

Gig Companies Are Facing Dozens of Lawsuits Over Workplace Violations

At work, we should all expect to make enough to live and thrive; care for our families, ourselves, and our communities; and work together to improve our working conditions. Laws regulating the workplace provide a basic foundation on which to build.

Workers Are Suing to Defend Their Rights

Some companies that use technology to dispatch workers to short-term jobs (often called the “gig economy”), together with their lobbyists and public relations teams, want to convince workers and policymakers that workers are better off *without* core workplace protections. Many of these companies assert that their workers are happy with jobs that provide no minimum wage, no protection against discrimination, no workers’ compensation, and no say in the terms and conditions of their employment—simply because their workers have some degree of “flexibility” to determine their own schedules.

Legal claims filed against the companies tell a different story. [Our review of litigation filed against just eight companies—Uber, Lyft, Handy, Doordash, Instacart, Postmates, Grubhub, and Amazon—finds that these companies have been sued at least 70 times by workers claiming protection under state and federal labor laws.](#) The claims cover underpayment of wages, tip-stealing, unfair shifting of business costs onto workers, discrimination, and unfair labor practices meant to keep workers from joining together to improve conditions. Plainly, these workers are not happy with the status quo.

Uber alone has been sued in at least 38 instances for improperly paying or classifying its drivers,¹ including two cases pending in federal courts of appeal.² Lyft’s initial-public-offering disclosures to the Securities and Exchange Commission (SEC) show that it has been subject to nine lawsuits, but our review located 12 cases.³ Handy has been sued in five separate class action lawsuits.⁴ Doordash and Instacart have each been sued three times, Postmates once, Grubhub four times.⁵ Amazon’s delivery drivers have also sued the giant online retailer multiple times.⁶ At least four complaints have been filed with the National Labor Relations Board.⁷

Forced Arbitration in the Fine Print

The companies also claim that the law isn’t clear on whether they are obligated to treat their workers as employees. A primary reason that the law is not clear is that the companies, citing the fine print in their contracts, are ensuring that courts have no opportunity to look at the facts of their relationship with their workers. Instead, the companies have argued and

won decisions forcing workers' claims into arbitration, where the deck is stacked against the workers. The companies' forced arbitration agreements require workers to litigate their claims individually in closed-door, non-court settings. Many workers don't have the resources to litigate their claims individually through arbitration, so they are left with no legal recourse at all.

It is impossible to determine with specificity how many workers are part of lawsuits against the companies. Most of the claims filed are class actions that cover all of a company's workers, but workers have been sent to arbitration, and because arbitrations are secret proceedings, there is no official count of the number that are pending.

Nevertheless, Uber's initial public offering filed with the SEC indicates it is currently facing 60,000 arbitration claims.⁸ Lyft is currently facing nearly 3,500 arbitration claims.⁹ One lawyer, Shannon Liss-Riordan, who has represented workers in many cases against the companies, is representing thousands of workers in arbitration claims.¹⁰

State-Level Claims

It is impossible to determine how many state-level claims have been filed against the companies for unpaid wages, workers' compensation benefits, or unemployment insurance benefits, as these are not generally publicly available. However, Lyft's SEC disclosures indicated that it is under investigation by state agencies in five states. Uber has been determined to be an employer for purposes of unemployment insurance in three states (New York, California, and Oregon), and appeals are pending against Postmates and Uber for unemployment insurance benefits in New York and Pennsylvania, respectively.¹¹

Conclusion

To turn gig jobs—and all jobs—into good jobs, we must enforce existing laws, raise wages, provide all workers with fair schedules, ensure that paid sick days and paid family leave are available to all workers, and make sure workers can bargain with the boss. That's what tens of thousands of app-based workers are doing, and that's the way we build an economy that works for all of us.

Endnotes

¹ *Bradshaw v. Uber*, No. 5:16-cf-00388-R (W.D. Ok, filed Apr 19, 2016)(dismissed); *Singh v. Uber Techs., Inc.*, 235 F.Supp.3d 656 (D.N.J. 2017)(motion to compel arbitration granted; appeal filed, Feb. 23, 2017, No. 17-1397); *Richemond v. Uber Techs., Inc.*, 263 F.Supp.3d 1312 (S.D. Fla. 2017)(motion to compel arbitration granted); *Gunn v. Uber Techs., Inc.*, 2017 WL 386816 (S.D. Ind. 2017)(motion to compel arbitration granted, motion to dismiss denied; *Lamour v. Uber Techs., Inc.*, 2017 WL 87812 (S.D. Fla. 2017)(motion to compel arbitration granted); *Marc v. Uber Techs., Inc.*, 2016 WL 7210886 (M.D. Fla. 2016)(motion to compel arbitration granted; *Meyer v. Kalanick et.al.*, 291 F.Supp.3d 526 (S.D.N.Y. 2017)(motion to compel arbitration granted); *Michelletti v. Uber Techs., Inc.*, 13 F.Supp.3d 839 (W.D. Tex 2016)(motion to compel arbitration granted); *NYTWA v. Uber et.al.*, No. 1:16-cv-04098 (S.D.N.Y. dismissed Apr 12, 2019)(dismissed); *Johnston v. Uber*, No. 3:16-cv-03134 (N.D. Cal. Filed Jun 9, 2016) (stayed); *O'Connor v. Uber*, 2019 WL 1437101 (Mar. 29, 2019)(settled; settlement included *Yucesoy v. Uber Techs., Inc.*, Case No. 15-cv-262-EMC; *Colopy et al. v. Uber Technologies, Inc.*, Case No. CGC-16-54996 (Cal. Super. Ct., San Francisco County); *Del Rio et al. v. Uber Technologies, Inc. et al.*, Case No. 3:15-cv-03667-EMC (N.D. Cal.); *Tabola et al. v. Uber Technologies, Inc. et al.*, Case No. CGC-16-550992 (Cal. Super. Ct., San Francisco County); *Toyserkani, et al. v. Rasier, LLC, et al.*, Case No. BC660915 (Cal. Super. Ct., Los Angeles County); *James, et al. v. Kalanick, et al.*, Case No. BC666055 (Cal. Super. Ct., Los Angeles County); *Hassen, et al. v. Uber Technologies, Inc.*, Case No. BC699261 (Cal. Super. Ct., Los Angeles County); *Manson, et al. v. Uber Technologies, Inc.*, Case No. 37-2018-00014744-CU-OE-CTL (Cal. Super. Ct., San Diego County); *Abulzahab, et al. v. Uber Technologies, Inc.*, et al., Case No. 1:18-cv-12658-MLW (D. Mass.); *Rojas v. Uber Technologies, Inc.*, No. 1:16-cv-23670 (S.D. Fla. June 27, 2017)(settled); *Hood v. Uber Technologies, Inc.*, 1:16-CV-99, 2019 WL 93546 (M.D.N.C. Jan. 3, 2019) (settled); *Romine v. Uber Technologies, Inc., et al.* No. 3:16-cv-00371 (E.D. Tenn. May 30, 2017)(terminated); *Bonke v. Uber Technologies, Inc.*, No. CV-16-01534, 2017 WL 3720732 (D. Ariz. May 25, 2017) (dismissed); *Zawada v. Uber Technologies, Inc.*, No. 16-cv-1133, 2016 WL 7439198 (E.D. Mich. Dec. 27, 2016)(motion to compel arbitration granted); *Congdon v. Uber Technologies, Inc.*, No. 4:16-cv-02499 (N.D. Cal filed May 9, 2016)(court found breach of contract for drivers who did not opt out of arbitration, others must arbitrate); *McElrath v. Uber Technologies, Inc.*, No. 3:2016cv07241 (Sup Ct, SF County filed May 2, 2016)(private mediation); *Varon v. Uber Technologies, Inc.*, No. MJG-15-3650 (D.Md. filed Sep 22, 2015)(motion to compel arbitration granted); *Carter v. Rasier-CA, LLC*, No. 17-cv-00003-HS, 2017 WL 4098858 (N.D. Cal. Sept. 15, 2017)(dismissed); *Olivares v. Uber Technologies, Inc.*, No. 16 C 606, 2017 WL 3008278 (N.D. Ill. July 14, 2017) (dismissed after motion to compel arbitration granted); *Scroggins v. Uber Technologies, Inc.*, No. 1:16-cv-01419-SEB-MJ, 2017 WL 373299 (S.D. Ind. Jan. 26, 2017) (dismissed after motion to compel arbitration granted in part); *Jbara v. Uber Technologies, Inc.*, No. 1:16-CV-11073 (D.Mass. filed May 25, 2018)(dismissed); *Cavallo v. Uber Technologies, Inc.*, Civ. Action No. 16-4264, 2017 WL 2362851 (D.N.J. May 31, 2017)(motion to compel arbitration granted); *Razak v. Uber Technologies, Inc.*, No. 16-57, 2018 WL 1744467 (E.D. Pa. Apr. 11, 2018), argued on appeal No. 18-1944 (3rd Cir. Jan 15, 2019) ; *Ortega v. Uber Technologies Inc.*, 15-CV-7387, 2018 WL 4190799 (E.D.N.Y. May 4, 2018) (settled after motion to compel arbitration granted); *Fisher v. Uber Technologies, Inc.*, No. 2:15-1787 (W.D. Wash filed Aug 18, 2015); No. 3:15-cv-03774 (N.D. Cal., Nov. 11, 2015)(motion to compel arbitration granted); *Trosper v. Uber Technologies, Inc.*, No. 1:16-cv-04842 (N.D. Ill. Filed May 1, 2016)(settled); *Lee v. Uber Technologies, Inc.*, 208 F. Supp. 3d 886 (N.D. Ill. 2016)(motion to compel arbitration granted); *Carey v. Uber Technologies, Inc.*, No. 1:16-cv-105, 2017 WL 1133936 (N.D. Ohio Mar. 27, 2017) (motion to compel arbitration granted); *Ehret v. Uber Technologies, Inc.*, No. 14-cv-00113, 2015 WL 12977024 (N.D. Cal. Dec. 2, 2015) (settled).

² *Razak v. Uber Technologies, Inc.* No. 16-57 (appeal argued Jan 15, 2019); *Singh v. Uber*, No. 17-1397 (appeal argued Apr 26, 2019).

³ *Bekele v. Lyft*, 918 F.3d 181 (D. Mass. Aug 9, 2016)(arbitration clause ruled valid); *Thornton v. Lyft*, No. 3:16-cv-03134 (N.D. Cal filed Jun 9 2016)(companion to *Johnston v. Uber*, dismissed); *Loewen v. Lyft, Inc.*, 129 F.Supp.3d 945 (N.D. Cal Sep, 15 2015)(motion to compel arbitration granted); *LaBorde v. Lyft, Inc.*, (Cal. Super. Ct., Los Angeles County); *Frederic v. Lyft*, No. 8-15-cv-01608 (M.D. Fla. July 8, 2015)(dismissed); *Cotter v. Lyft, Inc.*, 193 F. Supp. 3d 1030 (N.D. Cal. 2016) (settled after consolidation with *Quinlan v. Lyft, Inc.*)(Mar 16 2017); *Chute v. Lyft* (IPO—S.F. County Sup. Ct. Cal.); *Price v. Lyft, Inc.*, No. BC54636, (Cal. Super. Ct., Los Angeles County) (filed Jun 15,2014); *Olson, Talbot, Camilo, Villasenor v. Lyft, Inc.*, No 3:13-cv-02769 (ND. CA filed May 10, 2018)(motion to compel arbitration granted); *Wickberg v. Lyft, Inc.*, 356 F. Supp. 3d 179 (D. Mass. 2018) (motion to compel arbitration granted); *Zamora v. Lyft, Inc.*, No. 3:16-cv-02558-V, 2018 WL 4657308 (N.D. Cal. Sept. 26, 2018) (settled). Lyft, Inc., Form S-1 Registration Statement Under the Securities Act of 1933, filed with the United States Securities and Exchange Commission, Mar 1, 2019, <https://www.sec.gov/Archives/edgar/data/1759509/000119312519059849/d633517ds1.htm>

⁴ *Zenelaj v. Handybook, Inc.*, 82 F. Supp. 3d 968 (N.D. Cal. 2015)(motion to compel arbitration granted); *Washington v. Handy Technologies, Inc.*, No. CGC-15-546980 (S.F. County Superior Court) filed July 21, 2015; *Easton v. Handy Technologies, Inc.*, No. 2016-00004419, (Cal. Super. Ct., San Diego County); *Emmanuel v. Handy Technologies, Inc.* 1:15-cv-12914 (D. Mass July 27, 2017) (stayed); *District of Columbia v. Handy Technologies, Inc.*, No. 2016 CA 006729 B, Superior Court of the District of Columbia (settled); *Edwards v. Handy Technologies, Inc.*, No.1:16cv2619 (State Court of DeKalb County, Georgia) (terminated April 2017).

⁵ *Magana v. Doordash*, 343 F.Supp.3d 891 (N.D. Cal 2018)(motion to compel arbitration Oct 22, 2018); *Marciano v. Doordash*, No. 1:15-cv-287843CGC15548101 (SF County Superior Court); *Edwards v. Doordash, Inc.*, No. H-16-225, 2016 WL 7852532 (S.D. Tex. Dec. 8, 2016), *aff'd* 888 F.3d 738 (5th Cir. 2018) (granting a motion to compel arbitration, affirmed); *Cobarruviaz v. Maplebear (Instacart)*, 2015 WL 694112 (N.D. Cal. 2015)(dismissed after ruling that arbitration agreement valid); *Bynum v. Maplebear (Instacart)*, 160 F.Supp.3d 527 (E.D. N.Y. 2016)(motion to compel arbitration granted); *Moton v. Maplebear (Instacart)*, 2016 WL 616343 (S.D. N.Y. 2016)(motion to compel arbitration granted; settled); *Singer et.al. v. Postmates, Inc.*, No. 4:15-cv-01284 (N.D. Cal filed Mar 19, 2015)(class action settlement); *Tan v. Grubhub*, 171 F.Supp.3d 998 (N.D. Cal. 2016)(dismissed); *Souran v. Grubhub*, No. 1:16-CV-06720 (N.D.Ill. filed Jun 28, 2016); *Lawson v. Grubhub*, No. 3:15-CV-05128(N.D. Cal. 2018)(app filed, No. 18-15386); *Mitchell v. Grubhub Inc.*, No. CV 15-05465, 2015 WL 5096420 (C.D. Cal. Aug. 28, 2015) (remanded to Cal. Super. Ct., Los Angeles County).

⁶ *Truong v. Amazon*, No. BC598993 (filed October 27, 2015)(settled); *Morales v. Amazon*, No. 2:17-cv-01981 (C.D.CA filed Nov 30, 2016); *Lawson v. Amazon*, No. 2:17-CV-02515 (C.D. Cal filed Sept 27, 2017) transferred to W.D. Wash No. 2:17-cv-01438); *Rittman v. Amazon*, No. 2:16-cv-01554-JCC (W.D. Wash)(Consolidated with Lawson); <https://news.bloomberglaw.com/payroll/amazon-moves-to-compel-arbitration-in-delivery-drivers-lawsuit>.

⁷ Uber: 14-CA-158833; 29-CA-177483, 13-CA-163062. A fourth NLRB charge was closed in 2016. 28-CA-160791. Handy: 01-CA-158125. A recent decision by the Trump Administration NLRB finding Uber drivers to be “independent contractors” under that statute makes it doubtful that workers will be able to look to that agency for protection in the near term. U.S. National Labor Relations Board, Office of the General Counsel Advice Memorandum, Uber Technologies, Inc., <http://src.bna.com/lbt>

⁸ Uber Technologies, Inc., Form S-1 Registration Statement under the Securities Act of 1933, Filed with the U.S. Securities and Exchange Comm’n, Apr 11, 2019, <https://www.sec.gov/Archives/edgar/data/1543151/000119312519103850/d647752ds1.htm>Alexia Fernández Campbell, California is Cracking Down on the Gig Economy,” Vox, May 30, 2019, <https://www.vox.com/policy-and-politics/2019/5/30/18642535/california-ab5-misclassify-employees-contractors>.

⁹ Alison Frankel, “3,420 Lyft Drivers Claim the Company Won’t pay Arbitration fees to Launch Their Cases,” Reuters, Dec 14, 2018, <https://www.reuters.com/article/legal-us-otc-lyft/3420-lyft-drivers-claim-the-company-wont-pay-arbitration-fees-to-launch-their-cases-idUSKBN10D2KC>

¹⁰ E-mail exchange with Shannon Liss-Riordan, July 10, 2019.

¹¹ *Berwick v. Uber Technologies, Inc.*, No. 11-46739, 2015 WL 4153765 , (CA Labor Commissioner, Department of Industrial Relations, Division of Labor Standards Enforcement, Jun. 4, 2015); *Uber*, No. 4371509 (California Unemployment Appeals Board, Jun. 1, 2015); *In the Matter of Uber Technologies Inc.*, N.Y. Unemployment Ins. Appeal Bd.,No. 596722, July 12, 2018; *In the Matter of Vega v. Postmates, Inc.*, 162 A.D.3rd 1337 (3d Dep’t 2018); *Advisory Opinion on the Employment Status of Uber Drivers (Oregon Bureau of Labor and Industry*, Oct. 14, 2015), <http://uberlawsuit.com/Oregon.pdf>; *Lowman v. Unemployment Compensation Board of Review*, 178 A.3d 896 (Pa. Commonwealth Ct. 2018)