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Donovan Searles & Axler, LLC

Donovan Searles & Axler, LLC Announces That the Pennsylvania Superior Court has Affirmed the \$150,000,000 Class Action Judgment On Behalf Of Pennsylvania Hourly Employees of Wal-Mart Stores, Inc. (NYSE: WMT)

Philadelphia, June 10, 2011. Donovan Searles & Axler, LLC announces that the Superior Court of Pennsylvania has issued a 211 page decision largely affirming the multi-million dollar class action judgment against Wal-Mart Stores, Inc. in favor of Pennsylvania hourly employees.

A three judge appeals panel has largely affirmed the multi-million dollar award against retail giant Wal-Mart in a class action alleging underpayment of Wal-Mart employees in Pennsylvania. In 2006, a Philadelphia jury found that Wal-Mart employees were owed \$1,462,910.35 in damages for off-the-clock work and \$27,715,964 for rest break violations between March 19, 1998, and Dec. 31, 2001, and \$1,031,430 for off-the-clock work and \$48,258,111 for rest break violations between Jan. 1, 2002 and April 2006.

Subsequently, trial judge Mark I. Bernstein awarded an additional \$62.2 million in statutory liquidated damages, \$10.2 million in prejudgment interest, \$33.8 million in statutory attorney fees and \$11.9 million in non-statutory attorney fees.

The class action trial in *Braun v. Wal-Mart* and *Hummel v. Wal-Mart* was held in September 2006.

Wal-Mart argued on appeal that rest breaks and lunch breaks are not fringe benefits, that the two class actions shouldn't have been certified and that Philadelphia wasn't the proper venue for the class action, among other arguments.

But the Superior Court rejected those arguments, saying the trial evidence supported the trial court's decisions. The jury awarded \$78.5 million in compensatory damages to 186,000 current and former Wal-Mart associates. A total of 124,506 current and former Pennsylvania employees also qualified for the \$62.3 million in statutory damages levied under the state's wage payment and collection law, which penalizes employers who fail to pay wages by requiring them to pay liquidated damages of \$500 or up to 25 percent of the total amount of wages due.

The Superior Court reversed and remanded the trial court's award of over \$33 million in attorney fees to the class lawyers, stating that the lower court misapplied the rules for contingency enhancements, and instructing the lower court to recalculate the fee award.

Lead class counsel Michael Donovan of Donovan Searles & Axler said he and his clients were very pleased with the Superior Court's decision. He said he's anxious to get Wal-Mart employees the compensation they are owed. Contact: Michael D. Donovan at Donovan Searles, LLC, 1845 Walnut Street, Suite 1100, Philadelphia, PA; phone: (215) 732-6067; e-mail: mdonovan@donovansearles.com.

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