

In-House Attorney Files Sex-Bias Lawsuit against General Electric Company

By Brooke Heath

Usually when a large company faces a lawsuit, the suit isn't filed by one of its top in-house attorneys. But that's exactly what General Electric Co., the world's second-largest company, is dealing with.

Last month, Lorene F. Schaefer filed a \$500 million sex-bias lawsuit against GE and 13 of the company's officers and directors after she was demoted from her position as general counsel at GE Transportation, which she had held for two years. But Schaefer didn't just file the lawsuit in Bridgeport, Connecticut on her own behalf. According to [Law.com](#), she claims that more than 1,000 female executives and lawyers at GE have gone through similar situations, receiving lower pay and being passed up for promotions. Schaefer claims these women have been subjected to "systemic, company-wide discriminatory treatment."

"I thought about what I had experienced at the General Electric Company and what women across the corporation had been talking to me and talking to each other about for my entire 13-year history at the company, and I decided to hire counsel," Schaefer said. "There are many, many women who have had the same experience as mine."

In her lawsuit, the 43-year-old specifically asks for policy changes regarding pay and promotions at General Electric. She claims that GE's promotional rate for women is not equal to that of their male counterparts. According to [Law.com](#), Schaefer says that when women with the company want to be promoted to senior executive status, "there is a strong glass ceiling."

According to *The Boston Globe*, in her complaint, Schaefer says that "the representation of women in the officer ranks has remained steady at a dismal 13% for five years. About 80% of senior executives, at a level called senior executive band at GE, are men."

GE, which employs more than 300,000 workers, disputes Schaefer's claims. Gary Sheffer, a spokesman for General Electric Co., said the company "works very hard to promote and ensure diversity within our culture," according to *The Boston Globe*. Sheffer insists that the number of female officers has increased from 9% to 14.5% since 2001, with 20 women having joined the executive board.

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“We have increased the number of women in senior executive positions in the past five years,” Sheffer said. “There are more women in big jobs at GE than ever before.”

After filing suit, Schaefer was placed on paid administrative leave by General Electric Co.

ON THE NET

General Electric
www.ge.com/index.htm

Law.com
www.law.com/jsp/ihc/PubArticleIHC.jsp?id=1185268001259

The Boston Globe
www.boston.com/business/globe/articles/2007/06/01/executive_sues_ge_claiming_gender_bias