the Act’s benefits unless a specific exemption applies.

§ 779.202 Basic concepts of definition.

Under the definition, the “enterprise” consists of “the related activities performed * * * for a common business purpose.” All of the activities comprising the enterprise must be “related.” Activities serving a single business purpose may be related, although different, but other activities which are not related are not included in the enterprise. The definition makes clear that the enterprise includes all such related activities which are performed through “unified operation” or “common control.” This is true even if they are performed by more than one person, or in more than one establishment, or by more than one corporate or other organizational unit. Specifically included, as a part of the enterprise, are departments of an establishment operated through leasing arrangements. On the other hand, the definition excludes from the “enterprise” activities only performed “for” the enterprise rather than as a part of it by an independent contractor even if they are related to the activities of the enterprise. Also, it makes clear that a truly independent retail or service establishment does not become a part of a larger enterprise merely because it enters into certain types of franchise or collective purchasing arrangements or because it has a common landlord with other such retail establishments.

§ 779.204 Common types of “enterprise.”

(a) The single establishment business. In the simplest type of organization—the entire business ordinarily is one enterprise. The entire business activity of the single owner-employer may be performed in one establishment, as in the typical independently owned and controlled retail store. In that case the establishment and the enterprise are one and the same. All of the activities of the store are “related” and are performed for a single business purpose and there is both unified operation and common control. The entire business is the unit for applying the statutory tests. If the coverage tests are met, all of the employees employed by the establishment are employed in the enterprise and will be entitled to the benefits of the Act unless otherwise exempt.

(b) The multiunit business. In many cases, as in the typical chain of retail stores, one company conducts its single business in a number of establishments. All of the activities ordinarily are related and performed for one business purpose, the single company which owns the chain also controls the entire business, and the entire business

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