EXHIBIT 31

COHEN, MILSTEIN, HAUSFELD & TOLL
1100 NEW YORK AVENUE, N.W.
WEST TOWER, SUITE 500
WASHINGTON, D. C. 20005-3934

(202) 408-4600
FACSIMILE (202) 408-4699

JERRY S. COHEN
HERBERT E. MILSTEIN
MICHAEL D. HAUSFELD
STEVEN J. TOLL
ANN C. YAHNER
LISA M. MEZZETTI
ANDREW N. FRIEDMAN
RICHARD S. LEWIS
DANIEL S. SOMMERS
DANIEL A. SMALL*
GARY E. MASON
CYRUS MEHRI
SHARON A. SNYDER
MARK S. WILLIS×
LILLIAN S. HAGEN
MICHAEL J. FLANNERY
BETH A. ANDREOZZI+
ANGELINE G. CHEN

*ADMITTED ONLY IN MD
×ADMITTED ONLY IN MA
+ADMITTED ONLY IN NY

ANTHONY Z. ROISMAN
OF COUNSEL

SENDER'S DIRECT DIAL

April 4, 1995

VIA FACSIMILE & REGULAR MAIL

John J.P. Howley, Esq.
KAYE, SCHOLER, FIERMAN,
HAYS & HANDLER
425 Park Avenue
New York, NY 10022

Re: Roberts v. Texaco Inc.

Dear John:

Enclosed please find the Report of James L. Outtz.

Very truly yours,

Cyrus Mehri/BAA

Cyrus Mehri

CBM/kah

Enc.

PLAINTIFF'S EXHIBIT OUTZ-7A 3/8/06 ME

Preliminary Report of Dr. James L. Outtz
Pursuant to Federal Rule of Civil Procedure 26 (a)(2)

James L. Outtz, Ph.D., for this report states:

1. I am submitting this report in Support of Plaintiffs' Motion for Class Certification. I was retained in this matter to review Texaco Inc.'s ("Texaco" or the "Company") selection and promotion policies and practices to determine whether they are excessively subjective and inadequately audited or monitored and therefore likely to have a disparate impact on African-American employees. I submit this report to summarize my opinions in this matter.

2. I am president of Outtz & Associates, a consulting firm specializing in developing, and validating employment policies, including selection, application, promotion and performance evaluation procedures to ensure their nondiscriminatory application. I have worked as an Industrial Psychologist in the field for almost twenty years.

3. I hold a bachelor of arts degree in Sociology and a masters degree in Industrial Psychology from the Northeast Louisiana University. I hold a Ph.D. in Industrial Psychology from the University of Maryland.

4. As a specialist in the field, I have served as a consultant for over eighty-five private and public entities. For instance, I am presently retained or I have been retained as a consultant for the United States Department of Justice Civil Rights Division and the Federal Bureau of Investigation in Washington, D.C., the East Bay Municipal Utility District in Oakland, California, Giant Food Inc. in Landover, The City of

Detroit, Michigan, Arent, Fox, Fintner, Plotkin and Kahn in Washington, D.C., the City of Chicago, Illinois, and Koskoff, Koskoff & Bieder in Bridgeport, Connecticut.

5. My professional affiliations include: 1) The National Academy of Sciences National Research Council, Board on Testing and Assessment for a three year term from September 1993 to September 1996; 2) the American Psychological Association including committee membership on the Committee on Psychological Tests and Assessment from January 1990 until December 1992; 3) the Society for Industrial and Organizational Psychology from 1978 to the present including committee membership on the Ad Hoc Committee on Revision of the Uniform Guidelines, the Program Committee for the Ninth Annual Conference and the External Affairs Committee; 4) the American Educational Research Association from 1983 to 1989; and 5) the International Personnel Management Association from 1983 to the present.

6. My publications concerning employment procedures including employee testing, selection, performance evaluation and promotion procedures include: co-authorship of "Statistical Implications of Six Methods for Establishing Cutoff Scores in Personnel Selection" published in Human Performance Vol. 4, No. 4 (1991) 233-64; "The Sliding-Band Referral Method: An Innovative Procedure for Selecting or Promoting Employees" published in Employment Testing, (1992) Vol. 1, No. 10, 169-173; and co-authorship "Why Do Testing Experts Have Such Limited Vision" published in Human Performance Vol. 4, No. 4 (1991) 297-308.

7. I have presented papers or lectured at over twenty professional conferences concerning the development, testing and validation of employment policies and practices. My conference papers include: 1) "Affirmative Action in the 1990's" at the Fifth Annual Conference of the Society for Industrial and Organizational Psychology, Miami, Florida, April, 1990; 2) "The Social and Political Nature of Selection" and "The Sliding Band Referral Method, A Perspective from the U.S. Public Sector" at the Seventh Annual Conference of the Society for Industrial and Organizational Psychology, Montreal, Canada, May, 1992; and 3) "Reducing Adverse Impact Without Reducing Validity" at the Eighth Annual Conference of the Society for Industrial and Organizational Psychology, San Francisco, California, May, 1993. See Exhibit 1 for Supplemental Information pursuant to Federal Rule of Civil procedure 26(a)(2).

8. In order to formulate my opinions in this case, I reviewed the First Amended Complaint, documents produced by Texaco to plaintiffs describing its employment policies and practices, and the deposition transcripts of Edward N. Gadsden, Gregory Davis and Ronald Boilla.[1] The following are my opinions in this case.

9. Texaco designed systematic guidelines for the companywide implementation of certain employment policies and

[1] Attached as Exhibit 2 is a list of the bates stamp numbers of the documents that I reviewed. I reserve the right to supplement my opinion in the event that I review pertinent new information that may become available.

practices discussed below, but it has not taken appropriate steps to ensure their effective and consistent implementation companywide. Texaco's supervisors and managers are permitted to apply these employment policies and practices subjectively and inconsistently thereby permitting a haphazard implementation of Texaco's employment policies and practices. Without control over the implementation of its employment policies and practices, Texaco does not maintain the essential evidence needed to ascertain whether its employment policies and practices are having an adverse impact on African-Americans or even whether they are being effectively implemented.

10. Texaco's failure to monitor or audit the implementation of these employment programs appears to be systemic and companywide. For example, members of senior management, including Texaco's Equal Employment Officer, Edward N. Gadsden, testified at their depositions that no one at Texaco reviews the implementation of the employment policies and practices listed below, for each facility to ensure compliance with the Company's guidelines. Further, they testified that neither does anyone analyze or monitor the employment policies and practices to determine their effect on African-Americans.

11. The Company maintains a Performance Management Program ("PMP") to evaluate all salaried employees. However, it appears that Texaco does not adequately monitor or audit the implementation of the company-wide PMP. I have seen no evidence that Texaco has validated the PMP according to the federal

regulations for validation 41 C.F.R. 60-3; 29 C.F.R. Part 1607. Further, Texaco appears to have no program in place to evaluate whether or not the PMP is implemented in an excessively subjective manner.

12. Texaco also has a company-wide program affecting all employees entitled the "Potential Forecast" which assesses an employees' potential for advancement, considering, among other factors, the employees' management and technical potential. It appears that the Company does not monitor or audit the implementation of the "Potential Forecast." Texaco thereby does not ascertain whether or not the "Potential Forecast" is maintained in an excessively subjective manner or whether or not it is having an adverse impact on African-Americans.

13. Texaco appears to maintain High Potential and Bench Lists made by and for upper management to determine who is on a promotion fast track, but which are not disclosed to Texaco employees. I have seen no evidence of the validity of the factors used to determine who is on the High Potential or Bench Lists, and I have not seen evidence that any African-American has been involved in determining who is included on the High Potential and Bench Lists. It is my experience that the use of lists such as the High Potential and Bench Lists, result in an institutionalized "good old boy (white) network." This can be particularly destructive to African-Americans' career development in a large company. The Company does not monitor or audit the implementation of the High Potential and Bench Lists. Thus,

Texaco does not ascertain whether the use of these "secret" lists is having an adverse impact on African-Americans. Nor does it take steps to ensure that these lists are not excessively subjective.

14. Texaco also has Ladder and other succession plans including the Development Profile and the Position Profile. However, the Company does not monitor, or audit the implementation of these Ladder plans. Texaco thereby has neith adequately determined, nor adequately controlled, whether these plans are excessively subjective in implementation or whether they have an adverse impact.

15. Texaco neither monitors nor audits the implementation of its job posting system, thereby permitting highly subjective implementation of this program. In such an haphazard atmosphere jobs may be filled without adequately posting positions. Moreover, by failing to properly monitor its job posting program Texaco does not ascertain whether or not the program is adversely affecting African-Americans.

16. Texaco appears to have failed to make an attempt to assess and if possible reduce the adverse impact of its basic company wide employment programs such as the PMP, the Potential Forecast, the High Potential and Bench lists, the Ladder and other succession plans, and the job posting system. This is illustrated by its failure to either monitor or audit the implementation of the above policies. Without adequate controls such as monitoring and auditing, these policies constitute a

systemic "built in" headwind against African-Americans throughout the Company.

SUPPLEMENTAL INFORMATION PURSUANT

TO FEDERAL RULE OF CIVIL PROCEDURE 26(a)(2)

1. I am to be paid $250.00 an hour for my work in this case, plus all my out-of-pocket expenses.

2. I have testified as an expert witness on the discriminatory application of employment procedures numerous times including: 1) as an expert witness for the plaintiffs in the case of Cook v. Boorstin from August 1982 to present for Arent, Fox, Kintner, Plotkin and Kahn in Washington, D.C.; 2) as an expert witness for the plaintiff in the case of League of Martin v. City of Milwaukee from October 1982 to October 1990 for Perry, First, Reiher, Lerner and Quindel in Milwaukee, Wisconsin; 3) as an expert witness for the defendants in the cases of Bushey v. New York State Department of Correctional Services from February 1986 to February 1991 for the NAACP Legal Defense and Education Fund; 4) as an expert witness for the plaintiff in the case of James Short v. Federal Bureau of Investigation from July 1986 to October 1990 for Fitzpatrick & Associates; 5) as an expert witness for the defendant in the case of Officers for Justice v. Civil Services Commission of the City and County of San Francisco in November 1990, for the City of San Francisco; 6) as an expert for the NAACP regarding the validity of the College Level Academic Skills Test (CLAST) from April 1990 to

April 1991; 7) as an expert witness for the defendant in the case of Edward L. Jolly v. Northern Telecom Inc. from February 1991 to March 1991 for Arent Fox Kintner Plotkin & Kahn in Washington, D.C.; 8) as an expert witness for the plaintiff in the case of U.S. v. State of New Jersey for the United States Department of Justice Civil Rights Division from April 1991 to present; and 9) as an expert for Koskoff, Koskoff & Bieder, in Bridgeport, Connecticut from February 1995 to present.

LIST OF BATES NUMBERS FOR THE
DOCUMENTS REVIEWED BY JAMES L. QUITZ

Tex 0001079-1847

Tex 0000995

Tex 0000039-42

Tex 0003833-34

Tex 0000988-933

Tex 0001663-670

Tex 0000996-1009

Tex 0031034-1051

Tex 0001010-1015

Tex 0022034-037

Tex 0022070-73

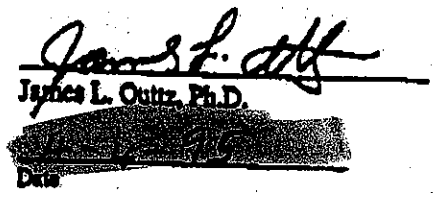
Tex 0022093

Tex 0029877-79

Tex 0021728-751

Tex 0030380

Tex 0030376


James L. Outtz, Ph.D.
Date