



Paymentwall Accused In Latest Silicon Valley Sex-Bias Suit

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Law360, San Francisco (April 03, 2015, 5:16 PM ET) -- An ex-Paymentwall inc. employee sued the online payment company for harassment in California court Wednesday, describing a misogynist environment where profanity and demeaning stereotypes were common and accepted, one in a series of Silicon Valley sex-bias cases following Ellen Pao's trial against [Kleiner Perkins Caufield & Byers LLC](#).

Plaintiff Heather McCloskey said that after she was hired as a Paymentwall content coordinator in San Francisco last July, executive Benoit Boisset was assigned as her supervisor. Immediately she noticed his tendency to make negative comments about women, calling them "that girl" or "the girl" rather than by name and stating when a female employee made a mistake that "this is why you do no [sic] trust women," according to the complaint.

Over time, the comments grew more personal. McCloskey alleges, "Boisset told her that in France, she would be nicknamed 'airport.' 'Airport,' Boisset explained to McCloskey, can refer to a woman who is 'flat-chested,' or to a 'whore.'" He also reportedly told her that he assumed she ate a lot of salty foods because her legs were retaining water, and on another occasion suggested that she should sue her parents "because of her appearance," the complaint said.

A few months later, after receiving a marketing budget of several thousand dollars, Boisset reportedly made a comment about women being good at spending money. When McCloskey complained, Boisset allegedly accused her of suddenly going "all feminist on us," and then told a new hire that McCloskey was a "big bitch," the complaint said.

Days later, McCloskey again called her a bitch and also grabbed her by the waist and said, "You're a very bad girl, you need to be spanked up real good," according to the suit.

McCloskey described the Paymentwall work environment as young and predominantly male

with an informal hierarchy and an absence of rules or policies. According to the complaint, CEO Onur Gunday throws lavish boat parties for staff and customers and decked out the office with gold-plated AK-47 lamps. Paymentwall also has a company [Porsche](#), a company cat and dog, and a company chef who makes “opulent lunches.” There is, however, no human resources manager, handbook, discrimination policies or complaint procedures, the suit said.

When McCloskey complained about Boisset's behavior, Gunday reportedly said it was acceptable to call employees “girl” and went on to say that “we are all animals.” According to the complaint, he told McCloskey that if Boisset made inappropriate remarks, she should point at him as if he were the company dog and say “No!”

At another point, when McCloskey complained to co-workers about his comments, including racist remarks, she was told to “thick skin up and deal with it” because Boisset “makes a whole lot of money for this company,” the complaint said.

McCloskey ultimately filed a formal internal complaint regarding Boisset's behavior, but claims Paymentwall failed to take appropriate steps to investigate or address the situation. In the two weeks following her complaint, Gunday “took increasing steps to make the work environment more difficult for her,” including giving her impossible workloads, and then fired her Oct. 1, 2014, according to the suit.

She filed a claim with the California Department of Fair Employment and Housing, which issued her a right-to-sue notice March 24, the lawsuit said. McCloskey's suit includes claims for sexual harassment, discrimination, retaliation, failure to take reasonable steps to prevent harassment and discrimination, wrongful termination, and negligent hiring and employment.

“The case is without merit and will be vigorously defended,” Paymentwall representatives said in a statement.

Also on Wednesday, a female patent attorney who had been employed with Jawbone maker AliphCom [sued the company for wrongful termination](#), claiming she was fired for complaining about her supervisor's demeaning and abusive communications toward her. In recent weeks, [Facebook Inc.](#) and [Twitter Inc.](#) have been [hit with similar suits](#) by female employees, all in the same court where Pao recently tried her gender-bias and retaliation claims against Kleiner Perkins. Last week, [a California jury found in favor of Kleiner](#)

Perkins.

McCloskey's attorney, Jason Erlich of McCormack & Erlich LLP, told Law360 Friday that McCloskey's case wasn't inspired by Pao's, but said "the issue of gender discrimination, sexual harassment, and the treatment of women in the tech startup world is certainly relevant."

McCloskey is represented by Jason M. Erlich of McCormack & Erlich LLP.

Paywall is represented by Michael Vartain and others of Vartain Law Group.

The case is Heather McCloskey vs,. Paymentwall Inc., case number CGC-15-545037, in the Superior Court of California, County of San Francisco.

--Editing by Patricia K. Cole.

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