# UNITED STATES DISTRICT COURT EASTERN DISTRICT OF KENTUCKY CENTRAL DIVISION AT LEXINGTON CIVIL ACTION NO.

Electronically Filed

ANDRE JOHNSON, on behalf of himself and all others similarly situated

**PLAINTIFF** 

v.

SR JUSTUS, INC.

**DEFENDANT** 

#### **COLLECTIVE ACTION COMPLAINT**

Plaintiff Andre Johnson, by and through counsel, on behalf of himself and all others similarly situated, submits this Collective Action Complaint against Defendant SR Justus, Inc.

### **Introduction**

- 1. Johnson, on behalf of himself and all others similarly situated, brings this action against his former employer, Justus, to redress violations of the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* Justus' violations of the FLSA have deprived Johnson, as well as others similarly situated to Johnson, of wages to which they are entitled by law.
- 2. Johnson and other similarly-situated current and former employees of Justus regularly worked more than forty hours per week without receiving any overtime compensation as required by 29 U.S.C. § 207(a). Pursuant to 29 U.S.C. § 216(b), Johnson is permitted to maintain this action "for and in behalf of himself . . . and other employees similarly situated."
- 3. This action is brought to recover unpaid overtime compensation owed to Johnson and all other similarly-situated current and former employees of Justus.

# Parties, Jurisdiction, and Venue

- 4. Johnson is, and at all times relevant to this action was, a citizen and resident of Lexington, Fayette County, Kentucky.
- 5. Plaintiff consents to be a party plaintiff to this action pursuant to 29 U.S.C. § 216(b). (Ex. 1)
- 6. Justus is, and at all times relevant to this action was, a Kentucky corporation licensed to conduct business in the Commonwealth of Kentucky, and which conducted business in Lexington, Fayette County, Kentucky, and throughout the Commonwealth of Kentucky. Justus may be served via its registered agent for service of process, Steve Justus, at 2421 Eastway Drive, Lexington, Kentucky 40503.
- 7. Johnson's claims in this action are brought pursuant to 29 U.S.C. § 207(a), and certification of a collective action for those claims is sought pursuant to 29 U.S.C. § 216(b).
- 8. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331.
- 9. The United States District Court for the Eastern District of Kentucky is the appropriate venue for this action pursuant to 28 U.S.C. § 1391(b) and Local Rule 3.1(a)(2)(B).

#### **Facts**

10. FedEx, an international parcel delivery company, contracts with local vendors to pick up and deliver goods and packages to both residential and business customers. FedEx contracted with Justus, which, in turn, employed parcel delivery drivers to perform all pick-up and delivery services.

- 11. Upon information and belief, FedEx contracts with Justus to pick up and deliver packages throughout the Commonwealth of Kentucky, including in Florence (northern Kentucky), Lexington (central Kentucky), and Elizabethtown (western Kentucky), for which Justus is paid in excess of \$500,000.00 on an annual basis.
- 12. Upon information and belief, Justus currently employees more than 10 parcel delivery drivers throughout the Commonwealth of Kentucky. And, in the last three years, has employed (including current employees) more than 25 parcel delivery drivers.
- 13. Justus hired Johnson as a parcel delivery driver in June 2017. Justus terminated Johnson on February 22, 2018.<sup>1</sup>
- 14. As part of his duties and responsibilities, Johnson arrived at the FedEx terminal in Lexington, Kentucky, every morning. He received a "manifest" from FedEx that set forth each of the deliveries and/or pick-ups for that day and, with or without the help of a FedEx employee, loaded the parcels to be delivered in his truck. On average, Johnson, as well as all other similarly-situated current and former employees, spent approximately two hours at the terminal before departing to deliver parcels.
- 15. At the end of each day, Johnson returned to the FedEx terminal to return any undelivered parcels and to drop off all parcels that were picked up for delivery, as well as to complete any necessary paperwork. On average, Johnson, as well as all other similarly-situated current and former employees, spent approximately one hour at the terminal before going home for the day.

<sup>&</sup>lt;sup>1</sup> Johnson alleges in a separate state-court action that he was wrongfully terminated for filing or pursuing a workers' compensation claim in violation of KRS § 342.197. The basis for Johnson's termination is not at issue in this federal-court proceeding.

- 16. Throughout the course of his employment, Johnson regularly worked in excess of forty hours per week. Current and former employees similarly situated to Johnson also regularly worked in excess of forty hours per week.
- 17. Justus never paid Johnson overtime wages—time-and-a-half his regular rate of pay—for any and all hours worked in excess of forty in a work week.
- 18. Justus' compensation scheme for its parcel delivery drivers is a confusing amalgam of varying pay practices, making use of hourly rate, day rate, and non-discretionary bonus amounts, the intentional complexity of which suggests an effort by Justus to conceal the true method by which wages are calculated generally and the complete absence of overtime wages from employee remuneration specifically.
- 19. Justus maintains a Thursday to Wednesday work week, with paychecks issued to employees every Thursday for the prior week.
- 20. Upon being hired, Justus informed Johnson that he would earn a day-rate, a lump sum of money for each day worked regardless of the number of hours he worked.
- 21. Johnson's paychecks, however, revealed an hourly rate paid to him for eight hours per day, regardless of the number of hours he worked that day.<sup>2</sup>
- 22. When Johnson worked less than forty hours in a work week, his paychecks revealed that he was paid an hourly rate for the hours worked.
- 23. When Johnson worked more than forty hours in a work week, his paychecks reveal that he was paid an hourly rate only for forty hours worked.

<sup>&</sup>lt;sup>2</sup> Even these paychecks, however, shorted Johnson on the actual wages due to him. For instance, for the pay period of August 3 through August 9, 2017, for which Johnson was paid on August 10, 2017, Johnson worked 40 hours and was paid, according to his paycheck, \$16.88 per hour. Instead of being paid a gross amount of \$675.20 (\$16.88 x 40), Justus only paid Johnson \$675.00.

- 24. On several of the many occasions when Johnson worked more than forty hours in a work week, his paycheck reveals that he was paid an hourly rate for all hours, not time-and-a-half for all hours worked in excess of forty that week.
- 25. Most of the time, however, Johnson worked more than 40 hours in a work week, but was not paid overtime wages for any of the overtime hours.
- 26. In addition to the confusion created by whether Justus compensated Johnson, and all other similarly-situated current and former employees, using an hourly rate or a day rate, Justus paid Johnson, and all other similarly-situated current and former employees, a non-discretionary "commission." How the commission amount was calculated was not explained to Johnson, but during his employment the commission payment was as low as \$2.00 and as high as \$66.00 per pay period.
- 27. Regardless of whether Justus compensated Johnson, and all other similarly-situated current and former employees, using an hourly rate or a day rate, Justus did not compute or include any overtime pay when determining compensation due to each employee.
- 28. If Justus compensated Johnson and all other similarly-situated current and former employees on an hourly basis, as the paychecks suggest, Johnson and all other similarly-situated current and former employees were not paid time-and-a-half for all hours worked in excess of forty in each work week.
- For example: if Johnson worked 50 hours in a work week, and his regular rate of pay was \$16.88 per hour, Justus would be obligated to compensate Johnson a gross amount of  $928.40 ((40 \times 16.88 = 675.20) + (10 \times 25.32 = 253.20))$ .

- 30. If Justus compensated Johnson and all other similarly-situated current and former employees on a day-rate basis, Johnson and all other similarly-situated current and former employees were not paid time-and-a-half for all hours worked in excess of forty in a work week.
- 31. For example: if Johnson earned \$135.00 per day (\$675.00 per week), and Johnson worked 50 hours that work week and earned \$50.00 in non-discretionary commissions, Justus would have been required to compensate Johnson a gross amount of \$797.50. This calculation starts by adding the total day-rate for the week and the non-discretionary commissions earned (\$675.00 + \$50.00 = \$725.00). That amount is then divided by 50, the total hours worked, to determine the regular rate of pay (\$725.00 / 50 = \$14.50 per hour; \$14.50 x 1.5 = \$21.75 per overtime hour). The rates of pay are then multiplied by the hours worked ( $40 \times $14.50 = $580.00$ ;  $10 \times $21.75 = $217.50$ ; \$580.00 + \$217.50 = \$797.50 total gross pay). *See* 29 C.F.R. §\$ 778.112, 778.117, 778.118.
- 32. To properly calculate all compensation due to Johnson and all other similarly-situated current and former employees, Justus must maintain accurate records of hours worked for each employee. In violation of the 29 U.S.C. § 211(c), Justus does not do so. In particular, Justus does not account for all time employees spend working each day, either at the FedEx terminal or on their delivery route.
- 33. Justus did not maintain adequate or accurate records of all time employees spend working during the work day because the company had no intention, despite the clarity of the overtime pay requirements found in the FLSA and the Department of Labor regulations, to compensate them for any overtime worked in a work week.

34. Justus cannot proffer any justifiable or good-faith basis for refusing or otherwise failing to compensate Johnson, and all other similarly-situated current and former employees, for overtime worked each work week.

# **COLLECTIVE ACTION ALLEGATIONS**

35. Johnson brings this action pursuant to 29 U.S.C. § 216(b) on his own behalf and on behalf of a collective of other persons similarly situated, defined as follows:

All current and former parcel delivery drivers employed by SR Justus, Inc., in the Commonwealth of Kentucky who, in the three years immediately preceding the filing of this Collective Action Complaint, were not paid overtime compensation for all work performed in excess of forty hours per week.

- 36. Questions of law and fact are common among Johnson and the collective, including, but not limited to, the following:
- A. whether Johnson and the collective were formerly employed or are currently employed as parcel delivery drivers;
- B. whether Justus failed to pay former employees and continues to fail to pay current employees overtime compensation in violation of 29 U.S.C. § 207(a);
- C. whether Justus maintained for former employees and continues to maintain for current employees a policy, practice, or custom that prevents the employees from submitting time records reflecting all hours worked in the work week in violation of the Fair Labor Standards Act;
- D. whether Justus failed for former employees and continues to fail for current employees to maintain adequate and accurate records of all time employees spend working each day and in the work week; and

- E. whether Justus's failure to pay overtime to former and current employees was willful within the meaning of the Fair Labor Standards Act.
- 37. There are potentially numerous other similarly-situated current and former employees of Justus who have been improperly compensated in violation of the FLSA and who would benefit from the issuance of a Court-approved or Court-supervised notice of this collection action and given the opportunity to join this collective action pursuant to 29 U.S.C. § 216(b).
- 38. Johnson and each member of the collective he seeks to represent are similarly situated: they formerly were or currently are employed by Justus as parcel delivery drivers; they performed or currently perform the same or substantially similar duties; they reported or currently report to the same supervisor(s); they were or currently are paid the same or a substantially similar amount of money; they regularly worked or currently work more than forty hours per week; they were not or currently are not paid overtime compensation for all hours worked in excess of forty hours each work week; and Justus does not maintain adequate or accurate records of time they spent or currently spend working each day or each week.
- 39. Johnson will fairly and adequately represent and protect the interests of the collective.
- 40. Johnson has retained competent counsel experienced with labor and employment matters, with matters arising under the Fair Labor Standards Act, and with class and collective action litigation.
  - 41. The names and addresses of the members of the collective are available from Justus.

# <u>Count I:</u> <u>Violation of the Fair Labor Standards Act, 29 U.S.C. § 207(a)</u>

42. Johnson was an "employee" as defined by the FLSA. 29 U.S.C. § 203(e)(1).

- 43. Each member of the collective—persons currently or formerly employed by Justus as parcel delivery drivers—is or was an "employee" as defined by the FLSA. *Id*.
  - 44. Justus is an "employer" as defined by the FLSA. 29 U.S.C. § 203(d).
- 45. Justus is an "enterprise" engaged in "commerce," or in the production of "goods" for "commerce," within the meaning of FLSA. 29 U.S.C. § 203(b), (i), (j), (r), and (s).
- 46. At all times relevant to this Collective Action Complaint, Justus has had gross operating revenues in excess of \$500,000.00. 29 U.S.C. § 203(s)(1)(A)(i) and (ii).
- 47. Justus was required to pay Johnson, as well as all persons currently and formerly employed as parcel delivery drivers, overtime compensation (one-and-a-half times their regular rate of pay) for all hours worked in excess of forty hours in a work week.
- 48. By failing to pay Johnson and all other similarly-situated current and former employees appropriate overtime compensation, Justus has willfully, knowingly, intentionally, or recklessly violated the FLSA, 29 U.S.C. § 207(a) and corresponding federal regulations, 29 C.F.R. 778.107 *et seq*.
- 49. By failing to pay Johnson and all other similarly-situated current and former employees appropriate overtime compensation, Justus has willfully and intentionally engaged in a widespread pattern and practice of violating the FLSA, 29 U.S.C. § 207(a), and corresponding federal regulations, 29 C.F.R. § 778.107 *et seq*.
- 50. Justus has made no good faith effort to comply with the FLSA or the corresponding federal regulations.

- 51. Just has failed to make, keep, and preserve records for Johnson and for each putative member of the collective showing their hours worked each day and each work week sufficient to determine the wages, hours, and other conditions and practices of employment in violation of the FLSA, 209 U.S.C. § 211(c).
- 52. As a result of Justus' violations and unlawful acts, Johnson and all other similarly-situated current and former employees have suffered damages, including, but not limited to, total and complete overtime compensation in an amount to be determined at trial, and Johnson and all other similarly-situated current and former employees are entitled to recover injunctive relief, liquidated damages, pre-judgment interest, and attorney's fees, costs, and expenses.

# **Prayer for Relief**

Wherefore, Plaintiff Andre Johnson, on behalf of himself and a collective of similarly-situated current and former employees of Defendant SR Justus, Inc., prays that the Court award him, and the collective, the following relief:

- A. for a trial by jury;
- B. for a declaration that the compensation practices complained of in this Collective Action Complaint are unlawful;
- C. for a judgment in favor of Johnson and the collective on all claims asserted in this Collective Action Complaint;
- D. for the designation of this action as a collective action on behalf of the collective, those current and former parcel delivery drivers employed by Justus who are similarly-situated to Johnson;
  - E. for the designation of Johnson as the collective's representative;
  - F. for the designation of undersigned counsel as the collective's counsel;

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G. for the issuance, at the earliest possible time, of notice to the members of the

collective apprising them of their rights to opt in to this action and permitting them to assert timely

claims for overtime compensation that was not or has not been paid to them;

H. for the equitable tolling of the statute of limitations from the date of the filing of

this Collective Action Complaint until the expiration of the deadline for filing consent-to-sue forms

pursuant to 29 U.S.C. § 216(b);

I. for an injunction against Justus from continuing to engage in the unlawful

compensation practices set forth in this Collective Action Complaint;

J. for an award of compensatory damages and equitable relief, including, but not

limited to, back pay, liquidated damages, and pre-judgment interest;

K. for an award of attorney's fees, costs, and expenses incurred in prosecuting this

action; and

L. any and all other relief to which Johnson and the collective may be entitled.

Respectfully submitted,

/s/ Matthew T. Lockaby

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Email: mlockaby@lockabylaw.com

Counsel for Plaintiff, Andre Johnson

# UNITED STATES DISTRICT COURT EASTERN DISTRICT OF KENTUCKY CENTRAL DIVISION AT LEXINGTON CIVIL ACTION NO.

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ANDRE JOHNSON, on behalf of himself and all other similarly situated

**PLAINTIFF** 

v.

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DEFENDANT

#### CONSENT TO JOIN

- 1. Pursuant to the Fair Labor Standards Act, 29 U.S.C. § 216(b), I hereby consent and agree to join and act as a party plaintiff in the above-captioned lawsuit.
- 2. I agree to be bound by any adjudication or court rulings in the lawsuit, whether favorable or unfavorable.

Printed Name: Andre

Signature: Usake Hofen

Date: 3-16-2018

Street Address:

City, State, Zip Code:

Telephone Number:

Email Address:

Date:

United States District Court for the Eastern District of Kentucky ANDRE JOHNSON *Plaintiff(s)* v. Civil Action No. SR JUSTUS, INC. Defendant(s) SUMMONS IN A CIVIL ACTION To: (Defendant's name and address) SR JUSTUS, INC. **REGISTERED AGENT: Steve Justus** 2421 Eastway Drive Lexington, KY 40503 A lawsuit has been filed against you. Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff's attorney, whose name and address are: Lockaby, PLLC; Matthew T. Lockaby, 1795 Alysheba Way, Suite 4207, Lexington, KY 40509. If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court. CLERK OF COURT

Signature of Clerk or Deputy Clerk

JS 44 (Rev. 06/17)

# **CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS Andre Johnson				DEFENDANTS					
				SR Justus, Inc.					
(b) County of Residence of First Listed Plaintiff  (EXCEPT IN U.S. PLAINTIFF CASES)				County of Residence of First Listed Defendant  (IN U.S. PLAINTIFF CASES ONLY)  NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.					
(c) Attomeys (Firm Name, Address, and Telephone Number) Matthew T. Lockaby Lockaby PLLC 1795 Alysheba Way, Suite 4207, Lexington, Kentucky 40509 (859) 263-7884				Attorneys (If Known) Unknown					
II. BASIS OF JURISDICTION (Place an "X" in One Box Only)				TIZENSHIP OF F	PRINCIPA	L PARTIES			
☐ 1 U.S. Government					PTF DEF	Incorporated or Pri		or Defenda PTF 4	ont) DEF
2 U.S. Government			Citiz	en of Another State	J 2 🗇 2	Incorporated and P of Business In A		□ 5	□ 5
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IV. NATURE OF SUIT		Click here for: Nature of Suit Code Descriptions.							
CONTRACT    110 Insurance   120 Marine   130 Miller Act   140 Negotiable Instrument   150 Recovery of Overpayment & Enforcement of Judgment   151 Medicare Act   152 Recovery of Defaulted Student Loans (Excludes Veterans)   153 Recovery of Overpayment of Veteran's Benefits   160 Stockholders' Suits   190 Other Contract   195 Contract Product Liability   196 Franchise    REAL PROPERTY   210 Land Condemnation 220 Forcelosure 230 Rent Lease & Ejectment 240 Torts to Land 245 Tort Product Liability 290 All Other Real Property	PERSONAL INJURY  310 Airplane  315 Airplane Product Liability  320 Assault, Libel & Slander  330 Federal Employers' Liability  340 Marine  345 Marine Product Liability  350 Motor Vehicle 355 Motor Vehicle Product Liability  360 Other Personal Injury  Medical Malpractice  CIVIL RIGHTS  440 Other Civil Rights  441 Voting  442 Employment  443 Housing/ Accommodations  445 Amer. w/Disabilities - Employment  446 Amer. w/Disabilities - Other  448 Education	PERSONAL INJUR'  365 Personal Injury - Product Liability  367 Health Care/ Pharmaceutical Personal Injury Product Liability  368 Asbestos Personal Injury Product Liability  PERSONAL PROPER  370 Other Fraud  371 Truth in Lending  380 Other Personal Property Damage Product Liability  PRISONER PETITION  Habeas Corpus:  463 Alien Detaine  510 Motions to Vacate Sentence  530 General  535 Death Penalty Other:	STY # 71	DEFEITURE/PENALTY  25 Drug Related Seizure of Property 21 USC 881  20 Other  LABOR 10 Fair Labor Standards Act 10 Labor/Management Relations 10 Railway Labor Act 151 Family and Medical Leave Act 100 Other Labor Litigation 11 Employee Retirement 11 Income Security Act  12 MMIGRATION 12 Naturalization Application 13 Other Immigration 14 Actions		extraction of the control of the con	375 False Cl   376 Qui Tan 3729(a)   400 State Re   410 Antitrus   430 Banks a   450 Commer   460 Deporta   470 Rackete   Corrupt   480 Consum   490 Cable/S   850 Securitic   Exchan   890 Other St   891 Agricult   893 Environt   895 Freedon   Act   899 Adminis   Act/Rev	aims Act in (31 USC) apportion t ind Bankin ree tion er Influenc Organizati er Credit at TV es/Commo ge tatutory Act tat Acts mental Mata ion strative Pro iew or Ap Decision tionality on	ment  g  ced and ions  odities/ ctions  tters nation  ocedure peal of
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vi. CAUSE OF ACTIO	Brief description of cau Collective Action for	ise: or Unpaid Overtim	e Wage	s					
VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.			N D	DEMAND \$ CHECK YES only if demanded in complaint:  JURY DEMAND: Yes ONo					
VIII. RELATED CAST	(See instructions):	JUDGE			DOCKI	ET NUMBER			
DATE March 19, 2018	SIGNATURE OF ATTORNEY OF RECORD								
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# **ClassAction.org**

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: Former Employee Claims Justus' 'Confusing Algorithm of Pay Practices' Excludes OT Wages