

Wayne Baker and Sarah Kurtz McKinnon

Moo Cluck Moo: Serving Up More Than the Minimum Wage

“You know what that means when someone pays you minimum wage? You know what your boss was trying to say? ‘Hey, if I could pay you less, I would, but it’s against the law.’”

— Comedian Chris Rock

The Monday morning managers meeting was coming to an end, but Moo Cluck Moo restaurant owner Harry Moorhouse had one more request: He wanted his managerial staff to order lunch for the staff at the tattoo shop next door to his Dearborn Heights, Michigan, location — from another restaurant.ⁱ

It was important for Moo Cluck Moo to build good relationships with its neighbors, he said. Nevertheless, Moorhouse had another motivation — to attract drivers to Moo Cluck Moo’s delivery service. “I’m not saying we *steal* one of their drivers,” Moorhouse said. “All I’m saying is to run out there when the driver gets here to see if he wants to pick up an extra shift with us.”¹

It was an unusual approach to staff recruitment, but Moorhouse had every right to be confident in his plan. It was February 2016, and the average wage for the other restaurant’s drivers was \$7 an hour plus tips.² Moo Cluck Moo was paying \$15 an hour to drivers (after a brief \$12-an-hour trial period), plus \$2 per delivery, plus tips. This was intentional: Moorhouse and Moo Cluck Moo co-owner Brian Parker believed that paying a living wage would have major benefits not only for employees, but also for the company.

Moo Cluck Moo’s commitment to paying employees a living wage garnered the restaurant coverage by news outlets such as *The New York Times*, National Public Radio, *TIME Magazine*, the *BBC*, *USA Today*, and *FOX Business*. The company had received awards at the local and national levels, including the small business award from the local chamber of commerce.³ The restaurant had also appeared on lists of the best gluten-free restaurants in the state,⁴ and enjoyed a remarkably low turnover rate among staff.

i Facts of this case were observed during in-person visits by Sarah Kurtz McKinnon at the Moo Cluck Moo restaurant in Canton, Michigan, on 19 Jan. 2016, 15 Feb. 2016, and 22 Feb. 2016, and the Moo Cluck Moo restaurant in Dearborn Heights, Michigan, on 2 Feb. 2016.