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8	IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA		
9	IN AND FOR THE COUNTY OF LOS ANGELES COUNTY		
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11	CALIFORNIA CIVIL RIGHTS DEPARTMENT, an agency of the State of	Case No.	
12	California,	Dept: Hon.	
13	Plaintiff,		
14	VS.	CIVIL RIGHTS COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES	
15	SNAP INC.,		
16	Defendant.	JURY TRIAL DEMANDED	
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	CRD v. Snap, Inc., Civil Rights Complaint		

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### <u>INTRODUCTION</u>

- 1. Plaintiff California Civil Rights Department ("CRD"), an agency of the State of California, brings this action in its own name to remedy violations of California Fair Employment and Housing Act, Government Code section 12900 et seq. ("FEHA") as well as California Equal Pay Act, Labor Code section 1197.5, by Defendant Snap, Inc. ("Snap" or "Defendant").
- 2. Founded in September 2011 as Snapchat Inc., Snap is a technology and camera company headquartered in Santa Monica, California. Its most well-known product is Snapchat, an instant messaging application and service that automatically deletes texts and pictures sent by users. In addition to Snapchat, Snap produced the smart phone applications Bitmoji and Zenly as well as Spectacles by Snap, a hi-tech eyewear producer.
- 3. Snap underwent a period of rapid growth in 2014 to 2017, increasing its employee count from 250 in 2015 to over 5,000 full time employees in 2022. Despite its growth, Snap did not take adequate measures to ensure that women were paid or promoted equally, resulting in the marginalization of women at Snap.
- 4. CRD brings this enforcement action against Snap in its prosecutorial role, seeking relief in the public interest and for a group of women who worked at Snap from 2014 to this filing. Pursuant to the authority vested in CRD under FEHA, Government Code section 12900 et seq., CRD's enforcement action seeks to remedy, prevent, and deter unlawful discrimination, harassment, and retaliation.

### **PARTIES**

- 5. Plaintiff CRD is a state agency tasked with investigating and prosecuting civil rights actions. (Gov. Code, § 12930 subd. (f)(1)-(5)). Government Code section 12930 confers on CRD authority to bring litigation on behalf of itself in the public interest pursuant to the prohibitions on employment discrimination under FEHA and the California Equal Pay Act. (*Id.*, § 12930, subds. (f) and (h).)
- 6. California's legislature exercised its police power in enacting FEHA and investing authority in CRD "to protect and safeguard the right and opportunity of all persons to seek, obtain, and hold employment without discrimination..." (Gov. Code, § 12920; *Dept. Fair Empl. & Hous. v. Cathy's Creations, Inc.* (2020) 54 Cal.App.5th 404, 410 ["the CRD's task is to represent the interests of the state

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and to effectuate the declared public policy of the state to protect and safeguard the rights and opportunities of all persons form unlawful discrimination."].) In furtherance of these goals, CRD has authority to initiate, conciliate, and prosecute complaints on behalf of itself in the public interest and persons alleged to be aggrieved by discriminatory employment practices. (Gov. Code, §§ 12930, 12961). CRD is additionally authorized to investigate, conciliate, and prosecute claims under Labor Code section 1197.5, which prohibits employers from paying employees of one sex less for substantially similar work. (Gov. Code, § 12930, subd. (f)(5).) When a challenged practice harms a group or class of people in a similar manner, CRD's Director has discretion to determine that CRD may investigate, conciliate, and, if necessary, prosecute the matter as a civil action on behalf of the group or class. (*Id.*, §§ 12961, subd. (b)(2); 12965, subd. (a).)

7. Defendant Snap is now and was, at all times relevant to this complaint, a Delaware corporation operating in and under the laws of the State of California. Snap's corporate headquarters are in Santa Monica, California, and it conducts business in Los Angeles, California. At all times relevant to this complaint, Snap was an "employer" subject to FEHA and all other applicable statutes.

### JURISDICTION AND VENUE

- 8. This Court has jurisdiction under Article VI, section 10 of the California Constitution and California Code of Civil Procedure section 410.10.
- 9. CRD's Director, in their discretion, may file an administrative complaint on behalf of a group or class. (Gov. Code, § 12961; Cal. Code Regs., tit. 2, § 10013.) Pursuant to this authority, or October 8, 2019, CRD's Director's designee filed and served on Snap a Notice of Group or Class Investigation (CRD Case No. 201910-07855108), which was initiated by the prior filing of an individual administrative complaint pursuant to Government Code section 12960, subdivision (c), and a Director's Complaint for Group/Class Relief.
- 10. From October 8, 2019, through June 4, 2022, CRD conducted a group or class investigation pursuant to Government Code sections 12961, subdivision (b)(1) and 12963 *et seq*.
- 11. At the conclusion of CRD's investigation, the parties engaged in mediation with a mediator.

- 12. All administrative procedures precedent to the initiation of this lawsuit in Government Code sections 12963.7 and 12965, subdivision (a), have been fulfilled.
- 13. The amount of damages sought by this complaint exceeds the minimum jurisdictional limits of this Court pursuant to Code of Civil Procedure section 116.221, subd. (a).
- 14. The Court also has jurisdiction over this unlimited civil case because CRD seeks injunctive and declaratory relief. (Civ. Proc. Code, §§ 86, subd. (a), 88.)
- 15. This case is timely filed, pursuant to the parties' tolling agreements, prior to the expiration of the parties' most recent and operative tolling agreement.
- 16. Venue is proper in the County of Los Angeles under Government Code section 12965, subdivision(a)(4), which permits CRD to bring a civil action in any county in the state where the civil action includes a class or group allegation on behalf of the CRD.

### **GOVERNMENT ENFORCEMENT ACTION ALLEGATIONS**

- 17. CRD brings this government enforcement action for group relief on behalf of itself in the public interest and for the benefit of women who have worked for Snap in California at any time between January 1, 2014, and filing of the [Proposed] Consent Decree (the "Group"), pursuant to Government Code sections 12961 and 12965. CRD seeks to remedy, prevent, and deter unlawful employment discrimination based on the exercise of rights protected under FEHA and the California Equal Pay Act.
- 18. After the filing of this action, CRD will seek entry of a [Proposed] Consent Decree constituting a settlement agreement between CRD and Snap. (Ex. A [Jt. Stipulation to Enter [Proposed] Consent Decree and [Proposed] Consent Decree]).

### **FACTUAL ALLEGATIONS**

19. Snap fostered a culture in which women workers were paid less and provided less promotional opportunities than their male counterparts. Women were told, both implicitly and explicitly, that they were second class citizens at Snap.

<sup>&</sup>lt;sup>1</sup> The terms "women" or "woman" as used throughout the Complaint is intended to be inclusive of all workers who have identified as women at any time between January 1, 2014 to filing of the [Proposed] Consent Decree.

20. Women at Snap were paid less than their male counterparts when accounting for				
department, management level, job title, and compensation-level title. Women in engineering roles				
which accounts for seventy percent of Snap's workforce, in particular found a glass ceiling where				
advancement beyond entry level positions was more difficult than for their male colleagues.				

- 21. Women at Snap reported that male managers promoted their less qualified male friends despite the candidacy of more qualified women. Male hiring panel members were dismissive of female candidates, making belittling comments about their candidacy.
- 22. When women publicly complained about the lack of promotional opportunities or the treatment of women, they were often brushed off, including at Snap's council meetings where Snap employees were purportedly encouraged to discuss their experience and various issues.
- 23. Women were assigned tasks below their ability level or job title, told by supervisors/mentors to wait their turn when they sought promotions, actively discouraged from applying for promotions, and denied promotions in favor of less qualified male colleagues.
- 24. Complaints by women regarding pay, promotion, harassment, and discrimination were not adequately dealt with and often met with no meaningful action taken.
- 25. Women at Snap further experienced discrimination and harassment on other bases in addition to their sex/gender.

### FIRST CAUSE OF ACTION

### **Employment Discrimination Based on Sex-Compensation**

(Gov. Code, § 12940, subd. (a))

- 26. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 27. Government Code section 12940 subdivision (a) states that it is an unlawful employment practice for an employer "to discriminate against the person in compensation or in terms, conditions, or privileges of employment," because of that person's sex.
- 28. Defendant discriminated against members of the Group by paying them less than similarly situated men, because of sex, in violation of Government Code section 12940, subdivision (a). Among other practices, Defendant's de facto informal promotion process resulted in members of the Group being promoted at slower rates than their male counterparts or having to undergo additional steps

in the process unlike their male counterparts. Snap has not justified and cannot justify this disproportionately adverse effect on women with any legitimate business necessity. Alternatively, there are less discriminatory alternatives that would meet any legitimate business necessity.

- 29. By reason of the continuous nature of Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
- 30. Defendant intentionally discriminated against members of the Group in compensation by offering them lower compensation at hire, assigning them to lower paid and less opportunity roles, and affording them less advancement and other opportunities than their male counterparts.
- 31. As a result of Defendant's unlawful employment practices, members of the Group suffered and continue to suffer harm, including but not limited to lost earnings, lost benefits, lost future employment opportunities, and other financial loss as well as non-economic damages.
- 32. Pursuant to Government Code section 12965, subdivision (d), CRD seeks all remedies available in a civil action by private plaintiff and "any other relief that, in the judgment of the court, will effectuate the purpose of this part. This relief may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."
  - 33. Plaintiff CRD requests relief as described herein.

### SECOND CAUSE OF ACTION

### **Equal Pay Claim**

(Labor Code, § 1197.5; Gov. Code, § 12930, subd. (f)(5))

- 34. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 35. Labor Code section 1197.5, subdivision (a)(1) states that "[a]n employer shall not pay any of its employees at wage rates less than the rates paid to employees of the opposite sex for substantially similar work, when viewed as a composite of skill, effort, and responsibility, and performed under similar working conditions."
- 36. Members of the Group received less total compensation than their male counterparts while performing substantially similar work as each other, considering their combination of skill, effort, and responsibilities, as well as their similar working conditions.

37.	Members of the Group received less equity and/or grants compared to their male	
counterparts while performing substantially similar work as each other, considering their combination of		
skill, effort, ar	nd responsibilities, as well as their similar working conditions. <sup>2</sup>	

- 38. As a result of Defendant's conduct, members of the Group suffered and continue to suffer lost earnings, and CRD is entitled to recover unpaid wages on their behalf. Pursuant to Government Code section 12965, subdivision (d), CRD seeks all remedies available in a civil action by private plaintiff and "any other relief that, in the judgment of the court, will effectuate the purpose of this part. This relief may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."
- 39. By reason of the continuous nature of Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
  - 40. Plaintiff CRD requests relief as herein described.

### THIRD CAUSE OF ACTION

## **Employment Discrimination Because of Sex-Promotion**

(Gov. Code, § 12940, subd. (a))

- 41. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 42. Government Code section 12940 subdivision (a) states that it is an unlawful employment practice for an employer "to discriminate against the person in compensation or in terms, conditions, or privileges of employment," because of that person's sex.
- 43. Defendant failed to promote members of the Group in violation of Government Code section 12940, subdivision (a).
- 44. Defendant intentionally discriminated against members of the Group in promotion and advancement opportunities. Members of the Group were assigned to lower-level roles despite their experience or qualifications which harmed their promotion opportunities, denied work assignments that would enable them to be competitive for promotions, and denied promotional opportunities afforded

<sup>&</sup>lt;sup>2</sup> Schater v. Citigroup, Inc. (2009) 47 Cal.4th 610, 618 ["Incentive compensation, such as bonuses and profit-sharing, also constitute wages." (internal citation omitted)].

their male counterparts.

- 45. Defendant's policies, practices, and/or procedures have resulted in unlawful disparate impact discrimination against members of the Group with respect to promotion opportunities. Among other practices, Defendant's de facto informal promotion process resulted in members of the Group being promoted at slower rates than their male counterparts or having to undergo additional steps in the process unlike their male counterparts. Snap has not justified and cannot justify this disproportionately adverse effect on women with any legitimate business necessity. Alternatively, there are less discriminatory alternatives that would meet any legitimate business necessity.
- 46. As a result of Defendant's unlawful employment practices, members of the Group suffered and continue to suffer harm, including but not limited to lost earnings, lost benefits, lost future employment opportunities, and other financial loss as well as non-economic damages.
- 47. Pursuant to Government Code section 12965, subdivision (d), CRD seeks all remedies available in a civil action by private plaintiff and "any other relief that, in the judgment of the court, will effectuate the purpose of this part. This relief may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."
- 48. By reason of the continuous nature of Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
  - 49. Plaintiff CRD requests relief as described herein.

### **FOURTH CAUSE OF ACTION**

# Harassment Based on Sex-Hostile Work Environment and Sexual Harassment (Gov. Code, § 12940, subd. (j))

- 50. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 51. Government Code section 12940, subdivision (j) states that it is an unlawful employment practice for an employer "or any other person" "to harass an employee, an applicant, an unpaid intern or volunteer, or a person providing services pursuant to a contract," because of that person's sex.
- 52. Members of the Group were routinely subjected to unwelcome sexual advances and other harassing conduct so severe or pervasive that it created a hostile work environment. The harassment

was perpetrated by Defendant's supervisors and/or Defendant knew or should have known of the conduct and failed to take immediate and appropriate corrective action.

- 53. As a result of Defendant's unlawful employment practices, members of the Group suffered and continue to suffer harm, including but not limited to emotional pain, humiliation, embarrassment, belittlement, sadness, and mental anguish, in an amount to be determined at trial.
- 54. By reason of the continuous nature of all Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
- 55. Pursuant to Government Code section 12965, subdivision (d), CRD seeks all remedies available in a civil action by private plaintiff and "any other relief that, in the judgment of the court, will effectuate the purpose of this part. This relief may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."
  - 56. Plaintiff CRD requests relief as described herein.

### FIFTH CAUSE OF ACTION

#### Retaliation

(Gov. Code, § 12940, subd. (h))

- 57. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 58. Government Code section 12940, subdivision (h) states that it is an unlawful employment practice for "any employer, labor organization, employment agency, or person to discharge, expel, or otherwise discriminate against any person because the person has opposed any practices forbidden under this part or because the person has filed a complaint, testified, or assisted in any proceeding under this part."
- 59. After members of the Group engaged in protected activities, such as complaining to human resources or their supervisors, Defendant took adverse employment actions against members of the Group. Such adverse employment actions included but was not limited to denial of professional opportunities, negative performance reviews, forced transfers, constructive termination, and selection for reductions in forces/layoffs.
  - 60. As a result of Defendant's unlawful employment practices, members of the Group

suffered and continue to suffer lost earnings, lost benefits, lost future employment opportunities, and other financial loss as well as non-economic damages, including but not limited to, emotional pain, humiliation, embarrassment, belittlement, sadness, and mental anguish, in an amount to be determined at trial.

- 61. By reason of the continuous nature of Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
- 62. Pursuant to Government Code section 12965, subdivision (d), CRD seeks all remedies available in a civil action by private plaintiff and "any other relief that, in the judgment of the court, will effectuate the purpose of this part. This relief may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."
  - 63. Plaintiff CRD requests relief as described herein.

### SIXTH CAUSE OF ACTION

# Failure to Prevent Discrimination and Harassment (On Behalf of Group) (Gov. Code, § 12940, subd. (k))

- 64. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 65. Government Code section 12940 subsection (k) states that it is an unlawful employment practice for employers to "fail to take all reasonable steps necessary to prevent discrimination and harassment from occurring."
- 66. Defendant violated Government Code section 12940, subsection (k), by failing to take all reasonable steps necessary to prevent discrimination and harassment of employees. Defendant's failure to have and/or enforce adequate and consistent anti-discrimination and harassment policies caused harm to the Group. Defendant failed to have an effective sexual harassment policy, failed to adequately train all supervisors, managers, and executives on the prevention of discrimination and harassment based on sex, and/or failed to timely discipline or stop discriminatory or harassing behavior from occurring in the workplace.
- 67. As a result of Defendant's failure to prevent discrimination and harassment, members of the Group have suffered violations of their rights to be free of discrimination and harassment under

FEHA.

- 68. By reason of the continuous nature of Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
- 69. Pursuant to Government Code section 12965, subdivision (d), CRD seeks all remedies available in a civil action by private plaintiff and "any other relief that, in the judgment of the court, will effectuate the purpose of this part. This relief may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."
  - 70. CRD requests relief as herein described.

### SEVENTH CAUSE OF ACTION

Failure to Prevent Discrimination and Harassment (On Behalf of CRD) (Gov. Code, § 12940, subd. (k); Code Regs., tit. 2, § 11023, subd. (a)(3))

- 71. CRD incorporates and realleges all previous allegations as if fully set forth herein.
- 72. Government Code section 12940, subdivision (k) requires employers to take all reasonable steps necessary to prevent discrimination and sexual harassment from occurring.
- 73. Defendant violated Government Code section 12940, subdivision (k), by failing to take all reasonable steps necessary to prevent discrimination and harassment of employees. Defendant's failure to have and/or enforce adequate and consistent anti-discrimination policies were substantial motivating factors in causing harm to the Group. Defendant failed to have an effective sexual harassment policy, failed to adequately train all supervisors, managers, and executives on the prevention of discrimination and harassment based on sex, and/or failed to timely discipline or stop discriminatory or harassing behavior from occurring in the workplace.
- 74. By reason of the continuous nature of Defendant's unlawful conduct, the continuing violations doctrine is applicable to all violations alleged herein.
- 75. Pursuant to Government Code section 12965, subdivision (d), CRD seeks remedies that, "may include a requirement that the employer conduct training for all employees, supervisors, and management on the requirements of this part, the rights and remedies of those who allege a violation of this part, and the employer's internal grievance procedures."

### **DEMAND FOR JURY TRIAL**

Plaintiff CRD hereby demands a trial by jury on all claims.

DATED: June 18, 2024

CALIFORNIA CIVIL RIGHTS DEPARTMENT

Rumduol Vuong

Attorneys for Plaintiff CRD