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## Gay-rights groups, couple settle suit

Shedds claimed  
1995 boycott led to  
loss of job, money

By ANDREW WOLFSON  
The Courier-Journal

Five years after conservative activist Donna Shedd and her husband, David, sued a collection of gay-rights organizations and bars, claiming a boycott they launched led to David Shedd's ouster as president of a beer distributorship, the lawsuit has been settled.

Leaders of the Fairness Campaign claim victory, saying they didn't have to pay anything. They also note that gay-rights ordinances have been enacted in Louisville and Jefferson County since the boycott.

"The lawsuit only fired us up," said Eleanor Self, a defen-

dant who is a member of the Fairness Campaign's leadership council.

But the Shedds' supporters say the boycott tarnished gay leaders for targeting a husband to get at his wife.

"What was done to David Shedd was reprehensible," said businessman Bill Stone, a former county Republican Party chairman. "These militant gay groups were vicious toward an individual who is totally apolitical and was totally uninvolved in their issues."

Dan Farrell, a former spokesman for the Fairness Campaign, said targeting Shedd's husband was fair. "Our community was supporting its own oppression because her husband supported her and she had no other support," he said.

A tentative settlement of the

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# Gay-rights groups, couple settle lawsuit over 1995 boycott

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suit was reached June 18 but sealed until Monday, when Jefferson Circuit Judge Stephen Mershon opened it on the motion of The Courier-Journal. The Shedd and their lawyer, Joe Bishop, declined to comment.

Details of the settlement were not disclosed in the documents, but Self said the Fairness Campaign and other nonprofit organizations and individuals listed as defendants agreed only not to boycott David Shedd's current or future businesses. She said insurers for bars named in the suit paid a financial settlement to avoid the expense of going to trial.

In a separate complaint, the Shedd also sued David Shedd's former employer, River City Distributing, and Miller Brewing Co. Terms of that settlement also remain confidential.

**DAVID SHEDD** was president and minority owner of River City when a coalition in August 1995 began a boycott of bars and restaurants that served Miller products. He was fired four months later and subsequently forced to divest his stock.

The economic campaign was aimed at Donna Shedd, who was described in fliers as "a notorious spokesperson for the fanatical right." The fliers also erroneously described her as a co-owner of the distributorship.

Donna Shedd was vice chairman of the county Republican Party and vice president of the Kentucky chapter of Eagle Forum, a national group founded by conservative activist Phyllis Schlafly. Best known as a critic of the Kentucky Education Reform Act, Shedd claimed she wasn't involved in anti-gay causes.

But in court papers, the defendants say that if the case had gone to trial, Susan Stokes, the Republican candidate for Congress in the 3rd District in 1994, would have testified that Shedd and the Eagle Forum wouldn't support her because she refused to publicly renounce gay-rights laws.

"That was the crowning issue," Stokes said in an interview.

Conservative Richard Lewis entered the race as an independent and won 12 percent of the vote in a three-person contest, throwing victory to Democrat Mike Ward.

**THE DEFENDANTS** also contended that Donna Shedd supported efforts to make sodomy a crime again in Kentucky after the state Supreme Court ruled the sodomy statute unconstitutional.

Defendants in both suits claimed that David Shedd was fired because of his poor performance — not the boycott.

Records show that five months before the boycott began, River City's Chicago-based directors gave David

Shedd a written ultimatum that "should there not be significant improvement" in the company's bottom line "it is the board's intent that you be terminated."

River City director David Brooks said that the boycott's impact on sales in Louisville was "minimal."

David Shedd said he turned the company around — that it boasted a record net profit the month before he was fired. But he also acknowledged in a deposition that the boycott didn't have a substantial impact and that only a handful of its 1,200 customers were "gay accounts."

Though boycott organizers, as defendants in the lawsuit, attributed Shedd's termination to his performance, they took credit for his departure at the time.

"While the resignation of David Shedd was not the intent of the economic action, it does indicate how seriously the action was taken by the owner of River City and Miller Brewing," the boycott coalition said in a statement later produced in court. "The goals of the coalition were reached. The community knows who Donna Shedd is. She cannot quietly slide into any position of power or influence without being challenged."

**SHORTLY AFTER** the boycott started, more than a dozen national gay leaders signed a statement denouncing the boycott as "misdirected and unfair," in part because the distributorship had supported local gay and lesbian causes.

The statement also said that "we are gravely concerned with the attempt to bring political pressure on a woman through her husband."

But Miller's vice president of government affairs, Tom Reed, later admitted in a deposition that he had drafted the statement and that some of the people who signed it worked for gay groups that had received donations from the brewer. Some of them later disclaimed it, said lawyer David Tachau, who represented the Fairness Campaign and other defendants.

Still, Stone, the owner of Louisville Plate Glass Co., said that attacking Donna Shedd through her husband "diminished women and made them seem an appendage of their husbands."

"I love my wife and she loves me, but neither of us dictates the other's views," Stone said. "I would hate to

think my wife would be tarnished because she happens to be married to an outspoken conservative."

In depositions, some of the boycott leaders acknowledged they knew nothing about David Shedd or his business. Carla Wallace, for example,

a leader of the Fairness Campaign, said she didn't know that River City Distributing had supported the Gay Pride Fair in 1985 or contributed to Heart to Heart, an AIDS group.

But Tachau said that it was fair to target Shedd's business because he provided the financial support that allowed Don-

na Shedd "to be the most visible and successful Republican Party official committed to her particular political agenda."

The Consumer Coalition for Justice and Freedom distributed 22,000 fliers about Shedd. The group included eight bars, gay and straight, as well as the local chapters of the National

Organization for Women, the Kentucky Pro-Choice Coalition and Kentucky Women of African Descent.

Organizers say one element of their campaign's success was that it forced Donna Shedd to take a full-time job — she now teaches at Christian Academy — allowing her less time to spend on conservative politics.

Court documents show that David Shedd's ouster from River City Distributing was financially devastating to the couple, who live in Anchorage and have three children.

Records show that David Shedd earned more than \$299,000 in 1995; four years later, the couple's combined income was about \$94,000, including about \$9,000 that Donna Shedd made teaching that year. David Shedd now owns Cardinal Fence & Security Inc.

An accounting expert testified that Shedd's termination cost him \$14 million over his lifetime; the Shedd also

were seeking \$20 million for humiliation and \$40 million in punitive damages.

But Tachau said the Shedd's failed to develop evidence to support a major allegation in their case — that the defendants sent vulgar mailings to their home. Tachau said some of the defendants received similar mailings.

The protesters sent pre-printed cards to Miller saying that the brewer "needs a hate-free distributor in the Louisville area."

In a deposition, Donna Shedd said "boycotts based on facts are legitimate ... but the fact is, in this particular boycott, they attacked a third party, my husband, his company. And secondly, it was based on things that weren't true. I was not their enemy."

Stone said that the disruption to David Shedd's life was "tragic."

"What if a bunch of heterosexuals

had tried to destroy a gay person's living?" Stone asked. "The media would hold those people out to be terrible. We have got to be more civil and responsible in the way we deal with people."

**THE SUIT'S** defendants included two gay-rights newspapers, The Letter, of Louisville, and The Kentucky Word, of Indianapolis, although the latter was dismissed. The other defendants were Self; George Stinson; John Scussel; Gays and Lesbians United for Equality Inc.; Gelsco Inc. (parent company for a group of gay bars and restaurants); Honesty; Metropolitan Community Church of Louisville; Parents, Families and Friends of Lesbians and Gays; Metro Louisville Inc.; Score Inc.; Sparks; Teddy Bears Bar and Grill Inc.; Tryangles Inc.; and Tykers Bar and Cafe.

Farrell said gay-rights leaders won't hesitate to organize boycotts in the future.

"If we find ourselves where a company is profiting from our community and discriminating against us," he said, "we are going to get the word out and educate the community and let the community decide what to do with their money."

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Dan Farrell, former spokesman for the Fairness Campaign