

29 C.F.R. § 779.216

Statutory construction of the terms.

The terms “unified operation” and “common control” do not have a fixed legal or technical meaning. As used in the definition, these and other terms must be given an interpretation consistent with the Congressional intention to be ascertained from the context in which they are used, the legislation of which they form a part, and the legislative history. In extending coverage of the Act on an “enterprise” basis, the Congress intended, by the 1961 and 1966 amendments to cover, among others, business organizations and chain store systems which may perform their related activities through complex business arrangements or business structures, whether they perform their activities for a common business purpose through unified operation or through the retention or exercise of control. For these reasons, the definition of the term “enterprise” is stated in broad general terms. This legislative intent is evidenced both by the statements in the Committee Reports and by the definition itself, particularly the broad references to the inclusion in the “enterprise” of “all such activities” whether performed “in one or more establishments” or “by one or more corporate or other organizational units.” When the Act was amended in 1966 the Congress further broadened coverage by redefining an enterprise engaged in commerce or in the production of goods for commerce in section 3(s). (See § 779.22.) Where the Congress intended to exclude certain arrangements or activities from the “enterprise” it did so by specific provision under the prior and amended Act.

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