

**MEDIA CONTACT:**

**Kristy Keith**

**Office: (205) 939-4001**

**Mobile: (256) 371-2005**

**kk@harebrains.com**

**www.wcqp.com**

**Morgan et al. v. Family Dollar Stores, Inc.  
FACT SHEET**

**COMPLAINT DETAILS**

- **Plaintiffs:** Janice Morgan, Barbara Richardson, Cora Cannon, and Laurie R. Trout (Wilson), and others similarly situated (Totaling 1,424 plaintiffs)
- **Defendants:** Family Dollar Stores, Inc.
- **Remedy Violations of the Wage Provision of the Fair Labor Standards Act**
- **Subject:** Recovering unpaid overtime compensation owed to plaintiffs and others similarly situated.
- **Filed in:** The United States District Court for the Northern District of Alabama, Western Division, Honorable U.W. Clemon, Chief Judge, presiding.
- **Civil Action Number:** CV-01-C-0303-W

**COMPLAINT OVERVIEW**

- The complaint is brought pursuant to the Fair Labor Standards Act (FLSA), clearly demonstrating Family Dollar Stores, Inc.'s intentional and repeated misrepresentation of the true status of managerial compensation to its employees as well as their entitlement to overtime compensation.
- The FLSA is a federal law which establishes certain minimum requirements for employees' hours of work, wages, premium overtime and payroll records. It identifies two types of employees: exempt and non-exempt.

—more—

- Exempt employees are not subject to the minimum wage requirements and overtime requirements of the FLSA, provided they meet certain tests regarding job duties and responsibilities and are compensated on a salary basis.
- Family Dollar Stores, Inc. is not in compliance with the FLSA's classification of exempt employees not entitled to overtime compensation in relation to its Store Managers. (*Requirements detailed below.*)
- Family Dollar Stores, Inc. Store Managers do not comply with this definition in scope of duties performed.
- 1,424 current and past Family Dollar Stores, Inc. Store Managers are suing for unpaid overtime compensation.
- If the Court rules in the plaintiffs' favor, damages can range from \$23 million to \$48 million. The FLSA provides that if Family Dollar Stores, Inc. willfully and knowingly knew it was in violation of the law, damages can be doubled.

## **BACKGROUND**

- The FLSA provides an "executive exemption test" which determines employees' exemption status. In regards to Family Dollar Stores, Inc. Store Managers, the following must be true:
  - 1) The employee's primary duty is management of a recognized department or subdivision, and
  - 2) The employee's primary duty is to customarily and regularly direct the work of 2 or more full-time employees or the equivalent (e.g. – four half-time employees), and
  - 3) The employee possesses the authority to hire and fire employees, or whose suggestions are given substantial weight in such decisions, including promotions, and
  - 4) The employee customarily and regularly exercises discretionary power involving the comparison and evaluation of possible courses of conduct in acting or making decisions after the various possibilities have been considered.

—more—

- Family Dollar Stores, Inc. asserts that its Store Managers are exempt from receiving overtime pay because they are salaried employees and management is their primary duty. The company contends that Store Managers have the authority to do the following: lead and review employees, hire and fire employees, set the schedule, order merchandise, interview applicants, and handle customer complaints.
- In actuality, plaintiffs' testimony and Family Dollar Stores, Inc.'s own company policies reflect that Store Managers have to defer all decision-making to the District Managers. The plaintiffs' job descriptions as Store Managers were virtually identical to that of Family Dollar Stores, Inc.'s Assistant Managers, except the Store Managers are not entitled to receive overtime pay.
- For at least three years prior to 2001, Family Dollar Stores, Inc. has had a uniform policy and practice of consistently requiring its "managerial" employees to work 60-90 hours per week for a salaried amount – ranging from \$25 thousand to \$32 thousand – without overtime compensation. These employees were hired under the premise they would work 45-50 hours per week.
- The plaintiffs' managerial duties were minimal as compared to other job duties regularly performed, making up just 5 -10 hours per week.
- The remainder of the plaintiffs' time was spent performing non-managerial duties, including, but not limited to, unloading trucks, running cash registers, stocking merchandise and various janitorial duties.

#### **LEGAL COUNSEL FOR THE PLAINTIFF**

Gregory O. Wiggins of Wiggins, Childs, Quinn & Pantazis, LLC

J. Allen Schreiber of Schreiber & Petro, P.C.

—more—

**ABOUT WIGGINS, CHILDS, QUINN & PATNAZIS**

Wiggins, Childs, Quinn & Pantazis, LLC, founded in 1985, is a national law firm with more than 40 attorneys and locations in Birmingham, Ala. and Washington, D.C. The firm is known nationally for its expertise in representing employees and consumers in a wide range of civil disputes from individual lawsuits to complex class action litigation. A successful history in the state and federal courts has established the firm's reputation as a leader and advocate for the rights of individuals in the following arenas: civil rights, contract law, labor and employment law, products liability, consumer fraud, personal injury, healthcare litigation, business and mass torts, and environmental law. In 2003, Wiggins, Childs, Quinn & Pantazis was named to the National Law Journal's "Plaintiff's Hot List" - the publication's pick of the 25 most exemplary plaintiff's firms in the nation.

**MEDIA CONTACT:**

Kristy Keith of Hare Communications  
On behalf of Wiggins, Childs, Quinn & Pantazis, LLC  
Office: (205) 939-4001  
Mobile: (256) 371-2005  
kk@harebrains.com  
www.wcqp.com

# # # # #