



Dine Equity, Inc
450 N. Brand Blvd., 7th Floor
Glendale, CA 91203

November 29, 2022

To the CEO and Board of Directors,

We are current and former employees of Applebee's, Inc, who write to you, together with our attorneys and representatives from One Fair Wage, to demand both the settlement of legal claims and immediate wage increases. Our group includes Richard Borner, Kendrick Brooks, Ashley Dancause, Laquiana Ellis, Allison Fuston, Billie Gatewood, Danielle Glinski, Crystal Greer, Brandy Gregg, Nyssa Griess, Eric Gwyn, Aaron Gwyn, Kylie Jackson, Kendrick Keys, Ashley Karst, Taura McCormick, Sherry Musick, Tiffany Terry, Kyle Spears, Megan Sonnenmoser, Adam Weatherly, Simone Yancey, Lola Sampleton, Angie Villa, Sonya Wilson, Orlando Anaciento-Domingues, Matthew Schroth, Jason Brown, Sunianne Shell, Meredith Whatley, and many more.

Applebee's has always offered among the lowest wages in the industry for both back-of-house and front-of-house staff members. In the back of the house, Applebee's had a staffing crisis even before the pandemic because it never paid enough to kitchen staff. Now front-of-house workers have also been leaving the company in droves, because of the company's insistence on continuing to pay a subminimum wage for tipped workers - while thousands of other restaurant companies are now paying a full minimum wage with tips on top,

The subminimum wage for tipped workers, which Applebee's pays tens of thousands of its employees nationwide, is a direct legacy of slavery and has been a source of poverty, racial inequity, and sexual harassment for tipped workers at Applebee's for decades. With the COVID-19 pandemic, all of us who are subminimum wage tipped workers have experienced a significant decrease in tips and increase in customer harassment, and those of us who are back-of-house workers can no longer survive on the wages offered us as well. It was particularly difficult to be required to enforce COVID-19 protocols on the same customers from whom we were supposed to obtain tips to make up our base wage, which resulted in being tipped even less and experiencing even greater harassment. Several thousand of our colleagues have left the company or are leaving, unable to tolerate these conditions. While thousands of independent restaurants and even other chain restaurants have raised tipped workers' wages to the full minimum wage in the context of the Great Resignation, Applebee's persists with paying a subminimum wage of as little as \$2.13 an hour.

As a result, workers in our group, and many other workers at Applebee's across the country, have experienced severe understaffing and overwork, and several workers in our group have been illegally retaliated against, including retaliatory firings, for complaining about these and other workplace conditions, in violation of the National Labor Relations Act, 29 U.S.C. §§ 151-166. Our schedules have become more unpredictable with understaffing, with several of us being asked to show up at work only to be turned away without pay, and/or not being paid the minimum wage, in violation of the Fair Labor Standards Act, 29 U.S.C. §201 *et seq.* ("FLSA"), and others not being paid for all hours worked, also in violation of FLSA. Other workers have complained of health and safety violations of the Occupational Safety and Health Act (OSHA). Because tips have declined so dramatically, the tipped workers in our group have regularly experienced our tips not even being enough to bring us to the full minimum wage in our states which we believe violates the FLSA and other state laws. Applebee's offered many of us hiring bonuses that we never received which we also believe to be a violation of FLSA and state laws. And in response, we have tracked Applebee's restaurants in communities that are predominantly White like Utah, Nebraska, and Quakerstown, PA now offering \$15 or even \$20 per hour plus tips, while Applebee's restaurants in Black communities like Birmingham, Detroit, and Chicago continue to offer just the subminimum wage for tipped workers - as low as \$2.13 an hour. Some of us who are workers of color have continued to receive the subminimum wage for tipped workers while our peers in the same franchise operation in communities that have more White people are receiving the full minimum wage with tips on top. As a result, we believe that Applebee's policies and practices have had a disparate impact on the company's workers of color, which would be a violation of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, *et seq.* ("Title VII")

Given that tips are regularly not bringing us to the full minimum wage, and that your company has responded by increasing wages to the full minimum wage with tips on top for some and not for others, we demand that you set a national policy of paying all workers in the company a full, livable minimum wage to all workers, back and front, with tips on top. Failure to do so has resulted in thousands of workers continuing to leave the company, and will ultimately mean that Applebee's will never have enough staff to operate.

We demand to meet with you immediately to resolve these issues. If we do not hear from you by **Tuesday, December 6, 2022**, we will be forced to take the matter to the public and the legal system. **Please note: any retaliation by management against workers named in this letter, including cutting hours, firing, or any other form of retaliation, will constitute a violation of National Labor Relations Act, 29 U.S.C. §§ 151-166. We will not hesitate to take immediate legal, public and press action should any form of retaliation occur to these workers.**

We look forward to speaking with you about these demands.

Sincerely,

Current and Former Employees of Applebee's
Our Representatives at One Fair Wage