

Wage and hour cases a boost for employment law firms

Restaurants, landscapers frequent targets of plaintiff attorneys, government watchdogs

By **JOHN CALLEGARI**

While the sluggish economy has slowed casework for many local law practices, employment attorneys handling wage and hour cases have seen a dramatic uptick in the last year as employers looking to cut costs have sometimes cut corners.

Carle Place-based Leeds Morelli and Brown is typical: Wage and hour cases have doubled in the past year, to more than 100, according to managing partner Jeffrey Brown. Brown said most of these cases end in settlements, but of those that go before a judge, roughly 90 percent result in victories for the plaintiffs.

"I think it's definitely due to the economy," Brown said. "Everyone's hurting, so the employers are trying to cut costs wherever they can. Employees are being told by their employers not to go to a lawyer and that they should be thankful to have a job in these times, but that's not right."

Local legal offices have also received a boost from a crackdown by the U.S. Department of Labor's Wage and Hour Division. The local restaurant industry is one of several sectors targeted in the crackdown, according to John Bauer, an attorney with Melville-based Littler Mendelson.

"Most restaurants are small places with no human resources people telling them how to pay them properly," Bauer said. "They just don't know the rules, especially the really small places like pizzerias, delis and bagel shops. Those types of places are getting hit hard from the Department of Labor and plaintiff attorneys."

Indeed, in the largest local judgment by the division this year, Copiague-based Mama's Pizza was ordered in February to pay \$780,000 in back wages and damages and an additional \$20,000 in civil dam-



JEFFREY BROWN: Wage and hour cases have doubled at his law firm in the past year.

ages to the government.

In April, Westbury Manor was ordered to pay more than \$530,000 in back wages and interest and almost \$70,000 in civil penalties plus \$7,900 in child labor penalties. The catering facility's owners were also cited for contempt.

Joseph Campolo, managing partner of Bohemia-based Campolo, Middleton & McCormick, has also seen a jump in cases involving landscaping companies, usually for the same kinds of violations.

"They'll typically say, 'Work for us for this amount of time and we'll pay you this amount of money,'" Campolo said. "It's not a tremendous amount of money, but it's not an unfair wage either. Of course, then the government comes in and says it doesn't care what was negotiated, any overtime needs to be accounted for."

As a result, Campolo and other local employment law attorneys have also said

they've seen the number of wage and hour cases double during the recession.

"These employers aren't oppressing their workers," Campolo said. "The Department of Labor is cracking down because of the economy. Budgets in Washington are being cut, and the only way to increase revenue is to squeeze it from these businesses, so the order is to go out there and rack up as many violations as you can."

Campolo said there has also been a push by law firms to solicit cases, often through advertisements in Hispanic publications and Latin message boards.

"Many times, an employee will get fired and go to a lawyer because of the firing seeking some form of legal recourse," Bauer said. "Of course, there's nothing they can do about the firing, but the plaintiff attorneys will ask the employee to tell them how the employer paid them, which then turns into a potential class action, so the lawyer is now looking at it as a wage and hour case."

Brown said while he has never taken out an advertisement soliciting potential cases, the practice is common among other plaintiff attorneys.

While Campolo said he certainly doesn't mind the increase in revenue that comes with representing employers in these cases, he said he'd rather increase profits from cases that didn't hurt his clients.

"There's a lot of education good lawyers should be doing with their clients," Campolo said. "There's not a lot of lawyers that want to do that, but it really should be done."

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