

MEMORANDUM

To: Business Law Students
From: Professor Youngman
Re: Café 24

You own and operate Café 24, a popular restaurant and bar located on Main Street, Lexington, Virginia, several blocks from the campuses of VMI and Washington & Lee. Today was the worst day of your professional life. Here's what happened:

- 2:00 PM. You received a phone call from the Center for Disease Control, informing you that your restaurant has been pinpointed as the source of a salmonella outbreak. Five patrons who ate your peanut butter cheesecake have become sick so far, and two are in intensive care.
- 3:00 PM. You received a letter from a microbrewery in Lynchburg, threatening to sue you for trademark infringement because the label for your new "Liberty Hall Lager," brewed and served on your premises, is confusingly similar to the label for its "Liberty Lager."
- 4:00 PM. You received another letter, this one from the federal Equal Employment Opportunity Commission, stating that your former hostess filed a complaint against the restaurant for religious discrimination. Your assistant manager, Joe, said he fired her last month for "performance issues", but you can't find any documentation in her file. You don't remember details, except for one incident: she showed up for her first day of work two months ago wearing a hijab-type headscarf, claiming her religious beliefs require her to wear it in public. Joe, who was managing that day, insisted that she take it off. She complied that day, but resumed wearing it for subsequent shifts.
- 5:00 PM. You noticed that your advertisement in the local newspaper for this week's special five-course *prix fixe* dinner-for-two mistakenly states the price as \$19.99 instead of \$139.99. The reservation book is full, with people apparently eager to take advantage of the deal.
- 6:00 PM. Your chef informed you that the new \$25,000 industrial freezer you just purchased last week stopped working overnight. Your frozen inventory, valued at \$38,000, is quickly spoiling. The chef has already thrown away about half of the food.
- 7:00 PM. While performing the Heimlich maneuver on a patron she thought was choking, an overzealous server broke three of his ribs. It turned out the man was merely coughing.
- 8:00 PM. You got a call telling you that your takeout delivery driver caused a three-car pileup on Route 11. He was texting a friend while driving to say that he was on his way to visit her between deliveries. All three vehicles were seriously damaged, and two people were taken to the hospitals for various injuries. One of the servers overheard your call and commented, "I guess it was only a matter of time, with his rotten driving record!"
- 9:00 PM. You heard from a patron that one of your customers, who left earlier in the evening after having quite a few drinks at the bar, crashed his car into a tree. His passenger was taken to the emergency room at Stonewall Jackson hospital and is now being flown to UVA Hospital with serious injuries.

It is now almost midnight, and the restaurant has closed. Reeling from the day's events, you call your co-owners and give them an update. You all decide to put together a report, in order to prepare for a meeting with your lawyer tomorrow:

1. Rank the events from most important to least important in terms of the potential legal liability for the restaurant and explain your rankings;
2. For each event, describe the source of that law that you think applies (federal or state, criminal or civil, statutory or common law); and
3. Describe what actions, if anything, you think you should take in response to each event.

The meeting with the lawyer will begin in approximately 30 minutes.

Rank	Event	Federal or state law?	Criminal or civil law?	Statutory or common law?	What should you do, if anything? What more do you need to know? Other thoughts?
1 (worst)					
2					
3					
4					
5					
6					
7					
8 (least)					