

See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net/publication/322271616>

The Walt Disney Company: Employees Are Asked to Train Their Foreign Replacements

Book · January 2016

DOI: 10.4135/9781526430809

CITATIONS

0

READS

131

4 authors, including:



James O'Rourke

University of Notre Dame

51 PUBLICATIONS 102 CITATIONS

SEE PROFILE

Some of the authors of this publication are also working on these related projects:



The Handbook of Communication and Corporate Reputation [View project](#)



The UN Millennium Development Goals, The UN Global Compact, and the Common Good [View project](#)



The Walt Disney Company: Employees Are Asked to Train Their Foreign Replacements

“No matter what the provocation, I never fire a man who is honestly trying to deliver a job.” ~ Walt Disney ¹

A Not So Magical Surprise in The Magic Kingdom

For David Powers and Leo Perrero, each a 10-year information technology (IT) veteran at Disney, the invitation came from a vice president of the company.² It had to be good news, the men thought. After all, they were not far removed from strong performance reviews – perhaps they would be awarded performance bonuses. Well, not exactly. Leo Perrero, one of the summoned workers, explains what happened next.

“I’m in the room with about two-dozen people, and very shortly thereafter an executive delivers the news that all of our jobs are ending in 90 days, and that we have 90 days to train our replacements or we won’t get a bonus that we’ve been offered.”³

Powers explained the deflating effect of the news: “When a guillotine falls down on you, in that moment you’re dead . . . and I was dead.”⁴

Background

“Whatever we accomplish is due to the combined effort In my organization there is respect for every individual” ~ Walt Disney ⁵

This case was prepared by research assistants Casey Leary, Bryan Shannon, and Matthew Lawton under the direction of James O’Rourke, Teaching Professor of Management, as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. Information was gathered from corporate as well as public sources. Editorial assistance: Judy Bradford.

Copyright ©2016. Eugene D. Fanning Center for Business Communication. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form by any means – electronic, mechanical, photocopying, recording, or otherwise – without permission.

The Layoffs

On January 30, 2015, The Walt Disney Company laid off 250 of its IT workers.⁶ In a letter to the laid-off workers, Disney outlined the conditions for receipt of a “Stay Bonus,” which would entitle each worker to a lump-sum payment of 10% of his or her annual salary.⁷ (See: Letter to Laid-Off Disney IT Workers, Appendix A.)

Of course, there was a catch. Only those workers who trained their replacements over a 90-day period would receive the bonus.⁸ One American worker in his 40's who agreed to Disney's severance terms explained how it worked in action:

“The first 30 days was all capturing what I did. The next 30 days, they worked side by side with me, and the last 30 days, they took over my job completely. I had to make sure they were doing my job correctly.”⁹

To outside observers, this added insult to injury. It was bad enough to replace U.S. workers with cheaper, foreign labor. But to ask, let alone strong-arm the laid off workers into training their replacements, seemed a bit much.

However unfortunate, layoffs are commonplace. But this was different. From the timing to the apparent neglect of employee pride, the sequence of events struck a nerve. For many, the issue was simple, and Disney's actions seemed wrong at a visceral level. As criticism mounted, it became clear that this story would develop legs. Disney had a problem.

Walt Disney Company History: An American Corporation

Humble Beginnings: 1923-1928. Fresh off a failed business venture in Kansas City that bankrupted him,¹⁰ Walt Disney arrived in California in the summer of 1923.¹¹ Ever resourceful, Disney pitched a cartoon, “Alice's Wonderland,” to a distributor as the first of what he promised would be a series of “Alice Comedies.” The distributor purchased the rights to the series, and on October 16, 1923, Walt founded The Walt Disney Company in the back half of a real estate office.

In 1927, Disney created his first series of fully animated films, which initially starred “Oswald the Lucky Rabbit.” Since his distributor controlled the rights to that character, Disney modified its appearance, resulting in a new character he dubbed “Mortimer Mouse,” shortly before renaming it “Mickey Mouse” at his wife's insistence. Mickey became an overnight sensation in a series of silent films, setting the stage for success to come.

Glory Days: 1929-1955. Disney renamed the company Walt Disney Productions in 1929, and surrounded his big box office draw, Mickey Mouse, in feature after feature with characters including Donald Duck, Pluto, and Goofy, each of whom would weave its way into American culture. Expanding his repertoire, Disney won an Oscar for “The Three Little Pigs” in 1933.

More hits followed with “Snow White and the Seven Dwarves” (1937), “Pinocchio” (1940), “Dumbo” (1941), “Bambi” (1942), “Cinderella” (1950), and “Peter Pan” (1953). Finally, in 1955, Disney debuted “The Mickey Mouse Club”, which became the most popular children’s series of its time.

Disney Land, An Enduring Legacy: 1955-1966. Never satisfied with zoos, circuses, and the like, Disney observed that such venues entertained children, leaving adults standing idly by. Also eager to venture beyond movies and television, Disney led an expansion into uncharted territory. And so he designed Disneyland, where parents and children could have fun together.

The gates opened to Disneyland – the world’s first “theme park” – in Anaheim, California, in July of 1955. It was an immediate sensation, and has attracted hundreds of millions of visitors from all reaches of the globe. It continues to thrive today.

Disney continued to produce successful pictures, including “Mary Poppins,” during the balance of the 1950's and early 1960's. Walt Disney died in December of 1956.

Fulfilling a Vibrant Vision: 1967-1980. Walt left stewardship of the company in the hands of his brother, Roy Disney. He also left Roy a blueprint to execute ideas he had yet to see to fruition. Roy gave that vision life through “The Jungle Book” in 1967, and “The Love Bug” in 1969. But Walt had bigger plans in store for Roy. Prior to Walt’s death, he’d directed the purchase of 28,000 acres outside Orlando, Florida. His intent was both simple and ornate: the Disneyland he had always wanted to build, unencumbered by a dense and sprawling metropolis.

Walt Disney World opened in 1971. Roy Disney died shortly thereafter, having led the realization of his brother’s vision. The park featured “The Magic Kingdom” in the mold of Disneyland. It surrounded that bedrock with hotels, campgrounds, water parks, golf courses, shopping villages, and more to create a robust destination resort. Perhaps most importantly, in 1979 it brought to life one of Walt’s last plans: the Experimental Prototype Community of Tomorrow (“EPCOT”).

Times of Change: 1980-1999. As moviemaking and television changed dramatically, Disney evolved its business considerably to succeed in the new paradigm, including these events:

- Launch of cable network, The Disney Channel in 1983.
- Establishing a new label, Touchstone Pictures, in 1984.
- New management; Michael Eisner takes the reigns.
- Return to network television with “The Wonderful World of Disney” in 1986.
- Syndication of Disney films.

- Reinvigorated animated features, including “The Little Mermaid” (1990), “Beauty and The Beast” (1991), “Aladdin” (1992), and “The Lion King” (1996) the success of which reasserted Disney’s dominance in animation.
- Expanding lineup of network television shows, including “Live With Regis & Kathy Lee” and “Home Improvement.”
- The ground-shifting \$19 billion acquisition of Capital Cities/ABC in 1996, bring to Disney the top rated TV network in the U.S., 10 additional TV stations, 21 radio stations, seven daily newspapers, and ownership positions in four additional cable networks.
- Sports ventures, including its 1994 acquisition of the National Hockey League’s franchise, The Mighty Ducks, its 1997 acquisition of the Major League Baseball’s Anaheim Angels, and the addition of Disney’s “Wide World of Sports” to Walt Disney World.

Millennial Disney: 2000-2014. At the turn of the century, for the first time, Disney crossed the \$25 billion threshold. The company enjoyed continued success through collaborations with Pixar, which produced blockbusters including “Monsters Inc.,” “Finding Nemo” and “Toy Story.”

The year 2005 marked Disneyland’s 50th Anniversary, as well as the unveiling of Hong Kong Disney Land. Shortly thereafter, CEO Eisner passed the torch to Robert A. Iger. Without interruption in hit movies and TV shows, in 2009, Disney acquired Marvel Entertainment. Four years later, Disney acquired LucasFilm, and with it, the rights to the highly coveted Star Wars saga.

Disney Today. The Magic Kingdom had a lot to celebrate in 2015. The Disney Corporation had its most profitable year ever, with profits of \$7.5 billion – up 22 percent from the previous year, 2014. Disney’s stock price is up approximately 150 percent over the past three years.¹² These kinds of results have paid off handsomely for its CEO Bob Iger, who took home \$46.5 million in 2014, and \$45 million in 2015.¹³

Disney prides itself on its recipe for “delighting customers,” a recipe it says includes putting employees first. They tout this as a key to their success in creating “a culture where going the extra mile for customers comes naturally” for employees. One method of creating this culture is referring to its employees as “cast members.” In fact, Disney is so proud of its organizational culture that it has even created an institute to share its magic with other businesses (for a consulting fee, of course).¹⁴

“The Walt Disney Company, together with its subsidiaries, is a diversified worldwide entertainment company with operations in five business segments: Media Networks, Parks and Resorts, Studio Entertainment, Consumer Products and Interactive. In June 2015, the Company announced the combination of its Consumer Products and Interactive segments into a single segment.”¹⁵

The H-1B Visa: Fundamentals and Recent Controversy

Intent, Requirements, and Use

Initially introduced by the Immigration and Nationality Act of 1965, subsequent modifications produced the current iteration of the H-1B visa program in 1990. Importantly, at that time, the United States faced a shortage of skilled workers necessary to fill highly technical jobs.¹⁶ Enter the H-1B visa program as the solution. This program permits U.S. employers to temporarily employ foreign workers in highly specialized occupations. “Specialty Occupations” are defined as those in the fields of architecture, engineering, mathematics, science, medicine, and others that require technical and skilled expertise.¹⁷

Congress limited the number of H-1B visas issued to 85,000 per year. That total is divided into two subcategories: “65,000 new H-1B visas issued for overseas workers in professional or specialty occupation positions, and an additional 20,000 visas available for those with an advanced degree from a U.S. academic institution.”¹⁸ Further, foreign workers are not able to apply for an H-1B visa. Instead, a U.S. employer must petition on their behalf no earlier than six months before the starting date of employment.¹⁹

In order to be eligible for an employer to apply a foreign worker for an H-1B visa, the worker must meet these requirements:

1. Employee-employer relationship with the petitioning U.S. employer.
2. A position in a specialty occupation related to the employee’s field of study, where the employee must meet one of the following criteria: a bachelor’s degree or the foreign equivalent of a bachelor’s degree, a degree that is standard for the position, or previous qualified experience within the specialty occupation.
3. Salary meets or exceeds the higher of the actual or prevailing wage for the occupation.²⁰

If approved, the initial term of the visa is three years, which may be extended an additional three years. While residing in the U.S. on an H-1B visa, a worker may apply to become a permanent resident and receive a Green Card, which would entitle the worker to remain indefinitely.

Current Controversy

U.S. employers are required to file a Labor Condition Application (LCA) on behalf of each foreign worker they seek to employ. That application must be approved by the U.S. Department of Labor. The LCA requires the employer to attest to the truth of the following statements:

1. The foreign worker will be paid a wage that meets or exceeds the local prevailing wage and will receive the same benefits offered to U.S. workers.
2. The foreign worker will not displace a U.S. worker in the employer's workforce, and the employer recruits and hires U.S. workers of equal or better qualifications.
3. The working conditions for the foreign worker will be equivalent to workers similarly employed.²¹

Given these representations, U.S. employers have increasingly been criticized for abuse of the H-1B program. Most significantly, there is rising sentiment that U.S. employers are displacing domestic workers in favor of cheaper foreign labor. Research indicates that a U.S. worker's salary for these specialty occupations often exceeds \$100,000, while that of a foreign worker is roughly \$62,000 for the very same job.²² The latter figure is telling, since \$60,000 is the threshold below which a salary would trigger a penalty.

In the past decade, hundreds of U.S. companies have utilized the H-1B visa program to reduce labor costs. In fact, the practice has become sufficiently popular to require a lottery system to award the visas, since demand far outstrips supply.²³

In 2013, the top five U.S. employers of H1-B visa workers were Accenture, Cognizant, Infosys, Tech Mahindra, and Wipro. Those companies paid the foreign workers a median salary of \$64,000. Other notable U.S. firms with large numbers of H-1B visa workers include IBM, Microsoft, Amazon, and Apple.²⁴ These companies typically partner with major outsourcers, who recruit talent, primarily from India.

In this instance, Disney partnered with HCL America to procure foreign talent to replace American IT workers. Disney has repeatedly said that it has used the H-1B visa system in good faith. To the extent that it abided by the letter of the law, however, at least some public representatives believe that it has not adhered to its spirit. Senator Chuck Grassley of Iowa summarized the criticism:

“The program was intended to serve employers who could not find the skilled workers they needed in the United States. Most people believe that employers are supposed to recruit Americans before they petition for an H-1B worker. Yet, under the law, most employers are not not required to prove to the Department of Labor that they tried to find an American to fill the job first . . . Over the years the

program has become a government-assisted way for employers to bring in cheaper foreign labor, and now it appears these foreign workers take over – rather than complement – the U.S. workforce.”²⁵

Complicating Circumstances

Disney CEO Bob Iger is a co-chairman (among eight) of the Partnership for a New American Economy, a group supporting an increase in the H-1B visa cap. This partnership was a sponsor of an April, 2015 H-1B congressional briefing, which was closed to the press. One document disseminated at the briefing claimed that: “H-1B workers complement – instead of displace – U.S. Workers.” A blogger obtained a copy of the document. (See Appendix B: Facts You Can Use to Prove that High-Skilled Immigration is Good for America’s Workforce and Economy.)

To support what might strike some as a dubious claim, the document rationalized that US employers hire foreign workers for “more technical and low-level jobs, firms are able to expand,” allowing domestic workers “to assume managerial and leadership positions.”

Disney Confronts Intense Backlash to Layoffs

For Disney, the blowback began in *The New York Times* on June 3, 2015. The paper’s immigration correspondent, Julia Preston, wrote a hard-hitting piece entitled, “Pink Slips at Disney. But First, Training Foreign Replacements.”²⁶ The article included quotes from laid-off employees, as well as scrutiny of Disney’s use of the H-1B visa system.

The *Times* article ignited a controversy the magnitude of which Preston had not foreseen: “The raw nerve this article touched surprised me,” Preston explained. She continued, “Millions of people read it, and more than 3,000 commented on the article and related blog-post.” In fact, famed actress and singer Bette Midler retweeted the article and encouraged her followers to take a closer look: “But be sure to read the comments. Whew.”²⁷

Preston’s article elicited more than 2,800 comments from readers, most of whom were highly critical of Disney. In a follow up piece, *The New York Times* highlighted several reader comments as illustrative of the larger sample:

- **Cindy from Baltimore:** “Disney? The fairytale is over.”
- **George Peng of New York:** “We speak a lot in this country about teamwork, esprit de corps, patriotism, group identity, all in the context of American exceptionalism. But what we’re really good at is ignoring those lofty ideals and chasing the dollar.”
- **Cyndy of Los Angeles:** “What is disheartening is that the stock and earnings are at a record high. Disney is an example of profits over people.”

- **Cynico213 of Texas:** “The sole objective is to get minions to design and make widgets for less money. THIS is the true immigration crisis.”
- **J.D. of New York:** “Instead of having immigrants that are entrepreneurial and eager to earn citizenship, this system seems to bring in indentured workers.”
- **Jeff from Washington, D.C.:** “Don’t buy tickets to their movies or theme parks, and don’t watch their ABC/ESPN content on TV. Who’s with me?”
- **Joe Smith from Chicago:** “As soon as I log off here I am selling my stock.”

The media piled on following publication of that article. Significantly, if there is an editorial taking anything but a critical approach towards Disney’s conduct in this instance, it is no simple task to locate, and in any case finds itself in the vast minority. Excerpts from the following editorials represent the general tenor of media opinion on the matter.

The Dallas Morning News

“ I suspect that Disney isn’t the only corporation trying to turn the guest-worker concept on its head and use the H-1B program to lay off qualified Americans, then replace them with cheaper workers placed by outsourcing contractors like Infosys, Tata Consultancy Services and HCL America (in Frisco and Houston)– each of which take advantage of H-1B visas to import workers for U.S. jobs. But Disney is the first high-profile employer – one that made its name by waving the flag and portraying itself as an integral part of the American fabric – to be outed [sic]. And they should be embarrassed into reversing course immediately.”²⁸

The Tampa-Bay Times

“The companies [Disney and Southern California Edison] are the latest among a growing number of American businesses that shamelessly exploit federal law to boost profits . . . Federal regulators should hold offending companies to account by levying steep penalties for violators or revoking their right to hire H-1B employees.”²⁹

The Journal Times

“A visa program known as H-1B provides a limited number of temporary visas . . . to fill jobs in American companies when American workers are not available. A lack of available workers was not the case at The Magic Kingdom. . . The intention of H-1B is to fill skilled-worker gaps that already exist, not to help companies increase profits after they’ve deliberately created a skilled-worker gap.”³⁰

NJ.com

“ Now might be a good time to cancel that trip to Disneyland. In this climate of economic uncertainty, the corporate giant just shamelessly exploited a loophole in our immigration law to import cheap foreign workers to replace its American staff.”³¹

Disney Responds

Disney executives framed the layoffs as part of a larger plan of reorganization intended to enable its IT division to focus on driving innovation. Walt Disney World spokesperson, Jacquee Wahler gave the following explanation:

“We have restructured our global technology organization *to significantly increase our cast member focus on future innovation and new capabilities*, and are continuing to work with leading technical firms to maintain our existing systems as needed.”³² (Italics added for emphasis.)

That statement is consistent with a leaked memo drafted by Disney Parks and Resort CIO Tilak Mandadi, which he sent to select employees on November 10, 2014 (not including those whom would be laid off) to explain the rationale for the impending lay-offs. The memo read, in part, as follows:

“To enable a majority of our team to *shift focus to new capabilities*, we have executed five new managed services agreements to support testing services and application maintenance. Last week, we began working with both our internal subject matter experts and the suppliers to start transition planning for these agreements. We expect knowledge transfer to start later this month and last through January. Those Cast Members who are involved will be contacted in the next several weeks.”³³

Responding to the critical *New York Times* article, Disney represented that when all was said and done, the company had in fact produced a net jobs increase.³⁴ According to Disney spokesperson, Kim Prunty:

“Disney has created almost 30,000 new jobs in the U.S. over the past decade, and the recent changes to our parks’ IT team resulted in a larger organization with 70 additional in-house positions in the U.S. External support firms are responsible for complying with all applicable employment laws for their employees.”³⁵

Blacklisting Laid Off Workers?

New jobs were promised due to the restructuring, Disney officials said, and employees targeted for termination were pushed to apply for those positions.³⁶ According to a confidential Disney source, of the approximately 250 laid-off employees, 120 found new jobs within Disney, 40 took early retirement, and 90 were unable to secure new jobs with Disney.³⁷

Former workers, however, claim to know of few coworkers who have landed any such position within the company. Whatever the results, in light of the outcry, the public assumption was that Disney would be eager to help affected workers secure other employment. “Not so,” said one of the workers, who chose to maintain anonymity while seeking legal counsel. Quite to

the contrary, the worker alleged that Disney had put himself and his colleagues on a “black list” that disqualified them from employment with contractors who work with Disney. An e-mail from the recruiting firm that attempted to place the worker explains Disney’s policy:

“Any Disney employee who leaves Disney or has a contract end (after being on 18 months) unless it is a unique circumstance, has to wait a certain amount of time before they can be eligible for rehire. Usually that time frame is a year to a year and a half. In this situation it was, indeed, a year.”³⁸

Asked to comment about the alleged blacklist, a Disney spokeswoman denied that such a policy was then in existence, claiming that the recruiting firm had given the laid off worker inaccurate information. She continued, via e-mail:

“[W]hen employees leave for other reasons, based on the situation, there could be a break required before the person is able to return to the same function . . . But in those situations, the person is able to return immediately in a different capacity.”³⁹

Pressed by a reporter as to whether such a policy had previously been in place, the spokeswoman stopped responding. Several days later, she responded to the effect that there had not ever been a policy in place that prevented contractors from hiring applicants in the position of the laid-off workers.⁴⁰

Investigations Make Headlines

A day after the original *New York Times* article about the Disney Layoffs, on June 4, 2015, Florida Senator, Bill Nelson drafted a letter to Homeland Security Secretary, Jeh Johnson, urging him to investigate “potential misuses” of the H-1B visa program. In the letter, Senator Nelson focused on ensuring adherence to the original purpose of the program, which, in his words, “was created to help fill jobs when there were labor shortages, not to take jobs away from anyone.” Disney declined to comment on the Senator’s letter.⁴¹

On June 11, 2015, Illinois Senator Richard Durbin and Alabama Senator Jeffrey Sessions released a statement regarding a bipartisan letter issued to the Attorney General, the Department Homeland Security, and the Department of Labor.

“A number of U.S. employers, including some large, well-known, publicly-traded corporations, have laid off thousands of American workers and replaced them with H-1B visa holders To add insult to injury, many of the replaced American employees report that they have been forced to train the foreign workers who are taking their jobs. That’s just plain wrong and we’ll continue to press the Administration to help solve this problem.”⁴²

On July 7, 2015, *The Daily Caller* reported that The Department of Labor had commenced

investigations of Disney after having received several formal complaints from laid-off workers.⁴³ According to the report, Department of Labor personnel reached out to the former Disney workers to conduct phone interviews regarding names of displaced employees as well as typical salaries for the positions. Disney declined to comment on the report.

Lesson Learned?

On June 17, 2015, Disney cancelled plans to replace additional employees (reportedly, 30 IT workers) with professionals from Cognizant Technology Solutions, which imports a large roster of Indian technology workers.⁴⁴ Disney provided very little detail on its rationale for the change in direction. Disney/ABC Spokesman Kevin Brockman explained:

“In the course of making any technology upgrade, we look at myriad options to achieve our goals. We’re clearly on an alternative path to achieve those goals that we think is better suited to our business.”⁴⁵

Before the sudden change of course, employees at risk of losing their jobs in the layoffs reported that they had been solicited to assist with training their replacements.

Legal Proceedings & Congressional Hearings: Disney Layoffs Story Gets More Juice

On January 13, 2016, two former Disney workers filed a lawsuit against Disney, filed civil RICO claims alleging that Disney and two IT consulting companies colluded to replace them with cheaper, foreign workers.⁴⁶ (*See*: Appendix C, Leo Perrero vs. HCL Inc., and Walt Disney World and Dena Moore vs. Cognizant Technology Solutions and Walt Disney World)

Little more than a week later, on January 25, 2016, a headline in *The New York Times* read, “Lawsuits Claim Disney Colluded to Replace U.S. Workers with Immigrants.” Disney issued the following statement in response to the article, criticizing the plaintiffs as well as *The New York Times*:

“These lawsuits are based on an unsustainable legal theory and are a wholesale misrepresentation of the facts. Contrary to reports, Ms. Moore was offered another position in the company at comparable pay, and more than 100 of the workers affected by the changes were rehired. Hundreds of employers use the H-1B visa program, including *The New York Times*, whose current CEO is working in the U.S on an H-1B visa – a fact that it regularly fails to disclose in its reporting.”⁴⁷

And in late February of 2016, the fallout from Disney’s job displacement scandal showed few signs of dissipating any time soon. Indeed, in perhaps the most emotionally charged account of the layoffs yet, on February 25, 2016, Leo Perrero testified before a Senate Panel regarding

Disney’s exploitation of the H-1B visa program.⁴⁸ During his testimony, Perrero recounted his

experience training the foreign workers.

“We noticed that the foreign workers requested that we keep going over the same basic concepts, over and over. How would they take over our jobs when they were so inexperienced and slow to grasp the basics, we wondered?”

To Perrero, it seemed clear that Disney was “going to simply cast us aside for their financial benefit.” Fighting off tears as he recalled the meeting during which he received the bad news from Disney management, Perrero summed up its consequences.

“That day, 20 years of hard work, a bachelor’s degree in Information Technology, and an IT job for Disney were all over when my team, along with hundreds of others, were displaced by a less-skilled foreign work force imported into our country using the H-1B visa program How do I explain to my young children to follow their dreams and find a job that they love? I followed my dream of having a career in technology to have my very same desk, chair, and computer all taken over by a foreign worker who was just flown in to America weeks before.”⁴⁹

A Failure to Communicate?

In response to request for comment on the communications issues raised by the Disney layoffs and aftermath, *New York Times* columnist Julia Preston shared the following, exclusive analysis:

“I would say Disney’s handling of those lay-offs is a case study in how not to do things. But in the end it’s not about the communications, it’s about the company. Those layoffs showed a company that was not living up to its core vaunted family values and no amount of shouting by their communications folks could change the facts of what happened.”⁵⁰

References

¹ DisneyDreamer.com, Walt Disney Quotes, available at <<http://www.disneydreamer.com/walt/quotes.htm>>

² Vargas, Rebecca, *EXCLUSIVE: Former Employees Speak Out About Disney's Outsourcing of High-Tech Jobs*, WWSB ABC 7 (Oct. 28, 2015), available at <http://www.mysuncoast.com/news/local/exclusive-former-employees-speak-out-about-disney-s-outsourcing-of/article_d8867148-7d8c-11e5-ae40-fb05081380c1.html>

³ Boyle, Mathew, *Ahead of GOP Debate, Two Ex-Disney Workers Displaced by H1B Foreigners Speak Out for First Time*, Breitbart.com (October 28, 2015) available at <<http://www.breitbart.com/big-government/2015/10/28/ahead-of-gop-debate-two-ex-disney-workers-displaced-by-h1b-foreigners-speak-out-for-first-time>>

⁴ *Ibid.*

⁵ DisneyDreamer.com, Walt Disney Quotes, available at <<http://www.disneydreamer.com/walt/quotes.htm>>

⁶ Preston, Julia, *Pink Slips at Disney. But First, Training Foreign Replacements*, The New York Times (June 3, 2015). <<http://www.nytimes.com/2015/06/04/us/last-task-after-layoff-at-disney-train-foreign-replacements.html>>

⁷ *Ibid.*

⁸ *Ibid.*

⁹ *Ibid.*

¹⁰ Roe, Jason, Take One, The Kansas City Public Library. Missouri Valley Special Collections. <<http://www.kclibrary.org/blog/week-kansas-city-history/take-one>>

¹¹ Unless otherwise noted, all facts referenced in this section have been obtained from the following source: The Walt Disney Company, *History of Disney*, available at <<https://thewaltdisneycompany.com/about/>>

¹² Google Finance, *Summary for Walt Disney Co. (DIS)*, available at <<https://www.google.com/finance?cid=38249>>

¹³ Fritz, Ben, *Disney's CEO's Compensation Worth \$46.5 million*, The Wall Street Journal (January 16, 2015), available at <<http://www.wsj.com/articles/disney-ceo-robert-igers-compensation-worth-46-5-million-1421449515>> (Note: This represents a 35% YoY increase.)

¹⁴ Jones, Bruce, *et. al.* The Secret To Delighting Customers? Put Employees First, Disney Institute, Jan. 16, 2014 <<https://disneyinstitute.com/blog/2014/01/the-secret-to-delighting-customers-put-employees-first/233/>>

¹⁵ The Walt Disney Company 2015 Annual Report to Shareholders. Page 1 <<https://ditm-twdc-us.storage.googleapis.com/2015-Annual-Report.pdf>>

¹⁶ Sandra Pedicini, *Tech Workers File Lawsuits Against Disney Over H-1B Visas*, Orlando Sentinel, published January 25, 2016, accessed February 6, 2016, available at <<http://www.orlandosentinel.com/business/os-disney-h1b-visa-lawsuit-20160125-story.html>>

¹⁷ "H-1B Visa," *workpermit.com*, accessed February 6, 2016, <http://www.workpermit.com/us/us_h1b.htm>

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ U.S. Citizenship and Immigration Services, *Understanding H-1B Requirements*, accessed February 6, 2016, available at <<https://www.uscis.gov/eir/visa-guide/h-1b-specialty-occupation/understanding-h-1b-requirements>>

²¹ Labor Condition Application for Nonimmigrant Workers, ETA Form 9035 & 9035E, U.S. Department of Labor, accessed February 8, 2016, available at <https://www.foreignlaborcert.doleta.gov/pdf/eta_form_9035.pdf>

²² Vargas, Rebecca, *EXCLUSIVE: Former Employees Speak Out About Disney's Outsourcing of High-Tech Jobs*, WWSB ABC 7 (Oct. 28, 2015), available at <http://www.mysuncoast.com/news/local/exclusive-former-employees-speak-out-about-disney-s-outsourcing-of/article_d8867148-7d8c-11e5-ae40-fb05081380c1.html>

²³ *What is H1B Visa Lottery Process? What has USCIS Done that in past?* RedBus2us.com, accessed May 4, 2016, available at <<http://redbus2us.com/what-is-h1b-visa-lottery-process-what-has-uscis-done-that-in-past/>>

- ²⁴ Snyder, Bill, *The Fix is in: Proof that H-1B Visa Abuse is Rampant*, InfoWorld, (Nov. 12, 2015), available at <http://www.infoworld.com/article/3004501/h1b/proof-that-h-1b-visa-abuse-is-rampant-in-tech.html>>
- ²⁵ Grassley, Charles, *Immigration Reforms Needed to Protect Skilled American Workers*, Prepared Statement by Senator Chuck Grassley of Iowa, (Mar. 17, 2015), available at <http://www.judiciary.senate.gov/imo/media/doc/03-17-15%20Grassley%20Statement1.pdf>>
- ²⁶ Preston, Julia, *Pink Slips at Disney. But First, Training Foreign Replacements*, *The New York Times* (June 3, 2015). <<http://www.nytimes.com/2015/06/04/us/last-task-after-layoff-at-disney-train-foreign-replacements.html>>
- ²⁷ Preston, Julia, *Disney Has No Comment on the Recent Reversal of Layoffs* (June 23, 2015) *The New York Times*, <<http://www.nytimes.com/times-insider/author/julia-preston/>> and Moore, Lela, *Disney Layoffs and Immigrant Replacements Draw Deluge of Comments*, *The New York Times*, (June 5, 2015) available at <http://www.nytimes.com/times-insider/2015/06/05/disney-layoffs-and-immigrant-replacements-draw-deluge-of-comments/?_r=0>
- ²⁸ Robberson, Tod, *Mickey Mouse Operation: Disney Uses H-1B Visa Program to Hire Tech Experts, Fire American*, Opinion Blog, *The Dallas Morning News* (June 5, 2015), available at, <<http://dallasmorningviewsblog.dallasnews.com/2015/06/mickey-mouse-operation-disney-uses-h-1b-visa-program-to-hire-tech-experts-fire-americans.html>>
- ²⁹ *Editorial: Crack Down on Abuse of Visas for High-Tech Workers*, Tampa Bay Times (June 9, 2015), available at <<http://www.tampabay.com/opinion/editorials/editorial-crack-down-on-abuse-of-visas-for-high-tech-workers/2232982>>
- ³⁰ Journal Times Editorial Board, *Disney Shouldn't Get to Use Immigration Loophole for Outsourcing*, *The Journal Times* (June 8, 2015), available at <http://journaltimes.com/news/opinion/editorial/journal-times-editorial-disney-shouldn-t-get-to-use-immigration/article_6661457d-eba4-5b7c-9b99-c46297d34f6f.html>
- ³¹ Star-Ledger Editorial Board, *New Theme at Disneyland: Fire the American Worker*, NJ.com (June 8, 2015) available at <<http://www.nj.com/opinion/index.ssf/2015/06/new-theme-at-disneyland-fire-the-american-worker-e.html>>
- ³² Thibodeau, Patrick, *Fury Rises at Disney Over Use of Foreign Workers: A Restructuring and H-1B Use Affect the Magic Kingdom's IT operations*, ComputerWorld (April 29, 2015), available at, <<http://www.computerworld.com/article/2915904/it-outsourcing/fury-rises-at-disney-over-use-of-foreign-workers.html>>
- ³³ Ibid.
- ³⁴ McIlvaine, Andrew, *Disney World's H-1B Controversy*, HRE Daily (June 4, 2015), available at <<http://blog.hreonline.com/2015/06/04/disneys-h1b-controversy/>>
- ³⁵ Ibid.
- ³⁶ Thibodeau, Patrick, *Fury Rises at Disney Over Use of Foreign Workers: A Restructuring and H-1B Use Affect the Magic Kingdom's IT operations*, ComputerWorld (April 29, 2015), available at, <<http://www.computerworld.com/article/2915904/it-outsourcing/fury-rises-at-disney-over-use-of-foreign-workers.html>>

- ³⁷ McIlvaine, Andrew, *Disney World's H-1B Controversy*, HRE Daily (June 4, 2015), available at <http://blog.hreonline.com/2015/06/04/disneys-h1b-controversy/>>
- ³⁸ Stoltzfoos, Rachel, *Disney Blacklisted Displaced American Workers*, The Daily Caller (June 9, 2015) available at, <http://dailycaller.com/2015/06/09/disney-blacklisted-displaced-american-workers>>
- ³⁹ *Ibid.*
- ⁴⁰ *Ibid.*
- ⁴¹ <Preston, Julia, *Senator Seeks Inquiry Into Visa Program Used at Disney*, *The New York Times*, (June 4, 2015), available at <http://www.nytimes.com/2015/06/05/us/politics/senator-bill-nelson-seeks-inquiry-into-disney-world-immigrant-hiring.html>>
- ⁴² May, Caroline, *Sessions, Durbin: Department Of Labor Has Launched Investigation Into H-1B Abuses*, Breitbart.com (June 11, 2015), available at <<http://www.breitbart.com/big-government/2015/06/11/sessions-durbin-department-of-labor-has-launched-investigation-into-h-1b-abuses/>>
- ⁴³ Stoltzfoos, Rachel, *Feds Investigate Disney, HCL America Over January Layoffs*, The Daily Caller (July 7, 2015), available at <<http://dailycaller.com/2015/07/07/feds-investigate-disney-hcl-america-over-january-layoffs/#ixzz41DY4x8Dy>>
- ⁴⁴ Hsu, Tiffany, *Disney Reverses Plan to Replace Tech Employees with Outsourced Workers*, *The LA Times* (June 17, 2015), available at <<http://www.latimes.com/business/la-fi-disney-technology-h1b-20150617-story.html>>
- ⁴⁵ *Ibid.*
- ⁴⁶ Preston, Julia, *Lawsuits Claim Disney Colluded to Replace U.S. Workers with Immigrants*, *The New York Times* (Jan. 25, 2016) available at <<http://www.nytimes.com/2016/01/26/us/lawsuit-claims-disney-colluded-to-replace-us-workers-with-immigrants.html>>
- ⁴⁷ May, Caroline, *Suit Alleges Disney Conspired to Replace American Workers with Foreigners*, Breitbart.com (Jan. 25, 2016) available at <<http://www.breitbart.com/big-government/2016/01/25/suit-against-alleges-disney-conspired-to-replace-american-workers-with-foreigners/>>
- ⁴⁸ Giaritelli, Anna, *Displaced Worker Dishes Dirt on Disney's H-1B Layoffs*, *The Washington Examiner* (Feb. 25, 2016), available at <<http://www.washingtonexaminer.com/displaced-worker-dishes-dirt-on-disneys-h-1b-layoffs/article/2584245>>
- ⁴⁹ *Ibid.*
- ⁵⁰ Email from Julia Preston, National Immigration Correspondent, The New York Times, to Bryan Shannon, co-author of this case study, dated February 10, 2016.

Appendix A: Letter to Laid-Off Disney IT Workers. Source:
<<http://www.nytimes.com/2015/06/04/us/last-task-after-layoff-at-disney-train-foreign-repla>>

cements.html>

Dear [REDACTED]

As you are aware, Walt Disney Parks and Resorts U.S., Inc. (hereinafter the "Company") made the difficult decision to eliminate certain positions, including yours, from the Technology organization. As a result, you will be separated from the Company on or about January 30, 2015. In an effort to ensure that you remain with the Company through the transition period, the Company is prepared to offer you the following stay bonus:

In addition to your regular salary and benefits, if you remain an employee in good standing with the Company, through the date you are separated by the Company as a result of the transition of your work to a managed service provider (hereinafter the "Separation Date"), and you do not find or accept a position at a different location within the Company, or with any of its subsidiaries, affiliates, divisions or related entities, you will receive a lump sum payment equal to 10% of your base salary as of your separation date, less applicable withholdings and deductions. The Company currently anticipates that the Separation Date will be on or about January 30, 2015. The Separation Date, however, is subject to change by the Company in its sole and absolute discretion.

This stay bonus, of course, is contingent upon your continued satisfactory performance of your job duties and responsibilities through the Separation Date, and the stay bonus shall be in addition to any benefits to which you might otherwise be entitled pursuant to and in accordance with the terms of the Disney Severance Pay Plan with respect to the elimination of your position.

Appendix B: Facts You Can Use To Prove That High-Skilled Immigration is Good for America's Workforce and Economy. Source:

America Faces Scarcity in STEM Fields

- **There are more STEM job openings than unemployed STEM workers:** From 2009 to 2011, 1.9 STEM jobs were posted online for every unemployed STEM worker looking for work in the United States.⁹
- **Employers report difficulty hiring:** More than one quarter of science and engineering firms report difficulty hiring.⁹
- **Jobs requiring STEM knowledge take significantly longer to fill:** Nationally, 43 percent of job vacancies for STEM occupations with H-1B requests were still posted after one month, as opposed to 38 percent of vacancies in non-STEM occupations requiring a bachelor's degree, and 32 percent of non-STEM vacancies.¹⁰
- **As STEM fields grow, this problem will likely get worse:** STEM occupations will see the fastest growth of any field between 2010 and 2020.¹¹ By 2018, the United States will face a shortage of more than 223,000 people in STEM fields.¹²
- **Recent STEM wage growth indicates a scarcity in STEM fields:** Wages are increasing for STEM jobs requiring higher levels of education, indicating the demand for qualified workers is greater than supply,¹³ and across the country, high-tech workers have seen notable wage increases in recent years.¹⁴
- **Employment data indicates a scarcity in STEM fields:** In 2011, while the national unemployment rate hovered at about 8 percent nationwide, U.S. citizens with PhDs in STEM had an unemployment rate of 3.2 percent, and those with master's level degrees in STEM fields had an unemployment rate of 3.4 percent.¹⁵ For many STEM occupations, including computer engineers, chemists, and network and computer systems administrators, there is full employment for native-born workers.¹⁶
- **The medical sector is particularly hard hit by the scarcity in STEM fields:** Researchers project that demand for physicians will exceed supply by a range of 46,000 to 90,000 by 2025,¹⁷ and that the United States will face a nursing shortage of 808,416 – or 29 percent of the needed supply – by 2020.¹⁸

Immigrants Can Help Fill STEM Shortages in America

- **Too few U.S. students are pursuing STEM degrees:** The number of U.S. students pursuing STEM degrees is growing by just 1 percent per year.¹⁹
- **Immigrants are more likely to study STEM than the native-born:** During the decade between 2002-2003 and 2011-2012, just 2 percent of graduate degrees earned by U.S. citizens and green card holders were in STEM, compared to 23 percent of graduate degrees earned by foreign students in U.S. universities.²⁰
- **Immigrants can fill shortages in the medical sector:** In the healthcare industry, immigrants are more than twice as likely to be physicians and surgeons as the native-born.²¹ In 2012, more than 24 percent of America's physicians were international medical graduates, a population that is overwhelmingly foreign-born.²²

Immigrants Contribute to America's Economy as Entrepreneurs

- **Immigrants are driving new business growth in the United States:** Immigrants started 28 percent of all new U.S. businesses in 2011, despite accounting for just 12.9 percent of the U.S. population.²³
- **Immigrants have created many of America's greatest companies:** Immigrants and their children have founded 40 percent of Fortune 500 companies.²⁴

- **Immigrant-owned businesses make huge contributions to America's GDP:** Immigrant-owned businesses generated more than \$775 billion in revenue for the economy in 2011.²⁵
- **Immigrant-owned businesses are employing millions of workers:** Businesses owned by Latinos and Asians employ 4.7 million workers a year.²⁶ In 2011, one in every 10 U.S. workers at a privately owned company was working for an immigrant-owned business.²⁷
- **Immigrants are far more entrepreneurial than their native-born counterparts:** Immigrants are more than twice as likely to start a business as the native-born.²⁸ In 2012, 11.7 percent of Hispanic immigrants were entrepreneurs, compared to 10 percent of the U.S. population.²⁹
- **Immigrants start a quarter of engineering and technology companies in the United States:** Between 2006 and 2012, 24.3 percent of the engineering and technology companies founded in the United States had at least one immigrant founder. In Silicon Valley, that rate was 43.9 percent. Nationwide, these companies employed about 560,000 workers and generated \$63 billion in sales in 2012.³⁰

Immigrants Contribute to America's Economy as Innovators

- **Immigrants are inventing the products that will drive innovation over the coming decades:** In 2011, more than 3 out of every 4 patents awarded to the top 10 U.S. patent-producing universities had at least one foreign-born inventor.³¹
- **These inventions are growing our economy:** In FY 2010, the top 10 U.S. patent producing universities earned nearly \$450 million in patent licensure revenue.³² Immigrant patent innovations between 1990 and 2000 grew U.S. GDP by 2.4 percent.³³
- **H-1B visa holders encourage innovation:** A 10 percent growth in the firm's H-1B population corresponds with a 3.3 percent increase in the number of patents awarded to the firm, keeping U.S. businesses innovative and ahead of the pack in competitive global economy.³⁴

Immigrants Do Not Depress U.S.-Born Worker Wages — And In Fact, Often Boost Them

- **Foreign-born STEM workers are paid the same, if not more, than their U.S.-born counterparts:** Foreign-born STEM workers actually earn \$61 more on average per week than U.S.-born STEM workers.³⁵
- **Immigrants increase average U.S. income over time:** From 1990 to 2007, immigration to the United States was associated with a 6.6 percent to 9.9 percent increase in real income per worker.³⁶ Researchers have found that foreign-born STEM workers coming to the United States may explain between 10 and 25 percent of the aggregate productivity growth that took place in the United States between 1990 and 2010.³⁷ In the long run, immigrants' productivity increases average income.³⁸
- **H-1B visa holders increase wages for American workers:** A nationwide study of 219 cities found that H-1B-driven increases in STEM workers were associated with wage increases of 7 to 8 percent for college-educated native-born workers, while non-college educated workers saw a wage increase of 3 to 4 percent.³⁹
- **H-1B-dense industries experience higher than average wage growth:** Wage growth for workers in occupations with large numbers of H-1B petitions was substantially higher than for workers in low H-1B-dense occupations. For example, engineers saw their wages rise by 2.1 percent between 2009 and 2011.⁴⁰

- **The H-1B program can explain a quarter of the wage growth of U.S. college-educated workers between 1990 and 2010.** An enlargement of the H-1B program could generate an extra 2 percentage points of wage growth for highly educated natives over the following 20 years.⁴¹

U.S. Immigration Policies are Preventing Economic Growth in America

- **H-1B visa denials are costing American workers jobs and wages:** H-1B visa denials in the 2007 and 2008 H-1B visa lotteries cost U.S.-born workers as many as 231,224 tech jobs and as much as \$3 billion in aggregate annual earnings in the two years that followed.⁴²
- **Admitting more H-1B workers will improve wage growth for U.S.-born workers:** From 2005 to 2010, wages for college-educated, U.S.-born workers with computer-related jobs could have grown 3.2 percent more than they did were it not for the application denials in the 2007 and 2008 H-1B lotteries.⁴³
- **Our universities attract the best and the brightest from around the world, yet our immigration policies make it extremely difficult for these students to remain in the country after graduation:** In 2013, 56.3 percent of doctoral-level engineering students and 52.2 percent of doctoral-level math and computer science students at U.S. universities were temporary residents, a group with no clear path to stay in the United States after graduation.⁴⁴
- **Foreign-born STEM graduates are returning home after graduation to compete against us from abroad:** One in three students on a temporary student visa who earned science or engineering doctorates in 2006 were not working in the United States five years after graduation,⁴⁵ and this rate is likely increasing since immigrant visa backlogs have doubled since that time.⁴⁶

Other Countries Are Welcoming the Talent America is Turning Away

- **The United States issues far fewer employment visas than other countries:** Just 7 percent of all U.S. visas are allocated for employment visas – in other countries it's as much as 50 percent.⁴⁷
- **The United States is falling behind its competitors in welcoming global talent and international entrepreneurs:** In a recent survey of developed countries, the United States ranked second to last – ahead only of Japan, a country traditionally closed to immigrants – in terms of welcoming skilled immigrants and entrepreneurs.⁴⁸
- **Other countries are adopting policies to attract high-skilled immigrants and entrepreneurs:** Unlike the United States, many other countries – including, Germany, Australia, Canada, and Singapore – have no caps on high-skilled immigrant worker visas, clear means to legal permanent residency for these high-skilled workers, very low levels of rejection of intracompany transfer visas, and special visas for entrepreneurs. Meanwhile, the United States rejects the majority of high-skilled immigrant worker visas due to quotas.⁴⁹
- In 2010, the United States issued only 6.4 percent of visas for economic reasons, compared to the U.K.'s 33 percent. This makes the United States an outlier in relations to other developed countries.⁵⁰



Appendix C: Lawsuits (First two pages only of each lawsuit) Source of Perrero lawsuit: <<https://assets.documentcloud.org/documents/2697570/H1B0125-Perrero-Disney-Complaint.pdf>>. Source of Moore lawsuit: <<http://arstechnica.com/wp-content/uploads/2016/01/Moore.v.Disney.pdf>>

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

LEO PERRERO

CASE NO.:

PLAINTIFF,

CLASS ACTION ALLEGATIONS

vs.

JURY TRIAL DEMANDED

HCL INC.
and WALT DISNEY WORLD

DEFENDANTS.

**VERIFIED CLASS ACTION COMPLAINT AGAINST HCL Inc. AND WALT DISNEY
WORLD**

Plaintiff, LEO PERRERO ("Plaintiff"), by and through undersigned counsel, hereby brings this nationwide class action on behalf of himself and similarly situated persons, who, like Plaintiff, were caused injury by the Defendants, HCL INC. (HCL) and WALT DISNEY WORLD ("DISNEY"), and states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of the causes of action in this Complaint by virtue of:

(A) federal question jurisdiction pursuant to 28 U.S.C. Section 1331, involving an action pursuant to 18 U.S.C. Sections 1964(c), the Federal Racketeer Influenced and Corrupt Organizations Act ("RICO"). This Court has subject-matter jurisdiction over this action pursuant to 28 U.S.C. §1332;

(B) diversity jurisdiction pursuant to 28 U.S.C. Section 1332(a)(1), involving an action between citizens of diverse states with an amount in controversy in excess of seventy-five thousand dollars (\$75,000.00), exclusive of interest and costs;

(C) supplemental jurisdiction pursuant to 28 U.S.C. Section 1367(a), involving claims that are so related to claims in the action within the Court's original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution; and

2. This Court has jurisdiction over the persons of the Defendants because each Defendant either resides or transacts business within this judicial district; and each Defendant is amenable to service of process within the meaning of Federal Rule of Civil Procedure 4(e), 4(f), and 18 U.S.C. Section 1965(b).

3. Venue is proper in this district pursuant to 18 U.S.C. Section 1965 and 28 U.S.C. Section 1391 because Defendants either reside or transact business in this district or, alternatively, this district is where a substantial part of the events or omissions giving rise to the claim occurred.

PARTIES

4. Plaintiff, Leo Ferrerro, is a resident of Orlando, Florida. Class members are citizens of different states.

5. Defendant, HCL, is authorized and doing business within this judicial district.

6. Defendant, DISNEY, is authorized and doing business within this judicial district.

GENERAL ALLEGATIONS AND FACTS

7. Plaintiff satisfied all conditions precedent.

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

2016 JUN 25 11:11:53

DENA MOORE
PLAINTIFF,

CASE NO.:
6-16-CV-113-ORL-28KRS
CLASS ACTION ALLEGATIONS

Vs. *vs* JURY TRIAL DEMANDED

COGNIZANT ~~INC.~~ *TECHNOLOGY SOLUTIONS*
and WALT DISNEY WORLD

DEFENDANTS.

VERIFIED CLASS ACTION COMPLAINT AGAINST COGNIZANT ~~INC.~~ AND WALT
DISNEY WORLD

Plaintiff, DENA MOORE ("Plaintiff"), by and through undersigned counsel, hereby brings this nationwide class action on behalf of herself and similarly situated persons, who, like Plaintiff, were caused injury by the Defendants, COGNIZANT ~~INC.~~ *TECHNOLOGY SOLUTIONS* (COGNIZANT) and WALT DISNEY WORLD ("DISNEY"), and states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of the causes of action in this Complaint by virtue of:
 - (A) federal question jurisdiction pursuant to 28 U.S.C. Section 1331, involving an action pursuant to 18 U.S.C. Sections 1964(c), the Federal Racketeer Influenced and Corrupt Organizations Act ("RICO"). This Court has subject-matter jurisdiction over this action pursuant to 28 U.S.C. §1332;

(B) diversity jurisdiction pursuant to 28 U.S.C. Section 1332(a)(1), involving an action between citizens of diverse states with an amount in controversy in excess of seventy-five thousand dollars (\$75,000.00), exclusive of interest and costs;

(C) supplemental jurisdiction pursuant to 28 U.S.C. Section 1367(a), involving claims that are so related to claims in the action within the Court's original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution; and

2. This Court has jurisdiction over the persons of the Defendants because each Defendant either resides or transacts business within this judicial district; and each Defendant is amenable to service of process within the meaning of Federal Rule of Civil Procedure 4(e), 4(f), and 18 U.S.C. Section 1965(b).

3. Venue is proper in this district pursuant to 18 U.S.C. Section 1965 and 28 U.S.C. Section 1391 because Defendants either reside or transact business in this district or, alternatively, this district is where a substantial part of the events or omissions giving rise to the claim occurred.

PARTIES

4. Plaintiff, Dena Moore, is a resident of Orlando, Florida. Class members are citizens of different states.

5. Defendant, COGNIZANT, is authorized and doing business within this judicial district.

6. Defendant, DISNEY, is authorized and doing business within this judicial district.

GENERAL ALLEGATIONS AND FACTS

7. Plaintiff has satisfied all conditions precedent.