



BOYAMIAN LAW

May 26, 2026

SUBMITTED VIA ONLINE SUBMISSION

Labor and Workforce Development Agency
Attention: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, California 94102

Re: *Ortiz v. House Foods America Corporation, et al.*
Notice of PAGA Claims Pursuant to Labor Code § 2699.3

To Whom It May Concern:

My office represents Orlando Ortiz (hereinafter “Claimant”), with respect to claims on behalf of himself and other similarly situated current and former non-exempt, hourly employees of House Foods America Corporation, House Foods Holding USA Inc. (hereinafter collectively referred to as “House Foods”) and Diversified Employment Services LLC d/b/a Core Staffing Solutions (together with House Foods referred to as “Respondents”) who worked in California from one year prior to the submission of this Notice and continuing through the present (“Relevant Time Period”). The purpose of this letter is to satisfy the notice requirements of Labor Code § 2699.3(a).

Below we set forth the facts and theories which we believe support our contention that Respondents have violated and continue to violate various provisions of the California Labor Code including, but not limited to, failures by Respondents to pay minimum wages and overtime wages, to provide meal and rest periods, and pay for all hours worked.

The purpose of this letter is to provide the required notice to the Labor Workforce and Development Agency and Respondents of the specific facts and theories which we believe support our contention that by Respondents have also violated and continue to violate the California Labor Code, as set forth herein. The purpose of this letter is also to provide the requisite notice under Labor Code section 2810.3(d) to House Foods as the “Client Employer” for the violations alleged herein concerning Claimant and the pool of aggrieved non-exempt, hourly employees.

Facts & Theories About the Case

House Foods produces and distributes tofu and plant-based products to retailers throughout the United States and Canada. House Foods utilizes warehouse employees to prepare and package tofu and plant-based products to their retailer customers. Such warehouse employees are non-exempt, hourly employees under California law and are entitled to variety of benefits and protections pursuant to the California Labor Code. Claimant was a non-exempt, hourly employee of Respondent. He commenced work for House Foods in or around July 2025 to on or about January 2026, as a warehouse

employee. Claimant worked at House Foods' warehouse located in Garden Grove, California. Claimant primarily worked in the production area where his job duties included moving and carrying heavy boxes, cleaning machines, and cleaning machine blades. Claimant obtained the position from Diversified Employment Services LLC dba Core Staffing Solutions ("Core Staffing"). Core Staffing is a staffing agency that provides staffing solutions for businesses of all sizes.

Mr. Ortiz typically was scheduled to work eight hours a day for six days a week. During the Relevant Time Period, Claimant and other non-exempt, hourly employees of House Foods and Core Staffing ("Aggrieved Employees") would record their time on the app uAttend on their personal cell phone. Claimant often worked two hours of overtime from Monday through Friday and four to five hours of overtime on Saturdays. There were days when Mr. Ortiz worked until 2:00 a.m. Relatedly, our investigation has uncovered that House Foods utilized a timekeeping system, which failed to compensate Mr. Ortiz and other Aggrieved Employees for all hours worked and overtime.

Aggrieved Employees, including Claimant, are able to assert their claims against House Foods in their capacity as a Client Employer. *See* Labor Code § 2810.3(1)(A) ("Client employer' means a business entity, regardless of its form, that obtains or is provided workers to perform labor within its usual course of business from a labor contractor.") The fact of the matter is House Foods' non-exempt, hourly employees, including Mr. Ortiz, do not have to show a joint employment relationship between Core Staffing and House Foods to hold the latter accountable for the wage and hour violations. It is enough that House Foods retained Core Staffing for the labor and workforce needed to fulfill House Foods' warehouse and food production services. However, as discussed, further below, House Foods went even further by proceeding to violate California's wage and hour laws as to Claimant and other non-exempt, hourly employees' work and rights as California employees.

Aggrieved Employees, including Claimant, are also denied meal and rest breaks, itemized wage statements, overtime pay, and other protections to which they are entitled under the California Labor Code. Mr. Ortiz, like other Aggrieved Employees, did not have uninterrupted meal periods as statutorily mandated and compliant meal and rest periods were not made available due to the press of work, deficiencies in the scheduling of staff, and the lack of any formalized process or procedure in place. Claimant's meal and rest breaks were often delayed. Mr. Ortiz could not leave the line of production to take his meal or rest breaks until another warehouse employee took his place. Furthermore, House Foods' managers scheduled and decided when warehouse employees, like Mr. Ortiz, could take their meal and rest breaks.

Accordingly, based on our investigation, we have found that House Foods America has:

- (1) required and/or knowingly permitted Aggrieved Employees to work hours considerably in excess of eight hours per day, 12 hours per day, and/or 40 hours per week. Claimant is informed and believes, and on that basis alleges,

- that it has been House Foods' policy and practice to require and/or knowingly and willfully permit Aggrieved Employees to work such overtime hours without paying them overtime compensation required by the California Labor Code and even when paying the overtime rates, House Foods unlawfully calculates the total amount of overtime hours worked for purposes of compensation;
- (2) failed to provide a 30 minute off-duty meal period to Aggrieved Employees who worked more than five hours in a day. Moreover, House Foods has failed to provide a second 30 minute off-duty meal period to Aggrieved Employees who worked more than 10 hours in a day;
 - (3) failed to authorize and permit a rest period of ten minutes per every four hours, or major fraction thereof, worked. House Foods has failed to pay minimum wage compensation to Aggrieved Employees for all hours worked;
 - (4) failed to reimburse necessary business expenses incurred by Aggrieved Employees in violation of Cal. Labor Code § 2802;
 - (5) failed to pay to the Aggrieved Employees all wages due and owing twice per month at the times prescribed by Cal. Labor Code § 204;
 - (6) failed to itemize the total hours worked on wage statements furnished to the Aggrieved Employees as required by Cal. Labor Code §§ 226, 226.3, and Wage Order 4;
 - (7) not properly maintained payroll records showing the actual hours Aggrieved Employees worked each day as required by Cal. Labor Code § 1174 and IWC wage order No. 4, § 7(A); and
 - (8) willfully and knowingly failed to pay Aggrieved Employees upon termination of employment, all accrued compensation, including reimbursement of all unlawful deductions from wages, payment of missed meal and rest period compensation, and payment of minimum wage and overtime compensation.

Claimant seeks to recover the unpaid compensation for all hours worked as defined by the Labor Code and the applicable Industrial Welfare Commission wage order. California law requires that all hours worked over 8 in a day or 40 in a week or worked on the 7th consecutive day of a work week be paid 1.5 times an employee's regular rate of pay. *See, e.g.,* Lab. Code §§ 510, 1194; Cal. Code Regs., tit. 8, § 11040, *et seq.* In addition, hours worked over 12 in a day or hours over 8 worked on the 7th consecutive day in a week are paid at 2 times an employee's regular rate of pay.

California law also requires that an employer provide an employee who works more than five hours a meal break that is no less than 30 minutes in duration. 8 CCR 11040(11)(A). Unless an employee is relieved of all duty during the 30-minute meal period, the meal period is considered an on-duty meal period and counted as time worked. However, an on-duty meal period is permitted only when the nature of the work prevents an employee from being relieved of all duty and the parties agree in writing to an on-the-job paid meal period. *Id.* If an employer fails to provide an employee a lawful meal period, the employer must pay the employee one hour of pay for each violation. 8 CCR 11040(11)(D).

The California Supreme Court in *Brinker Restaurant Corp. v. Superior Ct.*, Cal. 4th 1004 (2012) mandated that “The employer satisfies this obligation if it relieves its employees of all duty, relinquishes control over their activities and permits them a reasonable opportunity to take an uninterrupted 30-minute break, and does not impede or discourage them from doing so.” *Id.* at 1040. House Foods’ operations result in the systemic violation of meal breaks. Additionally, directing Aggrieved Employees’ to obtain managerial permission for such meal breaks results in breaks being delayed and/or denied and ultimately creating the “impeded and discouraged” work culture that *Brinker* proscribed under the Labor Code.

Similarly, California law mandates that an employer must “authorize and permit” an employee to take a duty-free rest period not less than 10 minutes in duration for every four hours of work. 8 CCR 11040(12)(A). Violation of the rest break provisions requires the employer pay the employee one hour of pay for each workday a rest period was not provided. 8 CCR 11040(12)(B). Lastly, in California, the employer is required to keep records of all hours worked. Labor Code § 1174(d). An employer must inform employees in a meaningful or consistent way that they could take rest breaks, [and] the definition of any such rest breaks.” *Godfrey v. Oakland Port Services Corp.*, 230 Cal.App.4th 1267, 1286 (2014). Thus, House Foods does not provide meal and/or rest breaks in accordance with California law.

Furthermore, Labor Code section 2802(a) provides that an employer must reimburse employees for all necessary expenditures that the employee incurs in discharging his or her duties. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014) is instructive and held that mandatory personal cell phone use must be reimbursed at a “reasonable percentage” of the cell phone bill). In *Cochran*, *supra*, 228 Cal. App. 4th at 1140, the Court of Appeal held that employers must reimburse employees when they use their personal cell phones for work-related calls. The court discussed that “reimbursement is always required,” whether the phone bill is paid for by a third person, whether the employee changed phone plans, when the employee incurs a reasonable expense of the mandatory use of his or her personal cell phone, or when the employee incurs an extra expense that he or she would not have otherwise incurred absent the job. *Id.* at 1144. Thus, *Cochran* stands for the position that when an employee uses a tool for business purposes (even if the tool is one that can be used for personal reasons), the employer must reimburse the employee a reasonable

business expense. The use of personal cell phones is necessary for Claimant and other Aggrieved Employees to fulfill their job duties.

The other alleged violations, including inaccurate wage statements and waiting time penalties, are largely derivative of the claims for failure to pay for all hours worked and failure to provide meal and rest periods. With respect to waiting time penalties, House Foods America failed to fully compensate former Aggrieved Employees in a timely manner when their employment ended, in violation of Labor Code Section 201 et seq.

Accordingly, we believe that Respondents have violated, and continue to violate, numerous provisions of California law, including, without limitation Labor Code Sections §§ 201, 202, 203, 204, 210, 216, 221, 225.5, 226, 226.3, 226.7, 226.8, 246, 450, 510, 511, 512, 551, 552, 558, 1194-1197.1, 1198, 2802, and 2698, *et seq.*, as well as the relevant IWC orders and regulations, and that Claimant and other similarly situated Aggrieved Employees are entitled to all statutory penalties allowed by law. Our investigation is continuing, and there may be more violations uncovered.

We respectfully request that the Labor Workforce Development Agency notify this office within thirty (60) days if it wishes to investigate this matter further. If Respondents wish to resolve these claims without resorting to protracted litigation, please contact the undersigned forthwith to discuss this matter further. Should you have any questions or concerns or require additional information, please do not hesitate to contact the undersigned.

Thank you for your immediate attention to this matter.

Very truly yours,



Michael H. Boyamian

Cc: House Foods America Corporation (*Sent via Certified U.S. Mail*)
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