ABRAMSON
LABOR GROUP

1700 W Burbank Blvd.
Burbank, California 91506
t | 213.493.6300
Cheryl.K@abramsonlabor.com
www.AbramsonLaborGroup.com

November 13, 2024

VIA ONLINE SUBMISSION

Stewart Knox, Secretary
California Labor & Workforce
Development Agency
800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, CA 95814

VIA CERTIFIED MAIL

Manna LA, LLC
Attn: Human Resources
8647 Sepulveda Blvd.
Los Angeles, CA 90045

Manna Development Group, LLC
Attn: Legal Department
2211 Encinitas Blvd., Ste. 100
Encinitas, CA 92024

Manna LA, LLC
Attn: Legal Department
2211 Encinitas Blvd., Ste. 100
Encinitas, CA 92024

NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO CALIFORNIA LABOR CODE SECTION 2698, *ET SEQ.*

To: The California Labor and Workforce Development Agency; Manna LA, LLC dba Panera Bread; Manna Development Group LLC

From: Sean Lee, on behalf of himself and all other current and former hourly nonexempt employees for violations of the California Labor Code

To Whom It May Concern:

Abramson Labor Group has been retained by current employee Sean Lee ("Mr. Lee") to seek compensation and all other available relief, including civil penalties on his behalf and on the behalf of all those similarly aggrieved (collectively with Mr. Lee, "Claimants") who have been injured by Manna LA, LLC and Manna Development Group LLC's (collectively, "Manna") violations of the California Labor Code. Mr. Lee, on behalf of himself and all other similarly aggrieved current and former hourly nonexempt employees of Manna, intend to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.* of the Labor Code Private Attorneys General Act of 2004 ("PAGA").

Factual Statement:

Manna operates multiple Manna restaurant locations doing business as Panera Bread in California, each of which offers patrons an casual dining atmosphere as well as pick-up/to-go orders, and catering.

Claimant Mr. Lee has worked at multiple Manna locations from approximately July 2022 to the present as an hourly, nonexempt employee in the positions of Team Manager and Facilities Specialist, earning $21.50 per hour plus gratuities. Since transferring from the Torrance location, Mr. Lee has since worked at the Los Angeles location on Sepulveda Boulevard. Mr. Lee, on behalf of himself and all other similarly aggrieved current and former employees in California in various positions, are or were generally engaged in serving customers and providing labor at various Manna restaurants. As part of his employment with Manna, Claimant and other hourly, nonexempt employees, collectively, “hourly nonexempt employees,” are or were assigned to and required to suffer and permitted to work without pay, while performing tasks collectively including, but not limited to, greeting and seating guests; taking customers’ orders; running food and drinks to customers; pre-bussing and bussing tables; processing customers’ payments; tracking cash amounts on spreadsheets; coordinating collection of cash from third-party; customer service; training new employees; check stock and temperature of soups; food preparation and service; adding salt to the drink machine and cleaning it; washing dishes; and cleaning the kitchen and dishwasher.

Claimant Mr. Lee regularly works 4-5 days per week for 6-8 hours or more hours per day. During the entire course of his employment, Manna has failed to provide Mr. Lee and continues to fail to provide those similarly aggrieved with some minimum wages, overtime pay, and compliant meal periods and rest breaks and corresponding premium pay. Manna has also failed to remit all gratuities owed and pay minimum wages to Mr. Lee and other hourly, nonexempt employees in violation of Labor Code sections 510, 1194, 1197, and 1182.12, and section 4 of IWC Wage Order No. 5-2001. As a consequence of failing to pay minimum wages, Manna has failed to comply with Labor Code sections 226.7, 510, and 512, and sections 3, 11, and 12 of all applicable Industrial Welfare Commission (“IWC”) Wage Orders, including but not limited to, IWC Wage Order No. 5-2001. In violation of Labor Code sections 510, 1194, 1197, and 1182.12, Manna has failed to compensate Claimants at a rate of one and one-half (1.5) times their regular rate for all hours worked over eight (8) hours per workday and the first eight (8) hours worked on the seventh day of a workweek and at two (2) times their regular rate for hours worked over twelve (12) hours per workday and eight (8) hours on the seventh day of a workweek.

Manna has also failed and continues to fail to pay all wages owed every pay period in violation of Labor Code section 204. Likewise, Manna has failed and continues to fail to provide timely, accurate wage statements to Mr. Lee and other aggrieved persons in violation of Labor Code section 226(a). Manna has failed and continues to fail to fully reimburse Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, all costs for (1) uniforms and (2) some costs for cell phone service required to use the GoSpotCheck phone application on behalf of Manna, in violation of Labor Code section 2802. Mr. Lee is informed and believes that such violations are ongoing, systematic, and continuous. Mr. Lee intend to bring an action against Manna under the Private Attorneys General Act (“PAGA”) to recover wages and penalties as provided by California law.[1]

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[1] Without limitation, Mr. Lee, if permitted, will seek any and all penalties otherwise capable of being collected by the Commission. This includes each provision as set forth in Labor Code section 2699.5 as follows:

> The provisions of subdivision (a) of Section 2699.3 apply to any alleged violation of the following provisions: subdivision (k) of Section 96, Sections 98.6, 201, 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, and 212, subdivision (d) of Section 213, Sections 221, 222, 222.5, 223, and 224, subdivision (a) of Section 226, Sections 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230A, 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision (c) of Section 232.5, Sections 233, 234, 351, 353,

Theories of Labor Code Violations and Remedies:

Claimant Mr. Lee has been employed by Manna from approximately July 2022 to the present as an hourly, nonexempt employee holding the positions of Team Manager and Facilities Specialist. For a period of at least four (4) years prior to November 2024, but for our purposes here, one (1) year prior, Manna has violated and continues to violate the California Labor Code sections as detailed below.

Claimants also were at all times entitled to payment of **minimum wages**. Manna has failed and continues to fail to pay Claimants minimum wages for all hours worked as required by Labor Code sections 510, 1194, and 1194.2 and sections 4 and 5 of IWC Wage Order No. 5-2001. First, Claimants worked while off-the-clock—meaning they were not punched in for work—and therefore, those working hours were not recorded and then compensated. This off-the-clock time primarily occurred after clocking out at the end of their shifts because last-minute tasks needed to be done after Mr. Lee and Claimants clocked out, for their shifts. As such, when work remained at the end of a shift or came up during a meal period but Claimants had already clocked out, Mr. Lee and Claimants still continued working to complete any remaining tasks or urgent ones that needed to be addressed. Accordingly, Claimants were not paid for that time spent working off the clock. That is, Defendant implemented policies and enforced practices requiring Claimants to perform work while clocked out and what should have been their meal periods and rest breaks, the effects of which Defendant could have mitigated by adjusting expectations and/or by adding more staff to reduce the expected daily workload. However, Defendant instead chose to instruct Claimants to continue working while clocked out and to skip rest breaks. In effect, these policies and practices cause Claimants to remain on-duty during meal periods and rest breaks, and therefore, constitute a failure on Manna's part to provide minimum wages for that compensable work. Second, Manna occasionally failed to pay Mr. Lee and Claimants the correct total number of hours worked and reported (on the clock work). More specifically, Mr. Lee worked several hours over particular pay periods that he reported by clocking in, but those hours were never paid. With that, Manna's corresponding failure to provide premium pay at the correct regular rate, if any premiums were paid at all, in lieu of compliant meal periods and rest breaks constitutes Manna's failure to pay minimum wages and all hours worked every pay period and upon separation in violation of Labor Code sections 201, 202, 203, 204, 226(a), 510, 1182.12, 1194, and 1197. Second, Manna's failure to pay Claimants their meal period and rest break premiums for noncompliant meal periods and rest breaks, as explained in further detail below, also constitutes a failure to pay minimum wages to Claimants. For all of the foregoing reasons, Claimants are entitled to recover wages and/or penalties as provided by Labor Code section 1197.1 and section 20 of IWC Wage Order No. 5-2001.

Claimants were at all times entitled to unpaid off-duty, uninterrupted **meal periods**. As explained in the preceding paragraph, Manna failed to authorize and permit timely, full-length meal periods for Mr. Lee and all other similarly aggrieved employees as required by Labor Code sections 226.7 and 512 and section 11 of IWC Wage Order No. 5-2001. First, Mr. Lee and Claimants were required to perform work during their meal periods in the form of continuing to perform their assigned services that either cut into their 30-minute meal periods necessitating that they returned from their meal period early before 30 minutes had elapsed or else forcing them to commence their meal periods after the end of the fifth hour. Second, Mr.

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and 403, subdivision (b) of Section 404, Sections 432.2, 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153, subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 1197.1, 1197.5, and 1198, subdivision (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, subdivision (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, and 1700.47, paragraphs (1), (2), and (3) of subdivision (a) of, and subdivision (e) of, Section 1701.4, subdivision (a) of Section 1701.5, Sections 1701.8, 1701.10, 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651., and 2673, subdivision (a) of Section 2673.1, Sections 2695.2, 2800, 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and Sections 3095, 6310, 6311, and 6399.7.

Lee and Claimants regularly started their meal periods late—after the end of the fifth hour—due to sudden influxes of customers or high customer demand that would have resulted in a lack of requisite coverage if they took their meal periods on time. Despite those issues, Manna did not compensate Claimants with an extra hour of pay at the regular rate for noncompliant meal periods for each workday on which they occurred. Accordingly, since Manna required Mr. Lee and others similarly situated to work during their meal periods in violation of Labor Code sections 226.7(a) and 512, Claimants seek all available penalties as set forth in Labor Code sections 558, section 20 of IWC Wage Order No. 5-2001, and 2699(f).

Claimants were at all times entitled to take paid, off duty 10-minute **rest breaks**. However, for the same reasons cited in the preceding paragraph regarding meal periods and additional reasons, Manna likewise failed to authorize and permit Mr. Lee and all other similarly aggrieved employees to take any full-length, off-duty rest breaks as required by Labor Code sections 226.7 and section 12 of IWC Wage Order No. 5-2001. In addition to the reasons provided for noncompliant meal periods in the preceding paragraph, Mr. Lee and Claimants also experienced noncompliant rest breaks because Manna enforced a policy requiring Claimants to request permission to leave to take their rest breaks, which functioned as a deterrent for Claimants from asking to take their rest breaks because they would not elect to ask knowing that the restaurant was very busy. As such, Claimants were not able to take their requisite number of 10-minute rest breaks based on their shift duration; Claimants regularly worked through their rest breaks. Manna did not compensate Claimants with an extra hour of pay at the regular rate for noncompliant rest breaks for each workday on which they occurred. Therefore, Claimants are entitled to recover wages and/or penalties as provided by Labor Code section 558 and section 20 of IWC Wage Order No. 5-2001. Furthermore, since Manna required their hourly nonexempt employees to perform work during rest periods in violation of Labor Code section 226.7(b), Claimants seek all available penalties set forth in Labor Code sections 558 and 2699.

At all times relevant herein, Claimants were entitled to the payment of **overtime**. That is, pursuant to Labor Code sections 510, 1194, 1197, and 1182.12, Manna was required to compensate Claimants at a rate of one-and-one-half (1.5) times their regular rate for all hours worked over eight (8) hours per workday and the first eight (8) hours worked on the seventh day of a workweek and at two (2) times their regular rate for hours worked over 12 hours per workday and eight hours on the seventh day of a workweek. Mr. Lee occasionally worked and Claimants regularly worked overtime hours. Manna has failed to and continues to fail to pay Claimants overtime wages owed for off-the-clock time worked that should have been compensated as overtime, yet regularly required them to work these overtime hours without premium pay under Labor Code section 1194. In short, during the entire course of their employment, Manna failed to provide Mr. Lee and continues to fail to provide all others similarly situated with all overtime pay in violation of 226.7, 510, and 512 and all applicable IWC Wage Orders, including but not limited to IWC Wage Order 5-2001, section 3.

Claimants were at all times entitled to receive all gratuities paid to or left for employees by patrons regardless of the form in which the gratuity was delivered, which shall not be deducted by credit card fees assessed to Manna by credit card companies. Cal. Lab. Code § 351. Manna failed to remit all gratuities owed Claimants as required by Labor Code section 351. For example, Manna allegedly engaged in improper tip withholding practices by reducing the tips collected by the amount credit card companies assessed to Manna on those particular transactions. Accordingly, Claimants seek all available penalties as set forth in Labor Code sections 226(e) and 2699.

Pursuant to Labor Code sections 201–203, Claimants who have since separated from Manna were entitled to be paid all **wages owed upon separation** within the statutorily allotted time—immediately (resignation with notice and termination) or within 72 hours (resignation without notice). Claimants did not receive all wages owed upon separation based on Manna's prior failings to pay all wages owed every pay period, including but not limited to gratuities and meal and rest premiums owed and for all hours worked, as explained above.

Claimants were at all times entitled to be provided timely and accurate **wage statements** from Manna pursuant to Labor Code section 226. Because Manna failed to pay Claimants all of their meal period and rest break premiums for noncompliant meal periods and rest breaks and failed to pay Claimants minimum wages for all hours worked before, during, and after their shifts and for all overtime wages due, Claimants' wage statements were inaccurate in reflecting meal period and rest break premiums owed, overtime and minimum wages, and all hours worked every pay period. As a consequence, Claimants' wage statements also do not reflect the accurate amount of net and gross wages owed. Accordingly, Claimants seek all available penalties as set forth in Labor Code sections 226(e) and 2699.

Finally, Claimants were entitled to be reimbursed by Manna for all necessary, **business-related expenses** they incurred in executing their duties for Manna. California Labor Code section 2802 provides that "An employer shall indemnify his or his employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or his duties, or of his or his obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." Manna provided Mr. Lee and Claimants only two uniform shirts, which is not enough to last the whole week. Mr. Lee and Claimants were required to either purchase additional uniform shirts or required to do extra loads of laundry throughout the week. Manna also required Mr. Lee and Claimants to record refrigerator temperatures using a smart phone application called GoSpotCheck and provided a $2 per-pay-period cell phone allowance. This $4 monthly cell phone allowance is not sufficient to cover the use of Mr. Lee and Claimants' cell phone data and usage. In sum, Manna has failed to reimburse Mr. Lee and Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, these costs incurred for (1) the purchase of the requisite number of uniforms shirts for a week's worth of shifts or else laundry to launder extra loads and (2) the use of their personal cell phones on behalf of Manna during their shifts. Accordingly, Claimants are entitled to recover their unreimbursed expenditures and losses pursuant to Labor Code section 2802.

Manna's uniform failure to pay overtime and minimum wages, failure to authorize and permit full-length, off-duty rest breaks and meal periods or pay Claimants adequate premium compensation in lieu thereof, failure to remit all gratuities, failure to furnish timely and accurate wage statements, and failure to reimburse all necessary, business-related expenses violate Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 351, 510, 512, 1182.12, 1194, 1197, and 2802, and as such, penalties are recoverable as set forth in Labor Code sections 210, 1194, *et seq.*, and 2699.

Claimants are entitled to recover unpaid wages, with interest, and are entitled to an award of attorneys' fees as permitted by Labor Code section 1194, other penalties as permitted by Labor Code sections 210 and 2699, and waiting time penalties for former employees pursuant to Labor Code section 203.

Accordingly, Claimants seek the remedies set forth in the above-referenced Labor Code sections for themselves, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a), 2699.3(c), and 2699.5, Mr. Lee, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for themselves, all other aggrieved employees, and the State of California against Manna for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 351, 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

Should you require any additional information, please feel free to contact me.

Sincerely,

ABRAMSON LABOR GROUP

Cheryl Kenner

Cheryl A. Kenner