FILED

U. S. DISTRICT COURT
EASTERN DISTRICT ARKANSAS

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF ARKANSAS SHERMAN DIVISION

JAMES W. McCORMACK, CLERK By:

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TINA MCMECHEN AND MADELEINE WATSON, individually and behalf of all similarly situated employees,	\$ \$ \$ \$ \$	
Plaintiffs,	§ §	CIVIL ACTION NO. 3:18-CV-218-DPM
v.	§ 8	
BLACKBOARD INC.,	8 8	COLLECTIVE ACTION JURY DEMANDED
Defendant.	§	

ORIGINAL COLLECTIVE ACTION COMPLAINT

PRELIMINARY STATEMENT

Blackboard Inc. ("Blackboard" or "Defendant") violates the Equal Pay Act, 29 U.S.C.

§ 206(d), by failing to pay female sales staff the same as men. Tina McMechen and Madeleine

Watson bring this collective action to recover the equal pay owed to them and other similarly
situated female employees resulting from this violation of law case assigned to District Judge Marshall

PARTIES

PARTIES

- 1. Blackboard is a Delaware corporation licensed to do business in Arkansas, with its principal office in Washington, DC. Blackboard can be served by serving its registered agent, The Corporation Company, 124 West Capitol Avenue, Suite 1900, Little Rock, Arkansas 72201.
- 2. Tina McMechen worked for Blackboard as a salesperson in its K-12 division based out of her residence in Craighead County, Arkansas, from January 11, 2016, until July 20, 2018. Her consent to participate in this action is attached as Exhibit A.

- 3. Madeleine Watson worked for Blackboard as a salesperson in its K-12 division based out of her residence in Cook County, Illinois, from March 2015 until June 29, 2018. Her consent to participate in this action is attached as Exhibit B.
- 4. McMechen and Watson worked as salespeople in Blackboard's K-12 division, selling its educational software packages to educators, schools, and school districts according to assigned geographic territories and market segments according to the number of students in the schools or school districts. The assigned geographic territories and market segments to which Blackboard's K-12 salespeople were assigned changed over time. McMechen and Watson are referred to in this Complaint as "Female Salespeople" or "Plaintiffs."
- 5. During the entire time at Blackboard, the Female Salespeople were paid less than male salespeople in the K-12 division performing equal work, the performance of which required equal skill, effort, and responsibility, and which are performed under similar working conditions. Other female salespeople work and have worked at Blackboard without getting paid the same as male salespeople for equal work. Each similarly situated person who participates as a plaintiff in this lawsuit ("Opt-in Plaintiff Class Member") will execute and file a Notice of Consent. Individuals similarly situated to the Female Salespeople are the female salespeople who work or have worked in Blackboard's K-12 sales division, from three years prior to the filing of this Complaint to the present (collectively, the "Members of the Class").

JURISDICTION

6. This Court has jurisdiction under 28 U.S.C. § 1331 because the Plaintiffs have asserted a claim arising under federal law, the Equal Pay Act, 29 U.S.C. § 206(d), which is enforced through the provisions of the Fair Labor Standards Act, 29 U.S.C. § 201, et seq. ("FLSA"). See 29 U.S.C § 206(d)(3).

VENUE

7. Venue is proper in the Eastern District of Arkansas under 28 U.S.C. §1391(b) because Blackboard regularly conducts business in this District and the events forming the basis of the suit occurred in this District, including by employing McMechen to work from her residence in this District and by soliciting and doing business with schools and school districts in this District, including schools and school districts in Little Rock, Arkansas, and, on information and belief, throughout the University of Arkansas and Arkansas State University systems.

FLSA COVERAGE

- 8. At all times mentioned, Blackboard has been an employer within the meaning of Section 3(d) of the FLSA, 29 U.S.C. § 203(d).
- 9. At all times mentioned, Blackboard has been an enterprise within the meaning of Section 3(r) of the FLSA, 29 U.S.C. § 203(r).
- 10. At all times mentioned, Blackboard has been an enterprise engaged in interstate commerce within the meaning of Section 3(s)(l) of the FLSA, 29 U.S.C. § 203(s)(l). Blackboard has had employees engaged in interstate commerce and has had and has an annual gross volume of sales made or business done of not less than \$500,000 (exclusive of excise taxes at the retail level which are separately stated) during the relevant time period.

11. At all times mentioned, Plaintiffs and the Members of the Class were and/or are engaged in commerce or in the production of goods for commerce as required by 29 U.S.C. §§ 206-207.

FACTS

- 12. Blackboard, which bills itself as the "#1 Global Education Software Provider," provides educational software solutions to educators, schools, and school districts throughout the United States and worldwide. With at least fourteen locations in the United States alone, Blackboard is well aware of the Equal Pay Act's requirements.
- 13. During the relevant time period, Female Salespeople and the Members of the Class were paid less for equal work than men. There has been a stark disparity in pay between Blackboard's male and female salespeople despite performing virtually identical jobs. While they served different market segments and territories, these roles were interchangeable and identical in skill, effort, responsibility, and working conditions. All or nearly all of Blackboard's salespeople in the K-12 division were based from their residences and traveled to sites to meet with clients and provided product demonstrations throughout their assigned territories.
- 14. However, for example, Watson was paid less than Chad Kreindler and Dan Gabbert, the only difference being, until January 2018, that they served different sizes of school districts and different territories. Since that time, Blackboard moved to having primarily only one salesperson per state, regardless of school size. This resulted in Watson's and Kreindler's jobs, which had overlapping territories, in particular to become even more identical, differing only in territory. McMechen was paid less than Kreindler and Adam Dolan, despite being in the same market segment as Dolan and typically serving more "strategic" (meaning, larger) schools than did Kreindler.

- 15. In January 2018, Watson's compensation structure was changed from a minimum \$55,000 base pay, with overtime, plus commissions, to \$75,000 base salary, without overtime, plus commission, which actually reduced her overall compensation package. McMechen's compensation included \$115,000 in base pay, plus commissions.
- 16. On information and belief, Kreindler was paid at least \$120,000 in base pay. The disparity, at least vis-à-vis Watson, is at least in part ostensibly due to his managerial status as a Director. Not only was Kreindler not a true Director, in that he did not manage any other employees, but he was also only had a few schools of the size typically necessary to be considered "strategic." McMechen was also a Director, but she also did not manage any other employees and her base pay was still less than Kreindler's. Kreindler otherwise primarily handled schools of the same size as Watson, and did not have as much relevant experience as any of the Female Sales Employees.
- 17. Gabbert was also paid more than Watson. On information and belief, his compensation included at least \$85,000 in base salary, despite having no prior sales experience.
- 18. On information and belief, Dolan's compensation included at least \$140,000 in base pay and increased to \$150,000 in base pay during the relevant time period. The pay disparity with Dolan is at least in part ostensibly due his title being a Regional Vice President, which is higher than Director, despite performing the same work as McMechen and other female salespeople, and reporting to the same person as McMechen.
- 19. Male salespeople such as Kreindler and Dolan were also eligible for \$50,000 bonuses that were not available to the Female Salespeople.
 - 20. Blackboard is aware of the disparities in favor of male versus female salespeople.

- 21. Blackboard's conduct described above constitutes a willful and intentional violation of the Equal Pay Act.
- 22. The Female Salespeople are aware of other current and former female employees who are or were similarly situated in that they are or were salespeople in Blackboard's K-12 division who performed equal work as men but were paid less. Therefore, pursuant to 29 U.S.C. § 219(b), the Female Salespeople sue on behalf of themselves and all other female employees regardless of their title who are similarly situated employees. They also request that the Court authorize Plaintiffs' counsel to provide notice to similarly situated female employees without regard to their job title during the pendency of this action and apprise them of their right to join this lawsuit.

INDIVIDUAL ALLEGATIONS

23. 29 U.S.C. 206(d)(1) provides:

No employer having employees subject to any provisions of this section shall discriminate, within any establishment in which such employees are employed, between employees on the basis of sex by paying wages to employees in such establishment at a rate less than the rate at which he pays wages to employees of the opposite sex in such establishment for equal work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions[.]

- 24. Pursuant to 29 U.S.C. 206(d)(3), "any amounts owing to any employee which have been withheld in violation of this subsection shall be deemed to be unpaid minimum wages or unpaid overtime compensation under this chapter."
- 25. During the relevant period, the Female Salespeople were discriminated against on the basis of sex by being paid wages at a rate less than the rate at which Blackboard pays wages to employees of the opposite sex for equal work on jobs the performance of which require equal skill, effort, and responsibility, and which are performed under similar working conditions.

COLLECTIVE ACTION ALLEGATIONS

- 26. The Members of the Class had similar job requirements, responsibilities, and conditions as the Female Salespeople. The Members of the Class were subjected to the same unequal pay practices and policies as the Female Salespeople. The Members of the Class are similarly situated in terms of Blackboard's failure to pay them the same as men pursuant to the Equal Pay Act.
- 27. Although the amount of damages may vary from individual to individual, the damages can be calculated by using a single mathematical formula that is individually applicable to each Member of the Class.
 - 28. Accordingly, the class of similarly-situated Plaintiffs is properly defined as:

All current and former female employees of Blackboard Inc. employed in the United States as salespeople in the K-12 division during the three year period preceding the filing of this Complaint.

COUNT I: VIOLATION OF THE EQUAL PAY ACT (COLLECTIVE ACTION)

- 29. The Female Salespeople incorporate the allegations in the preceding paragraphs as if fully set forth in their entirety.
- 30. During the relevant period, Blackboard violated the Equal Pay Act and the FLSA, 29 U.S.C. §§ 206(d), 215(a)(2), and 216(b). The Female Salespeople and Members of the Class perform equal work as men but were paid less. Blackboard has acted willfully in failing to equally pay the Female Salespeople and the Members of the Class in accordance with the law.
- 31. The Female Salespeople and the Members of the Class are therefore entitled to damages equal to the differential in pay on the basis of sex over the past three years. See 29 U.S.C. §§ 206(d), 216(b), and 255(a).

- 32. The Female Salespeople and the Members of the Class are also entitled to a separate amount equal to all of their unpaid overtime compensation as liquidated damages. *See* 29 U.S.C. § 216(b).
- 33. The Female Salespeople and the Members of the Class also are entitled to reasonable attorneys' fees, costs and expenses, and pre- and post-judgment interest. *See id*.

JURY DEMAND

Plaintiffs hereby demand a trial by jury.

RELIEF SOUGHT

The Female Salespeople and the Members of the Class request judgment against Blackboard awarding:

- a. Damages due the Female Salespeople and the Opt-in Plaintiff Class Members;
- Liquidated damages equal in amount to the damages due to the Female
 Salespeople and the Opt-in Plaintiff Class Members;
- c. Reasonable attorneys' fees;
- d. Costs and expenses;
- e. Pre- judgment and post-judgment interest at the highest rates allowed by law; and
- f. Such other relief as may be necessary and appropriate.

Dated: November 13, 2018.

Respectfully Submitted,

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(972) 770-2156 (Fax)

ATTORNEYS FOR PLAINTIFFS TINA MCMECHEN AND MADELEINE WATSON

EXHIBIT AConsent Form – Tina McMechen

IN RE:	EQUAL PAY ACT ACTION AGAIN	ST
		1

BLACKBOARD INC.

NOTICE OF CONSENT

I, Tina McMechen, an employee formerly employed by Blackboard Inc., hereby consent to be a party plaintiff in an action to collect unpaid wages.

Signature

No Media

Signature

EXHIBIT BConsent Form – Madeleine Watson

NOTICE OF CONSENT

IN RE: EQUAL PAY ACT ACTION AGAINST

BLACKBOARD INC.

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JS 44 (Rev. 06/17)

Case 3:18-cv-00218-DPM Document 1-1 Filed 11/14/18 Page 1 of 1 CIVIL COVER SHEET 3:18-CV-218-DPM

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.

CSEF_INSTRICTIONS ON NEXT PAGE OF THIS FORM)

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I. (a) PLAINTIFFS				DEFENDANTS						
TINA McMechen and MADELEINE WATSON, individually and on of all similarly situated employees				half BLACKBOARD, INC.						
(b) County of Residence of First Listed Plaintiff Craighead County,				County of Residence	County of Residence of First Listed Defendant					
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(c) Attorneys (Firm Name, A	Address, and Telephone Numbe	r)		Attorneys (If Known)						
Jennifer J. Spencer, Mar	y L. Scott, James E. H	unnicutt, Spencer								
pllc, 12221 Merit Drive, S	suite 160, Dallas, Texa	is 75251, (972) 458	3-5301							
II. BASIS OF JURISDI	ICTION (Place an "X" in O	ne Box Only)	III. CI	TIZENSHIP OF P	RINCIPA	L PARTIES				
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VI. CAUSE OF ACTION	Brief description of ca	ause: Case for violation			4 200					
VII. REQUESTED IN COMPLAINT:		IS A CLASS ACTIO	A STATE OF THE PARTY OF THE PAR	EMAND S		HECK YES only URY DEMAND:		n complai		
VIII. RELATED CASI	E(S) (See instructions):									
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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: <u>Blackboard Accused of Pay Discrimination by Female Sales Employees</u>