

Press Releases

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Spitzer Sues Eleven Affiliated Retailers for Wage and Hour Violations and Retaliation Lawsuits Seeks over 2 Million Dollars in Restitution and Damages

State Attorney General Eliot Spitzer announced today that he has filed two lawsuits against eleven affiliated popular retail stores, whose flagship store is Yellow Rat Bastard located on lower Broadway, for labor law violations. The stores sell clothing and merchandise from well-known labels as well as from their own Yellow Rat Bastard label. One lawsuit seeks over two million dollars for unpaid wages, minimum wage underpayments, overtime compensation, interest and damages owed to over one thousand employees of the Yellow Rat Bastard stores for a six year period. A second lawsuit seeks over \$56,000 in restitution and penalties for retaliating against employees the stores believed cooperated with the Attorney General's investigation. The Attorney General's Office is also seeking injunctions preventing the Yellow Rat Bastard stores and their owners from retaliating against employees and dissipating their assets pending the resolution of the cases.

In papers filed December 28th in State Supreme Court, Spitzer has presented extensive evidence that the stores and their owners have repeatedly violated state and federal labor laws. Among other violations, employees worked over forty hours per week but were paid only a flat hourly rate for all hours worked, often at below minimum wage rates.

"The owners of these businesses have accumulated personal wealth by withholding from low-wage employees from moneys they were lawfully entitled to," Spitzer said. "This office has made prosecuting violations of the labor law and protecting workers from illegal retaliatory actions a priority."

Spitzer's office began its investigation of federal and state minimum wage violations by the Yellow Rat Bastard stores in May 2006, after receiving complaints from several employees of the stores. In response to the Attorney General's subpoenas, the Yellow Rat Bastard stores did not produce any payroll records or any other proof of payment of wages to their employees. Instead, one lawsuit alleges the Yellow Rat Bastard stores began to retaliate against their employees for having filed complaints with the Attorney General's Office.

The stores are Yellow Rat Bastard with locations at 478 Broadway, the Queens Mall and Cederhurst NY; Rubber Sole located at 740 Broadway; Sloppy Joes/Dirty Jane located at 483 Broadway; FAT Jeans located at 648 Broadway; Boys and Chicks located at 392 Broadway; Tempo located at 736 Broadway;

Antique Orange located at 364 Broadway; Z-Best located at 6521 18th Ave Brooklyn and Via Europe located at 1123 Brighton Beach Ave. Brooklyn. The lawsuit also names Henry Ishay, Alla Levy, Isaac Gross, Nissim Levy, and Jack Ishay as the owners and/or agents of the stores who are personally liable for the underpayments.

Spitzer also acknowledged the assistance of the Retail Action Project, a joint initiative of the Good Lower East Side and the Retail, Wholesale & Department Store Union, that seeks to raise awareness of the working conditions in New York City's retail industry.

The investigation leading to the lawsuits was conducted by Assistant Attorney General Lorelei Boylan of the Labor Bureau, under the supervision of Bureau Chief M. Patricia Smith. Assistant Attorneys General Pico Paul Ben-Amotz and Juno Turner and Investigator Steven Pratt of the Attorney General's Office Investigation's Bureau assisted in the conducting the investigation.
