



FENWICK & WEST LLP

# Weekly Employment Brief

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## Labor Survey Reports on Impact of FMLA

A U.S. Department of Labor survey released on January 9, 2001, reflects that the Family and Medical Leave Act ("FMLA") has become a growing administrative burden for employers, but has had "no noticeable effect" in terms of productivity, profit, or growth. The survey reported that, "[e]stablishments in 2000 reported more difficulty than they had in 1995 with maintaining additional records, determining whether certain employees were eligible, coordinating state and federal leave policies, coordinating the Act with other federal laws, and coordinating the Act with other leave policies." However, despite the administrative difficulties, 77 percent of employers surveyed reported "no noticeable effect on their business in the areas of productivity, profitability, and growth, or on their employees in the areas of productivity, absences, turnover, career advancement, and morale." Copies of the report are available at <http://www.dol.gov/dol/asp/public/fmla/main.htm>.

## Number of Mass Layoffs Surge During Final Month of 2000

The U.S. Bureau of Labor Statistics recently reported that the number of mass layoffs surged to 1,697 events in November 2000, doubling the number of events in October and reaching its highest level in 10 months. The number of workers involved totaled 216,514 with California accounting for the largest number at 71,002. The state of the economy seems to indicate that the flood of layoffs may only get worse with Sears announcement on January 4, 2001, that it will layoff 2,400 employees and close 87 specialty stores. Other planned layoffs were recently announced by Montgomery Ward, which plans to let go its 28,000

employees by summer, as well as General Motors Corp, Bausch & Lomb Inc., Aetna and Gillette Co.

## Supreme Court Considers Scope of ADA in Golfer Case

The US Supreme Court recently heard oral arguments in a high-profile case over whether the Americans With Disabilities Act (ADA) covers professional golfers who compete in PGA Tour events. Specifically, the court heard argument from Casey Martin, who with a degenerative circulatory disorder claimed that he is entitled under the ADA to a rule change that would allow him to use a golf cart when traveling between holes at PGA tournaments. The PGA countered that the rule change would "fundamentally alter" golf tournaments. Under the ADA, places of public accommodation are not required to make modifications for the disabled if they would fundamentally alter the goods or services provided. The Supreme Court's decision is expected sometime this summer.

## Coca-Cola to Pay Up to \$150,000 to Settle Bias Suit

Coca-Cola will pay individual employees from \$1,000 to \$150,000 as part of its settlement of a class-action race discrimination suit. The figures are included in a class notice mailed to all African-Americans employed by Coke from April 22, 1995, to June 14, 2000. According to the notice, Coke will pay \$82.8 million in cash and stock options divided among eligible employees. The remainder of the settlement, which totals \$192.5 million, includes more than \$20 million in legal fees, \$43.5 million for equity adjustments for African-Americans over the next decade, and \$36 million to fund a Diversity Task Force.

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