

FILED

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SONYA KRASKI
COUNTY CLERK
SNOHOMISH CO. WASH.

**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SNOHOMISH**

STATE OF WASHINGTON,

Plaintiff,

v.

ELECTROIMPACT, INC., a Washington
Corporation,

Defendant.

NO. 17 2 02704 31

COMPLAINT

The State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney General, and Marsha J. Chien, Assistant Attorney General, files this action against Defendant Electroimpact, Inc. (“Electroimpact”) to enforce the Washington Law Against Discrimination (“WLAD”), RCW 49.60.030(1), 49.60.180, 49.60.210, and the Consumer Protection Act (“CPA”), RCW 19.86.020.

I. INTRODUCTION

1.1 The State of Washington opened an investigation into Electroimpact’s employment practices in May 2016.

1.2 This action arises out of the unfair, discriminatory, and retaliatory practices of Electroimpact, a Mukilteo-based aerospace automation company. Electroimpact refuses to hire Muslim applicants based on creed, subjects employees to a hostile work environment,

1 discriminates against employees based on marital status, and retaliates against employees who
2 oppose its discriminatory practices.

3 **1.3** Specifically, the President of Electroimpact, Peter Zieve, refuses to hire Muslim
4 employees, repeatedly expresses his “hatred” for Muslims at work, provides a marriage bonus to
5 employees who get married, and retaliates against non-Muslim employees who oppose his
6 practices. In so doing, Electroimpact has violated the WLAD. *See* RCW 49.60.030(1), 49.60.180,
7 RCW 49.60.210. By misrepresenting in its public job advertisements that it is an “equal
8 opportunity employer,” Electroimpact has likewise engaged in an unfair or deceptive practice in
9 violation of the CPA. RCW 19.86.020.

10 **II. JURISDICTION AND VENUE**

11 **2.1** This action is brought by the State of Washington to enforce the WLAD and the
12 CPA.

13 **2.2** The violations alleged in this Complaint were committed in whole or in part in
14 Snohomish County, by the Defendant named herein.

15 **2.3** Venue is proper in Snohomish County pursuant to RCW 4.12.020 and
16 RCW 4.12.025.

17 **III. THE PARTIES**

18 **3.1** Plaintiff is the State of Washington.

19 **3.2** The Attorney General is authorized to commence this action pursuant to RCW
20 43.10.030(1) and RCW 19.86.140.

21 **3.3** Defendant Electroimpact is a for-profit business in the state of Washington that
22 designs and manufactures tools for aerospace automation. Defendant’s principal place of
23 business is located at 4413 Chennault Beach Rd, Mukilteo WA 98275. Electroimpact employs
24 more than eight employees and is, therefore, an employer pursuant to RCW 49.60.040(11).
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1 **3.4** Electroimpact advertises and recruits employees in Washington. Electroimpact
2 is now and has always been at all relevant times to this action engaged in trade or commerce
3 within the meaning of RCW 19.86.020. At all times relevant to this action, Electroimpact has
4 been in competition with others engaged in similar business in Washington State.

5 **IV. CAUSES OF ACTION**

6 **FIRST CAUSE OF ACTION**

7 **(Failure to Hire Muslim Applicants Based on Religion and/or National Origin)**

8 **4.1** It is an unfair practice for an employer to refuse to hire any person based on creed
9 and/or national origin. RCW 49.60.030(1)(a), 49.60.180(1). Religious discrimination may overlap
10 with national origin discrimination because religions are often associated with or perceived to be
11 associated with a particular national origin.

12 **4.2** Dr. Peter Zieve is the founder and President of Electroimpact, and admits that he
13 hates Muslims. Dr. Zieve believes Muslims are terrorists and has used company resources to
14 organize a “Mosque Watch,” a group whose purpose is to prevent a proposed mosque from being
15 built in Mukilteo.

16 **4.3** In an April 18, 2015, e-mail to an employee regarding the proposed mosque
17 construction, Dr. Zieve stated, “I can tell you that most Chinese hate moslems. Not as much as
18 me, but an adequate amount of hate.”

19 **4.4** Electroimpact employs over 500 engineers worldwide. Dr. Zieve is the person
20 with primary responsibility for posting engineering job ads, screening applications, and
21 conducting final interviews.

22 **4.5** Dr. Zieve posts job advertisements on Craigslist, Indeed, and CareerBuilder. Many
23 of the job advertisements state, “All negotiations will be directly with Dr. Peter Zieve and I am the
24 person writing and placing this ad.” Other job advertisements state, “[Y]our interview with Dr.
25 Zieve will be an important part of the interview process.” Almost all job advertisements request
26 that applicants “attach a recent picture of [themselves].”

1 **4.6** Dr. Zieve uses applicant photographs to determine which applicants will be
2 offered the opportunity to take an engineering test.

3 **4.7** On information and belief, Dr. Zieve screens out applicants that affirmatively
4 indicate that they are Muslim, or that Dr. Zieve perceives to be Muslim based on their name,
5 photograph, national origin and/or application.

6 **4.8** As a result, according to its June 30, 2016, report to the U.S. Department of Labor,
7 Electroimpact employs 474 engineers, of whom 448 (or 94.5 percent) are white or Caucasian, 13
8 (or 2.35 percent) are Asian, and 13 (or 2.35 percent) are either Hispanic, Native American, Pacific
9 Islander, or of mixed race.

10 **4.9** Dr. Zieve's refusal to hire Muslims is acknowledged by Electroimpact employees.
11 For example, one employee stated in an e-mail to Dr. Zieve: "Please never hire a Muslim, it
12 would ruin this place for me and I enjoy working here."

13 **4.10** On information and belief, Electroimpact refuses to hire applicants that are
14 Muslim or applicants it perceives to be Muslim. In doing so, Defendant has discriminated
15 against applicants based on religion and/or national origin and has deprived its non-Muslim
16 employees of the opportunity to work in an integrated workplace.

17 **4.11** Defendant's conduct is an unfair practice in violation of the WLAD.

18 **SECOND CAUSE OF ACTION**
19 **(Hostile Work Environment)**

20 **4.12** Under the WLAD, it is an unfair practice for an employer to discriminate
21 against any person in the terms or conditions of employment because of creed and/or national
22 origin. RCW 49.60.030(1)(a), 49.60.180(3). A hostile work environment subjects employees to
23 discriminatory conditions of employment in violation of the WLAD.

24 **4.13** Electroimpact maintains a "Jokes" listserv. Employees use the listserv to
25 discuss politics and share jokes. Many of the "jokes" demean Muslims or those perceived to be
26 Muslim, use offensive language, are hostile, and/or are degrading.

1 **4.14** In February 2015, for example, one employee e-mailed the listserv: “What’s the
2 difference between a radical extremist Muslim, and a moderate Muslim? A radical extremist
3 Muslim wants to cut your head off. A moderate Muslims wants a radical extremist Muslim to
4 cut your head off.”

5 **4.15** Another employee e-mailed on the same e-mail chain: “How do you save half
6 the Muslims? Kill the other half.”

7 **4.16** In April 2015, one employee proposed in a subject line: “new paint for EI box
8 truck?” and then attached an image of a truck branded with “International Burn a Koran Day,
9 9/11/2010.”

10 **4.17** Electroimpact’s managers are on the “Jokes” listserv. Electroimpact’s
11 management encourages employees’ conduct on the listserv and often engages in similar
12 conduct.

13 **4.18** On January 28, 2015, Electroimpact’s President, Dr. Zieve, sent an e-mail to the
14 listserv with the subject line: “Obama will bring peace with Moslem world,” including a link to
15 an article about ISIS threats, and then asked: “Is anybody getting mad yet?” One employee
16 responded, “F—k yeah I’m mad. I’m pissed off that the country I love is being run by the hurt
17 feelings department. I say, lets hunt those fuckers down and torture them at Gitmo then hunt
18 some more f—kers down.”

19 **4.19** On December 3, 2015, Dr. Zieve, e-mailed the listserv regarding the mass
20 killing in San Bernardino and stated in the subject line, “With the stupidity in the highest
21 office” and in the e-mail body stated: “[W]e might as well lay down across railroad tracks. And
22 they sue the states that refuse to take Syrian refugees.” When an employee noted that one of
23 the San Bernardino attackers was born in the United States, Dr. Zieve responded to the listserv:
24 “American born Muslims are almost as dangerous as the Syrian imports.”

1 **4.20** Separate from the “Jokes” listserv, Dr. Zieve encourages employees to engage
2 in conduct that demeans Muslims or those perceived to be Muslim.

3 **4.21** On May 6, 2015, Dr. Zieve e-mailed an employee a smiley face emoji after the
4 employee sent him an e-mail that stated: “The winning drawing at the ‘Draw Mohammad’ art
5 contest in Garland, Texas” and attached an image of a chalk outline of a dead body.

6 **4.22** On June 4, 2015, Dr. Zieve e-mailed a group of employees an image that
7 purports to identify the “13 Doctrines of Radical Islam and ISIS.” It purports to cite Qur’an’s
8 passages that state: “You can rape, marry and divorce pre-pubescent girls,” “Kill Jews and
9 Christians if they do not convert,” “Crucify and amputate non-Muslims,” “You will kill non-
10 Muslims,” “You will behead non-Muslims,” and “You will kill and be killed for Al’liah.”

11 **4.22** On January 21, 2016, after an employee requested three more engineers, Dr.
12 Zieve sent a link to an article about terror sweeps and then responded: “I can send you two Iraq
13 refugees immediately. They will be a bit sleepy since they are up all night making bombs.
14 They are hard workers.”

15 **4.23** Dr. Zieve likewise recruits employees to participate in a neighborhood group
16 that opposes the construction of a mosque in Mukilteo and to attend events regarding perceived
17 flaws within Islam.

18 **4.24** Several Electroimpact employees consider the above conduct unwelcome,
19 discriminatory, harassing, and offensive. One employee informed human resources that he was
20 “disgusted that [his] employer would ask [him] to watch a video titled ‘How to stop
21 mosques.’”

22 **4.25** At least two other employees found Electroimpact’s practices sufficiently
23 intolerable that resignation was the only fitting remedy and thus they have been constructively
24 discharged.

1 **4.34** In a December 19, 2015 e-mail to the entire company, Dr. Zieve stated: “The
2 future can only be secured by building families. I will not go south on the family benefits.
3 Consider that an annuity. The birth rate is still low for a young group like we have. . . I believe
4 the financial benefits are helping people to make the right decisions. Since the marriages
5 underpin henceforth I will bring a \$1000 personal check to any marriage I attend. This is in
6 addition to the \$1,000 you get in your paycheck.”

7 **4.35** In another e-mail to a work listserv, dated February 6, 2015, Dr. Zieve stated:
8 “When [our sons and daughters] choose to not repopulate and allow our wonderful country to
9 be backfilled with rubbish from the desperate and criminal populations of the third world[,] I
10 find that to be disgusting and I find those persons to make these decisions to be repulsive and I
11 don’t like them around me.”

12 **4.36** In a October 2, 2015, e-mail to the company, Dr. Zieve responded to an
13 employee’s announcement that his wife gave birth to a girl by stating: “I note that 381,000
14 terrorist savages have gotten into Europe so far this year and if we don’t make more babies the
15 light will out on civilization” and included a link to an article about the meaning of God’s
16 mandate that Adam and Eve be “fruitful and multiply.”

17 **4.37** In addition to providing “marriage bonuses,” Dr. Zieve sometimes pressured
18 employees into getting married. In October 2015, for example, an employee working at the
19 Mukilteo campus requested that Dr. Zieve approve renewal of his work visa. Dr. Zieve initially
20 refused, stating, “Isn’t there an American girl you can marry?” After the employee indicated
21 that the visa process through marriage is lengthy, Dr. Zieve replied, “So with whom do you
22 want my kids to hang out with when they grow up? Syrian refugees?”

23 **4.38** The employee responded that Dr. Zieve’s “obsession with the age at which [he]
24 marr[ies] and reproduce[s] already cost [him] tens of thousands of dollars in lost pay and
25 profit sharing.” Although Dr. Zieve eventually agreed to renew the employee’s work visa, he
26

1 warned the employee in an e-mail: “Last time I am doing this guaranteed. Get married. Join the
2 human race.”

3 **4.39** Electroimpact engages in a pattern or practice of discriminating against
4 employees based on marital status in violation of the WLAD. Electroimpact provides
5 “marriage bonuses” to employees that marry, which discriminates against single employees.
6 Further, Electroimpact threatens to discharge or bar single employees who have not yet
7 married or refuse to marry.

8 **FOURTH CAUSE OF ACTION**
9 **(Retaliation)**

10 **4.40** Under the WLAD, it is an unfair practice for any employer to discharge, expel,
11 or otherwise discriminate against any person because he or she has opposed an employer’s
12 discriminatory practice. RCW 49.60.210(1).

13 **4.41** As alleged above, Electroimpact maintains a “Jokes” listserv. Dr. Zieve
14 encourages employees to use the “Jokes” listserv to share their opinions about Muslims. Many
15 of the employees, including Dr. Zieve, circulate articles, comments, and jokes that are hostile,
16 intimidating, and abusive towards Muslims.

17 **4.42** Some Electroimpact employees are retaliated against when they express
18 opposition to Electroimpact’s discriminatory practices.

19 **4.43** On March 27, 2015, for example, Dr. Zieve e-mailed the company on one of the
20 e-mail chains from the “Jokes” listserv. Dr. Zieve’s e-mail included an article suggesting that
21 the suicidal Germanwings co-pilot was a “Muslim convert” and a “hero of the Islamic state.”

22 **4.44** In response, one employee who did not want to participate in discussions she
23 viewed to be discriminatory expressed her disfavor in receiving the e-mail. She responded, “I
24 am not on the jokes list and do not wish to be.”

25 **4.45** Immediately afterwards, Dr. Zieve both called and e-mailed the employee
26 telling her that it was “time for [her] to leave [Electroimpact].” Over the phone, Dr. Zieve told

1 her that this was his company and that if she didn't agree with his beliefs, she had to leave.

2 Later, Dr. Zieve cornered her in a conference room and blamed women for "thinking that they
3 know everything."

4 **4.46** Realizing that the company owner wanted her to leave, the employee was
5 forced to find another job and quit several months later.

6 **4.47** On March 22, 2016, Dr. Zieve discriminated against another employee in a
7 similar manner. After receiving an e-mail that seemingly derided Islam as the "religion of
8 peace," the employee pleaded that the group "not do this" because "world cultures are too
9 complicated to discuss in a jokes e-mail list." Within 15 minutes, Dr. Zieve informed the
10 listserv that he had just looked up the employee's phone number and that the employee "[was]
11 out of line."

12 **4.48** Both Electroimpact employees reasonably believed Dr. Zieve's anti-Muslim e-
13 mails to be discriminatory.

14 **4.49** Dr. Zieve's response to both employees, i.e., threatening to fire them or publicly
15 reprimanding them, would dissuade a reasonable person from engaging in protected activity.
16 Dr. Zieve's actions constitute an adverse employment action.

17 **4.50** Dr. Zieve's response occurred within minutes of their protected activity
18 establishing a causal link between the protected activity and the adverse action.

19 **4.51** As such, Electroimpact retaliates against employees who have opposed
20 Electroimpact's discriminatory practices and hostile work environment in violation of the
21 WLAD.

22 **FIFTH CAUSE OF ACTION**

23 **(Unfair or Deceptive Act or Practice in Trade or Commerce)**

24 **4.52** Under the CPA, it is unlawful to engage in unfair or deceptive acts or practices
25 in the conduct of any trade or commerce. RCW 19.86.020.
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1 **4.53** Electroimpact makes statements in its public job advertisements that indicate it
2 is an "equal opportunity employer" yet it refuses to hire applicants who are Muslim or who it
3 believes to be Muslim. Electroimpact also creates a hostile work environment, discriminates on
4 the basis of marital status, and engages in retaliation against employees who oppose unfair
5 practices. This discriminatory conduct is inconsistent with being an "equal opportunity
6 employer" and its representation to the contrary is unfair and/or deceptive.

7 **4.54** Electroimpact engages in an unfair or deceptive practice that is contrary to the
8 public interest and violates the CPA. RCW 19.86.020.

9 **V. PRAYER FOR RELIEF**

10 Wherefore, the State of Washington prays that the Court:

11 **5.1** Declares that Defendant has engaged in the conduct complained of herein.

12 **5.2** Adjudges and decrees that Defendant's conduct violated the WLAD's prohibition
13 against discrimination and retaliation in employment pursuant to RCW 49.60.030(1)(a), RCW
14 49.60.180, RCW 49.60.210; and that Defendant's unfair or deceptive job advertisements violated
15 RCW 19.86.020.

16 **5.3** Issues a permanent injunction enjoining and restraining Defendant, and their
17 representatives, successors, assigns, officers, agents, employees, and all other persons acting or
18 claiming to act for, on behalf of, or in active concert or participation with the Defendant from
19 continuing or engaging in the unlawful conduct complained of herein.

20 **5.4** Issues a permanent injunction enjoining Dr. Peter Zieve from participating in
21 employee recruitment, the hiring of new employees, or review of internal complaints of
22 discrimination.

23 **5.5** Enters such orders or judgments as may be necessary to restore to employees their
24 interests in monies that were lost due to Defendant's unlawful conduct pursuant to RCW
25 49.60.030(2) and RCW 19.86.080(2).
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5.6 Make such orders pursuant to RCW 49.60.030(2) and RCW 19.86.080 to provide that Plaintiff, State of Washington, recover from Defendant the costs of this action, including reasonable attorney's fees.

5.7 The State of Washington further prays for such additional relief as the interest of justice may require.

DATED this 23rd day of March 2017

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