

My Name is Laura Mc Donald. I am talking to you today because I worked at Carl Karcher Enterprises for more than twenty years. I want to tell you what it is like to work for Mr. Pudzer.

Everything at CKE is controlled from the top. There are thousands of pages of manuals that control everything. There are also strict standards. Every restaurant has to meet strict standards for wait time service time drive-through time and a long list of other standards.

Meeting all of those standards is a huge amount of work. CKE requires all of its General Managers to be available "24/7." They specifically tell you that you must always be available by phone both to address problems in the restaurant and to answer calls from your District Manager. The work is non-stop. I worked more than 60 hours a week.

Until 2009, CKE paid a flat salary to General Managers. Even though we do the exact same work as hourly employees, the company refused to pay any overtime or even to pay anything to recognize the fact that we always work much more than 40 hours each week.

After 2009, CKE changed the rules and said that General Managers in California were all hourly employees. But CKE still would not pay for all the time we work. When CKE made general managers into hourly employees it set our wages so low that we had to work 47 ½ hours a week just to earn the same money we've been being paid as a salary. In other words, CKE avoided paying overtime by setting our hourly wages so low that we didn't make anything extra working more than 40 hours a week.

Besides cutting our wages, CKE also forced us to work off the clock by imposing a strict labor budget. The labor budget is a specific percentage of sales that you are allowed to spend on paying employees, including the General Manager. At CKE you have to work off the clock in order to get all the work done without going over your budget.

The labor budget only allowed us to be paid for 47.5 hours per week. But it takes more than that to do all of the work. General Managers have to spend most

of their time cooking, cleaning, and helping guests. The labor budget is just not enough to do all of the hourly work and the manager work as well. If a General Manger goes over the labor budget, we would be disciplined or fired. So we worked without pay.

All General Mangers work off the clock, and CKE knows we do it. Our district Mangers talk to us when they know we are not on the schedule and not clocked in. The whole system is set up to pressure General Mangers into working without being paid.

For work outside the restaurant, it is even worse. CKE allows only one hour per week for work outside the restaurant. That's just one hour per week when General Mangers spend more than an hour *per day* answering calls and addressing problems from outside the restaurant.

The situation is bad for the other employees at the restaurant too. In order to avoid providing healthcare to its employees, CKE puts a strict limit on the number of full-time workers we are allowed to have. As a result, we had to hire most of our workers as part-time employees even though the restaurant could provide more full-time jobs.

Even full-time employees often don't get the hours they've been promised. Because of the CKE labor budgets, I often had to tell employees who thought they had a full-time position that they will get less than 40 hours on a given week.

Very often, the CKE labor budget mean that we will give workers a shift of just two or three hours and even then we sometimes have to send people home when it is slow. No matter how hard they work, there's just no way for an employee to know how much she will make in a given week because we have to hit the labor budget.

The benefits that CKE offers don't do much to improve the lives of employees either. Even where an employee qualifies for the healthcare benefits they are just too expensive and almost all employees have to decline. The same thing is true of the retirement program, especially because CKE does not match employee contributions.

All of these problems got worse in my last few years at CKE. when Carl Karcher was alive and in charge, we felt like someone in the company at least cared about the workers. Since Mr. Karcher passed away, CKE has tightened its budgets in a way that makes it impossible to do the job without working off the clock. Worse, the company just seemed not to care about the employees anymore.

I think Carl Karcher would be ashamed of what CKE has done to its employees. Stealing wages form employees who need money to feed their families is not what Carl would have wanted and it's not what I want from an employer. I ultimately left CKE and went to work for a company that cares more about its workers.

I gave more than 20 years of my life to CKE. Mr. Pudzer took a company that I loved and turned it into a business that makes money by stealing form its workers. I honestly can't think of anyone less qualified to enforce laws that are supposed to protect employees. He never protected the employees he was in charge of at CKE, so I do not think he would be the person to protect American workers' rights.