

For Immediate Release
Tuesday, June 11, 1940

R-847

U. S. DEPARTMENT OF LABOR
WAGE AND HOUR DIVISION
Washington

WAGE-HOUR DIVISION SEEKS TO ENJOIN SOUTHERN DAIRIES,
WASHINGTON, D. C., FROM ALLEGED VIOLATIONS OF LAW

Southern Dairies, Inc., with branches in 49 communities in eight southern States, was made a defendant today in an injunction proceedings filed by the Wage and Hour Division alleging failure to pay the minimum wage (30 cents an hour), failure to pay at least time and a half for overtime (after 42 hours a week), and with falsification of records. The action against the company was filed in the United States Court of the District of Columbia.

The complaint, made by the Wage and Hour Legal Branch in the name of Philip B. Fleming, Administrator, in the U. S. District Court for the District of Columbia, alleges that Southern Dairies, Inc., producers and distributors of ice cream, frosted foods and similar products in the District and in Virginia, South Carolina, Maryland, Alabama, North Carolina, Georgia, Tennessee and Florida, has paid various of its employees less than the minimum wage required by the Act, has worked them without overtime payments, more than the maximum hours, has kept improper records and has falsified records. The Administrator also charges that the defendant has continuously failed and refused to keep adequate and accurate records required by the Act with regard to wages paid to and hours worked by employees, and moreover that the records kept are false in material respects. The petition requests that Southern Dairies be enjoined from these violations and asks the Court for "such other and further relief as may be necessary and appropriate."

The complaint sets forth that Southern Dairies, Inc., is a corporation organized under the laws of Delaware, with principal offices in Washington and with plants, subplants and subsidiaries in the States above named. It is engaged in the production, sale or distribution of ice cream, ice cream novelties, ices, frosted foods, etc., in interstate commerce.

(4731)

It is alleged that during the first year of the effectiveness of the Wage-Hour Law Southern Dairies, Inc., worked various of its employees more than 44 hours per week (then the legal maximum) and subsequently and to the present time has worked them more than 42 hours (the maximum now effective) without the payment of time and a half overtime, which the law requires, for excess hours. It is also alleged that employees were paid less than 25 cents per hour, the minimum during the first year, and less than 30 cents, since that rate has been the legal minimum wage.

It is further charged that continuously since October 24, 1938, the effective date of the Act, Southern Dairies, Inc., has transported in interstate commerce goods produced by payment of subminimum wages and by working employees excess hours without overtime -- which is a violation of the so-called "hot goods" section of the Act.

The petition says that the defendant "threatens and intends to continue to violate the said provisions unless enjoined and restrained by a judgment of this Court," and accordingly an injunction to prevent such violation is demanded.

#