

UNITED STATES DEPARTMENT OF LABOR  
OFFICE OF ADMINISTRATIVE LAW JUDGES

US DEPT OF LABOR  
ADMIN LAW JUDGES  
WASHINGTON, DC

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OFFICE OF FEDERAL CONTRACT  
COMPLIANCE PROGRAMS, UNITED  
STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

PALANTIR TECHNOLOGIES, INC.,

Defendant.

CASE NO.

**COMPLAINT FOR VIOLATIONS OF EXECUTIVE ORDER 11246**

Plaintiff, Office of Federal Contract Compliance Programs, United States Department of Labor (“OFCCP”), alleges:

1. This action is brought by OFCCP to enforce the contractual obligations imposed by Executive Order No. 11246 (30 Fed. Reg. 12319), as amended by Executive Order No. 11375 (32 Fed. Reg. 14303) and Executive Order 12086 (43 Fed. Reg. 46501) (hereinafter “Executive Order 11246” or the “Executive Order”), and its implementing rules and regulations.

2. The Court has jurisdiction over this action under Sections 208 and 209 of the Executive Order, 41 C.F.R. §§ 60-1.26, and 60-30.

3. Defendant Palantir Technologies, Inc. (“Palantir”) is a private software company specializing in data analysis for various clients, including but not limited to agencies of the United States Government, state and local governments, and private companies in the financial and healthcare industries.

4. At all relevant times, Palantir was a California corporation with its headquarters located at 100 Hamilton Avenue, Palo Alto, California 94301.

5. At all relevant times, Palantir has been a U.S. Government contractor or subcontractor within the meaning of Executive Order 11246 and subject to the contractual obligations imposed on Government contractors and subcontractors by the Executive Order and its implementing regulations.

6. At all relevant times, Palantir has had 50 or more employees.

7. At all relevant times, Palantir has had a U.S. Government contract or subcontract valued at \$50,000 or more. Specifically, since at least January 2010 through the present, Palantir has been a party to federal government contracts worth over \$340 million.

8. Under Section 202 of Executive Order 11246 and 41 CFR § 60.1-4, Palantir has agreed not to discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin and to take affirmative action to ensure that applicants and employees are afforded employment opportunities without regard to their race, color, religion, sex, or national origin.

9. In July 2011, OFCCP initiated a compliance review under the Executive Order of Palantir's facility located at 100 Hamilton Avenue, Palo Alto, California 94301.

10. As a result of the compliance review, OFCCP found that beginning from at least January 1, 2010 and going forward to the present, Palantir utilized and, on information and belief, continues to utilize a hiring process and selection procedures, including an employee referral system, for three positions—Front-End Quality Assurance Engineer (“QA Engineer”), Software Engineer, and QA Engineer Intern positions—that discriminate against Asian applicants on the basis of their race. Specifically, OFCCP determined that:

(a) For the QA Engineer position, from a pool of more than 730 qualified applicants—approximately 77% of whom were Asian—Palantir hired six non-Asian applicants and only one Asian applicant. The adverse impact calculated by OFCCP exceeds three standard deviations. The likelihood that this result occurred according to chance is approximately one in 741.

(b) For the Software Engineer position, from a pool of more than 1,160 qualified applicants—approximately 85% of whom were Asian—Palantir hired 14 non-Asian applicants and only 11 Asian applicants. The adverse impact calculated by OFCCP exceeds five standard deviations. The likelihood that this result occurred according to chance is approximately one in 3.4 million.

(c) For the QA Engineer Intern position, from a pool of more than 130 qualified applicants—approximately 73% of whom were Asian—Palantir hired 17 non-Asian applicants and only four Asian applicants. The adverse impact calculated by OFCCP exceeds six standard deviations. The likelihood that this result occurred according to chance is approximately one in a billion.

11. OFCCP further found as a result of its compliance review that from at least January 1, 2010 and going forward to the present, Palantir utilized a four-phase hiring process in which Asian applicants were routinely eliminated during the resume screen and telephone interview phases despite being as qualified as white applicants with respect to the QA Engineer, Software Engineer, and QA Engineer Intern positions. In addition, the majority of Palantir's hires into these positions came from an employee referral system that disproportionately excluded Asians. The overwhelming preference for referrals, combined with Palantir's failure to

ensure equal employment opportunity for all applicants without regard to race, resulted in a discriminatory hiring process against Asian applicants.

12. The acts and practices described above in Paragraph 10 and 11 violate Executive Order 11246 and the implementing regulations and Palantir's contractual obligations to the Federal Government.

13. On October 30, 2015, OFCCP sent Palantir a Notice to Show Cause why OFCCP should not initiate enforcement proceedings against Palantir based on OFCCP's finding that Palantir violated Executive Order 11246. Before issuing the Notice to Show Cause, OFCCP attempted to secure Palantir's voluntary compliance through conciliation. These efforts were unsuccessful. In addition, before filing this Complaint, the Office of the Solicitor attempted to secure Palantir's voluntary compliance through conciliation. These efforts were also unsuccessful.

14. Unless restrained by an Administrative Order, Palantir will continue to violate the obligations imposed upon it by Executive Order 11246 and the implementing rules and regulations.

WHEREFORE, OFCCP prays for a recommended decision and order under 41 CFR Part 60-30, finding that Palantir's hiring practices for the QA Engineer, Software Engineer, and QA Engineer Intern positions violate Executive Order 11246, and providing the following relief:

A. An order permanently enjoining Palantir and its officers, agents, servants, successors, divisions, subsidiaries, and those persons in active concert or participation with them from violating the Executive Order;

B. An order canceling all of Palantir's Government contracts and subcontracts and those of its officers, agents, successors, divisions, subsidiaries and those persons in active

concert or participation with them, declaring those persons and entities ineligible for extending or modifying any existing Government contract or subcontract;

C. An order debarring Palantir and its officers, agents, servants, successors, divisions and subsidiaries and those persons in active concert or participation with them, from entering into future Government contracts and subcontracts until such time thereafter as Palantir has satisfied the OFCCP that Palantir has undertaken efforts to remedy its prior noncompliance and is currently in compliance with the provisions of the Executive Order and the implementing regulations;

D. An order requiring Palantir to provide complete relief to the affected class of Asian applicants including lost compensation, interest, and all other benefits of employment resulting from Palantir's discriminatory failure to hire them, including, but not limited to, retroactive seniority; and

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E. An order requiring Palantir to hire Asian applicants from the affected class list.

OFCCP further prays for other relief as justice may require.

Respectfully submitted,

M. PATRICIA SMITH  
Solicitor of Labor

JANET M. HEROLD  
Regional Solicitor

IAN ELIASOPH  
Counsel for Civil Rights



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ROSE DARLING  
Senior Trial Attorney

DATED: September 21, 2016

Attorneys for Plaintiffs, OFCCP

Office of the Solicitor  
United States Department of Labor  
90 7th Street, Suite 3-700  
San Francisco, California 94103  
Tel: (415) 625-7744  
Fax: (415) 625-7772  
Email: [darling.rose@dol.gov](mailto:darling.rose@dol.gov)