, charged that the Subway franchises unlawfully harassed and discriminated against Black employees in terms of hiring and firing.

Under the three-year consent decree resolving the lawsuit, Subway will pay \$25,000 in monetary damages to the general manager who resigned; adopt and distribute an anti-harassment policy to its employees; post a notice to employees about the settlement; and provide annual, mandatory training to managers and employees on the protections of Title VII for employees and applicants.

"The EEOC's goal with every resolution is to recover appropriate relief and to make sure that future employees do not encounter the same unlawful conduct," said Melinda C. Dugas, regional attorney for the EEOC's Charlotte District. "We are confident that the relief secured through this consent decree will ensure that this discriminatory behavior will be corrected moving forward."

For more information on race discrimination in the workplace, please visit <https://www.eeoc.gov/racecolor-discrimination> (<https://www.eeoc.gov/racecolor-discrimination>).

The EEOC's Charlotte District Office has jurisdiction over North Carolina, South Carolina and Virginia.

The EEOC prevents and remedies unlawful employment discrimination and advances equal opportunity for all. More information is available at www.eeoc.gov (<http://www.eeoc.gov>). Stay connected with the latest EEOC news by subscribing to our [email updates](https://public.govdelivery.com/accounts/USEEOC/subscriber/new) (<https://public.govdelivery.com/accounts/USEEOC/subscriber/new>).

Recent Press Releases from the Charlotte District Office

[Title Loan Companies to Pay \\$60,000 to Settle EEOC Racial Harassment and Disability Discrimination Suit](https://www.eeoc.gov/newsroom/title-loan-companies-pay-60000-settle-eeoc-racial-harassment-and-disability-discrimination) (<https://www.eeoc.gov/newsroom/title-loan-companies-pay-60000-settle-eeoc-racial-harassment-and-disability-discrimination>)

Balfour Beatty Sued by EEOC Over Sex Harassment at Construction Worksite
(<https://www.eeoc.gov/newsroom/balfour-beatty-sued-eeoc-over-sex-harassment-construction-worksite>)

EEOC Sues Hooters of America for Race and Color Discrimination (<https://www.eeoc.gov/newsroom/eeoc-sues-hooters-america-race-and-color-discrimination>)

Recent Press Releases on the Subject of Race, National Origin

Liberty Energy to Pay \$265,000 in EEOC Discrimination Lawsuit (<https://www.eeoc.gov/newsroom/liberty-energy-pay-265000-eeoc-discrimination-lawsuit>)

Liberty Energy Pagará \$265.000 Dólares en una Demanda por Discriminación de la EEOC (<https://www.eeoc.gov/es/newsroom/liberty-energy-pagara-265000-dolares-en-una-demanda-por-discriminacion-de-la-eeoc>)

DHL to Pay \$8.7 Million in EEOC Race Discrimination Lawsuit (<https://www.eeoc.gov/newsroom/dhl-pay-87-million-eeoc-race-discrimination-lawsuit>)