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Starbucks Corporation

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

KERRY CONNELLY, as an
individual and on behalf of all others
similarly situated,

Plaintiff,

v.

STARBUCKS CORPORATION, a
Washington Corporation and DOES 1-
50, inclusive,

Defendants.

Case No. 1:21-cv-00525

CLASS ACTION

**DEFENDANT STARBUCKS
CORPORATION'S NOTICE OF
REMOVAL OF ACTION
PURSUANT TO 28 U.S.C.
§§ 1332(d)(2), 1441, 1446, AND 1453**

[Notice of Interested Parties and
Corporate Disclosure Statement,
Declarations of Gregory Knopp and
Charlotte Fenner, and Civil Cover
Sheet filed concurrently]

Date Action Filed: March 29, 2021

*(Stanislaus County Superior Court,
Case No. CV-21-001661)*

1 TO THE CLERK OF THE UNITED STATES DISTRICT COURT FOR THE
2 EASTERN DISTRICT OF CALIFORNIA:

3 PLEASE TAKE NOTICE that defendant Starbucks Corporation hereby removes
4 to this Court the state court action described below, pursuant to 28 U.S.C.
5 §§ 1332(d)(2), 1441, 1446, and 1453. In support thereof, Starbucks states as follows:

6 BACKGROUND

7 1. On March 29, 2021, an action was commenced and is currently pending
8 against Starbucks in the Superior Court of California, County of Stanislaus, as Case No.
9 CV-21-001661, entitled *Kerry Connelly, as an individual and on behalf of all others*
10 *similarly situated, Plaintiff, v. Starbucks Corporation, a Washington Corporation and*
11 *Does 1 through 50, inclusive, Defendants*. Knopp Decl. ¶ 2 & Ex. A. On April 2, 2021,
12 Connelly filed a First Amended Complaint (“FAC”). *Id.* ¶ 3 & Ex. B. On May 6, 2021
13 Starbucks filed its answer to the FAC. *Id.* ¶ 7 & Ex. F. Attached as Exhibits A through
14 F to the Knopp Declaration are true copies of all the pleadings filed in Case No. CV-21-
15 001661 and all the documents served on Starbucks in this action. There have been no
16 further proceedings in this action and no other pleadings have been filed and served
17 upon Plaintiff or Starbucks. *Id.* ¶ 8.

18 2. Plaintiff is a former Starbucks employee. FAC ¶ 6. She asserts claims
19 against Starbucks under the California Labor Code for failure to provide accurate
20 itemized wage statements (*id.* ¶¶ 21-25) and seeks civil penalties under the Private
21 Attorneys General Act (“PAGA”) (*id.* ¶¶ 26-29). She purports to bring these claims on
22 behalf of a putative class that includes “[a]ll current and former employees of
23 [Starbucks] in the State of California at any time since September 30, 2019 (the ‘Wage
24 Statement Class’),” and a subclass that includes “all current and former non-exempt
25 employees of [Starbucks] in the State of California who were paid shift differential
26 wages or other non-‘regular time’ wages at any time since September 30, 2019 (the
27 ‘Total Hours Class’).” *Id.* ¶ 12.

1 3. The Complaint, FAC and Summons were served on April 9, 2021. Knopp
2 Decl. ¶ 4. Starbucks Notice of Removal is timely because it is filed within 30 days of
3 that service. 28 U.S.C. § 1446(b).

4 JURISDICTION UNDER THE CLASS ACTION FAIRNESS ACT

5 4. Under 28 U.S.C. § 1441(a), a defendant may remove to federal district
6 court “any civil action brought in a State court of which the district courts of the United
7 States have original jurisdiction.” Under the Class Action Fairness Act (“CAFA”), 28
8 U.S.C. § 1332(d), this Court has original jurisdiction over a class action if (1) it involves
9 100 or more putative class members, (2) any class member is a citizen of a state
10 different from any defendant, and (3) the aggregated amount in controversy exceeds
11 \$5 million (exclusive of costs and interest). See 28 U.S.C. §§ 1332(d)(2), (d)(5), and
12 (d)(6). These requirements are satisfied here.

13 5. Class Size. According to Starbucks records, more than 59,000 individuals
14 have been employed by Starbucks in California during the relevant period. Fenner
15 Decl. ¶ 5. Therefore, the putative class exceeds 100 members. See FAC ¶ 12 (defining
16 putative Wage Statement Class to include all current and former employees in California
17 since September 30, 2019).

18 6. Diversity of Citizenship. “[U]nder CAFA, complete diversity is not
19 required; ‘minimal diversity’ suffices.” *Serrano v. 180 Connect, Inc.*, 478 F.3d 1018,
20 1021 (9th Cir. 2007). Minimal diversity exists if any class member is a citizen of a state
21 different from any defendant. 28 U.S.C. § 1332(d)(2).

22 7. Connelly is a citizen of the State of California. During her employment
23 with Starbucks, Connelly worked at a store in Valley Springs, California and kept a
24 Fremont, California address on file with the company, both of which demonstrate her
25 California citizenship. Fenner Decl. ¶ 2; see *Lam Research Corp. v. Deshmukh*, 157 F.
26 App’x 26, 27 (9th Cir. 2005) (defendant who had lived and worked for plaintiff in
27 Washington was presumptively a Washington citizen, despite his claim that he had
28 changed his domicile from Washington to California). Further, Connelly seeks to

1 represent a class consisting of all Starbucks employees who have worked in California.
2 FAC ¶ 12. This putative class logically includes other California citizens as well. *See*
3 *also* Fenner Decl. ¶ 5 (more than 59,000 employees in California during the relevant
4 period).

5 8. Starbucks is not a California citizen. Rather, Starbucks is a citizen of the
6 State of Washington. “[A] corporation shall be deemed to be a citizen of every State . . .
7 by which it has been incorporated and of the State . . . where it has its principal place of
8 business[.]” 28 U.S.C. § 1332(c)(1).

9 9. Starbucks has not been incorporated in California. As Connelly
10 acknowledges, Starbucks is incorporated in Washington. FAC ¶ 7; *see also* Fenner
11 Decl. ¶ 3.

12 10. Nor is California the state in which Starbucks maintains its principal place
13 of business. The Supreme Court has explained that a company’s principal place of
14 business is determined under the “nerve center” test. *Hertz Corp. v. Friend*, 559 U.S.
15 77, 92-93 (2010). Under this test, the principal place of business is the state where the
16 company’s “officers direct, control, and coordinate [its] activities.” *Id.* The Supreme
17 Court further explained in *Hertz* that a company’s nerve center “should normally be the
18 place where [it] maintains its headquarters” and that the nerve center is a “single place.”
19 *Id.* Relevant factors include where executives reside and maintain offices, where
20 administrative and financial offices are located, and where day-to-day control over the
21 company is executed. *See, e.g., Tomblin v. XLNT Veterinary Care, Inc.*, 2010 WL
22 2757311, at *4 (S.D. Cal. July 12, 2010).

23 11. Under this standard, Starbucks principal place of business is in Washington.
24 Starbucks executive and administrative operations are centrally managed from its
25 headquarters in Seattle, Washington. Fenner Decl. ¶ 3 Starbucks corporate
26 headquarters in Seattle, Washington is the location where the Company’s executive
27 officers direct, control, and coordinate the Company’s activities, including but not
28 limited to, administering company-wide policies and procedures, legal affairs, and

1 general business operations. *Id.* ¶ 4. The Company’s corporate books and records are
2 maintained at and/or from the corporate headquarters in Seattle, Washington. *Id.*

3 12. Accordingly, this action involves citizens of different states—Connelly,
4 who is a citizen of California (and seeks to represent a class including California
5 citizens), and Starbucks, which is a Washington citizen.

6 13. Amount in Controversy. Starbucks specifically denies any wrongdoing and
7 denies that Connelly is entitled to any of the relief she seeks, but avers for purposes of
8 this Notice only that Connelly’s claims place more than \$5 million in controversy. “The
9 amount in controversy is simply an estimate of the total amount in dispute, not a
10 prospective assessment of [the] defendant’s liability.” *Lewis v. Verizon Commc’ns, Inc.*,
11 627 F.3d 395, 400 (9th Cir. 2010) (on removal, defendant does not “concede liability for
12 the entire amount” alleged in complaint). As the U.S. Supreme Court has held, a
13 defendant’s notice of removal need only include a plausible allegation that the amount
14 in controversy exceeds the jurisdictional threshold. *Dart Cherokee Basin Operating Co.*
15 *v. Owens*, 574 U.S. 81, 89 (2014). Moreover, the Ninth Circuit has instructed that
16 removal is proper if, from the allegations of the complaint and the notice of removal, it
17 is more likely than not that the amount in controversy exceeds \$5 million. *Rodriguez v.*
18 *AT&T Mobility Servs., Inc.*, 728 F.3d 975, 981 (9th Cir. 2013) (overturning precedent
19 requiring proof of amount in controversy to a “legal certainty” in some circumstances).
20 Thus, the amount in controversy requirement is satisfied if plaintiff “seek[s] recovery
21 from a pot that Defendant has shown *could exceed* \$5 million.” *Lewis*, 627 F.3d at 401
22 (emphasis added). This standard is satisfied here.

23 14. In her first cause of action, Connelly alleges that Starbucks owes penalties
24 under Labor Code Section 226 for failing to provide accurate itemized wage statements.
25 FAC ¶¶ 21-25. Among other things, she specifically alleges that Starbucks “fail[ed] to
26 furnish . . . wage statements that itemize and show the name of the legal entity that is the
27 employer” to the Wage Statement Class and “furnish[ed] wage statements that fail[ed]
28 to itemize and show the total hours worked” to the Total Hours Class. *Id.* ¶¶ 23-24.

1 15. Connelly does not allege that the wage statement violations occurred
2 “sometimes,” or even “often,” but rather asserts that these alleged violations were the
3 result of “systemic employment practices” (FAC ¶ 1). She maintains that Starbucks had
4 a “pattern, practice, and uniform administration of corporate policy” that violated the
5 Labor Code (*id.* ¶¶ 20, 25) and that Starbucks wage statements violated Section 226 “as
6 a matter of policy and practice” (*id.* ¶ 23).

7 16. The Court should reasonably interpret Connelly’s allegations as seeking to
8 prove that every wage statement during the relevant period violated the Labor Code.
9 *E.g., Tajonar v. Echosphere, L.L.C.*, 2015 WL 4064642, at *4 (S.D. Cal. July 2, 2015)
10 (assuming a 100 percent violation rate for purposes of amount in controversy where
11 plaintiff alleged a “policy and/or practice and/or direction” of violating Section 226);
12 *Mendoza v. Nat’l Vision, Inc.*, 2019 WL 2929745, at *6 (N.D. Cal. July 8, 2019)
13 (assuming a 100% violation rate because complaint alleged that defendant provided
14 inaccurate wage statements “throughout the relevant period”); *Altamirano v. Shaw*
15 *Indus., Inc.*, 2013 WL 2950600, at *11 (N.D. Cal. June 14, 2013) (assuming every wage
16 statement was inaccurate, “[g]iven Plaintiff’s allegations about the pervasiveness of the
17 policies” allegedly causing violations); *Lucas v. Michael Kors (USA), Inc.*, 2018 WL
18 2146403, at *9 (C.D. Cal. May 9, 2018) (assuming every wage statement was inaccurate
19 based on plaintiff’s allegation that defendant “maintain[ed] a policy and practice of
20 issuing [inaccurate] wage statements” “at all relevant times”).

21 17. Section 226 provides for penalties of \$50 for the initial pay period in which
22 an employee experiences a violation and \$100 for each subsequent pay period in which
23 the employee experiences a violation, up to a maximum of \$4,000. Cal. Lab. Code
24 § 226(e)(1). Connelly alleges that the relevant period for this claim is September 30,
25 2019 to the present. FAC ¶ 12.

26 18. There are more than 59,000 individuals who were employed by Starbucks
27 in California for more than 90 days since September 30, 2019. Fenner Decl. ¶ 5. Even
28 if every one of these employees received only two wage statements during the relevant

1 period (and the majority of employees likely received many more), the amount in
2 controversy is approximately \$8,850,000.¹ This total includes \$2,950,000 for the
3 alleged initial violation ($59,000 \times \$50 = \$2,950,000$) and \$5,900,000 for the alleged
4 subsequent violation ($59,000 \times \$100 = \$5,900,000$). In sum, the wage statement
5 penalties for the Wage Statement Class alone place over \$5 million in controversy, even
6 without considering Connelly's claim for civil penalties under PAGA.

7 19. This amount does not include the attorney's fees Connelly seeks in
8 connection with her claims. *See* FAC, Prayer for Relief ¶ 6; *Galt G/S v. JSS*
9 *Scandinavia*, 142 F.3d 1150, 1156 (9th Cir. 1998) (attorney's fees included in the
10 amount in controversy). The Ninth Circuit "has established 25% of the common fund as
11 a benchmark award for attorney fees" in class actions. *Hanlon v. Chrysler Corp.*, 150
12 F.3d 1011, 1029 (9th Cir. 1998). Therefore, these fees also place millions of dollars in
13 controversy, given the potential penalties at issue. *See, e.g., Anderson v. Starbucks*
14 *Corp.*, 2020 WL 7779015, at *4 (N.D. Cal. Dec. 31, 2020) (adding attorneys' fees equal
15 to 25% in calculating amount in controversy); *Rodriguez v. Cleansource, Inc.*, 2014 WL
16 3818304, at *4 (S.D. Cal. Aug. 4, 2014) (denying motion to remand where defendant
17 showed potential damages of \$4.2 million because attorney's fees of 25 percent brought
18 the total amount in controversy to \$5.3 million); *see also Deaver v. BBVA Compass*
19 *Consulting & Benefits, Inc.*, 2014 WL 2199645, at *6 (N.D. Cal. May 27, 2014)
20 (accounting for attorney's fees by adding 25 percent of potential damages to amount in
21 controversy); *Giannini v. Nw. Mut. Life Ins. Co.*, 2012 WL 1535196, at *4 (N.D. Cal.
22 Apr. 30, 2012) (same); *Jasso v. Money Mart Exp., Inc.*, 2012 WL 699465, at *7 (N.D.
23 Cal. Mar. 1, 2012) (same).

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27 ¹ Starbucks pays its employees every two weeks, so an individual who was
28 employed by Starbucks for at least 90 days during the relevant period was employed for
at least 6 to 7 pay periods. Fenner Decl. ¶ 6.

AKIN GUMP STRAUSS HAUER & FELD LLP

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Attorneys for Defendant
Starbucks Corporation

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

KERRY CONNELLY, as an
individual and on behalf of all others
similarly situated,

Plaintiff,

v.

STARBUCKS CORPORATION, a
Washington Corporation and DOES 1-
50, inclusive,

Defendants.

Case No. 1:21-cv-00525

CLASS ACTION

**DECLARATION OF GREGORY W.
KNOPP IN SUPPORT OF
DEFENDANT STARBUCKS
CORPORATION'S NOTICE OF
REMOVAL OF ACTION
PURSUANT TO 28 U.S.C.
§§ 1332(d)(2), 1441, 1446, AND 1453**

[Notice of Removal, Notice of
Interested Parties and Corporate
Disclosure Statement, Declaration of
Charlotte Fenner, and Civil Cover
Sheet filed concurrently]

Date Action Filed: March 29, 2021

*(Stanislaus County Superior Court,
Case No. CV-21-001661)*

DECLARATION OF GREGORY W. KNOPP

I, Gregory W. Knopp, certify and declare as follows:

1. I am a partner at Akin Gump Strauss Hauer & Feld LLP, counsel of record for Defendant Starbucks Corporation (“Starbucks”). I have personal knowledge of the facts set forth below and, if called and sworn as a witness, I could and would testify competently thereto.

2. Attached hereto as **Exhibit A** is a true copy of the Summons and Complaint filed on March 29, 2021 in the Superior Court of California, County of Stanislaus, as Case No. CV-21-001661, entitled *Kerry Connelly, as an individual and on behalf of all others similarly situated, Plaintiff, v. Starbucks Corporation, a Washington Corporation and Does 1 through 50, inclusive, Defendants*.

3. Attached hereto as **Exhibit B** is a true copy of the First Amended Complaint filed by Connelly on April 2, 2021.

4. Starbucks was served with the Summons, Complaint and First Amended Complaint on April 9, 2021. Attached as **Exhibit C** is a true copy of the papers that were served along with the Summons, Complaint, and First Amended Complaint including a Civil Case Cover Sheet, Notice of Service of Process, and Alternative Dispute Resolution (ADR) Information Packet.

5. Attached hereto as **Exhibit D** is a true copy of the Notice of Case Management Conference filed on March 29, 2021.

6. Attached hereto as **Exhibit E** is a true copy of the Proof of Service of Summons filed by Connelly on April 20, 2021.

7. Starbucks filed its answer to the Complaint on May 6, 2021. Attached as **Exhibit F** is a true copy of the Answer to the Complaint.

8. There have been no further proceedings in this action and no other pleadings have been filed and served upon Plaintiffs or Starbucks.

1 I declare under penalty of perjury under the laws of the United States that the
2 foregoing is true and correct.

3 Executed on May 7, 2021 in Los Angeles, California

4
5 /s/ Gregory W. Knopp
6 Gregory W. Knopp

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**SUMMONS
(CITACION JUDICIAL)**

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

**NOTICE TO DEFENDANT:
(AVISO AL DEMANDADO):**

STARBUCKS CORPORATION, a Washington corporation; and DOES
1 through 50, inclusive,

**YOU ARE BEING SUED BY PLAINTIFF:
(LO ESTÁ DEMANDANDO EL DEMANDANTE):**

KERRY CONNELLY, as an individual and on behalf of all others
similarly situated,

Electronically Filed
3/29/2021 6:27 PM
Superior Court of California
County of Stanislaus
Clerk of the Court
By: Carly Bonzi, Deputy

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es):

Superior Court of California, County of Stanislaus
801 10th Street, Modesto, CA 95354

CASE NUMBER:
(Número del Caso):

CV-21-001661

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

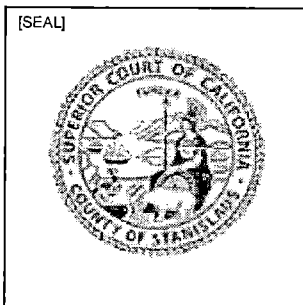
Larry W. Lee (SBN 228175)/Diversity Law Group, 515 S. Figueroa St. #1250, LA, CA 90071, 213-488-6555

DATE:
(Fecha) 3/29/2021 6:27 PM

Clerk, by _____, Deputy
(Secretario) Carly Bonzi (Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)
(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

Carly Bonzi



NOTICE TO THE PERSON SERVED: You are served

1. as an individual defendant.
2. as the person sued under the fictitious name of (specify):
3. on behalf of (specify): STARBUCKS CORPORATION, a Washington corporation
under: CCP 416.10 (corporation) CCP 416.60 (minor)
 CCP 416.20 (defunct corporation) CCP 416.70 (conservatee)
 CCP 416.40 (association or partnership) CCP 416.90 (authorized person)
 other (specify):
4. by personal delivery on (date):

1 DIVERSITY LAW GROUP, P.C.
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3/29/2021 6:27 PM
Superior Court of California
County of Stanislaus
Clerk of the Court
By: Carly Bonzi, Deputy

\$1,435 PAID

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10 Attorneys for Plaintiff and the Class

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

12 **FOR THE COUNTY OF STANISLAUS**

13 KERRY CONNELLY, as an individual and on
behalf of all others similarly situated,

14 Plaintiff,

15 vs.

16 STARBUCKS CORPORATION, a Washington
17 corporation; and DOES 1 through 50, inclusive,

18 Defendants.

Case No. CV-21-001661

CLASS ACTION COMPLAINT

**(1) Inaccurate Itemized Wage Statements
(Lab. Code § 226(a))**

DEMAND OVER \$25,000.00

26 This case has been assigned to Judge Freeland, John D
27 Department Dept. 23, for all purposes including Trial.

1 On behalf of herself and other similarly situated current and former employees of Defendants,
2 Plaintiff, Kerry Connelly, submits this Class Action Complaint against Defendant, Starbucks
3 Corporation, and Does 1 through 50 (collectively, “Defendants”).

4 INTRODUCTION

5 1. This class action challenges systemic employment practices resulting in violations of the
6 California Labor Code against individuals who worked for Defendants. The Complaint addresses
7 Defendants’ violations of Labor Code section 226 and seeks penalties and other relief.¹

8 2. Plaintiff is informed and believes that Defendants have jointly and severally acted
9 intentionally and with deliberate indifference and conscious disregard to the rights of employees by
10 failing to provide accurate itemized wage statements that show the name of the legal entity that is the
11 employer or the total hours worked. First, Defendants fail to furnish Plaintiff and all other employees
12 with wage statements that itemize and show the name of the legal entity that is the employer. Instead,
13 the wage statements show an address only, without the name of a legal entity. Second, whenever shift
14 differential wages or other non-“regular time” wages are paid to Plaintiff and other non-exempt
15 employees, Defendants fail to furnish Plaintiff and non-exempt employees with wage statements that
16 itemize and show the total hours worked. Instead, the “gross hours” shown on the wage statements
17 itemize an inaccurate number of hours. Moreover, when the hours shown on the wage statements are
18 added up, the sum also does not equal the total hours worked.

19 3. Plaintiff is informed and believes that Defendants have engaged in, among other things, a
20 system of willful violations of the Labor Code by creating and maintaining policies, practices, and
21 customs that knowingly deny its employees the above stated rights and benefits.

22 JURISDICTION AND VENUE

23 4. The Complaint seeks relief exceeding \$25,000.00. The Court has jurisdiction of
24 Defendants’ violations of Section 226.

25 5. Venue is proper. Defendant conducted business in the County of Stanislaus.

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¹ Except as otherwise noted, all “Section” references are to the Labor Code.

PARTIES

1
2 6. In or about October of 2017 Plaintiff began working for Defendants. Until her
3 employment ended in or about October of 2020, Plaintiff was paid on an hourly basis as a non-exempt
4 employee. Plaintiff was furnished wage statements that itemized and showed an address only, without
5 the name of a legal entity that would be the employer. Whenever Plaintiff was paid shift differential
6 wages or other non-“regular time” wages, Plaintiff was not furnished wage statements that itemize and
7 show the total hours worked. Instead, the “gross hours” shown on the wage statement itemize an
8 inaccurate number of hours. Moreover, when the hours shown on the wage statements are added up, the
9 sum also does not equal the total hours worked. Plaintiff thus is a victim of the policies, practices, and
10 customs of Defendants complained of in this action in ways that have deprived her of the rights
11 guaranteed by the Labor Code.

12 7. Plaintiff is informed and believes that Defendant, Starbucks Corporation, was and is a
13 Washington corporation. Plaintiff is informed and believes that at all times herein mentioned named
14 defendants and Does 1 through 50, were and are corporations, business entities, individuals, or
15 partnerships that are and were either licensed to do business or actually doing business in the State of
16 California. Based upon all the facts and circumstances incident to Defendants’ business, Defendants are
17 subject to Section 226.

18 8. Plaintiff does not know the true names or capacities of the defendants sued herein as
19 Does 1 through 50, whether individual, partner, or corporate, and for that reason, said defendants are
20 sued under such fictitious names. Plaintiff prays for leave to amend this Complaint when the true names
21 and capacities are known. Plaintiff is informed and believes that each of said fictitious defendants was
22 responsible in some way for the matters alleged herein and proximately caused the illegal employment
23 practices, wrongs, and injuries complained of herein.

24 9. At all times herein mentioned, each of said Defendants participated in the doing of the
25 acts alleged herein. Defendants, and each of them, were the agents, servants, or employees of each of
26 the other Defendants, as well as the agents of all Defendants, and were acting within the course and
27 scope of said agency and employment.

1 15. **Common Question of Law and Fact:** There are predominant common questions of law
2 and fact and a community of interest amongst the claims of Plaintiff and the Class. Plaintiff is informed
3 and believes that Defendants uniformly administer a corporate policy and practice of failing to provide
4 accurate itemized wage statements that show the name of the legal entity that is the employer and
5 failing to provide accurate itemized wage statements that show the total hours worked.

6 16. **Typicality:** The claims of Plaintiff are typical of the claims of all members of the Class
7 in that Plaintiff suffered the alleged harms in a similar and typical manner as other members of the Class
8 suffered. As with other members of the Class, Plaintiff was furnished wage statements that itemized and
9 showed an address only, without the name of a legal entity that would be the employer. Whenever
10 Plaintiff was paid shift differential wages or other non-“regular time” wages, Plaintiff was not furnished
11 wage statements that itemize and show the total hours worked. Instead, the “gross hours” shown on the
12 wage statement itemize an inaccurate number of hours. Moreover, when the hours shown on the wage
13 statements are added up, the sum also does not equal the total hours worked. Plaintiff thus is a member
14 of the Class and has suffered the alleged violations of the Labor Code.

15 17. The Labor Code is broadly remedial in nature. Its laws serve an important public interest
16 in establishing minimum working conditions and requirements in California. These labor standards
17 protect employees from onerous terms and conditions of employment or exploitation by employers who
18 have superior economic and bargaining power.

19 18. The nature of this action and the format of laws available to Plaintiff and members of the
20 Class make the class action format a particularly efficient and appropriate procedure to redress the
21 wrongs alleged herein. If each employee were required to file an individual lawsuit, the corporate
22 Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and
23 overwhelm the limited resources of each individual plaintiff with their vastly superior financial and
24 legal resources. Requiring each member of the Class to pursue an individual remedy would also
25 discourage the assertion of lawful claims by employees who would be disinclined to file an action
26 against their former or current employer for real and justifiable fear of retaliation and permanent
27 damage to their careers at their current or subsequent employment.

28

1 19. The prosecution of separate actions by individual members of the Class, even if possible,
2 would create a substantial risk of (a) inconsistent or varying adjudications with respect to individual
3 members of the Class that would establish potentially incompatible standards of conduct for
4 Defendants, or (b) adjudications with respect to individual members of the Class that would, as a
5 practical matter, be dispositive of, or substantially impair or impede the ability to protect, the interests
6 of other members of the Class not parties to the adjudications. Further, the claims of the individual
7 members of the Class are not sufficiently large to warrant vigorous individual prosecution considering
8 the concomitant costs and expenses.

9 20. Defendants' pattern, practice, and uniform administration of corporate policy in violation
10 of the Labor Code is unlawful. Proof of a common business practice or factual pattern will establish the
11 rights of Plaintiff and the Class under Section 226, applicable IWC Wage Orders, and Code of Civil
12 Procedure section 1021.5 to recover applicable penalties, reasonable attorneys' fees, and costs of suit.

13 **FIRST CAUSE OF ACTION**

14 **Inaccurate Itemized Wage Statements (Lab. Code § 226(a))**

15 **(By Plaintiff, the Wage Statement Class, and Total Hours Class Against All Defendants)**

16 21. The preceding paragraphs are re-alleged and incorporated by this reference.

17 22. Section 226(a) requires an employer to furnish to its employees itemized wage
18 statements that show accurate information, including without limitation, the name of the legal entity that
19 is the employer and the total hours worked.

20 23. As a matter of policy and practice, Defendants fail to provide accurate itemized wage
21 statements to Plaintiff and the Wage Statement Class. Specifically, Defendants fail to furnish Plaintiff
22 and the Wage Statement Class with wage statements that itemize and show the name of the legal entity
23 that is the employer. Instead, the wage statements show an address only, without the name of a legal
24 entity.

25 24. As a matter of policy and practice, Defendants also fail to provide accurate itemized
26 wage statements to Plaintiff and the Total Hours Class. Specifically, whenever shift differential wages
27 or other non-“regular time” wages are paid to Plaintiff and the Total Hours Class, Defendants furnish
28 wage statements that fail to itemize and show the total hours worked. Instead, the “gross hours” shown

1 on the wage statements itemize an inaccurate number of hours. Moreover, when the hours shown on the
2 wage statements are added up, the sum also does not equal the total hours worked.

3 25. Such a pattern, practice, and uniform administration of corporate policy is unlawful and
4 entitles Plaintiff, the Wage Statement Class, and Total Hours Class to recover applicable penalties,
5 attorneys' fees, and costs of suit.

6 **ADDITIONAL ALLEGATIONS**

7 26. The preceding paragraphs are re-alleged and incorporated by this reference.

8 27. Pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698
9 *et seq.* ("PAGA"), Plaintiff has sought authorization to sue as a proxy for the State of California. In this
10 capacity, Plaintiff would seek penalties for Defendants' violations of Section 226, committed since
11 September 30, 2019, against all aggrieved employees. As stated herein, Defendants fail to provide
12 accurate itemized wage statements. Under Section 2699(c), Plaintiff is an "aggrieved employee," as one
13 or more of the alleged violations was committed against Plaintiff as an employee of Defendants.

14 28. On or about January 29, 2021, Plaintiff sent written notice to the Labor & Workforce
15 Development Agency ("LWDA") of specific facts and theories for Defendants' violations of Section
16 226. Plaintiff simultaneously sent written notice to Defendants via certified mail. As of the date of the
17 filing of this Complaint, the LWDA has neither responded nor indicated that it intends to investigate the
18 allegations in the written notice.

19 29. As such, on or about April 4, 2021, Plaintiff intends to seek recovery of all applicable
20 penalties pursuant to Section 2699(a), (f), and (g), for Defendants' violations against all aggrieved
21 employees for the period described above.

22 **PRAYER FOR RELIEF**

23 WHEREFORE, Plaintiff prays for judgment for herself and all others on whose behalf this suit
24 is brought against Defendants, jointly and severally, as follows:

- 25 1. For an order certifying the proposed Class;
26 2. For an order appointing Plaintiff as the representative of the Class;
27 3. For an order appointing Counsel for Plaintiff as Class Counsel;

1 4. Upon the First Cause of Action for penalties and for costs and attorneys' fees, pursuant
2 to Section 226;

3 5. Upon each cause of action for attorneys' fees and costs as provided by Section 226 and
4 Code of Civil Procedure section 1021.5; and

5 6. For such other and further relief that the Court may deem just and proper.

6 DATED: March 29, 2021

DIVERSITY LAW GROUP, P.C.

7
8 By: 

Larry W. Lee
Simon L. Yang
Attorneys for Plaintiff

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Class Action Alleges Starbucks Failed to Provide Accurate Wage Statements to California Workers](#)
