



CAMBRIDGE CONSUMERS' COUNCIL

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Cambridge, Mass. 02139
Tel. 499-6150

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OFFICE OF THE CITY MANAGER

City of Cambridge
Massachusetts

To: Robert W. Healy, City Manager
From: Paul J. Schlaver, Executive Director *PJS*
Date March 1, 1989
Re: Holiday Health Spa and City Council Order of Feb. 27, 1989

Yesterday morning Kevin P. Holewinski, an attorney from the Civil Rights Division of the U.S. Justice Department in Washington was in my office to discuss the discrimination suit filed in Washington D.C. on February 10, 1989 against the national health club chain, U.S. Health, Inc. (aka Holiday Health Spa).

During the meeting I presented the information and documentation I had acquired during the consumer protection investigation into Holiday Spas' business practices that began with the first inquiry made to me by a Cambridge consumer in November of 1987. With our cooperation, this consumer protection investigation culminated in a major out of court settlement negotiated by Attorney General James Shannon's office.

The U.S. Attorney is spending a few days in the Boston area to begin to investigate whether the practices alleged in the February 10th complaint occurred here at the Cambridge Holiday Health Spa during its pre-opening sales effort (and also in the Lowell and Peabody locations).

Based on my meeting with the U.S. Attorney I am confident that a thorough investigation will be conducted by the Justice Department. The Cambridge Consumers' Council and the State Attorney General's office will continue to be of assistance in this probe.

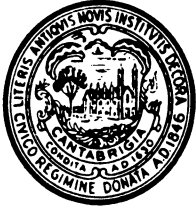
A copy of the complaint filed in the U.S. District Court in Washington on February 10, 1989 is attached. However, the Justice Department Attorney has asked me not to go public with our knowledge of possible witnesses in the case or as to documents we have. We would, therefore, like to keep confidential our knowledge of evidence which supports the allegations of racial discrimination by Holiday Health Spa.

As Executive Director of the Consumers' Council, I plan to meet with the Human Rights Commission and brief that board on the situation. However, I propose that we honor the request of the U.S. Attorney and that we respond to the City Council Order of February 27th (also Attached) by cooperating with the Justice Department, and not by conducting an independent investigation that may impede the efforts of the Justice Department.

Please advise if you consider this proposal reasonable.

Attachments

cc: James T. McDavitt, License Commissioner



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

TEL. 498-9011

EXECUTIVE DEPARTMENT

ROBERT W. HEALY

City Manager

RICHARD C. ROSSI

Deputy City Manager

March 6, 1989

To the Honorable, the City Council:

In response to Awaiting Report No. 38 regarding charges of discrimination at the Holiday Health Spa, I submit the attached report from the Consumer Commission which has been investigating complaints brought against the club.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Robert W. Healy", is written over a horizontal line.

Robert W. Healy
City Manager

Re: response to Awaiting Report Item 38 on
charges of discrimination at the Holiday Health
Spa.

In City Council,

March 6, 1989

3-6-89
Placed on file