

Justice for Port Truck Drivers

www.JusticeforPortDrivers.org

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PRESS CONTACT:

Barb Maynard, barb@actnowstrategies.com
(please note new email address for your records)



\$1.1 Million in Wage Theft Claims Filed by 7 Truckers Who Haul for Home Depot, Michael's, Dollar Tree, and Other Retail Giants

Ports of Los Angeles/Long Beach, CA – After a [scathing USA Today exposé](#) detailing how retail giants enable trucker exploitation, today, seven truck drivers who haul containerized cargo on and off the docks at America's largest seaport filed claims for \$1.1 million in stolen wages – an average of \$153,150 per driver – with the Long Beach office of the [California Division of Labor Standards Enforcement](#) (DLSE).

The seven drivers are treated as employees but illegally paid as independent contractors by [California Multimodal, LLC](#) (CMI), a division of [NFI Industries](#), which recently purchased the [California Cartage](#) family of companies. Similar to claims made by dozens of other NFI (Cal Cartage) drivers, these allegations of wage theft include illegal deductions, unreimbursed business expenses, meal break premiums, rest break premiums, minimum wages, and "waiting time" penalties (failure to fully compensate a worker when he/she leaves the job).

"Today, six of my co-workers and I filed our "wage and hour" claims with the California Labor Commissioner. This is just one step forward in fighting for justice against this lawbreaking company," said Guillermina Velasquez, a CMI driver who is misclassified as an independent contractor.



NFI's newly acquired drayage operations at the twin ports of Los Angeles and Long Beach include five major trucking operations that together represent the largest trucking operation at the ports. More than 600 alleged misclassified drivers work for these companies, and the four largest – California Multimodal LLC (CMI), K&R

Transportation, California Cartage Express, and Container Freight EIT – have been facing multiple claims in the courts and government agencies for misclassifying their drivers. In several instances, agencies have already determined that drivers were, in fact, employees.

On September 18, 2017, Fred Potter, Director of the International Brotherhood of Teamsters’ Port Division, sent a [letter to Sidney Brown, CEO of NFI Industries](#), urging him to resolve ongoing issues and bring the company into compliance with U.S. labor laws. 30 days later, Mr. Potter has not received a response to his letter. The following are excerpts from the letter:

“We trust that you are aware port drivers and warehouse workers have engaged in at least 15 unfair labor practice strikes and picketing over the last three years – including Cal Cartage employees – related to employment misclassification, wage and hour violations, safety and health issues, harassment and interrogation, illegal firings, and what USA Today recent described as “sharecropping.” In spite of an on-going labor dispute and misclassification-related litigation and government enforcement actions, California Cartage had continued to cling to a discredited business model. Hopefully you will rethink that approach.”

Misclassification-Related Cases Facing NFI Industries (formerly California Cartage)

In addition to the seven claims filed today, there are an additional 27 Labor Commissioner claims that drivers have filed against NFI (Cal Cartage) companies, all of which appear to be pending. The total liability for those 37 claims is \$6,142,304.04.

Over the past two years, there have been at least nine decisions issued by the California Labor Commissioner in individual claims filed by Cal Cartage drivers working for K&R Transportation, Cal Cartage Express, Container Freight, and CMI. All of these claims found that the drivers were, in fact, employees, and not independent contractors. Together, those decisions ordered Cal Cartage to pay those seven drivers a total of \$1,096,480 for Labor Code violations including unlawful deductions and unreimbursed expenses. Cal Cartage appealed all of these cases, settling two of them, while the other seven remain pending in Superior Court.

Additionally, NFI’s So. California trucking divisions are facing two class action lawsuits for multiple Labor Code violations, including willful misclassification, unlawful deductions, unreimbursed expenses, unpaid minimum wages, and failure to provide meal and rest breaks, along with violation of California’s Unfair Competition Law. All of these cases were filed in California Superior Court and remain pending. The company recently settled in two similar suits. The NFI companies are also facing two separate “mass action” lawsuits in CA Superior Court filed by groups of drivers against K&R for misclassification and wage theft.

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