

Court Overturns NLRB Decision In *Stella D'Oro Biscuit Co. V. NLRB*

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The Second Circuit recently overturned a National Labor Relations Board (NLRB) decision determining that Stella D'Oro Biscuit Co., Inc. violated the National Labor Relations Act (NLRA) when it failed to provide workers with financial statements to support claims regarding its financial condition.

Under the NLRA, an employer is required to provide evidence of its financial condition when it states to workers that labor concessions would cause undue financial hardship. In overturning the NLRB's decision, the Court pointed out a key point the Board overlooked: The NLRA only compels disclosure of financial information when an employer states it is *unable* pay. In this situation, however, the company simply stated it was *unwilling* to pay. Thus, the decision demonstrates a clear repudiation of the NLRB's attempt to change the law. The decision can be [found here](#).

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