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For Immediate Release

Bet Tzedek Announces Federal Court Enjoins Retaliatory Mass Termination in Walmart Warehouses in Mira Loma, California

Plaintiff Warehouse Workers Found Likely to Prevail on Claim that Warehouse
Employers Retaliated Against Them for Cooperating With State Labor Agency and
Filing Federal Lawsuit

February 1, 2012 – Bet Tzedek, the respected Los Angeles public-interest law firm, announced that, in a decisive win for more than a hundred Inland Empire California warehouse workers who load Walmart goods in Inland Empire warehouses, a federal judge in Los Angeles today issued a preliminary injunction barring the retaliatory mass termination of those workers, which was scheduled for February 24, 2012. Judge Christina Snyder of the U.S. District Court for the Central District of California issued her ruling today in a class action lawsuit filed October 17, 2011 by six low-wage warehouse workers against Impact Logistics, Rogers-Premier Unloading Services, Premier Warehousing Ventures, and Schneider Logistics. The workers' lawsuit sought redress for systematic wage theft in violation of the Fair Labor Standards Act ("FLSA") and California Labor Code.

Judge Snyder found that the workers would likely prevail on their legal claims that Rogers-Premier, Premier, and Schneider Logistics violated state and federal anti-retaliation law. In a 29-page opinion, Judge Snyder noted that the mass discharge was set in motion just four days after the workers filed their lawsuit and just nine days after the California Department of Labor Standards Enforcement conducted an inspection of these Walmart warehouses, resulting in citations of more than a \$1 million for pervasive recordkeeping violations. In issuing her ruling, Judge Snyder rejected Schneider Logistics' argument that it had no responsibility for the workers, because they were directly hired by others. The judge pointed to substantial evidence of Schneider Logistics' control over the workforce, which is a common structure in the Inland Empire's warehousing sector, and concluded that the workers were "likely to prevail on their assertions that Schneider is a joint employer with Premier and that each is jointly and severally liable for the actions of the other."

Judge Snyder noted that in addition to the "close temporal proximity" between the mass termination decision and the filing of this lawsuit and the workers' cooperation with state labor officials, statements made by Schneider management just days after the filing of this lawsuit further revealed the company's retaliatory motives. Judge Snyder found that the workers' accounts of this meeting, in which the workers describe Schneider management threatening to "destroy" or "throw away" anyone who supported the workers' efforts to obtain legal compliance with their rights more persuasive than the conflicting accounts offered by Schneider management. The Court also ruled that Schneider had failed to offer a "logical explanation" for

refusing to retain the experienced workers who were already vetted and trained to work in its warehouses.

Judge Snyder concluded that the workers would suffer serious irreparable harm if the mass termination proceeded as scheduled. The Court explained that “retaliatory discharges deter workers from vindicating their statutory rights and seeking access to the courts,” and that “if the termination were allowed to proceed, any replacement workers hired by Schneider or a new contractor would be reluctant to assert their rights.”

According to plaintiffs’ counsel Janet Herold, “The employers’ termination notice was intended to send a message that the efforts of warehouse workers to stand up against unsafe and truly exploitative work conditions would not just be futile, but would result in the most severe workplace punishment: mass discharge. With this injunction, Judge Snyder sent clear notice to these defendants and all retaliating employers that any efforts taken to stamp out lawful recourse to administrative and judicial remedies will not be tolerated.”

“It took a lot of courage for these low-wage warehouse workers to stand up last October for their right to overtime wages, lawful wage statements, and fair treatment. It would have been a tragedy if their employers had been allowed to respond with a mass firing. We are overjoyed that Judge Snyder protected the workers and their jobs by stopping this retaliatory termination in its tracks,” said Theresa M. Traber, another attorney representing plaintiffs.

“In her Order, Judge Snyder held that low-wage workers who lose their jobs suffer irreparable injuries that cannot be fully compensated by a later award of monetary damages. She also recognized the truth that all workers well understand – that successful retaliation against workers who assert their rights has a chilling impact on all other workers who will fear that any protest will result in their suffering the same mistreatment – and that this impact can only be avoided through injunctive relief,” said Michael Rubin, who also represents the workers.

Judge Snyder’s order also granted plaintiffs’ request to issue notice to all current and former workers in these Walmart warehouses, through workplace and community postings. In light of the scope of the DLSE’s recordkeeping citations and plaintiffs’ success in a prior motion for injunctive relief requiring defendants to issue lawful wage statements (secured in October 2011), Judge Snyder found that defendants should bear the cost of mailing notice to the prospective class.

Plaintiffs are represented by Janet Herold, Special Counsel to Change to Win; Traber & Voorhees of Pasadena; Altshuler Berzon LLP of San Francisco; Bet Tzedek Legal Services of Los Angeles; and Sandra C. Munoz of Los Angeles. The case name is *Everardo Carrillo v. Schneider Logistics, Inc.*, No. CV 11-8557 CAS (DTBx) (C.D. Cal.).