

SEXUAL HARASSMENT AND DISCRIMINATION SUIT FILED BY WOMAN EXECUTIVE



Ellen Pao, a partner at Kleiner Perkins Caufield & Byers, the blue-chip Silicon Valley venture capital firm, has filed a sexual harassment suit against the firm, alleging that she faced sexual harassment and discrimination during the six years she spent with the firm. In the suit, filed May 10, in the California Superior Court in San Francisco, she has claimed that from 2006 onwards, she was sexually harassed by Ajit Nazre, an investment partner. Instead of addressing her complaints, senior partners and others at the firm, she says in her suit, retaliated against her, limiting her career advancement and income. The firm has always upheld with pride, that 9 of its 38 investment partners were women. But Ms. Pao's suit has alleged that women were discriminated against and denied deserved promotions and compared to their male counterparts, given a smaller share in the firm's profit. The suit will attract a lot of attention in Silicon Valley, which has for long tried to increase women executives' participation. There are just 6 percent chief executives in the top 100 technology companies. The National Center for Women and Information Technology statistics, reveal 22 percent of software engineers at tech companies are women. Cindy Padnos, a venture capitalist at Illuminate Ventures says, "The real news is there are more and more women qualified to be venture capital partners. I would hate to see this blown so out of proportion that it discourages them, or discourages men from bringing women onto their team." Responding to the suit, Christina Lee, spokeswoman for the firm said, "The firm regrets that the situation is being litigated publicly and had hoped the two parties could have reached resolution, particularly given Pao's seven-year history with the firm. Following a thorough independent investigation of the facts, the firm believes the lawsuit is without merit and intends to vigorously defend the matter." She also noted that the firm takes a lead in hiring women. Ms Pao in her suit says that Mr. Nazre began making undesired sexual advances toward her in 2006. Repulsed by her, he "engaged in offensive, obstructionist and difficult behavior." Ms Pao admits that she "succumbed to Mr. Nazre's insistence on sexual relations on two or three occasions," but had told him in October 2006, that she did not desire a personal relationship with him. She further contends in her suit, that complaints to the human resources staff and senior partners, including John Doerr, Ray Lane and Ted Schlein, saw her being transferred to the firm's offices in China and reducing her share of the firm's profits. The suits further asserts that the partners, promoted Mr. Nazre to be the head of the firm's green technology unit, 'making him her direct boss, and moved him to an office directly across from hers.' The suit further contends that Randy Komisar, another investment partner with the firm had also made sexual advances towards her. She says that there was a pattern of sexual harassment at the firm and that other female employees had also complained about Mr. Nazre's behavior. Following an independent investigation, Mr. Nazre left the firm. However, it is not clear whether both the incidents are related. The suit says there were many occasions women were excluded from firm events. None of the partners mentioned in the suit were willing to comment. Neither Ms Pao nor Mr. Nazre responded to the many requests for their comments. Ms. Pao, a graduate of Princeton University, Harvard Business School and Harvard Law School, has a daughter and is married to Alphonse Fletcher Jr., a prominent Wall Street investor.