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**Are All Parent Companies Joint Employers?**
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The mere existence of a parent company does not automatically mean that the company is subject to liability for the sins of a subsidiary under the Fair Labor Standards Act ("FLSA"). In a recent case the Third Circuit Court of Appeals established a new test for determining whether a joint employment relationship exists. In re Enterprise Rent-A Car Wage & Hour Emp't. Practices Litig., 2012 U.S. App. LEXIS 13229 (3d Cir. June 28, 2012). Essentially, if a company exerts significant control over an employee, then that company is the employee's employer. over an employee, then that company is the employee's employer. This determination is crucial in deciphering a company's potential exposure to liability under the FLSA.