



CLIENT ALERT
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NEW YORK RESTAURANTS TARGETED IN LAWSUITS ALLEGING WAGE VIOLATIONS

Recently, employees at several upscale Manhattan restaurants have brought suit against their employers, claiming that the restaurant owners are depriving them of their owed tip wages in violation of state and federal labor laws. The restaurant owners named in the suits include such notable restaurateurs as Mario Batali, Michael White, and Chris Cannon. Further, the employees are seeking class-action certification in pursuit of unpaid wages, tips, interest, liquidated damages, and attorneys' fees.

Federal law allows employees who earn a certain amount in tips to be paid a lower wage than those who do not, presently, \$7.25 versus \$4.65, so long as those workers are able to retain the tips they earn. Recently, however, the New York State Department of Labor has noted an increase in the number of wage complaints throughout the restaurant industry.

It is important that owners, operators and investors of all classes and types of restaurants are fully aware of all the intricate labor regulations affecting their employees and employ measures to ensure compliance. In this difficult economic climate, many opportunists are attempting to vilify these restaurants for even minor wage infractions.

As one of the industry's foremost legal experts, we have advised, counseled, and represented all types of restaurants, including some of the most successful, high profile restaurants in New York and beyond in connection with precisely these types of matters. Our firm has litigated several of these cases and is intimately aware of the regulatory maze affecting restaurants and how to navigate around such legal hurdles so as to avoid and minimize their effect.

We are closely involved in monitoring these events and will continue to provide you with pertinent updates as more information becomes available. If you have any questions about the matters covered in this Client Alert, or wish to schedule a private consultation, please call Terrence A. Oved, Esq. of Oved & Oved LLP by telephone at 212.226.2376 or contact by email at terry@ovedlaw.com

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