

December 15, 2021

Chateau Marmont
8221 Sunset Boulevard
Los Angeles, CA 90046

Attn: André Balazs, owner
Amanda Grandinetti, managing director

To the management of Chateau Marmont:

Our organization, the Southern Christian Leadership Conference, is a nonprofit, non-sectarian, inter-faith advocacy group and we are committed to nonviolent action to achieve social, political, and economic justice. We focus on ensuring economic justice and civil rights—and eradicating racism wherever it exists. We carry on the spirit of our first president, Dr. Martin Luther King, Jr., in our commitment to bring about the promise of “one nation, under God, indivisible.” Our Southern California chapter cultivates these commitments in Los Angeles and beyond, and we feel it is incumbent upon us to shed a light on injustice so that we can heal and become the “beloved community” that Dr. King envisioned.

We write to you to express our deep concerns over your treatment of your employees, and particularly your employees of color and women employees. We have heard troubling stories from a number of workers, including from several who have already commenced legal action against you. In this letter, we outline the abuses we have learned of, and we ask you [to fundamentally reconsider the moral compass of your business and commit to justice.

First, we have heard deeply alarming allegations of race discrimination at your establishment. As a Black-led organization that follows in the tradition of Dr. King, we know that the project of eradicating racism includes eradicating racial discrimination at the workplace. As you know, in the year and a half since you laid off over 200 of your employees at the start of the pandemic, many of them have spoken out about a toxic work environment they describe as rife with racial bias, sexual harassment, and other mistreatment.

Two Black women who formerly worked at Chateau have filed race discrimination and other claims against the hotel. In January 2021, Thomasina Gross filed a lawsuit alleging that she experienced race discrimination and sexual harassment while she worked as an event server for your hotel. In the lawsuit, Ms. Gross alleged that you passed her over for promotion multiple times in favor of white hires who were less qualified than her, whom she would then have to

train. Ms. Gross’s lawsuit also alleges that this was not an isolated incident, but rather that you maintain a racially stratified hierarchy in which upper management, heads of department, and the desirable restaurant server jobs are mostly given to white people—while back-of-the-house jobs and less-desirable events server jobs are more likely to be filled by workers of color.

Then, in April 2021, April Blackwell filed a lawsuit alleging that she endured a pattern of guest harassment and other workplace safety violations during her tenure at Chateau, and that management failed to respond appropriately to her complaints. Ms. Blackwell’s complaint alleges that in your establishment’s notorious late-night party environment, she experienced racist and otherwise threatening behavior from inebriated guests throughout her time at Chateau, including multiple instances of guests calling her the N-word and “bitch,” among other sexist and racist slurs. As her complaint alleges, after a final extreme incident in December 2019 in which a severely inebriated, wealthy, white male guest—a regular patron—verbally abused her, threatened to get her fired, alluded to her as “ghetto,” and even raised his hand as if to hit her, you suspended and ultimately terminated Ms. Blackwell after she complained about the incident.

As alleged in news reporting, Managing Director Amanda Grandinetti, who has worked at Chateau for over eighteen years and who is white, has reportedly made racist comments to employees of color. Last year, an article reported that she told a favored employee, “you’re my blackie” and told another employee of color to answer her, “yes, amassa,” invoking a slave stereotype.¹ More broadly, workers have alleged that Ms. Grandinetti uses her final stamp of approval in hiring decisions to maintain the “look” of whiteness on which the Chateau’s glamorous brand depends.

Latinx employees have also shared their stories of struggling to advance to more desirable positions. Jesus Moreno, a 58-year-old Latino man from Mexico, worked for you as a gardener for twenty years until being laid off at the start of the pandemic. A few weeks ago, Mr. Moreno filed a form with the Department of Fair Employment and Housing to initiate a discrimination complaint. In his letter to the Department, he alleged that after the pandemic layoffs, you chose to hire back the least-senior gardener, a young white man with three years of experience, rather than Mr. Moreno. As Mr. Moreno alleged in his charge, this was

¹ See Gary Baum, *Rot at Hollywood’s ‘Playground’: Chateau Marmont Staff Allege Racial Discrimination, Sexual Misconduct and Neglectful Management*, HOLLYWOOD REP. (Sept. 16, 2020, 6:45 a.m. PDT), <https://www.hollywoodreporter.com/features/rot-at-hollywoods-playground-chateau-marmont-staff-allege-racial-discrimination-sexual-misconduct-and-neglectful-management>

unfortunately not the first time you passed him over for a job in favor of younger, white, American men—rather, in 2012 and 2013, he was twice passed over for promotion in favor of younger, white, American men with less experience than himself. Mr. Moreno felt that these three decisions were all made because he is Latino, because he is older, and because he is from Mexico.

Indeed, we understand that Mr. Moreno’s experience of putting in many years of service for little reward is not unique. Despite the fact that they are disproportionately relegated to lower-paid positions compared to white workers, Latinx workers make up your most loyal and dedicated workers, on average working there more than three times longer than non-Latinx workers. We understand that, prior to being laid off, out of the fifty workers with the highest seniority at Chateau, about 90% were Latino. Unfortunately, the vast majority of those long-term workers are still waiting to get their jobs back. As African-Americans, we stand with our Latinx brothers and sisters in our shared struggle for justice.

In addition to these allegations of race discrimination, a number of employees have also alleged that they have experienced sexual assault and harassment at your hotel at the hands of guests as well as the hotel’s owner, André Balazs, himself. Along with her race discrimination claims, Ms. Gross’s lawsuit also alleges that she received unwanted touching from guests on a near-daily basis while on the job. Her lawsuit alleges that she reported these incidents to her managers frequently, even urging them to adopt policies to discourage guests from touching staff inappropriately. In response, your managers told her things like, “this is part of the job,” or “they’re used to being able to touch people.” Other workers have complained about similar behavior. Yet management allegedly took no actions to prevent this harassment, and instead, would excuse the behavior by explaining, “they pay a lot of money to be here,” and “this is part of the job.” Obviously, these responses are completely unacceptable.

A housekeeper has also spoken out about alleged sexual harassment by guests. According to one deeply reported story in the *Hollywood Reporter*, in a 2014 incident, a regular Chateau guest began masturbating in front of a longtime housekeeper, Sonia Molina Sanchez, while she was cleaning his room.² She reported it to her manager, but apparently no action was

² Gary Baum, *Rot at Hollywood’s ‘Playground’: Chateau Staff Allege Racial Discrimination, Sexual Misconduct, and Neglectful Management*, HOLLYWOOD REPT’R (Sept. 16, 2020), <https://www.hollywoodreporter.com/movies/movie-features/rot-at-hollywoods-playground-chateau-marmont-staff-allege-racial-discrimination-sexual-misconduct-and-neglectful-management-4060721/>.

taken, and the guest continued to frequent the hotel. Unlike most hotels in Los Angeles, the Chateau has not taken basic safety measures like giving workers panic buttons, which is the law in Santa Monica, Long Beach, and many other cities, and are required by union contracts at most major hotels in Los Angeles.

Even more appallingly, owner André Balazs himself has been accused by a number of women, employees and nonemployees, of groping and sexual misconduct. Mr. Balazs is notorious among Chateau staff for drinking to excess and snorting cocaine while at the hotel—one employee has even reported walking in on Mr. Balazs snorting cocaine off the back of a toilet in the women’s bathroom on the main floor of the hotel. In 2017, Mr. Balazs was accused of a pattern of groping by multiple women including actress and producer Amanda Anka, a former employee, and a 26-year old media executive.³ More recently, in the fall of 2020, five of Balazs’s employees, one man and four women, told *The Hollywood Reporter* that they were inappropriately touched by Balazs at work or during company events, typically while Balazs was inebriated.⁴

We were also deeply concerned to learn about your use of forced arbitration clauses in your hiring paperwork, because forced arbitration can be a way to keep workplace mistreatment hidden from the public eye. After Thomasina Gross and April Blackwell filed their claims in California state court, you demanded that they dismiss their lawsuits and refile in private arbitration, pointing to the arbitration agreements they had signed in their hiring paperwork. Forced arbitration, or mandatory arbitration, is a practice whereby employers ask their employees to sign a contract in which employees waive their right to bring claims related to their employment in court. Instead, these contracts require employees to bring their legal claims in secret, private tribunals where they are deprived of a jury trial and their cases are decided by a paid arbitrator instead of a judge. In employment cases, the arbitrator’s fees are paid by the employer.

Forced employment arbitration is fundamentally unfair to employees because it allows companies, who are “repeat players” in these private court systems, to have cases heard by private arbitrators who rely on those same companies for their continued business. Forced

³ Laura M. Holson, *André Balazs Celebrity Hotelier, Is Accused of Groping*, N.Y. TIMES (Nov. 9, 2017), <https://www.nytimes.com/2017/11/09/style/André-balazs-accused-of-groping-standard-chateau-marmont.html>.

⁴ Gary Baum, *Rot at Hollywood’s ‘Playground’: Chateau Staff Allege Racial Discrimination, Sexual Misconduct, and Neglectful Management*.

arbitration particularly harms women and Black workers, who are the most likely to be bound by these clauses.⁵ Making the racial disparities of forced arbitration worse, recent data have revealed that these private arbitrators are disproportionately white and male. Alarming, only 28.4% of arbitrators within JAMS, the private arbitration company you use to resolve your workers' claims, are women, while only 4% of JAMS panelists are Black.⁶ In contrast, in state court, Ms. Gross and Ms. Blackwell would be entitled to a jury of their peers in Los Angeles, a city where 50.5% of the population is female, while about 72% of the population are people of color.⁷

The private arbitration system also means that workers' claims are addressed behind closed doors. Unlike in our public court system, none of the legal filings or decisions in arbitration are publicly accessible. As a result, the media, other workers, and the broader public—including civil rights advocacy organizations like ours—may never learn of the proceedings and cannot hold repeat offenders accountable.

Lastly, as part of the hiring paperwork, you also ask your workers to sign non-disclosure agreements (NDAs), which restrict their ability to speak publicly about their experiences at work. California recently passed a law preventing NDAs from applying to legal claims involving any acts of workplace harassment or discrimination, including race discrimination.⁸ We believe that this is a good step, because all workers should feel empowered to speak out about harassment and discrimination. But NDAs contribute to a culture of secrecy and fear, and they discourage those who might otherwise speak out about the abuse of power. Numerous Chateau workers have expressed fear about speaking publicly about their experiences at work because of the NDAs they have signed. You also ask them to sign class-action waivers, which restrict their ability to bring lawsuits over workplace legal violations as a class.

⁵ Alexander J.S. Colvin, *The growing use of mandatory arbitration*, ECON. POL'Y INST. (April 6, 2018), <https://www.epi.org/publication/the-growing-use-of-mandatory-arbitration-access-to-the-courts-is-now-barred-for-more-than-60-million-american-workers/>.

⁶ JAMS Panelist Demographic Survey, JAMS ALTERNATIVE DISPUTE RES. <https://www.jamsadr.com/files/Uploads/Documents/JAMS-Panelist-Demographic-Survey-2019.pdf>

⁷ U.S. Census Bureau, *QuickFacts: Los Angeles City, California*, <https://www.census.gov/quickfacts/losangelescitycalifornia>.

⁸ Adrienne L. Conrad & Melissa D. Owens, *California Further Limits NDAs and Settlement Agreement Terms in Employment Cases*, NAT'L L. REV. (Oct. 8, 2021), <https://www.natlawreview.com/article/california-further-limits-ndas-and-settlement-agreement-terms-employment-cases>.

Your workers make the Chateau Marmont the Hollywood icon that it is. They greet your guests at your threshold, park their cars with the utmost care, prepare their cocktails, cook their meals, deliver their room service, set up for and clean up after their lavish A-list parties, clean their spacious rooms and bungalows to prepare for the next guests, and more. Many of your workers did these jobs for decades—some, for their entire adult working lives—before you laid them off at the beginning of the pandemic with no benefits and with no promise of rehire.

As an employer, you owe it to your workers to treat them with dignity and with the gratitude deserved by their long tenures at your hotel. As a historic Hollywood institution, you owe it to the entire culture industry of Los Angeles to ensure that your hotel is free of sexual harassment and race discrimination, and where all guests and workers feel safe and respected as they celebrate and mingle.

Sincerely,

Pastor William D. Smart, Jr.
President and CEO, Southern Christian Leadership Conference of Southern California