Case 3:23-cv-04178 Document 1 Filed 08/16/23 Page 1 of 9 Jonathan M. Lebe (State Bar No. 284605) 1 Jon@lebelaw.com Chancellor D. Nobles (State Bar No. 330081) 2 Chancellor@lebelaw.com Lebe Law, APLC 3 777 S. Alameda Street, Second Floor Los Angeles, CA 90021 Telephone: (213) 444-1973 4 5 Attorney for Plaintiff Patricia Hoover, 6 Individually and on behalf of all others similarly situated 7 8 9 UNITED STATES DISTRICT COURT 10 NORTHERN DISTRICT OF CALIFORNIA 11 12 **CLASS ACTION COMPLAINT FOR** 13 PATRICIA HOOVER, individually VIOLATIONS OF FAIR LABOR and on behalf of all others similarly 14 STANDARDS ACT situated. 15 DEMAND FOR JURY TRIAL Plaintiff, 16 17 VS. 18 **COMMUNITY BRANDS** 19 PARENTCO, LLC, a Delaware limited liability company; 20 COMMUNITY BRANDS LLC, a 21 Delaware limited liability company; EDUCATION BRANDS, LLC, a 22 Delaware limited liability company; 23 MOBILECAUSE, INC., a Delaware corporation, 24 Defendants. 25 26 27 28

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Plaintiff Patricia Hoover, individually and on behalf of all others similarly situated, alleges as follows:

1.

California and nationwide.

NATURE OF ACTION AND INTRODUCTORY STATEMENT

Defendants Community Brands Parentco, LLC, Community Brands LLC, Education

Brands, LLC, and MobileCause, Inc. ("Defendants"). She brings this action on behalf

of herself individually and a putative class of employees working throughout

Plaintiff Patricia Hoover ("Plaintiff") is an individual who worked for

- 2. Defendants are in the business of developing and marketing cloud-based software solutions to customers nationwide.
- 3. Through this action, Plaintiff alleges that Defendants have engaged in a systematic pattern of wage and hour violations under the Fair Labor Standards Act, 29 U.S.C. § 201 et. seq. ("FLSA").
- 4. Plaintiff brings this action based on Defendants' failure to maintain a policy that compensates its employees for all overtime wages. There are many similarly situated current and former employees who have not been paid for all hours worked over 40 in a workweek in violation of the FLSA, as for a lengthy period, Defendants maintained a practice of not compensating their employees for any overtime, regardless of the amount of overtime hours worked.
- 5. Furthermore, once Defendants began paying employees some overtime compensation, they still failed to compensate employees for all overtime hours worked, maintaining a practice of not counting work tasks such as mandatory training videos, questions, and demonstrations as time worked.
- 6. Additionally, Defendants maintained a willful and systematic practice of failing to compensate its employees for overtime at their proper regular rate of pay by failing to factor commissions and other non-discretionary bonuses into employess' regular rate of pay for overtime purposes.

7. Plaintiff brings this lawsuit seeking monetary relief against Defendants on behalf of herself and all other similarly situated to recover, among other things, unpaid wages and commissions, interest, attorneys' fees, costs, expenses, and penalties pursuant to the FLSA.

JURISDICTION AND VENUE

- 8. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331, because this complaint alleges claims under the laws of the United States, specifically the FLSA.
- 9. The United States District Court for the Northern District of California has personal jurisdiction over Defendants because many of the acts complained of and giving rise to the claims alleged took place in California and in this District.

THE PARTIES

- 10. Plaintiff is a citizen of California. Plaintiff worked for Defendants from approximately December 2019 to January 2023. Details regarding Plaintiff's precise hours, pay, and revenue generated for Defendants are available by reference to Defendants' records.
- 11. Plaintiff is informed and believes, and thereon alleges, that Defendants at all times hereinafter mentioned, were are employers as defined in and subject to the FLSA.

COLLECTIVE ACTION ALLEGATIONS

- 12. Plaintiff brings this action pursuant to the FLSA, 29 U.S.C. § 216(b), on behalf of herself and all similarly situated employees who elect to opt into this action who work or have worked for Defendants as employees nationwide and who were paid a commission, bonus or benefit stipend in the past three (3) years ("the FLSA Class").
- 13. Defendants are liable under the FLSA for, inter alia, failing to properly compensate Plaintiff and other employees. There are many similarly situated current and former employees who have not been paid for all hours worked over 40 in a workweek, or received all minimum wages, in violation of the FLSA who would

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benefit from the issuance of a court-supervised notice regarding the present lawsuit and the opportunity to join it. Those similarly situated employees are known to Defendants, are readily identifiable, and can be located through Defendants' records, such that notice should be sent to them pursuant to 29 U.S.C. § 216(b).

FIRST CAUSE OF ACTION

FAILURE TO PAY OVERTIME WAGES

(Violation of 29 U.S.C. § 207, 211 & 29 C.F.R. § 516.2(b))

- 14. Plaintiff hereby re-alleges and incorporates by reference all paragraphs above as though fully set forth herein.
- 15. At all relevant times, Defendants have been an employer and Plaintiff and its employees have been employees under Federal Law entitled to the protections of the FLSA.
- The FLSA requires employers to keep accurate records of hours 16. worked and wages paid, among other information, and to provide these records to their employees. 29 U.S.C. § 211(c); 29 C.F.R. § 516.2(b). Defendants' practices and policies were violations of these requirements.
- 17. Although Plaintiff and putative FLSA members periodically worked more than 40 hours in a week, Defendants had a policy and practice of failing and refusing to pay employees for all hours of overtime and thus violated and continue to violate the above-referenced overtime provisions of the FLSA.
- Indeed, throughout 2020, Plaintiff worked well over 40 hours most 18. weeks and often worked 10-hour days – without ever being paid any overtime. At some point thereafter, Defendants began paying for some overtime – albeit incorrectly.
- 19. Indeed, Defendants failed to factor in Plaintiff and other employees' commissions and other non-discretionary bonuses into their regular rate of overtime pay for overtime purposes, resulting in a systematic practice of underpaying Plaintiff and other employees for overtime under the FLSA.

- 20. For instance, during the pay period from February 15 to February 28, 2021, Plaintiff was paid \$1,672.50 in commissions, as well as \$309.41 in non-discretionary medical benefits. However, her overtime was only paid at rate of one-and-a-half times (1.5x) her base hourly rate of pay for the seven-and-a-half (7.5) hours of overtime recorded during the relevant time period, instead of her proper regular rate accounting for the additional compensation.
- 21. Similarly, during the pay period from March 19 to April 11, 2021, Plaintiff was paid \$508.56 in commissions, as well as \$309.41 in non-discretionary medical benefits. However, her overtime was only paid at rate of one-and-a-half times (1.5x) her base hourly rate of pay for the three-and-a-half (3.5) hours of overtime recorded during the relevant time period.
- 22. Also similarly, during the pay period from November 28 to December 11, 2022, Plaintiff was paid commissions of \$169.44. However, her overtime was only paid at a rate of one-and-a-half times (1.5x) her base hourly rate of pay for the overtime recorded during the relevant time period.
- 23. In another example, during the pay period from December 12 to December 25, 2022, Plaintiff was paid \$682.49 in commissions. However, her overtime was only paid at a rate of one-and-a-half times (1.5x) her base hourly rate of pay for the overtime recorded during the relevant time period.
- 24. Plaintiff and FLSA Members seek the amount of the respective unpaid wages owed to them, liquidated damages, attorneys' fees and costs pursuant to 29 U.S.C. §§ 201 et seq. and such other legal and equitable relief as the Court deems just and proper.

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PRAYER FOR RELIEF 1 WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, 2 prays for judgment against Defendants as follows: 3 For certification of this action as a class action, including certifying the 1. 4 FLSA Class alleged by Plaintiff; 5 For appointment of Patricia Hoover as the class representative; 2. 6 3. For appointment of Lebe Law, APLC as class counsel for all purposes; 7 4. For compensatory damages in an amount according to proof with interest 8 9 thereon; 5. For economic and/or special damages in an amount according to proof 10 with interest thereon; 11 6. For any unpaid wages and benefits, interest, attorneys' fees, costs and 12 expenses and penalties pursuant to the FLSA; 13 7. 14 For liquidated damages pursuant to the FLSA; 8. For reasonable attorneys' fees, costs of suit and interest to the extent 15 permitted by law, inbcuding pursuant to the FLSA; 16 9. For pre-judgment interest; and 17 For other relief as the Court deems just and proper. 10. 18 19 Dated: August 16, 2023 LEBE LAW, APLC 20 21 /s/ Jonathan M. Lebe 22 Jonathan M. Lebe 23 Chancellor D. Nobles Attorneys for Plaintiff Patricia Hoover 24 25 /// 26 /// 27 /// 28 6

DEMAND FOR JURY TRIAL Plaintiff hereby demands a jury trial with respect to all issues triable of right by jury. Dated: August 16, 2023 LEBE LAW, APLC By: <u>/s/ Jonathan M. Lebe</u> Jonathan M. Lebe Chancellor D. Nobles Attorneys for Plaintiff Patricia Hoover

1 2 3 4 5 6 7 8	Jonathan M. Lebe (State Bar No. 28460 Jon@lebelaw.com Chancellor D. Nobles (State Bar No. 33 Chancellor@lebelaw.com Lebe Law, APLC 777 S. Alameda Street, Second Floor Los Angeles, CA 90021 Telephone: (213) 444-1973 Attorney for Plaintiff Patricia Hoover, Individually and on behalf of all others	similarly situated							
8	UNITED STATE	ES DISTRICT COURT							
9	NORTHERN DISTRICT OF CALIFORNIA								
1011121314	PATRICIA HOOVER, individually and on behalf of all others similarly situated, Plaintiff,	CONSENT TO SUE UNDER THE FAIR LABOR STANDARDS ACT BY PATRICIA HOOVER							
15	VS.								
16 17 18 19 20 21 22 23 24	COMMUNITY BRANDS PARENTCO, LLC, a Delaware limited liability company; COMMUNITY BRANDS LLC, a Delaware limited liability company; EDUCATION BRANDS, LLC, a Delaware limited liability company; MOBILECAUSE, INC., a Delaware corporation, Defendants.								
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CONSENT TO SUE UNDER THE FLSA I, Patricia Hoover, hereby consent to be a plaintiff in an action under the Fair Labor Standards Act, 29 U.S.C. § 201 et seq., to secure any unpaid wages, overtime pay, liquidated damages, attorneys' fees, costs and other relief arising out of my employment with COMMUNITY BRANDS PARENTCO, LLC, a Delaware limited liability company; COMMUNITY BRANDS LLC, a Delaware limited liability company; EDUCATION BRANDS, LLC, a Delaware limited liability company; MOBILECAUSE, INC., a Delaware corporation, and any other associated parties pursuant to the Fair Labor Standards Act, 29 U.S.C. § 201 et seq. I authorize Lebe Law, APLC, and any associated attorneys as well as any successors or assignees to represent me in such action. DATED: Aug 16, 2023 Patricia Hoover

JS-CAND 44 (Rev. 10/2020)

CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Patricia Hoover, individually and on behalf of himself and all others similarly situated

- (b) County of Residence of First Listed Plaintiff Los Angeles County (EXCEPT IN U.S. PLAINTIFF CASES)
- (c) Attorneys (Firm Name, Address, and Telephone Number)

Jonathan M. Lebe SBN 284605, Chancellor Nobles SBN 330081

Lebe Law, APLC, 777 S. Alameda Street, Second Floor, Los Angeles, CA 90021, (213) 444-1973

DEFENDANTS

COMMUNITY BRANDS PARENTCO, LLC, a Delaware limited liability company; COMMUNITY BRANDS LLC, a Delaware limited liability company; EDUCATION BRANDS, LLC, a Delaware limited liability company; MOBILECAUSE, INC., a Delaware corporation

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

Pinellas County

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II.	BASIS OF JURISDICTIO	N (Place an "X" in One Box Only)	III.	CITIZENSHIP OF PI (For Diversity Cases Only)	RINCIP	PAL PA	ARTIES (Place an "X" in One Bo and One Box for Defend		aintiff
					PTF	DEF		PTF	DEF
1	U.S. Government Plaintiff × 3	Federal Question (U.S. Government Not a Party)		Citizen of This State	1	1	Incorporated or Principal Place of Business In This State	4	4
2		4 Diversity (Indicate Citizenship of Parties in Item III)		Citizen of Another State	2	2	Incorporated <i>and</i> Principal Place of Business In Another State	5	5
	(matcate Citizenship of Farites in tiem III)		Citizen or Subject of a Foreign Country	3	3	Foreign Nation	6	6	

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CONTRACT	TOR		FORFEITURE		BANKRUPTCY	OTHER STATUTES	
110 Insurance 120 Marine 130 Miller Act	farine 310 Airplane 365 Personal Injury		Property 21	USC § 881	422 Appeal 28 USC § 158 423 Withdrawal 28 USC § 157	375 False Claims Act 376 Qui Tam (31 USC § 3729(a))	
140 Negotiable Instrument	320 Assault, Libel & Slander	367 Health Care/	LABO	R	PROPERTY RIGHTS	400 State Reapportionment 410 Antitrust 430 Banks and Banking 450 Commerce 460 Deportation 470 Racketeer Influenced & Corrupt Organizations 480 Consumer Credit 485 Telephone Consumer Protection Act 490 Cable/Sat TV 850 Securities/Commoditie Exchange 890 Other Statutory Action 891 Agricultural Acts 893 Environmental Matters 895 Freedom of Informatio Act 896 Arbitration 899 Administrative Procedure Act/Review or Appeal Agency Decision 950 Constitutionality of Sta Statutes	
150 Recovery of Overpayment Of Veteran's Benefits 151 Medicare Act 152 Recovery of Defaulted Student Loans (Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise REAL PROPERTY 210 Land Condemnation 220 Foreclosure 230 Rent Lease & Ejectment 240 Torts to Land 245 Tort Product Liability 290 All Other Real Property	330 Federal Employers' Liability 340 Marine 345 Marine Product Liability 350 Motor Vehicle 355 Motor Vehicle Product Liability 360 Other Personal Injury 362 Personal Injury -Medical Malpractice CIVIL RIGHTS 440 Other Civil Rights 441 Voting 442 Employment 443 Housing/ Accommodations 445 Amer. w/Disabilities— Employment 446 Amer. w/Disabilities—Other 448 Education	Pharmaceutical Per- Injury Product Liab 368 Asbestos Personal I Product Liability PERSONAL PROPER 370 Other Fraud 371 Truth in Lending 380 Other Personal Proposition Damage 385 Property Damage Product Personal Proposition Liability PRISONER PETITION HABEAS CORPUS 463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty OTHER 540 Mandamus & Other 550 Civil Rights 555 Prison Condition 560 Civil Detainee— Conditions of Confinement	X710 Fair Labor 720 Labor/Man Relations 740 Railway La 751 Family and Leave Act 790 Other Labo 791 Employee F Income Sec IMMIGR 462 Naturalizat Application 465 Other Immi Actions	Standards Act agement bor Act Medical r Litigation tetirement rurity Act VIION on	820 Copyrights 830 Patent 835 Patent—Abbreviated New Drug Application 840 Trademark 880 Defend Trade Secrets Act of 2016 SOCIAL SECURITY 861 HIA (1395ff) 862 Black Lung (923) 863 DIWC/DIWW (405(g)) 864 SSID Title XVI 865 RSI (405(g)) FEDERAL TAX SUITS 870 Taxes (U.S. Plaintiff or Defendant) 871 IRS—Third Party 26 USC § 7609		
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(Place an "X" in One Box Only) × SAN FRANCISCO/OAKLAND SAN JOSE EUREKA-MCKINLEYVILLE

DATE 08/16/2023

SIGNATURE OF ATTORNEY OF RECORD

s/ Jonathan M. Lebe

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44

Authority For Civil Cover Sheet. The JS-CAND 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- **I. a)** Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)."
- II. Jurisdiction. The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 - (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - (2) <u>United States defendant</u>. When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 - (3) <u>Federal question</u>. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - (4) <u>Diversity of citizenship</u>. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties. This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin. Place an "X" in one of the six boxes.
 - (1) Original Proceedings. Cases originating in the United States district courts.
 - (2) Removed from State Court. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
 - (3) Remanded from Appellate Court. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - (4) Reinstated or Reopened. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - (5) <u>Transferred from Another District</u>. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - (6) <u>Multidistrict Litigation Transfer</u>. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
 - (8) Multidistrict Litigation Direct File. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket.
 - Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC § 553. Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Federal Rule of Civil Procedure 23.
 - Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 - Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases. This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. Divisional Assignment. If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: "the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated."

Date and Attorney Signature. Date and sign the civil cover sheet.