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Attorneys for Plaintiff CHRISTOPHER LUNA RODRIGUEZ, an Individual,
On Behalf of Himself, Other Aggrieved Employees,
and the General Public

SUPERIOR COURT FOR THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

CHRISTOPHER LUNA RODRIGUEZ,
an individual, on behalf of himself, all
other aggrieved employees, and the
general public,

Plaintiff,

vs.

CLASSIC BEVERAGE OF
SOUTHERN CALIFORNIA, LLC, a
California Limited Liability Company;
and DOES 1 through 25, inclusive,

Defendants.

CASE NO. **24STCV06523**

COMPLAINT FOR:

- 1. CIVIL PENALTIES UNDER LABOR CODE
PRIVATE ATTORNEYS GENERAL ACT OF
2004, LABOR CODE 2698, ET. SEQ**

1 Plaintiff CHRISTOPHER LUNA RODRIGUEZ, an individual, hereby files this Complaint
2 (“Complaint”) against Defendants CLASSIC BEVERAGE OF SOUTHERN CALIFORNIA, LLC, a
3 California Limited Liability Company and, DOES 1 through 25, inclusive, (hereinafter collectively,
4 “CLASSIC BEVERAGE” or “Defendants”). Plaintiff, in his representative capacity, is informed
5 and believes and on the basis of that information and belief alleges as follows:

6 **INTRODUCTION**

7 1. This representative lawsuit challenges Defendants’ employment practices with
8 respect to their non-exempt, hourly workers employed in the State of California in Defendants’ Sales
9 Department and who were situated, assigned, or placed at various merchant locations or
10 establishments by CLASSIC BEVERAGE and travel to CLASSIC BEVERAGE’s customers’ retail
11 locations located throughout California, (hereinafter “Aggrieved Employees”), based on Defendants’
12 policy and practice of failing, among other things, to provide legally compliant meal and rest breaks,
13 denying earned wages, including overtime pay, and failing to provide accurate wage statements from
14 December 22, 2022 to the present (“Relevant Time Period”). In particular, Defendants fail to
15 provide timely and adequate meal and rest breaks, fail to timely compensate employees for all wages
16 earned, and fail to properly and accurately calculate overtime and report wages earned, hours
17 worked, and wage rates, and fail to reimburse for necessary business expenses.

18 2. At all times relevant hereto, and with certain defined exceptions, Defendants’
19 compensation scheme did not fully compensate Plaintiff with at least minimum wages and/or
20 designated rates for all hours worked.

21 3. At all times relevant hereto, and with certain defined exceptions, Defendants’
22 compensation scheme did not fully compensate Plaintiff with overtime compensation for all
23 overtime hours worked.

24 4. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
25 failed to provide Plaintiff with adequate off-duty meal periods and meal period compensation in
26 violation of Labor Code sections 226.7, 512, and 516 and IWC Wage Order No. 4 section 11.

27 5. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
28 failed to provide Plaintiff with paid rest periods and rest period compensation in violation of Labor

1 Code sections 226.7 and 516 and IWC Wage Order No. 4 section 12.

2 6. At all times relevant hereto, and as a matter of policy and/or practice, Defendants'
3 knowingly and intentionally utilized a timekeeping system, which failed to compensate Plaintiff for
4 all hours worked.

5 7. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
6 knowingly and intentionally provided Plaintiff with wage statements that, among others, do not
7 show all wages earned, all hours worked, or all applicable rates.

8 8. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
9 failed to maintain documentation of the actual hours worked each day by Plaintiff, all wages earned,
10 and meal breaks taken in violation of Labor Code sections 1174 and IWC Wage Order No. 4 section
11 11.

12 9. At all times relevant hereto, and as a matter of policy and/or practice, Defendants
13 failed to pay Plaintiff all wages due and owing upon termination of employment including, but not
14 limited to, payment of wages for missed meal and rest periods compensation.

15 10. In this case, Plaintiff seeks civil penalties established by Labor Code section 2699,
16 the Private Attorneys General Act ("PAGA"), against Defendants for their unlawful employment
17 practices.

18 **PARTIES**

19 ***Plaintiff CHRISTOPHER LUNA RODRIGUEZ***

20 11. Plaintiff CHRISTOPHER LUNA RODRIGUEZ is an individual over the age of
21 eighteen (18) and is now and/or at all relevant times mentioned in this Complaint was a resident and
22 domiciliary of the State of California. Plaintiff commenced his employment with Defendants in or
23 around April 2022 and was terminated in or around November 2023. Plaintiff was initially hired to
24 be a Sales Associate to conduct sales to place CLASSIC BEVERAGE products in various stores.
25 However, despite the title, Plaintiff soon learned that his sole role at CLASSIC BEVERAGE would
26 essentially entail traveling to various CLASSIC BEVERAGE client's retail locations such as 7-
27 Eleven and Walmart throughout southern and central California including Los Angeles, Pasadena,
28 and Kern County, to primarily stock beverage merchandise on shelves. Plaintiff and other

1 Aggrieved Employees were scheduled for eight-hour shifts, but in reality, they would work nine to
2 ten-hour days, to meet the demands of the job.

3 12. Throughout his employment with CLASSIC BEVERAGE, Plaintiff was categorized
4 and classified as a non-exempt, hourly employee of Defendant's Sales Department and maintained
5 the position of Sales Associate throughout his employment with CLASSIC BEVERAGE.

6 ***Defendant CLASSIC BEVERAGE OF SOUTHERN CALIFORNIA, LLC***

7 13. Plaintiff is informed and believes and based thereon alleges that Defendant CLASSIC
8 BEVERAGE of Southern California, LLC, a California Limited Liability Company is now and/or at
9 all times mentioned in this complaint, is licensed to do business, and actually doing business in the
10 state of California as a large alcoholic and non-alcoholic wholesale beverage distributor nationwide
11 for merchant customers throughout the Western U.S. CLASSIC BEVERAGE is headquartered in
12 City of Industry, California and maintains distribution warehouses in the City of Industry and
13 another location in the greater San Diego area. CLASSIC BEVERAGE assigns Sales Associates,
14 including Plaintiff, to travel to CLASSIC BEVERAGE's customers' retail locations including but
15 not limited to retail stores throughout California and provide delivery and stocking services of
16 alcoholic and non-alcoholic beverages and related products to CLASSIC BEVERAGE's retail
17 customers.

18 ***Does 1 through 25***

19 15. DOES 1 through 25 inclusive are now and/or at all times mentioned in this Complaint
20 were, licensed to do business and/or actually doing business in the State of California. Plaintiff does
21 not know the true names or capacities, whether individual, partner, or corporate, of DOES 1 through
22 100, inclusive and for that reason, DOES 1 through 25 are sued under such fictitious names pursuant
23 to California Code of Civil Procedure, section 474. Plaintiff will seek leave of court to amend this
24 Complaint to allege such names and capacities as soon as they are ascertained. DOES 1 through 25
25 are believed to be business entities who were also co-employers of the Plaintiff and the other
26 aggrieved employees.

27 ***All Defendants***

28 16. Plaintiff is informed and believes and based thereon alleges that at all times herein

1 mentioned, all Defendants, and each of them, were and are the agents, servants, employees, joint
2 venturers, and/or partners of each of the other Defendants, and were, at all such times, acting within
3 the course and scope of said employment and/or agency; furthermore, that each and every Defendant
4 herein, while acting as a high corporate officer, director and/or managing agent, principal and/or
5 employer, expressly directed, consented to, approved, affirmed and ratified each and every action
6 taken by the other co-Defendants, as herein alleged and was responsible in whole or in part for the
7 matters referred to herein.

8 17. Plaintiff is informed and believes and based thereon alleges that at all times herein
9 mentioned, Defendants, and each of them, proximately caused Plaintiff, all others similarly situated
10 and the general public to be subjected to the unlawful practices, wrongs, complaints, injuries and/or
11 damages alleged in this Complaint.

12 18. Plaintiff is informed and believes and based thereon alleges that Defendants, and each
13 of them, are now and/or at all times mentioned in this Complaint were members of and/or engaged in
14 a joint venture, partnership, and common enterprise, and were acting within the course and scope of,
15 and in pursuit of said joint venture, partnership, and common enterprise and, as such were co-
16 employers of the Plaintiff and the other aggrieved employees.

17 19. Plaintiff is informed and believes and based thereon alleges that Defendants, and each
18 of them, at all times mentioned in this Complaint, concurred with, contributed to, approved of, aided
19 and abetted, condoned and/or otherwise ratified, the various acts and omissions of each and every
20 one of the other Defendants in proximately causing the injuries and/or damages alleged in this
21 Complaint.

22 **JURISDICTION AND VENUE**

23 20. This Court has jurisdiction over all causes of action herein pursuant to the California
24 Constitution, Article VI, § 10, Code of Civil Procedure § 410.10 and Business and Professions Code
25 § 17203. Venue is proper in this Court under Code of Civil Procedure §§ 395 and 395.5 because
26 Defendants operate in this County, Plaintiff resides in and/or worked in this county and the injuries
27 that are the subject of this lawsuit arose in this county.

28 ////

1 **FACTUAL ALLEGATIONS**

2 ***Background***

3 21. Plaintiff CHRISTOPHER LUNA RODRIGUEZ commenced his employment with
4 Defendants in or around April 2022 and separated from CLASSIC BEVERAGE in or around
5 November 2023. Throughout his employment with CLASSIC BEVERAGE, Plaintiff was
6 categorized and classified as a non-exempt, hourly employee and maintained the position of Sales
7 Associate throughout his employment with CLASSIC BEVERAGE. Plaintiff typically worked five
8 days a week and his shifts were scheduled to be 8 hours in length. CLASSIC BEVERAGE would
9 assign Plaintiff - and Plaintiff would travel to - various supermarket locations throughout Los
10 Angeles County, Pasadena, and Kern County on behalf of CLASSIC BEVERAGE. Plaintiff would
11 usually commence work at these retail locations in the evening hours, approximately one hour before
12 the stores close for business or in the early morning hours, before the business opens for business.
13 Plaintiff and other Aggrieved Employees would work throughout the evening typically from 12:00
14 a.m. to 10:00 a.m. or 4:00 a.m. to 4:00 p.m., organizing display entrances and restocking beverage
15 merchandise on shelves.

16 22. Our investigation also revealed that during majority of the Relevant Time Period,
17 CLASSIC BEVERAGE failed to reimburse Aggrieved Employees including Plaintiff for use of their
18 personal cell phones which were used to communicate with CLASSIC BEVERAGE managers who
19 would assign the Aggrieved Employees their next tasks. Also, Aggrieved Employees including
20 Plaintiff were required to wear a particular CLASSIC BEVERAGE uniform and specific black
21 boots, however, were not reimbursed for the expense of obtaining the required boots and uniform.

22 23. Our investigation has revealed that CLASSIC BEVERAGE, during the majority of
23 the Relevant Time Period, instructed Aggrieved Employees including Plaintiff to record their hours
24 of work and meal periods using company provided cellphones to record their clock in and clock out
25 times on a specific application when in reality there was no time for a meal break and no meal break
26 was actually taken.

27 24. Throughout his tenure with Defendants, Plaintiff was paid by the hour, eligible for
28 overtime payment, and entitled to other forms of protections and benefits to California hourly

employees.

Defendants' Failure to Reimburse For Necessary Business Expenditures

25. Aggrieved Employees, including Plaintiff, would use their personal vehicles to travel to different stores such as 7-Eleven and Walmart throughout Southern California including stores located in Los Angeles, Palmdale, Pasadena, and Kern County. These stores hired CLASSIC BEVERAGE and as such were CLASSIC BEVERAGE's business clients – to provide delivery and stocking services of alcoholic and non-alcoholic beverages and related products to CLASSIC BEVERAGE's retail customers. At the business establishment, CLASSIC BEVERAGE directs Aggrieved Employees, including Plaintiff, to use their personal phones to receive their assignments from CLASSIC BEVERAGE Managers.

26. Aggrieved Employees, including Plaintiff, are not reimbursed for usage of their personal vehicles and the associated gas to travel to, between, and from CLASSIC BEVERAGE's merchant store clients in connection with their work. Defendants have actual and constructive knowledge that Aggrieved Employees, like Plaintiff, travel to multiple locations throughout Los Angeles County and Kern County with their own personal vehicles as CLASSIC BEVERAGE provides a schedule outlining the various establishments and stores that Plaintiff and Aggrieved Employees need to travel to and service. CLASSIC BEVERAGE does not provide Aggrieved Employees, including Plaintiff, with a company-vehicle nor do they maintain a fleet of cars to service their clients. Moreover, CLASSIC BEVERAGE would fail to adequately compensate Plaintiff and other similarly situated individuals for their vehicle procurement and maintenance. Plaintiff and other Aggrieved Employees were required to drive far distances to various merchant locations with their own personal cars, expenses for gas, flat tires, tire replacements, monthly oil changes, and overall upkeep of vehicles were not reimbursed. These expenses were necessary to complete their duties to provide the services of re-stocking merchandise to many of CLASSIC BEVERAGE's clients, all over various parts of California. In other words, in contravention of the state's labor laws, CLASSIC BEVERAGE required Plaintiff and other similarly situated individuals to subsidize a significant business expense of the company by failing to provide a necessary instrumentality of the job, or alternatively, by failing to fully cover the expense and upkeep of a

1 vehicle that would be necessary for the work at CLASSIC BEVERAGE.

2 27. Furthermore, Plaintiff and similarly situation individuals were required to wear a
3 particular CLASSIC BEVERAGE uniform, and boots however, were not reimbursed for the expense
4 of obtaining the required black pants and particular boots to work for CLASSIC BEVERAGE as a
5 Sales Associate.

6 28. Plaintiff is therefore informed and believes and based thereon alleges that as a matter
7 of policy and/or practice, CLASSIC BEVERAGE fails to reimburse Aggrieved Employees on a
8 number of items that are necessary for Aggrieved Employees, including Plaintiff, to perform their
9 work duties for Defendants.

10 ***Defendants' Failure to Provide Adequate and Timely Meal and Rest Breaks***

11 29. Aggrieved Employees, including Plaintiff, are also not provided with legally
12 compliant meal periods and rest breaks, as they were often not made available due to the press of
13 work and as a result of Defendants' scheduling practices. Aggrieved Employees, including Plaintiff,
14 operate by themselves and work in isolation; they do not work in teams or crews. CLASSIC
15 BEVERAGE does not maintain any schedule or system to ensure that Aggrieved Employees,
16 including Plaintiff, are provided with statutorily-compliant meal and rest periods.

17 30. Indeed, most Aggrieved Employees including Plaintiff do not take their meal period
18 after the conclusion of the fifth hour- if one is taken at all. In fact, Plaintiff reports that he and other
19 aggrieved employees would use an application on the company provided cell phone to input timely
20 meal periods so as to not trigger a violation, when in reality there was no time for a meal break and
21 no meal break was actually taken.

22 31. CLASSIC BEVERAGE also discourages and dissuades Aggrieved Employees
23 including Plaintiff by overloading their schedules with tasks, as members of the Sales Department
24 were assigned to drive to and from anywhere from 6-8 locations a day across Los Angeles and Kern
25 County and neighboring cities, which could not possibly be completed if Aggrieved Employees,
26 including Plaintiff were to actually take a timely, off duty meal period.

27 32. Plaintiff is further informed and believes and based thereon alleges that Defendants
28 rarely, if ever, issue any compensation to Aggrieved Employees for missed, late or shortened meal

1 and/or rest breaks.

2 33. Plaintiff is informed and believes and based thereon alleges that as a matter of policy
3 and/or practice, Defendants routinely failed to provide their non-exempt employees, including
4 Plaintiff and other Aggrieved Employees, with meal periods during which they were relived of all
5 duties. Defendants did this by requiring Plaintiff and the other non-exempt employees to essentially
6 work through their meal periods.

7 34. Specifically, throughout the Relevant Time Period, Defendants regularly:

- 8 a. Failed to provide Plaintiff and the other aggrieved employees with a first meal period
9 of not less than thirty (30) minutes during which they were relieved of all duty before
10 working more than five (5) hours;
- 11 b. Failed to provide Plaintiff and other aggrieved employees with a second meal break
12 of not less than (30) minutes during which they were relieved of all duty before
13 working more than ten (10) hours; and
- 14 c. Failed to pay Plaintiff and the other aggrieved employees one hour of pay at their
15 regular rate of compensation for each workday that a meal period was not provided.

16 35. Plaintiff is further informed and believes and based thereon alleges that as a matter of
17 policy and/or practice, Defendants routinely failed to provide their non-exempt employees, including
18 Plaintiff and other aggrieved Employees, with rest breaks during which they were relived of all
19 duties. Defendants did this by requiring Plaintiff and the other non-exempt employees to essentially
20 work through their rest breaks.

21 36. Specifically, throughout the Relevant Time Period, Defendants regularly:

- 22 a. Failed to provide paid rest periods of ten (10) minutes during which Plaintiff and the
23 other aggrieved employees were relieved of all duty for each four (4) hours of work;
- 24 b. Failed to compensate Plaintiff and the other aggrieved employees for break time
25 when breaks were taken; and
- 26 c. Failed to pay Plaintiff and the other aggrieved employees one (1) hour of pay at their
27 regular rate of compensation for each workday that a rest period was not permitted.

28 37. At all times relevant hereto, Labor Code section 226.7 and IWC Wage Order, number

1 4, section 12 required employers to authorize, permit, and provide a ten (10) minute paid rest for
2 each four (4) hours of work, during which employees are relieved of all duty.

3 38. At all times relevant hereto, Labor Code Section 226.7(b) and IWC Wage Order,
4 number 4, section 12 required employers to pay one hour of additional pay at the regular rate of
5 compensation for each employee and each workday that a proper rest period is not provided.

6 39. Throughout the Relevant Time Period, Plaintiff and the other aggrieved employees
7 were routinely denied the meal and rest breaks they were entitled to under California law.

8 ***Defendants' Failure to Pay Minimum Wages, including Overtime Payment***

9 40. IWC Wage Order, number 4 defines "hours worked" to mean "the time during which
10 an employee is subject to the control of an employer and includes all the time the employee is
11 suffered or permitted to work, whether or not required to do so."

12 41. Labor Code section 1182.12 and IWC Wage Order, number 4, section 4 formerly
13 provided that on and after January 1, 2008, the minimum wage shall be not less than eight dollars
14 (\$8.00) per hour.

15 42. Labor Code section 1182.12 and IWC Wage Order, number 4, section 4 provide that
16 on and after July 1, 2014, the minimum wage for all industries shall be not less than nine dollars (\$9)
17 per hour, that on and after January 1, 2016, the minimum wage for all industries shall be not less
18 than ten dollars (\$10) per hour, that on and after January 1, 2017, the minimum wage for all
19 industries shall be not less than ten dollars and fifty cents (\$10.50) per hour, and that on and after
20 January 1, 2018, the minimum wage for all industries shall be not less than eleven dollars (\$11) per
21 hour,

22 43. Labor Code section 1194(a) provides in relevant part: "Notwithstanding any
23 agreement to work for a lesser wage, any employee receiving less than the legal minimum wage is
24 entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage,
25 including interest thereon, reasonable attorney's fees, and costs of suit."

26 44. Labor Code section 1194.2(a) provides in relevant part: "In any action under Section
27 1193.6 or Section 1194 to recover wages because of the payment of a wage less than the minimum
28 wage fixed by an order of the commission, an employee shall be entitled to recover liquidated

1 damages in an amount equal to the wages unlawfully unpaid and interest thereon.”

2 45. Labor Code section 1197 provides: “The minimum wage for employees fixed by the
3 commission is the minimum wage to be paid to employees, and the payment of a less wage than the
4 minimum so fixed is unlawful.”

5 46. Defendants’ Aggrieved Employees, including Plaintiff, are paid on an hourly basis
6 for their time spent working. Hours worked include, but are not limited to, all hours that an
7 employee is permitted or suffered to work including, but not limited to, off-the-clock work that an
8 employer either knew or should have known that an employee was performing.

9 47. As a matter of policy and/or practice, Defendants routinely suffered or permitted their
10 Aggrieved Employees, including Plaintiff, to work portions of the day during which they were
11 subject to Defendants’ control, but Defendants failed to compensate them. Finally, Aggrieved
12 Employees, including Plaintiff, are frequently required to perform work during their meal and rest
13 breaks.

14 48. Labor Code Section 1194 further provides that an employee receiving less than the
15 legal overtime compensation is entitled to recover in a civil action the unpaid balance of the full
16 amount of this minimum wage or overtime compensation, including interest thereon, reasonable
17 attorney’s fees, and costs of suit.

18 49. Labor Code Section 510(a) states: “Any work in excess of eight hours in one workday
19 and any work in excess of 40 hours in any one workweek and the first eight hours worked on the
20 seventh day of work in any one workweek shall be compensated at the rate of no less than one and
21 one-half times the regular rate of pay for an employee.” Labor Code Section 510(a) further states:
22 “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice
23 the regular rate of pay for an employee.” Labor Code Section 510(a) further states: “[A]ny work in
24 excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less
25 than twice the regular rate of pay of an employee.”

26 50. Throughout the Relevant Time Period, Wage Order No. 4-2001 provided for payment
27 of overtime wages equal to one and one-half (1 1/2) times an employee’s regular rate of pay for all
28 hours worked over eight (8) hours per day and/or forty (40) hours in a workweek, and/or for

1 payment of overtime wages equal to double the employee's regular rate of pay for all hours worked
2 in excess of twelve (12) hours in any workday and/or for all hours worked in excess of eight (8)
3 hours on the seventh (7th) day of work in any one workweek.

4 51. Plaintiff was classified as non-exempt by Defendants and was therefore entitled to
5 payment for all hours worked, including overtime compensation for all hours worked in excess of
6 the hours and time specified in the Wage Order, statutes and regulations identified herein.

7 52. As a matter of policy and/or practice, Plaintiff and Aggrieved Employees were
8 frequently required to perform work during their meal and rest breaks. Furthermore, as a matter of
9 policy and/or practice, while Plaintiff and Aggrieved Employees were often assigned to work eight-
10 hour shifts, however, due to the sheer volume of assignments to complete, Aggrieved Employees,
11 including Plaintiff were required to work nine to ten-hour shifts in order to meet the demands of the
12 job and complete all stocking of items. Consequently, Plaintiff after clocking-out from work,
13 Plaintiff would continue work off-the-clock to finish his scheduled stocking of merchandise and
14 complete necessary paperwork and associated office work.

15 53. Throughout the Relevant Time Period, Defendants did not maintain adequate records
16 of all wages earned, hours worked, and meal and rest breaks taken.

17 54. Accordingly, Defendants failed to properly record the actual hours worked by
18 Plaintiff and Aggrieved Employees and thus failed to pay minimum wages and overtime wages for
19 the actual amount of minimum and overtime hours worked.

20 ***Defendants' Failure to Provide Accurate, Itemized Wage Statements***

21 55. At all times relevant hereto, Labor Code section 226 and IWC Wage Order, number
22 4, section 7 required employers to maintain adequate employment records and provide employees
23 with accurate itemized wage statements showing gross wages, total hours worked, all applicable
24 hourly rates worked during each pay period, the corresponding number of hours worked at each
25 hourly rate, and meal breaks taken.

26 56. Defendants' wage statements are facially non-compliant by virtue of the defective
27 meal and rest period policies and practices, the uncompensated work, the unlawful timekeeping
28 systems which does not accurately record the total hours worked by aggrieved Employees, including

1 Plaintiff.

2 57. Wage statements provided to Plaintiff and the other Aggrieved Employees by
3 Defendants do not show all wages earned, all hours worked, or all applicable rates, in violation of
4 the Labor Code section 226, and IWC Wage Order number 4, section 7.

5 58. Moreover, Defendants did not maintain adequate records of all wages earned, hours
6 worked, and breaks taken.

7 ***Defendants' Failure to Pay All Wages Due at Termination of Employment***

8 59. At all times relevant hereto, Labor Code § 201 required an employer that discharges
9 an employee to pay compensation due and owing to said employee immediately upon discharge.
10 Labor Code Sections 202 requires an employer to pay an employee who quits any compensation due
11 and owing to said employee within seventy-two (72) hours of an employee's resignation. Labor
12 Code Section 203 provides that if an employer willfully fails to pay compensation promptly upon
13 discharge or resignation, as required under Sections 201 and 202, then the employer is liable for
14 waiting time penalties in the form of continued compensation for up to thirty (30) work days.

15 60. Defendants willfully and knowingly failed to pay Plaintiff and the other aggrieved
16 Employees, upon termination of employment, all accrued compensation including payment of
17 minimum wage compensation, missed meal and rest periods compensation and for time spent
18 performing work off the clock at Defendants' direction.

19 ***Exhaustion of Administrative Remedies***

20 61. Plaintiff has complied with the procedures for bringing suit specified in California
21 Labor Code Section 2699.3. By letter dated December 22, 2023 Plaintiff, on behalf of himself and
22 the other aggrieved employees, gave written notice by electronic mail and certified mail to the Labor
23 and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the
24 California Labor Code alleged to have been violated, including the facts and theories to support the
25 alleged violations. Attached as **Exhibit "1"** is a true and correct copy of the referenced letter.

26 62. More than sixty-five (65) calendar days have passed since Plaintiff provided the
27 LWDA with written notice. To date, Plaintiff has not received any written notice nor been notified
28 from the LWDA that it does intend to investigate the violations of the California Labor Code alleged

1 herein.

2 **FIRST CAUSE OF ACTION**

3 **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT**

4 **(On Behalf of Plaintiff and the Other Aggrieved Employees Against All Defendants)**

5 63. Plaintiff incorporates by reference the allegations set forth above.

6 64. As set forth above, Plaintiff has complied with the procedures for bringing suit
7 specified in California Labor Code Section 2699.3. By letter dated December 22, 2023, Plaintiff, on
8 behalf of himself and the other aggrieved employees, gave written notice by certified mail to the
9 LWDA and to Defendants of the specific provisions of the California Labor Code alleged to have
10 been violated, including the facts and theories to support the alleged violations. More than sixty-five
11 (65) calendar days have passed since Plaintiff provided the LWDA with written notice. To date,
12 Plaintiff has not received any written notice nor been notified from the LWDA that it does intend to
13 investigate the violations of the California Labor Code alleged herein.

14 65. This action arises out of the allegedly unlawful labor practices of Defendants in
15 California. Through this private attorneys' general action, Plaintiff represents himself, and other
16 aggrieved employees of Defendants that were in California, against whom Defendants have
17 allegedly committed labor law violations alleged herein. As a result of the allegedly unlawful
18 conduct described herein, Plaintiff now seeks to recover civil penalties, attorneys' fees, and costs,
19 pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code Section 2698, *et seq.*

20 66. Labor Code Section 1198 makes it unlawful for an employer to employ an employee
21 under conditions that violate the applicable Wage Order.

22 67. Plaintiff is informed and believes that throughout the Relevant Time Period,
23 Defendants have applied centrally devised policies and practices to Plaintiff and the other Aggrieved
24 Employees with respect to wages, hours, and working conditions.

25 **Failure to Pay Minimum Wages and Designated Rates**

26 68. At all relevant times, California Labor Code sections 1194, 1197 and 1197.1 provide
27 that the minimum wage for employees fixed by the IWC is the minimum wage to be paid to
28 employees and the payment of a wage less than the minimum so fixed is unlawful. Additionally,

1 Code Section 1198 makes it unlawful for an employer to employ an employee under conditions that
2 violate the applicable Wage Order.

3 69. Where any statute or contract requires an employer to maintain the designated wage
4 scale, Labor Code Section 223 makes it unlawful for an employer to secretly pay a lower wage while
5 purporting to pay the wage designated by statute or by contract.

6 70. At all relevant times, Defendants maintained a policy and practice of requiring
7 Plaintiff and the other aggrieved employees to remain under Defendants' control without paying
8 therefore, which resulted in them earning less than the legal minimum wage in the State of
9 California for all hours worked. At all relevant times, Defendants maintained a policy and practice of
10 requiring Plaintiff and the other aggrieved employees to remain under Defendants' control, while
11 purportedly on a meal and rest break, and without paying therefor, which resulted in them earning
12 less than the legal minimum wage in the State of California for all hours worked.

13 71. As a matter of policy and/or practice, Defendants utilized a timekeeping system,
14 which failed to compensate Plaintiff and other aggrieved employees for all hours worked, whether
15 by rounding, time-shaving, or otherwise. In addition, our investigation leads us to believe that
16 Defendants' knowledge of work transpiring before arriving at Defendants' customer locations, such
17 as travel time, and work occurring away from the customer site, has resulted in Plaintiff and other
18 Aggrieved Employees not being compensated for all hours worked.

19 72. Defendants' failure to pay Plaintiff and other aggrieved Employees minimum wages
20 and designated violates California Labor Code sections 223, 1182.12, 1194, and 1197. Plaintiff and
21 other aggrieved employees are entitled to recover civil penalties pursuant to sections 1197.1 and
22 2699(a), (f), and (g).

23 **Failure to Pay Overtime Compensation**

24 73. Labor Code Section 1194 provides that an employee receiving less than the legal
25 overtime compensation is entitled to recover in a civil action the unpaid balance of the full amount
26 of this minimum wage or overtime compensation, including interest thereon, reasonable attorney's
27 fees, and costs of suit.

28 74. Labor Code Section 510(a) states: "Any work in excess of eight hours in one workday

1 and any work in excess of 40 hours in any one workweek and the first eight hours worked on the
2 seventh day of work in any one workweek shall be compensated at the rate of no less than one and
3 one-half times the regular rate of pay for an employee.” Labor Code Section 510(a) further states:
4 “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice
5 the regular rate of pay for an employee.” Labor Code Section 510(a) further states: “[A]ny work in
6 excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less
7 than twice the regular rate of pay of an employee.”

8 75. Throughout the Relevant Time Period, Wage Order No. 4-2001 provided for payment
9 of overtime wages equal to one and one-half (1 1/2) times an employee’s regular rate of pay for all
10 hours worked over eight (8) hours per day and/or forty (40) hours in a workweek, and/or for
11 payment of overtime wages equal to double the employee’s regular rate of pay for all hours worked
12 in excess of twelve (12) hours in any workday and/or for all hours worked in excess of eight (8)
13 hours on the seventh (7th) day of work in any one workweek.

14 76. Plaintiff and the other aggrieved employees were classified as non-exempt by
15 Defendants and were therefore entitled to overtime compensation for all hours worked in excess of
16 the hours and time specified in the Wage Order, statutes and regulations identified herein.

17 77. As a matter of policy and/or practice, Plaintiff and the other aggrieved employees
18 were frequently required to performed work during meal and rest breaks.

19 78. As a matter of policy and/or practice, Defendants utilized a timekeeping system,
20 which failed to compensate Plaintiff and other aggrieved employees for all hours worked, whether
21 by rounding, time-shaving, or otherwise. Specifically, our investigation leads us to believe that
22 Defendants’ knowledge of work transpiring before arriving at Defendants’ customer locations, such
23 as travel time, has resulted in Plaintiff and other Aggrieved Employees not being compensated for all
24 hours worked.

25 79. Accordingly, Defendants failed to properly record the actual hours worked by
26 Plaintiff and other aggrieved employees, and thus failed to pay overtime wages for the actual amount
27 of overtime hours worked.

28 **Failure to Provide Timely and Adequate Meal and Rest Breaks**

1 80. Labor Code Section 512 and Section 11 of the Wage Order impose an affirmative
2 obligation on employers to provide non-exempt employees with uninterrupted, duty-free, meal
3 periods of at least thirty (30) minutes for each work period of five (5) or more hours, and to provide
4 them with two uninterrupted, duty-free, meal periods of at least thirty (30) minutes for each work
5 period of more than ten (10) hours.

6 81. Labor Code Section 226.7 and Section 11 of the Wage Order prohibit employers from
7 requiring employees to work during required meal periods and require employers to pay non-exempt
8 employees an additional hour of premium wages on each workday that the employee is not provided
9 with a required meal period.

10 82. At relevant times during the applicable limitations period, Defendants failed to
11 provide Plaintiff and Aggrieved Employees with uninterrupted meal periods of at least thirty
12 (30) minutes on each day that they worked five (5) or more hours, as required by Labor Code
13 Section 512 and the Wage Order, as a result of duties and schedules that do not permit them to take
14 all legally required meal periods. Plaintiff is informed, believes, and thereon alleges that, at relevant
15 times during the applicable limitations period, Defendants maintained a policy or practice of not
16 providing the other aggrieved employees with uninterrupted meal periods of at least thirty
17 (30) minutes for each five (5) hour work period, as required by Labor Code Section 512 and the
18 Wage Order, as a result of duties and schedules that do not permit them to take all legally required
19 meal periods. Aggrieved Employees, including Plaintiff, operate by themselves and work in
20 isolation; they do not work in teams or crews. Further, Aggrieved Employees, including Plaintiff,
21 take their mandated breaks on premises. CLASSIC BEVERAGE does not maintain any schedule or
22 system to ensure that Aggrieved Employees, including Plaintiff, are provided with statutorily-
23 compliant meal and rest periods. Similarly, CLASSIC BEVERAGE directs Plaintiff and other
24 Aggrieved Employees to be ready to return to work to assist. Finally, given that the majority of
25 shifts take place at CLASSIC BEVERAGE's customer locations and well after normal business
26 hours, Aggrieved Employees including Plaintiff are practically confined to the space where they
27 work. As a result, rest breaks are truly never "duty free" and likewise are cut short due to the press of
28 work.

1 83. Indeed, most aggrieved employees including Plaintiff do not take their meal period
2 after the conclusion of the fifth hour- if one is taken at all. In fact, Plaintiff reports that he and other
3 aggrieved employees would use an application on the company provided cell phone to input timely
4 meal periods so as to not trigger a violation, when in reality there was no time for a meal break and
5 no meal break was actually taken.

6 84. CLASSIC BEVERAGE also discourages and dissuades Aggrieved Employees
7 including Plaintiff by overloading their schedules with tasks, as Sales Associates were assigned to
8 drive to and from anywhere from 6-8 locations a day across Los Angeles and Kern County and
9 neighboring cities, which could not possibly be completed if Aggrieved Employees, including
10 Plaintiff were to actually take a timely, off duty meal period.

11 85. Section 12 of the Wage Order imposes an affirmative obligation on employers to
12 permit and authorize employees to take required rest periods at a rate of no less than ten (10) minutes
13 of net rest time for each four (4) hour work period, or major portion thereof, that must be in the
14 middle of each work period insofar as is practicable.

15 86. Labor Code Section 226.7 and Section 12 the Wage Order prohibit employers from
16 requiring employees to work during required rest periods and require employers to pay non-exempt
17 employees an additional hour of premium wages on each workday that the employee is not provided
18 with the required rest period.

19 87. At relevant times during the applicable limitations period, Defendants failed to
20 provide Plaintiff and Aggrieved Employees with a net rest period of at least ten (10) minutes for
21 each four (4) hour work period, or major portion thereof, as required by the Wage Order, as a result
22 of duties and schedules that do not permit Plaintiff and Aggrieved Employees to take all legally
23 required rest breaks.

24 88. Plaintiff is informed, believes, and thereon alleges that, at relevant times during the
25 applicable limitations period, Defendants maintained a policy or practice of not providing the other
26 aggrieved employees with net rest periods of a least ten (10) minutes for each four (4) hour work
27 period, or major portion thereof, as required by the Wage Order, as a result of duties and schedules
28 that do not permit them to take all legally required rest breaks.

1 89. Plaintiff is further informed, believes, and thereon alleges that Defendants rarely, if
2 ever, issues any compensation to Aggrieved Employees for missed, late or shortened meal and/or
3 rest breaks.

4 **Failure to Reimburse For Necessary Business Expenditures**

5 90. Labor Code Section 2802 provides: “An employer shall indemnify his or her
6 employee for all necessary business expenditures or losses incurred by the employee in direct
7 consequence of the discharge of his or her duties, or of his or her obedience to the direction of the
8 employer... [which includes] all reasonable costs, including, but not limited to, attorneys’ fees
9 incurred by the employee enforcing the rights granted by this section.”

10 91. As a direct consequence of discharging their duties for Defendant and/or obeying
11 Defendant’s directions, Plaintiff and Aggrieved Employees have necessarily incurred expenses for
12 which they have been indemnified by Defendants, including purchasing of CLASSIC BEVERAGE
13 uniforms, the use and mileage incurred by Plaintiff’s and Aggrieved Employees’ personal vehicles
14 and personal cell phones, as required by Defendants; and the attorneys’ fees incurred to enforce
15 Plaintiff’s and Aggrieved Employees’ rights under Cal. Labor Code § 2802.

16 92. Defendant has failed to indemnify or in any manner reimburse Plaintiff and Class
17 Members for these expenditures and losses by requiring Plaintiff and Aggrieved Employees to pay
18 expenses and cover losses that they incurred in direct consequence of the discharge of their duties for
19 Defendant and/or in obedience of Defendant’s direction, in violation of Cal. Labor Code § 2802.

20 93. As a direct and proximate result of Defendant’s conduct, Plaintiff and Aggrieved
21 Employees have suffered substantial losses according to proof, as well as pre-judgment interest,
22 costs, and attorneys’ fees for the prosecution of this action, which losses are compensable under Cal.
23 Labor Code § 2802.

24 **Failure to Provide and Maintain Compliant Wage Statements**

25 94. Labor Code Section 1174 requires that every person employing labor in this state
26 shall keep (1) a record showing the names and addresses of all employees employed and the ages of
27 all minors; (2) at a central location in the state or at the plants or establishments at which employees
28 are employed, payroll records showing the hours worked daily by and the wages paid to, and the

1 number of piece-rate units earned by and any applicable piece rate paid to, employees employed at
2 the respective plants or establishments; (3) such records in accordance with rules established for this
3 purpose by the commission, but in any case, on file for not less than three years. This statute also
4 prevents an employer from prohibiting an employee from maintaining a personal record of hours
5 worked, or, if paid on a piece-rate basis, piece-rate units earned. Defendants have willfully failed to
6 keep the records required by Section 1174.

7 95. Pursuant to California Labor Code Section 226(a), Plaintiff and the other aggrieved
8 employees were entitled to receive, semimonthly or at the time of each payment of wages, an
9 accurate itemized statement showing: (a) gross wages earned; (b) net wages earned; (c) all applicable
10 hourly rates in effect during the pay period; and (d) the corresponding number of hours worked at
11 each hourly rate by the employee.

12 96. Defendants failed to provide Plaintiff with accurate itemized statements in accordance
13 with California Labor Code Section 226(a) by providing Plaintiff with wage statements with
14 inaccurate entries for hours worked, corresponding rates of pay, and total wages earned as a result of
15 the unlawful labor and payroll practices described herein.

16 97. Plaintiff is informed and believes and thereon alleges that, at all relevant times during
17 the applicable limitations period, Defendants maintained a policy or practice of not providing
18 aggrieved employees with accurate itemized wage statements by providing them with wage
19 statements with inaccurate entries for hours worked, corresponding rates of pay, total wages and
20 deductions from wages earned as a result of the unlawful labor and payroll practices described
21 herein.

22 98. Plaintiff is informed and believes and thereon alleges that Defendants' failure to
23 provide her and the other aggrieved employees with accurate written wage statements is knowing
24 and intentional.

25 99. Plaintiff is informed and believes and thereon alleges that Defendants had the ability
26 to provide her and the aggrieved employees with accurate wage statements, but intentionally
27 provided wage statements that they knew are not accurate.

28 100. As a result of being provided with inaccurate wage statements by Defendants,

1 Plaintiff and the aggrieved employees have suffered an injury. Their legal rights to receive accurate
2 wage statements were violated and they were misled about the amount of wages they had actually
3 earned and were owed. In addition, the absence of accurate information on their wage statements
4 prevented immediate challenges to Defendants' unlawful pay practices, has required discovery and
5 mathematical computations to determine the amounts of wages owed, has caused difficulty and
6 expense in attempting to reconstruct time and pay records, and/or has led to the submission of
7 inaccurate information about wages and amounts deducted from wages to state and federal
8 government agencies.

9 101. California Labor Code sections 2699(a) and (g) authorize an aggrieved employee, on
10 behalf of themselves and other current or former employees, to bring a civil action to recover civil
11 penalties pursuant to the procedures specified in California Labor Code Section 2699.3.

12 **Failure to Pay Wages Upon Termination**

13 102. Labor Code Section 201 provides that all earned and unpaid wages of an employee
14 who is discharged are due and payable immediately at the time of discharge.

15 103. Labor Code Section 202 provides that all earned and unpaid wages of an employee
16 who quits after providing at least 72-hours' notice before quitting are due and payable at the time of
17 quitting and that all earned and unpaid wages of an employee who quits without providing at least
18 72-hours' notice before quitting are due and payable within 72 hours.

19 104. Labor Code Section 203 provides that the wages of an employee continue on a daily
20 basis as a penalty for up to 30 days where an employer willfully fails to timely pay earned and
21 unpaid wages to the employee in accordance with Labor Code Section 201 or Section 202.

22 105. Plaintiff is informed and believes that Defendants' failure to timely pay them all of
23 their earned and unpaid wages, including unpaid minimum wages and overtime wages, and
24 unprovided rest and meal period premium wages, have been willful in that, at all relevant times,
25 Defendants have deliberately maintained policies and practices that violate the requirements of the
26 Labor Code and the Wage Order even though, at all relevant times, they have had the ability to
27 comply with those legal requirements.

28 **Section 558 Penalties**

106. The PAGA claims are also brought against Defendants pursuant to provisions of the labor code including § 558 which permits liability of persons or employers who violate or cause to be violated Labor Code and IWC regulations. California Labor Code Section 2699.

107. The PAGA states:

Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or himself and other current or former employees...

108. One provision of law enforceable through PAGA as to civil penalties, though not unpaid wages, is Labor Code § 558, which states the following:

(a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows:

(1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to any amount sufficient to recover underpaid wages.

(2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages...

Penalties Authorized by PAGA

109. Pursuant to California Labor Code sections 2699(a) and (f), Plaintiff and the other aggrieved employees of Defendants are entitled to, and seek to, recover civil penalties for Defendants' violations of California Labor Code sections 201, 202, 203, 204, 210, 216, 221, 225.5, 226, 226.3, 226.7, 510, 511, 512, 551, 552, 558, 1174, 1194-1197.1, 1198, 2698, and 2802 *et seq.*, during the applicable limitations period in the following amounts:

a. For violations of California Labor Code sections 201, 202, 203, 226.7, 1198, and 2802, one hundred dollars (\$100.00) for each aggrieved employee per pay period for each initial violation and two hundred dollars (\$200.00) for each aggrieved employee per pay period for each subsequent violation (penalty amounts established by California Labor Code Section 2699(f)(2));

b. For violations of California Labor Code Section 1194-1197.1, one hundred

dollars (\$100.00) for each aggrieved employee per pay period for each initial violation and two hundred dollars and fifty (\$250.00) for each aggrieved employee per pay period for each subsequent violation regardless of whether the initial violation is intentionally committed (penalty amounts established by California Labor Code § 1197.1);

c. For violations of California Labor Code Sections 216, 221, 223 one hundred dollars (\$100.00) for each aggrieved employee for each initial violation and two hundred dollars (\$200.00) for each aggrieved employee for each subsequent or willful violation (penalty amounts established by California Labor Code § 225.5);

d. For violations of California Labor Code Section 1174, five hundred dollars (\$500.00) for each of Defendants' violations in addition to any other penalties or fines permitted by law (penalty amounts established by California Labor Code § 1174.5);

e. For violations of California Labor Code Section 226, two hundred fifty dollars (\$250.00) per employee for initial violation and one thousand dollars (\$1,000.00) per employee for each subsequent violation (penalty amounts established by California Labor Code Section 226.3);

f. For violations of California Labor Code Section 204, one hundred dollars (\$100.00) per employee for initial violation and two hundred dollars (\$200.00) per employee for each subsequent violation, plus 25 percent of the amount unlawfully withheld (penalty amounts established by California Labor Code Section 210);

g. For violations of California Labor Code section 510, 511, 512, 551, 552 and, Wage Order 4-2001 Sections 9, 11, and 12, fifty dollars (\$50.00) for each aggrieved employee for each initial violation for pay period for which the employee was underpaid in addition to an amount sufficient to recover unpaid wages and one hundred dollars (\$100.00) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount

sufficient to recover unpaid wages (penalty amounts established by California Labor Code Section 558).

- h. For violations of California Labor Code Section 558, fifty dollars (\$50.00) for initial violation, fifty dollars (\$50.00) for each underpaid employee for each pay period for which the employee was underpaid; for each subsequent violation, one hundred dollars (\$100.00) for each underpaid employee for each pay period for which the employee was underpaid (penalty amounts established by California Labor Code Section 558).

110. Pursuant to California Labor Code Section 2699(g), Plaintiff, on behalf of himself and the other aggrieved employees, is entitled to an award of reasonable attorneys' fees and costs.

PRAYER FOR RELIEF

Wherefore, Plaintiff on behalf of himself and on behalf of all other Aggrieved Employees, prays for judgment against Defendants as follows:

- a. Civil penalties;
- b. Other penalties and fines permitted by law;
- c. Costs of suit;
- d. Reasonable attorneys' fees;
- e. Pre-judgment and post-judgment interest as provided by law; and
- f. Such other and further relief as the Court deems just and proper.

DATED: March 15, 2024

BOYAMIAN LAW, INC.

By: _____



Michael H. Boyamian
Tamar Chobanian
Attorney for Plaintiff CHRISTOPHER
LUNA RODRIGUEZ, Other Aggrieved
Employees, and the General Public

EXHIBIT 1



BOYAMIAN LAW

December 22, 2023

SENT VIA ONLINE SUBMISSION

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

**Re: *Rodriguez v. Classic Beverage of Southern California, LLC, et al.*
Notice of PAGA Claims Pursuant to Labor Code § 2699.3**

Dear Labor and Workforce Development Agency and Employer:

Our office represents Christopher Luna Rodriguez with respect to claims on behalf of himself and other similarly situated current and former hourly, non-exempt employees of Classic Beverage of Southern California LLC and Classic Distributing and Beverage Group, LLC (hereinafter collectively referred to as “Classic Beverage”). 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 Classic Beverage has violated and continues to violate various provisions of the California Labor Code including, but not limited to, failure to provide meal and rest breaks, failure to pay for all hours worked, and failure to reimburse necessary business expenditures.

I. Facts and Theories About the Case

Classic Beverage is a large alcoholic and non-alcoholic wholesale beverage distributor nationwide for merchant customers throughout the Western U.S. Classic Beverage is headquartered in City of Industry, California and maintains distribution warehouses in the City of Industry and another location in the greater San Diego area. As part of Classic Beverage’s operations, Sales Associates or Sales Representatives provide delivery and stocking services of alcoholic and non-alcoholic beverages and related products to Classic Beverage’s retail customers. Christian Rodriguez was initially hired to be a Sales Associate or Sales Representative to conduct sales to place Classic Beverage products in various stores. However, despite the title, Mr. Rodriguez soon learned that his sole role at Classic Beverage would essentially entail traveling to various Classic Beverage client’s retail locations, to stock beverage merchandise on shelves. Mr. Rodriguez worked at Classic Beverage’s City of Industry distribution warehouse from approximately April 2022 through about November 2023. Throughout his employment with Classic Beverage, he was a non-exempt, hourly employee and was paid at the rate of \$19.00 per hour. Mr. Rodriguez and other Sales Associates or Sales Representatives were scheduled for eight-hour shifts, but in reality, they would work nine to ten-hour days, to meet the demands of the job.

A. Failure to Provide Statutory Meal & Rest Periods- Violation of Labor Code Sections 226.7 and 512

Current and former hourly, non-exempt Sales Associates or Sales Representatives (hereinafter “Sales Associates” or “Aggrieved Employees”), including Mr. Rodriguez, did not receive adequate or timely meal and rest breaks.

Our investigation has revealed that as part of a uniform company policy, at each of Classic Beverage’s distribution locations, Classic Beverage requires Mr. Rodriguez and all other Sales Associates in California to continuously drive to different merchant locations without providing proper off-duty meal breaks. Mr. Rodriguez and all other Sales Associates in California regularly work more than five (5) hours per day without receiving an adequate off-duty meal period of at least thirty (30) minutes during which they were relieved of all duties. Classic Beverage did not provide Mr. Rodriguez and all other Sales Associates in California with one (1) additional hour of pay for each workday that a proper meal period was not provided. Indeed, most Sales Associates do not take their meal period after the conclusion of the fifth hour- if one is taken at all. In fact, Mr. Rodriguez reports that he and other Sales Associates would use an application on the company provided cell phone to input timely meal periods so as to not trigger a violation, when in reality there was no time for a meal break and no meal break was actually taken. Classic Beverage also discourages and dissuades Sales Associates, including Mr. Rodriguez by overloading their schedules with tasks, as Sales Associates were assigned to drive to and from anywhere from 6-8 locations a day across Los Angeles and neighboring cities, which could not possibly be completed if Sales Associates, including Mr. Rodriguez, were to actually take a timely, off duty meal period.

California law requires that an employer provides an employee who works more than five hours a meal break that is no less than 30 minutes in duration. 8 CCR 11070(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. *Id.* 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 11070(11)(D).

In addition, Classic Beverage requires Mr. Rodriguez and other Sales Associates to continuously drive without providing rest breaks. Mr. Rodriguez and other Sales Associates regularly worked more than three-and-one-half (3.5) hours without being permitted to take a ten (10) minute rest period. Classic Beverage did not provide Mr. Rodriguez and other Sales Associates one (1) additional hour of pay for each workday that a rest period was not provided. Sales Associates, including Mr. Rodriguez, report not taking rest periods because their schedules were overloaded with assignments to such an extent that taking a rest period may result in missed or late stocking of beverages or failure to complete all assignments during their scheduled hours of work.

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 11070(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 11070(12)(B).

B. Failure to Pay for All Hours Worked - Violation of Labor Code Sections 216, 510, 1194, 1194.2, and 1197

Our investigation has further revealed that Classic Beverage does not compensate Sales Associates, including Mr. Rodriguez, for all hours worked. Specifically, Classic Beverage requires Sales Associates, including Mr. Rodriguez, to regularly work off-the-clock. Specifically, Sales Associates, including Mr. Rodriguez were often scheduled to work eight-hour shifts, however, due to the sheer volume of assignments to complete, Sales Associates, including Mr. Rodriguez were required to work nine to ten-hour shifts in order to meet the demands of the job and complete all stocking of items. Consequently, Mr. Rodriguez after clocking-out would continue working off-the-clock to finish his scheduled stocking and complete the necessary paperwork and office work.

California law requires that an employer compensate an employee for all hours worked. Pursuant to Labor Code § 1194 Defendants had a duty to pay Plaintiff not less than the minimum required hourly rate of pay set by the Department of Industrial Relations, and legal overtime wages. Sections 1194 and 1197 direct employers to compensate employees at the state-mandated minimum wage for all hours worked. Cal. Lab. Code §§ 1194, 1197. California law requires payment of overtime premium pay for all hours worked by non-exempt employees in excess of eight hours in one day, 40 hours in one week, and for the first eight hours on the seventh-straight day of work in one workweek. *See, e.g.*, Labor Code § 510. It further requires payment of double-time premium pay for all hours worked by such employees in excess of twelve hours in one day, or in excess of eight hours on the seventh-straight day of work in a single workweek. *Id.* Additionally, In California, the employer is required to keep records of all hours worked. Labor Code § 1174(d).

C. Unreimbursed Business Expenses

California law also required that an employer “indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge or his or her duties” §2802(a). In contravention of this provision of the Labor Code, Classic Beverage would fail to reimburse Mr. Rodriguez, and all similarly situation individuals for all business expenses incurred as part of their jobs. In particular, Mr. Rodriguez and similarly situated individuals would have to use their personal cell phones to communicate with Classic Beverage management. Also, Mr. Rodriguez and similarly situation individuals were required to wear a particular Classic Beverage uniform, however, were not reimbursed for the expense of obtaining the required black pants and particular boots to work for Classic Beverage as a Sales Associate.

Moreover, Classic Beverage would fail to adequately compensate Mr. Rodriguez and other similarly situated individuals for their vehicle procurement and maintenance. As Sales Associates, including Mr. Rodriguez were required to drive far distances to various merchant locations with their own personal cars, expenses for gas, monthly oil changes, and overall upkeep of vehicles were not reimbursed. These expenses were necessary to complete their duties to provide services of re-stocking merchandise to many of Classic Beverage clients, all over various parts of California. In other words, in contravention of the state's labor laws, Classic Beverage required Mr. Rodriguez and other similarly situated individuals to subsidize a significant business expense of the company by failing to provide a necessary instrumentality of the job, or alternatively, by failing to fully cover the expense and upkeep of a vehicle that would be necessary for the work at Classic Beverage.

D. Other Claims

The other alleged violations, including inaccurate wage statements, failure to pay all wages by the appropriate pay period, and waiting time penalties are largely derivative of the failure to pay Aggrieved Employees, including Mr. Rodriguez for all hours worked and for failure to provide statutory mandated and compliant meal period and rest breaks.

With respect to the inaccurate wage statements claim under Labor Code Section 226, the unpaid time is not reflected on wage statements issued to the employees, in violation of Labor Code Section 226. California Labor Code Section 226(a) governs the information that must appear on wage statements. Specifically, Labor Code Section 226(a) requires that wage statements accurately itemize “(1) gross wages earned, (2) total hours worked by the employee... (4) all deductions... (5) net wages earned... (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

Based on the foregoing facts, Mr. Rodriguez is asserting PAGA claims on behalf of himself and on behalf of all other Aggrieved Employees employed by Classic Beverage in California from December 22, 2022, to the present. Mr. Rodriguez seeks civil penalties under PAGA for the following Labor Code violations:

1. Violations of Labor Code section 558 for failing to pay wages due, including those for missed meal and rest periods as required by Labor Code sections 226.7, and 512. Specifically, with respect to meal breaks, Classic Beverage does not permit Mr. Rodriguez and other Aggrieved Employees to take off-duty meal periods and do not pay one additional hour of pay at their regular rate of compensation for each missed meal period. Classic Beverage also does not provide Mr. Rodriguez and other Aggrieved Employees with rest periods. Nor does it pay one additional hour of pay at their regular rate of compensation for each missed rest period.
2. Violations of Labor Code sections 216, 225.5, and 558 for failing to pay all wages due. Specifically, Classic Beverage does not compensate Mr. Rodriguez and other Aggrieved Employees for all hours worked, including

off-the-clock work, as required by Labor Code sections 216, 510, 511, 558, 1194-1197.1 and 1198.

3. Violations of Labor Code sections 226 and 226.3, requiring employers to provide specific information on employees' itemized wage statements, as Classic Beverage does not include all hours worked and wages earned on the wage statements of Mr. Rodriguez and other Aggrieved Employees.
4. Violation of Labor Code section 2802, requiring employers to reimburse employees for necessarily incurred business expenses in the performance of their work, as Classic Beverage does not reimburse for all expenses incurred by Mr. Rodriguez and other Aggrieved Employees.
5. Violations of Labor Code sections 204 and 210, based on Classic Beverage's failure to pay Mr. Rodriguez and similarly situated Aggrieved Employees on the regular pay day all owed wages.
6. Violation of Labor Code Sections 201-203, requiring the timely payment of wages, as Classic Beverage has not timely paid those Aggrieved Employees who are no longer employed with Classic Beverage all wages owed and due after termination of employment.

Accordingly, we believe Classic Beverage has 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, 510, 511, 512, 551, 552, 558, 1174, 1194-1197.1, 1198, 2698, and 2802 *et seq.*, as well as the relevant IWC orders and regulations, and that Mr. Rodriguez and other similarly situated current and former Aggrieved Employees are entitled to all damages, restitution and 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 sixty (60) days if it wishes to investigate this matter further. Should you have any questions or concerns or require additional information, please do not hesitate to contact the undersigned. If Classic Beverage wishes to resolve these claims prior to litigation by stopping its unlawful practices and making full restitution to Mr. Rodriguez and others, please contact the undersigned forthwith to discuss this matter further. Thank you in advance for your attention to this matter.

Sincerely,
BOYAMIAN LAW, INC.



Tamar Chobanian

Cc: Classic Beverage of Southern California, LLC (*Sent via Certified Mail*)
Attention: John B. Thomas (*Agent of Service of Process*)
120 North Puente Ave., Attn., Legal Department
City of Industry, California 91746

Classic Beverage of Southern California, LLC (*Sent via Certified Mail*)
Attention: John B. Thomas (*Agent of Service of Process*)
120 North Puente Ave., Attn., Legal Department
City of Industry, California 91746