

\$1 Million Awarded Against Holiday Spas

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Holiday Spas, a chain of health and fitness clubs accused in a recently settled lawsuit of discouraging thousands of black would-be members, was held liable for more than \$1 million in damages by a Prince George's County jury yesterday in an unrelated fraud and defamation case.

The health club chain, with headquarters in suburban Baltimore, recently agreed to pay \$9.5 million to thousands of blacks who said they were discouraged from joining Holiday clubs in several major East Coast cities.

While the settlement in that case was the largest yet under a 1964 federal law barring discrimination in public accommodations, yesterday's jury verdicts in Prince George's grew out of a dispute between Holiday Spas and a Bowie woman over a relatively small debt, lawyers said.

Attorney Terrell N. Roberts III said his client, Dana Papavasilakis, 27, signed a contract in November 1985 for a 48-week membership in one of the chain's Virginia clubs, Holiday of Springfield. She paid an initial \$50 fee and agreed to pay monthly installments of \$47, according to Roberts.

She then became embroiled in a dispute about the length of her membership. While Papavasilakis's contract stated 48 weeks, Holiday insisted that its copy of the contract stated 24 weeks, Roberts said.

Papavasilakis refused to make the installment payments until the disagreement was resolved, Roberts said. In response, he said, Holiday claimed Papavasilakis had defaulted on the contract and demanded the entire amount that the company contended she owed for her membership, \$1,134. When she refused to pay, Holiday reported her to a credit bureau.

As a result, Roberts said, her applications for a mortgage and other loans were turned down, and she could not obtain credit cards.

After a four-day trial in Upper Marlboro, a Circuit Court jury found Holiday liable for fraud and defamation and awarded Papavasilakis \$1,020,500 in punitive and compensatory damages.

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