

JURISDICTION AND VENUE

3. This Court has subject matter jurisdiction over Plaintiff's federal claims pursuant to 28 U.S.C. § 1331 and 29 U.S.C. § 216(b).

4. Defendants are subject to personal jurisdiction in Washington because their headquarters are located in this State and they do business in this judicial district.

5. Venue is proper in this district under 28 U.S.C. § 1391 because a substantial part of the acts or omissions giving rise to the claims in this Complaint took place in this district. In particular, the decision to classify the Plaintiff and proposed Class Members as independent contractors was made in this district. Moreover, personnel files, records, and witnesses are located within this district.

PARTIES

6. Plaintiff Laurie Krause is an adult resident of Melbourne, Florida. Her written consent form is attached hereto as Exhibit "A."

7. Defendant Expedia Group, Inc. is a foreign corporation with its headquarters in Bellevue, Washington. Said Defendant can be served with process by serving its registered agent, the National Registered Agents, Inc., at 711 Capitol Way S Suite 204, Olympia, WA, 98501.

8. Defendant Egencia, LLC. is a foreign limited liability company with its headquarters in Bellevue, Washington. Said Defendant can be served with process by serving its registered agent, the National Registered Agents, Inc., at 711 Capitol Way S Suite 204, Olympia, WA, 98501.

9. The "Class Members" are all current and former travel consultants classified as independent contractors at any time from three years prior to the filing of the Complaint to the present.

10. At all times relevant herein, Defendants were joint employers and/or a single enterprise under the FLSA. They share officers and directors. They share the same physical address. They have the same accounting and payroll operations. They share control over hiring, firing, payroll, advertising, and overhead decisions. Further, the companies share the same clients and customers. Moreover, they employ workers to achieve the same business purpose - to provide

1 online travel and hotel booking services. Indeed, Defendant Expedia Group specifically lists
 2 Defendant Egencia as a company within its “brand.” See <https://www.expediagroup.com/>, last
 3 visited January 17, 2019).

4 **COVERAGE**

5 11. At all material times, Defendants have been employers within the meaning of 3(d)
 6 of the FLSA. 29 U.S.C. § 203(d).

7 12. At all material times, Defendants have been enterprises within the meaning of 3(r)
 8 of the FLSA. 29 U.S.C. § 203(r).

9 13. At all material times, Defendants have been enterprises or enterprises in commerce
 10 or in the production of goods for commerce within the meaning of 3(s)(1) of the FLSA because
 11 Defendants have had and continue to have employees engaged in commerce. 29 U.S.C. §
 12 203(s)(1).

13 14. Furthermore, Defendants have an annual gross business volume of not less than
 14 \$500,000.

15 15. At all material times, Plaintiff and each of the Class Members were employees who
 16 engaged in commerce or in the production of goods for commerce as required by 29 USC § 207.

17 **FACTS**

18 16. Defendants operate an online travel management company. Defendants provide
 19 booking services for businesses and individuals. That is, individuals and business can purchase
 20 tickets, hotel reservations, and vehicle reservations directly through Defendants’ website and
 21 customer portal.

22 17. To perform these services, Defendants employ “travel consultants” but classifies
 23 them as independent contractors.

24 18. The travel consultants work across the country for Defendants.

25 19. Travel consultants communicate with the customers of Defendants and answer
 26 questions regarding booking reservations. The travel consultants communicate by chat, email,
 27 inbound phone, and outbound phone.

28 20. The travel consultants work from home.

1 21. They are required to use Defendants' computer software and follow Defendants'
2 policies and procedures.

3 22. They are required to work a minimum number of hours per week.

4 23. They are told that they must handle at least 4 customer calls per hour with an
5 average handle time that Defendants establish.

6 24. They are required to undergo a background check by Defendants and must meet
7 Defendants' required qualifications to get a job.

8 25. Defendants provide training to the travel consultants in how they are to perform
9 their duties for Defendants.

10 26. Defendants pay the travel consultants a set amount per minute worked.

11 27. The travel consultants regularly work more than 40 hours per week but are not paid
12 overtime.

13 28. Plaintiff has worked for Defendants since July 2014.

14 29. Plaintiff was classified by Defendants as an independent contractor.

15 30. The Class Members were also classified as independent contractors.

16 31. The Plaintiff and Class Members are not independent contractors, but are
17 employees.

18 32. The Plaintiff and Class Members were paid based upon the number of minutes
19 worked for Defendants.

20 33. Plaintiff regularly worked over 40 hours each week.

21 34. However, when she worked more than 40 hours, she was not paid any overtime
22 wages for those hours worked in excess of 40.

23 35. Like Plaintiff, the Class Members regularly worked more than 40 hours each week
24 and were not paid overtime for those hours worked in excess of 40 in a workweek.

25 36. Given that they were misclassified as independent contractors, they were denied
26 overtime pay.

27 37. The Class Members performed similar duties as Plaintiff.

28 38. Class Members worked across the US.

1 39. While working for Defendants, Plaintiff interacted with and became familiar with
2 the manner in which Defendants classified the Class Members and paid the Class Members.
3 Therefore, Plaintiff has first-hand, personal knowledge of the same pay violations in Defendants'
4 operations.

5 40. Defendants paid Plaintiff and the Class Members in the same manner – by the
6 minute.

7 41. Defendants hired/fired, issued pay, supervised, directed, disciplined, scheduled and
8 performed all other duties generally associated with that of an employer with regard to Plaintiff
9 and the Class Members.

10 42. In addition, Defendants instructed Plaintiff and the Class Members about when and
11 how they were to perform their work.

12 43. Moreover, the following conduct demonstrates that Defendants acted as an
13 employer with respect to Plaintiff and the Class Members:

- 14 a. Defendants required Plaintiff and the Class Members to begin their work at a set
15 time;
- 16 b. Defendants paid the Plaintiff and Class Members a non-negotiable rate, like
17 employees;
- 18 c. Defendants required Plaintiff and the Class Members to request time off in advance
19 and have that time away from work preapproved;
- 20 d. Defendants set forth the required procedures to be followed and the order and
21 manner in which Plaintiff and the Class Members were to perform their work;
- 22 e. Plaintiff and the Class Members faced termination if they failed to perform their
23 work in the manner required by Defendants;
- 24 f. Plaintiff's and the Class Members' services were integrated into Defendants'
25 operations;
- 26 g. Plaintiff and the Class Members constituted the workforce without which
27 Defendants could not perform their services;

1 h. Plaintiff and the Class Members worked for Defendants for long periods of time as
2 is common with employees; and

3 i. Defendants maintained the right to discharge Plaintiff and the Class Members at
4 any time.

5 44. Furthermore, the degree of investment Plaintiff and the Class Members made to
6 perform their work pales in comparison to the expenses Defendants incurred. Defendants provided
7 the computer software and web portal for Plaintiff and the Class Members to do their work.

8 45. Further, Plaintiff and the Class Members performed work that was integral to the
9 operations of Defendants.

10 46. Moreover, Defendants supervised and controlled the activities of Plaintiff and the
11 Class Members. Defendants monitored their work, reviewed their work, issued instructions, set
12 handling times, required a minimum of four calls per hour, and directed the work in the manner
13 deemed sufficient by Defendants.

14 47. Despite these facts, Defendants improperly classified Plaintiff and the Class
15 Members as independent contractors and not as employees.

16 48. Defendants misclassified the Plaintiff and Class Members as independent
17 contractors to avoid their obligations to pay these employees overtime.

18 49. However, at all times, Plaintiff and the Class Members were employees of
19 Defendants.

20 50. No exemption applies to Plaintiff or the Class Members.

21 51. Defendants' method of paying Plaintiff and the Class Members in violation of the
22 FLSA was willful and was not based on a good faith and reasonable belief that their conduct
23 complied with the FLSA. Defendants' misclassification was not by accident, but a well thought
24 out scheme to reduce their labor costs. Defendants knew the requirement to pay overtime to their
25 employees, but intentionally and/or recklessly chose not to do so. Accordingly, Defendants'
26 violations of the FLSA were willful.

27 **COLLECTIVE ACTION ALLEGATIONS**

28 52. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

1 53. Plaintiff has actual knowledge that the Class Members have also been denied
2 overtime pay for hours worked over forty (40) hours per workweek as a result of Defendants'
3 misclassification of their employees.

4 54. Plaintiff's knowledge is based on her personal work experience and through
5 communications with other workers of Defendants.

6 55. Other workers similarly situated to the Plaintiff worked for Defendants throughout
7 the United States, but were not paid overtime at the rate of one and one-half their regular rate when
8 those hours exceeded forty (40) hours per workweek because Defendants misclassify them as
9 independent contractors.

10 56. Although Defendants permitted and/or required the Class Members to work in
11 excess of forty (40) hours per workweek, Defendants have denied them full compensation for their
12 hours worked over forty (40).

13 57. Defendants have classified and continue to classify the Class Members as
14 independent contractors.

15 58. The Class Members perform or have performed the same or similar work as
16 Plaintiff and were misclassified as independent contractors by Defendants.

17 59. The Class Members are not exempt from receiving overtime pay under the FLSA.

18 60. As such, the Class Members are similar to Plaintiff in terms of relevant job duties,
19 pay structure, misclassification as independent contractors and/or the denial of overtime pay.

20 61. Defendants' failure to pay overtime compensation at the rate required by the FLSA
21 results from generally applicable policies or practices, and does not depend on the personal
22 circumstances of the Class Members.

23 62. The experiences of Plaintiff, with respect to her pay, hours, and duties are typical
24 of the experiences of Class Members.

25 63. The specific job titles or precise job responsibilities of each Class Member do not
26 prevent collective treatment.

27 64. All Class Members, irrespective of their particular job requirements, are entitled to
28 overtime compensation for hours worked in excess of forty (40) during a workweek.

1 72. Plaintiff will seek to certify Count I as a collective action and intends to recover
2 all back wages, liquidated damages, penalties and prejudgment interest thereon due to Plaintiff and
3 the other employees he represents.

4 **JURY DEMAND**

5 73. Plaintiff hereby demands trial by jury on all issues.

6 **PRAYER**

7 74. For these reasons, Plaintiff prays for:

- 8 a. An order designating the FLSA Class as a collective action and authorizing notice
9 pursuant to 29 U.S.C. § 216(b) for the FLSA Class Members to permit them join
10 this action by filing a written notice of consent;
- 11 b. A judgment against Defendants awarding Plaintiff and the FLSA Class Members
12 all their unpaid overtime compensation, reimbursement of expenses, liquidated
13 damages, and statutory penalties;
- 14 c. An order awarding attorneys' fees, costs, and expenses;
- 15 d. Pre- and post-judgment interest at the highest applicable rates; and
- 16 e. Such other and further relief as may be necessary and appropriate.

17
18
19 Respectfully submitted,

20 By: /s/ Paul Woods
21 Paul Woods
22 Washington Bar No.
23 The Paul Woods Law Firm, PLLC
24 1001 Fourth Avenue, Suite 3200
25 Seattle, WA 98154
26 paul@paulwoodslawfirm.com

27 LOCAL COUNSEL

1 AND

2
3 KENNEDY HODGES, L.L.P.

4
5 By: /s/ Don J. Foty
6 Don J. Foty (pending admission pro hac vice)
7 dfoty@kennedyhodes.com
8 Texas State Bar No. 24050022
9 4409 Montrose Blvd., Suite 200
Houston, TX 77006
Telephone: (713) 523-0001
Facsimile: (713) 523-1116

10 ATTORNEYS FOR PLAINTIFF AND CLASS
11 MEMBERS
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**CONSENT TO JOINT COLLECTIVE ACTION AND BE
REPRESENTED BY KENNEDY HODGES, LLP**

- I, Laurie Krause ^(Phillips) (print name), consent and agree to pursue my claims for unpaid overtime and/or minimum wage through a lawsuit brought under the Fair Labor Standards Act and any state wage and hour law.
- I intend to pursue my claim individually, unless and until the court certifies this case as a collective or class action. I agree to serve as the class representative if I am selected by counsel.
- If I am not the class representative, I authorize the named Plaintiff to file and prosecute my claim for unpaid wages in my name, and on my behalf, and designate the named Plaintiff to make decisions on my behalf concerning the litigation, including negotiating a resolution of my claims, entering into an agreement with the lawyers in this case, and I understand I will be bound by such decisions.
- I agree to be represented by Kennedy Hodges, LLP.
- If my consent form is stricken or if I am for any reason not allowed to participate in this case, I authorize Plaintiff's counsel to use this Consent Form to re-file my claims in a separate or related action against my employer.

Date

9/27/18

Signature

Laurie Krause

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

Krause, Laurie, on Behalf of Herself and on Behalf of All Others Similarly Situated

(b) County of Residence of First Listed Plaintiff Brevard County, FL
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

The Paul Woods Law Firm, 1001 4th Ave, Ste. 3200, Seattle, WA 98154, 425-773-8109, Paul Woods; also see attachment

DEFENDANTS

Expedia Group, Inc. and Egencia, LLC

County of Residence of First Listed Defendant King County, WA
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☒ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input checked="" type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

29 U.S.C. § 216(b)

Brief description of cause:

Misclassification of employment status and failure to pay wages owed

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE 01/28/2019 SIGNATURE OF ATTORNEY OF RECORD 

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE

Additional attorney for Plaintiff:

Don J. Foty (pending admission pro hac vice)
Kennedy Hodges, L.L.P.
4409 Montrose Blvd., Suite 200
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Telephone: (713) 523-0001

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Expedia, Egencia Face Travel Consultant's Worker Misclassification Lawsuit](#)
