Tesla workers claim anti-LGBT threats, taunts, and racial abuse in lawsuits

Exclusive: A factory worker says he was harassed for being gay. A father and son say they faced daily racial epithets. Each claims that Tesla failed to stop it



Tesla's founder, Elon Musk. The lawsuits are the latest discrimination claims to hit the electric car company. Photograph: Hector Guerrero/AFP/Getty Images

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Soon after he started working on the assembly line at <u>Tesla</u>, Jorge Ferro said he was taunted for being gay and threatened with violence. "Watch your back," a supervisor warned after mocking his clothes for being "gay tight", Ferro said.

The harassment didn't stop after he reported it to a manager, and days after he made a second complaint, Ferro was punished, according to his account. An HR representative took away Ferro's badge, claiming that he had an "injury" that prevented him from working and saying there's "no place for handicapped people at Tesla", he alleged.

Tesla repeatedly failed to stop the anti-gay harassment and fired Ferro in retaliation for seeking protection, according to a wrongful termination lawsuit, the latest discrimination scandal to roil Elon Musk's electric car company.

"It's revolting to me," said Chris Dolan, Ferro's attorney. "This is classic 'blame the victim'."

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Tesla has defended itself against charges of discrimination: "There is no company on earth with a better track record than Tesla," it said in a statement to the Guardian.

Ferro has come forward at a time when Tesla and companies across Silicon Valley are facing widespread scrutiny over harassment, discrimination and sexual misconduct. A <u>sexual harassment scandal at Uber</u> launched an avalanche of complaints from <u>women in the male-dominated industry</u> about <u>abuse</u>, <u>unwanted advances</u>, <u>assault</u> and <u>pay disparities</u>.

Tesla – world-famous for its <u>battery-powered vehicles</u> and Musk's vision of <u>self-driving technology</u> – has also faced accusations of <u>sexual harassment and underpaying women</u>. A female engineer who filed a lawsuit and <u>spoke to the Guardian</u> about her experiences was soon after fired, drawing allegations of "clear retaliation". Tesla has denied the claims.

In addition to Ferro's complaint, first reported by the Guardian, three black men who worked at Tesla have also filed a recent lawsuit alleging racist abuse and harassment, including attacks using the N-word and statements like "Go back to Africa".

Tesla did not address specific allegations, but in a series of statements called the claims "unmeritorious" and argued that it was was not responsible since the employees are contractors.

'I had to stand up'

Ferro, 35, began as an assembly line production worker in April 2016 at the Tesla manufacturing plant in Fremont, California. Soon after he started, a supervisor who trained him, Jamar Taylor, began harassing him and mocking his sexuality, according to a lawsuit. Taylor allegedly told Ferro his clothes were "too tight – gay tight", repeatedly taunted him about his outfits and later said he was not "welcome" because he is gay. Taylor also "went on to suggest that [Ferro] had a lot of enemies because 'everyone suspects that [he is] gay'", the suit said.

Ferro became fearful when the taunts escalated to threats of violence, including "be careful" and a warning that "something might happen to his car", according to the complaint. Ferro told plant manager Dave Rebagliati that he was gay and was facing harassment, and HR later removed Taylor from Ferro's assembly line, the suit said.

The harassment didn't stop, he said. Taylor allegedly began outing Ferro to other co-workers and continued to approach Ferro in the factory, at one point saying a new employee should not learn anything from "someone like" Ferro.



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The Tesla factory in Fremont, California. Photograph: Josh Edelson for the Guardian

After his second complaint to Rebagliati, on 2 August 2016, the manager decided to transfer Ferro to another assembly line row, according to the complaint.

"The steps taken by the company were woefully inadequate," said Dolan, arguing it was wrong to move Ferro after he complained. "It's perceived by many to be retaliatory. It sends a message to other employees that if you complain, you're the one who's going to have your job changed. In essence, you're penalizing the party who's making the complaint."

I knew that I had to make sure this did not happen to anyone else

Jorge Ferro

While training for his new job, Rebagliati noticed a scar on Ferro's wrist from an injury 16 years ago, and although Ferro said it had no effect on his job, the manager sent him home without pay, saying he needed a doctor's note before returning to work, the complaint alleged. An HR official who took away his badge said he was "handicapped" and that no accommodations could be made, and three days later, before Ferro could have a doctor's appointment, he was officially terminated, according to the suit.

A doctor later confirmed that he was able to perform his duties. Regardless, it was illegal for Tesla to fire Ferro for a perceived disability, according to Dolan. "This was just a BS reason to kick him out of the workplace."

Ferro declined an interview request, but said in a statement to the Guardian this week, "I knew that I had to stand up to make sure this did not happen to anyone else."

Rebagliati and Taylor could not be reached for comment.

In response to a detailed summary of Ferro's allegations, <u>Tesla spokesman Dave Arnold sent a lengthy statement</u> that did not address specific claims. The company pointed out that Taylor and Ferro were both contractors, adding, "Tesla still stepped in to try to keep these individuals apart from one another and to ensure a good working environment."

The lawyers taking on Silicon Valley sexism: 'It's far worse than people know'

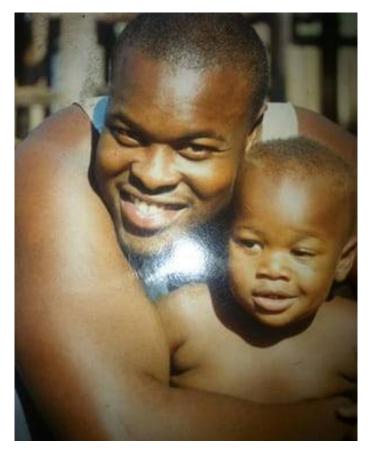
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The statement continued: "[E]very lawyer knows that if they name Tesla as a defendant in their lawsuit, it maximizes the chances of generating publicity for their case. They abuse our name, because they know it is catnip for journalists ... There is no company on Earth with a better track record than Tesla, as they would have to have fewer than zero cases where an independent judge or jury has found a genuine case of discrimination."

Corporations such as Tesla, however, often have employees sign <u>arbitration agreements</u>, which means employees are forced to privately resolve their discrimination complaints. The spokesman declined to say if Tesla has ever allowed a discrimination claim to go before a judge or jury.

'I just couldn't take it any more'

Owen Diaz, 49, told the Guardian that he also <u>brought a lawsuit</u> in hopes of protecting other black employees at Tesla from abuse. He and his son Demetric, 22, both faced racial harassment and violent threats while working in the Tesla factory, according to a discrimination complaint they filed with a third former employee on Monday.



Owen Diaz and his son Demetric. Photograph: Courtesy of the California Civil Rights Law Group

The father and son both started working for Tesla in 2015 and were subject to daily racial epithets, including "boy", the N-word and statements like "All you fucking niggers – I can't stand you motherfuckers" and "Nigger, hurry up", the lawsuit said. Employees also allegedly drew racist and derogatory caricatures of black children.

Owen said in an interview that he was most distraught hearing his son's supervisor, who was white, calling him the N-word: "That was probably one of the lowest points in my life." Eventually, he said, "I just couldn't take it any more."

According to the lawsuit, supervisors brushed aside their complaints, with one telling Demetric, "If you don't like how you're treated, your time here is going to end," and another telling Owen, "Why do you people take things so hard?"

The dismissals were hurtful, said Owen. "You might as well just slap me and spit in my face."

Both said the abuse they faced escalated after they spoke up to supervisors. Demetric was fired a week after making a complaint, allegedly for using his phone on the production line — a rule violation that did not lead other workers to be terminated, the complaint said. Owen was threatened with a demotion and eventually quit due to the ongoing abuse, according to the lawsuit, which noted that they both had good performance records.

"It was disrespectful and humiliating," said Owen. "It was just a feeling that no person should ever have to go through."

That was probably one of the lowest points in my life

Owen Diaz

Their attorney Larry Organ, who first <u>sued Tesla</u> earlier this year in another racial discrimination case, said the conduct at the company appeared to be more egregious than similar cases he brought against the former car plant in the same facility. Dolan also said his firm was getting an "unusually high" number of calls from Tesla employees with a wide range of discrimination complaints.

Given Musk's ambitious statements about solving some of the world's greatest problems, he should be able to provide a safe work environment, Organ added.

"He's a brilliant visionary. You think that if he put his mind to this issue, it would be solved."

Tesla's response to the Diaz lawsuit included a detailed attack on the attorney, saying his original suit was "timed to coincide with a carefully planned media blitz in an attempt to create a disingenuous narrative that was at odds with the facts" and that the "timing of these new claims and the manner in which they are being publicized is notable, particularly coming from the same attorney".



Demetric Diaz. Photograph: Courtesy of the California Civil Rights Law Group

The statement further said the three employees worked at Tesla for "a short time and have been gone for well over a year" and pointed out that they are contractors. The spokesman said Tesla was unaware of their complaints until reporters reached out this week. (The third-party staffing agencies – West Valley, Chartwell and Citistaff – did not respond to requests for comment).

Regarding the attacks against him, Organ noted that the plaintiffs had reached out to him, adding, "They want to frame this as if it's the greedy lawyer. Actually, what it's really about is the racist conduct."

Owen said he was a fan of Musk's vision and wished the company was responding to the lawsuits with promises to change: "Don't sweep it under the rug and send your PR out to do damage control. Step up to the plate."

If you have stories to share about Tesla or discrimination in <u>Silicon Valley</u>, contact sam.levin@thequardian.com

A Tesla Model S is shown outside the electric carmaker's factory in Fremont, Calif., in 2012. (Paul Sakuma / Associated Press)



Three former Tesla Inc. contract workers faced racial harassment and discrimination while working at the electric carmaker's Fremont, Calif., factory, according to a lawsuit filed this week.

Plaintiffs Demetric Di-az, his father, Owen Diaz, and Lamar Patterson alleged that they were the targets of "racially motivated abuse, including the frequent use of racial slurs" when they worked at Tesla's factory.

All three men are black and said in the lawsuit that supervisors and co-workers used racial epithets or said things like, "Go back to Africa. We don't want you here." The lawsuit also alleges that Tesla employees and supervisors left racist caricatures and images around the factory for black workers to see.

The three plaintiffs said in the lawsuit that although they complained to Tesla supervisors and to their respective staffing agencies, no one took action. Di-az served as a production associate at the Fremont factory and helped work on the battery manufacturing system for the Model S electric sedan, according to the lawsuit. Diaz and Patterson worked as elevator operators.

A Tesla spokesperson said in a statement that the Palo Alto, Calif., company takes "any and every form of discrimination or harassment extremely seriously" and that the company became aware of the allegations when contacted by media outlets.

"In situations where Tesla is at fault, we will never seek to avoid responsibility," the spokesperson said. "But in this instance, from what we know so far, this does not seem to be such a case."

The lawsuit, filed Monday in Alameda County Superior Court, names Tesla as a defendant, along with West Valley Staffing Group, Chartwell Staffing Services Inc. and Citistaff Solutions Inc. The plaintiffs got their contract positions at Tesla through the staffing agencies.

Di-az brought up the alleged abuse to his supervisor in 2015 and, within days, was issued a written warning for using his phone on the production line, the lawsuit says. Within a week, Di-az was terminated for "breaking the rules," though other employees with similar warnings were not fired, according to the lawsuit.

Di-az's father, Diaz, sent an email to a supervisor about a confrontation with another supervisor, whom Diaz had previously approached about his role in the alleged harassment, the lawsuit says. It says Diaz was told that there would be a follow-up, but was never contacted again about the incident.

The suit says Diaz and Patterson quit their jobs at Tesla in 2016 because they were no longer able to bear the "abusive and racially harassing treatment."

Citistaff, which had employed Diaz, and Chartwell, which had employed Patterson, each declined to comment on the allegations Wednesday, saying they had not been served with a copy of the lawsuit yet. West Valley did not respond immediately to a request for comment.

In July, Patterson filed a complaint with the California Department of Fair Employment and Housing about his experience at Tesla. The agency closed the complaint because Patterson had later requested an authorization to file a lawsuit.

Tesla said that the plaintiffs worked at the company for a short time. The only "somewhat relevant" evidence was an email from Diaz to his supervisor in which Diaz said a coworker was making aggressive comments but made "no mention of the use of any racist language," Tesla said.

The company said it recently launched an online anti-discrimination and harassment training program and set up an employee relations team to investigate workplace concerns.

"We will never be able to stop every single person in the factory from engaging in inappropriate conduct, but we will continue to do everything that we can to encourage the right behavior and to take action whenever something bad happens," Tesla said.