

For subscriber only stories, photos, videos and events, visit the Insiders page.

The Boston Globe

Business

Hide processor to resolve wage suit for nearly \$1m

Chelsea plant denies fault, wants to move on

By **Katie Johnston** | GLOBE STAFF | OCTOBER 01, 2013

A Chelsea animal hide processing plant must pay nearly \$1 million to resolve a lawsuit involving underpaid workers, according to a federal court agreement approved last week.

Boston Hides & Furs Ltd. will pay \$825,000 in back wages and damages to 14 workers who, the suit says, earned about \$300 for working 60 hours a week processing hides and furs to be shipped to tanneries. The company also has to pay \$100,000 in damages to 10 workers who were allegedly fired for assisting in the investigation, and \$50,000 in civil penalties to the US Department of Labor.

The lawsuit alleges that when Labor Department investigators went to Boston Hides & Furs in May 2012, the company hid workers in a house nearby for several hours and fired them when they talked to investigators a week later.

The back wages cover a four-year period, which is a longer time frame than most wage-and-hour cases because of the mistreatment the employees endured, said Audrey Richardson, an attorney with Greater Boston Legal Services, which worked with the community organizing group Chelsea Collaborative to support the employees, gather evidence, and assist with the federal investigation and litigation. Not only were the workers underpaid for “backbreaking work,” Richardson said, they were threatened, insulted, and humiliated.

“Other employers who think they could similarly profit from this kind of exploitation and abuse should take note of the serious consequences that Boston Hides has faced,” she said.

Boston Hides & Furs denies all wrongdoing, lawyer Gary Feldman wrote in an e-mail. The settlement in US District Court in Boston was reached so the company could “move forward with its business, continuing to be a source of good employment for many families in the Chelsea community,” he said.

“

‘Other employers who think they could similarly profit . . . should take note.’

“If the case proceeded through discovery and trial, Boston Hides would have demonstrated that the amount of hours the [Department of Labor] claimed was grossly inflated,” Feldman said. “Boston Hides also would have proved that it did not fire the workers or retaliate in any way. To the contrary, each of the individuals stopped coming to work after the federal government showed up at the workplace.”

According to the agreement, Boston Hides & Furs could be found in contempt of court if it sells a hide handled by an employee who was not properly paid.

Katie Johnston can be reached at kjohnston@globe.com. Follow her on Twitter [@ktjohnston](https://twitter.com/ktjohnston).

© 2013 THE NEW YORK TIMES COMPANY
