

ENDORSED  
FILED  
ALAMEDA COUNTY

OCT 17 2019

CLERK OF THE SUPERIOR COURT  
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11 *Attorneys for Plaintiffs and the putative class*

12 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
13 FOR THE COUNTY OF ALAMEDA

14 Elizabeth Anderson, Jeffrey Bellows, Katherine  
15 Butler, Cheyenne Chitry, Christina Denton,  
16 Jacqueline Foster, Jorge Gonzalez, James  
17 Hancock, Donnie Hyso, Erik Lorack, Cassandra  
18 Sweeney and Michael Whiter, individually and  
19 on behalf of all others similarly situated,

20 Plaintiffs,

21 v.

22 Starbucks Corporation and DOES 1 through 10,  
23 inclusive,

24 Defendant.

Case No. RG19024868

**CLASS ACTION**

**FIRST AMENDED COMPLAINT FOR:**

- 25 (1) FAILURE TO REIMBURSE  
26 BUSINESS EXPENSES (LABOR CODE §  
27 2802);  
28 (2) UCL VIOLATIONS (BUS. & PROF.  
CODE  
§ 17200-04)  
(3) PENALTIES (LABOR CODE § 2699)

**JURY TRIAL DEMANDED**

29 Plaintiffs Elizabeth Anderson, Jeffrey Bellows, Katherine Butler, Cheyenne Chitry,  
30 Christina Denton, Jacqueline Foster, Jorge Gonzalez, James Hancock, Donnie Hyso, Erik Lorack,  
31 Cassandra Sweeney and Michael Whiter (“Plaintiffs”), on behalf of themselves and all others  
32 similarly situated (hereinafter “Class Members”), complain and allege as follows:

33 **A. INTRODUCTION**

- 34 1. This is a class action, under California Code of Civil Procedure § 382, seeking

1 reimbursement for business expenses, and interest thereon; declaratory relief; equitable relief; and  
2 reasonable attorneys' fees and costs, under California Labor Code § 2802, Code of Civil Procedure  
3 § 1021.5, and Business and Professions Code § 17200, et seq., on behalf of Plaintiffs and all other  
4 individuals who are or have been employed as Store Managers by Defendant Starbucks  
5 Corporation (hereafter "Starbucks" or "Defendant"), in California during the four years prior to the  
6 filing of this action. Plaintiffs and similarly situated Store Managers employed by Defendant  
7 during the Class Period as defined below (hereinafter "Class Members") are managers who paid  
8 out-of-pocket business expenses reasonably necessary for the performance of their jobs as Store  
9 Managers employed by Defendant, for which Plaintiffs and Class Members have not received  
10 reimbursement from Defendant. Plaintiffs, on behalf of themselves and Class Members, seek  
11 damages and restitution of all unjust enrichment Defendant has enjoyed from its failure to  
12 reimburse business expenses incurred by Plaintiffs and Class Members.

13           2.       The "Class Period" is designated as the period from the date four years prior to the  
14 filing of this Complaint through the date the Court grants class certification. The violations of  
15 California's employee expense reimbursement law, as described more fully below, have been  
16 ongoing for at least the past four years, are continuing at present, and will continue unless and until  
17 enjoined by the Court.

18           3.       Plaintiffs and Class Members were Store Managers who managed and were  
19 responsible for Starbucks locations in California. Regardless of whether they were working or not,  
20 Store Managers addressed issues that occurred inside the Starbucks locations as they arose or were  
21 related to the general operations of the Starbucks location. Defendant expected and required Store  
22 Managers to address issues that occurred inside Starbucks locations as they arose or were related to  
23 the Starbucks location's general operations. In meeting these expectations, Store Managers  
24 regularly used their personal cellular telephone and data/text plans to: respond to and send work  
25 emails, use the Starbucks' GroupMe group chat application ("GroupMe App") to communicate  
26 with other Starbucks employees, use the Workplace application ("Workplace App") to receive  
27 company news and announcements, place and/or receive calls or texts from Starbucks employees  
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1 working in the store location, place and/or receive calls or texts from Starbucks employees not  
2 working at the store location regarding issues such as scheduling and staffing, place and/or receive  
3 calls or texts with supervisory Starbucks employees, participate in conference calls, and post on  
4 Starbucks' social media accounts. Plaintiffs and similarly situated Store Managers were expected  
5 by Defendant to pay for their own personal cell phone and a data/text plan that they then used in  
6 the discharge of their duties as employees of Defendant. Defendant has willfully failed to  
7 reimburse Plaintiffs and other present and former Store Managers for these business expenses that  
8 were incurred in the regular course of their duties as Defendant's employees, as required by Labor  
9 Code § 2802.

#### 10 **B. JURISDICTION**

11  
12 4. This Court has jurisdiction over the claims for reimbursement of business expenses  
13 under Labor Code § 2802.

14 5. This Court has jurisdiction over the claims for injunctive relief and restitution of  
15 gains arising from Defendant's unlawful business practices, under California's Unfair Competition  
16 Law ("UCL"), Business & Professions Code §§ 17203 and 17204.

#### 17 **C. VENUE**

18  
19 6. Venue as to Defendant is proper in Alameda County, pursuant to Code of Civil  
20 Procedure §§ 395, 395.5. Starbucks is a foreign corporation that has not designated a principal  
21 business office in California according to its latest Statement of Information (Foreign Corporation)  
22 on file with the California Secretary of State. Defendant maintains locations, facilities and offices  
23 from which Defendant transacts business in a variety of locations in Alameda County, and  
24 Defendant is otherwise within this Court's jurisdiction for purposes of service of process. The  
25 unlawful acts alleged herein have a direct effect on Plaintiffs and those similarly situated within the  
26 State of California and within Alameda County. Defendant has employed Class Members in  
27 Alameda County, who have also incurred unreimbursed business expenses while conducting  
28

1 Defendant's business in Alameda County in the State of California during the Class Period.

2  
3 **D. PARTIES**

4 7. Plaintiff Elizabeth Anderson resides in Sacramento, California. Plaintiff was  
5 employed by Defendant from approximately November 2016 to June 2018. During the Class  
6 Period, she worked as a Store Manager for Defendant in the Auburn, California area. During this  
7 time, Plaintiff was subject to Defendant's unlawful business expense reimbursement policies  
8 and/or practices set forth herein.

9 8. Plaintiff Jeffrey Bellows resides in Hacienda Heights, California. Plaintiff was  
10 employed by Defendant from approximately November 2016 to April 2018. During the Class  
11 Period, he worked as a Store Manager for Defendant in Buena Park/Anaheim area. During this  
12 time, Plaintiff was subject to Defendant's unlawful business expense reimbursement policies  
13 and/or practices set forth herein.

14 9. Plaintiff Katherine Butler resides in Concord, California. Plaintiff was employed by  
15 Defendant from approximately April 2015 to May 2016. During the Class Period, she worked as a  
16 Store Manager for Defendant in San Francisco, California. During this time, Plaintiff was subject  
17 to Defendant's unlawful business expense reimbursement policies and/or practices set forth herein.

18 10. Plaintiff Cheyenne Chitry resides in Rialto, California. Plaintiff was employed by  
19 Defendant from approximately February 2011 to February 2017. During the Class Period, she  
20 worked as a Store Manager for Defendant in Chino, Ontario and Rancho Cucamonga, California.  
21 During this time, Plaintiff was subject to Defendant's unlawful business expense reimbursement  
22 policies and/or practices set forth herein.

23 11. Plaintiff Christina Denton resides in Roseville, California. Plaintiff was employed  
24 by Defendant from approximately August 2014 to January 2017. During the Class Period, she  
25 worked as a Store Manager for Defendant in Rocklin, California. During this time, Plaintiff was  
26 subject to Defendant's unlawful business expense reimbursement policies and/or practices set forth  
27 herein.

1           12. Plaintiff Jacqueline Foster resides in Fresno, California. Plaintiff was employed by  
2 Defendant from approximately August 2005 to November 2018. During the Class Period, she  
3 worked as a Store Manager for Defendant in Clovis, California. During this time, Plaintiff was  
4 subject to Defendant's unlawful business expense reimbursement policies and/or practices set forth  
5 herein.

6           13. Plaintiff Jorge Gonzalez resides in San Bernardino, California. Plaintiff was  
7 employed by Defendant from approximately May 2008 to April 2018. During the Class Period, he  
8 worked as a Store Manager for Defendant in San Bernardino, California. During this time, Plaintiff  
9 was subject to Defendant's unlawful business expense reimbursement policies and/or practices set  
10 forth herein.

11           14. Plaintiff James Hancock resides in Omaha, Nebraska. Plaintiff was employed by  
12 Defendant from approximately October 2016 to October 2017. During the Class Period, he worked  
13 as a Store Manager for Defendant in Bakersfield, California. During this time, Plaintiff was subject  
14 to Defendant's unlawful business expense reimbursement policies and/or practices set forth herein.

15           15. Plaintiff Donnie Hyso resides in San Diego, California. Plaintiff was employed by  
16 Defendant from approximately June 2013 to September 2017. During the Class Period, he worked  
17 as a Store Manager for Defendant in San Diego, California. During this time, Plaintiff was subject  
18 to Defendant's unlawful business expense reimbursement policies and/or practices set forth herein.

19           16. Plaintiff Erik Lorack resides in Glendale, California. Plaintiff was employed by  
20 Defendant from approximately March 2015 to March 2018. During the Class Period, he worked as  
21 a Store Manager for Defendant in Arcadia, California. During this time, Plaintiff was subject to  
22 Defendant's unlawful business expense reimbursement policies and/or practices set forth herein.

23           17. Plaintiff Cassandra Sweeney resides in Tehachapi, California. Plaintiff was  
24 employed by Defendant from approximately January 2009 to December 2018. During the Class  
25 Period, she worked as a Store Manager for Defendant in Tehachapi, California. During this time,  
26 Plaintiff was subject to Defendant's unlawful business expense reimbursement policies and/or  
27 practices set forth herein.

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1 employees, use the Workplace App to receive company news and announcements, place and/or  
2 receive calls or texts from Starbucks employees working in the store location, place and/or receive  
3 calls or texts from Starbucks employees not working at the store location regarding issues such as  
4 scheduling and staffing, place and/or receive calls or texts from supervisory Starbucks employees,  
5 participate in conference calls, and post on Starbucks' social media accounts.

6 24. Defendant has maintained these same business expense policies and/or practices or  
7 substantially similar ones throughout the Class Period.

8 25. Defendant is aware that Store Managers regularly incur business expenses in the  
9 discharge of their duties as employees. Defendant nevertheless fails and refuses to reimburse Store  
10 Managers for such business expenses incurred by them in their work as they managed Defendant's  
11 locations.

12 26. Plaintiffs and Class Members have been harmed by Defendant's unlawful business  
13 expense policies and/or practices in that they have not been paid for certain business expenses  
14 incurred while employed by Defendant, as alleged above, thereby diminishing their agreed-upon  
15 compensation, in amounts to be proven at trial.

16  
17 **F. CLASS ACTION ALLEGATIONS**

18 27. Plaintiffs bring this action, on behalf of themselves and all others similarly situated,  
19 as a class action pursuant to Code of Civil Procedure § 382. The Class that Plaintiffs seek to  
20 represent is composed of and defined as follows:

21  
22 All persons who are or have been employed, at any time during the Class  
23 Period by Starbucks in California under the job title Store Manager.

24 28. This action has been brought and may properly be maintained as a class action  
25 under Code of Civil Procedure § 382 because there is a well-defined community of interest in the  
26 litigation, the proposed class is easily ascertainable, and Plaintiffs are proper representatives of the  
27 Class:  
28

1           a.       Numerosity: The potential members of the Class as defined are numerous  
2 and therefore joinder of all the members of the Class is impracticable. While the precise  
3 number of Class Members has not been determined at this time, Plaintiffs are informed and  
4 believe that Defendant has employed hundreds of Store Managers in California subject to  
5 Defendant's business expense reimbursement policy at all times during the Class Period.  
6 Joinder of all members of the proposed class is not practicable.

7           b.       Commonality: There are questions of law and fact common to the Plaintiffs  
8 and the Class that predominate over any questions affecting only individual members of the  
9 Class. These common questions of law and fact include, without limitation:

10                   (i)       Whether Plaintiffs and Class Members have incurred unreimbursed  
11 business expenses in the discharge of their duties as employees, included but not  
12 limited to expenses for such items as the cost of personal cell phones and the  
13 concomitant data/text plans.

14                   (ii)       Whether Defendant expected Plaintiffs and Class Members to  
15 address issues in Defendant's locations as they arose or those related to the general  
16 operations of Defendant's locations by using their personal cell phone and  
17 concomitant data/text plans.

18                   (iii)       Whether Defendant intended, suffered and permitted, and/or were  
19 aware that Plaintiffs and Class Members incurred such business expenses in the  
20 discharge of their duties as employees.

21                   (iv)       Whether Defendant failed and/or refused to reimburse, fully or at all,  
22 business expenses incurred by Plaintiffs and Class Members in the discharge of their  
23 duties.

24                   (v)       Whether Defendant's failure to reimburse business expenses incurred  
25 by Plaintiffs and Class Members, fully or at all, was the result of, and/or pursuant to,  
26 a business policy or regular practice of Defendant.

27                   (vi)       Whether Defendant violated Labor Code § 2802 by denying  
28



1 Plaintiffs and other Class Members reimbursement for their business expenses.

2 (vii) Whether Defendant violated Business and Professions Code § 17200  
3 by failing to pay business expenses for Plaintiffs and Class Members.

4 (viii) The proper formula(s) for calculating restitution, damages, and  
5 interest owed to Plaintiffs and the Class Members.

6 c. Typicality: Plaintiffs' claims are typical of the claims of the Class. Both  
7 Plaintiffs and Class Members sustained injuries and damages, and were deprived of  
8 property rightly belonging to them, arising out of and caused by Defendant's common  
9 course of conduct in violation of law as alleged herein, in similar ways and for the same  
10 types of expenses.

11 d. Adequacy of Representation: Plaintiffs are members of the Class and will  
12 fairly and adequately represent and protect the interests of the Class Members. Plaintiffs'  
13 interests do not conflict with those of Class Members. Counsel who represent the Plaintiffs  
14 are competent and experienced in litigating large wage and hour class actions, including  
15 business expense reimbursement cases and other employment class actions, and will devote  
16 sufficient time and resources to the case and otherwise adequately represent the Class.

17 e. Superiority of Class Action: A class action is superior to other available  
18 means for the fair and efficient adjudication of this controversy. Individual joinder of all  
19 Class Members is not practicable, and questions of law and fact common to the Class  
20 predominate over any questions affecting only individual members of the Class. Each  
21 Class Member has been damaged or may be damaged in the future by reason of  
22 Defendant's unlawful policies and/or practices of not reimbursing business expenses.  
23 Certification of this case as a class action will allow those similarly situated persons to  
24 litigate their claims in the manner that is most efficient and economical for the parties and  
25 the judicial system. Certifying this case as a class action is superior because the Plaintiffs  
26 seek relief that will affect all Class Members in a common way, and will also allow for  
27 efficient and full disgorgement of the ill-gotten gains Defendant has enjoyed by maintaining  
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1 their unlawful business expense reimbursement policy and practice, and will thereby  
2 effectuate California's strong public policy of protecting employees from deprivation or  
3 offsetting of compensation earned in their employment. If this action is not certified as a  
4 Class Action, it will be impossible as a practical matter for many or most Class Members to  
5 bring individual actions to recover monies unlawfully withheld from their lawful  
6 compensation due from Defendant, due to the relatively small amounts of such individual  
7 recoveries relative to the costs, burdens, and risks of litigation.

8  
9 **FIRST CAUSE OF ACTION**  
10 **FAILURE TO REIMBURSE FOR BUSINESS EXPENSES**  
11 **(LABOR CODE § 2802)**

12 29. The allegations of Paragraphs 1 through 28 are re-alleged and incorporated herein  
13 by reference, and Plaintiffs allege as follows a cause of action on behalf of themselves and the  
14 above-described class of similarly situated Store Managers.

15 30. Labor Code § 2802 provides that “[a]n employer shall indemnify his or her  
16 employee for all necessary expenditures or losses incurred by the employee in direct consequence  
17 of the discharge of his or her duties.”

18 31. In order to discharge their management-related duties for Defendant, Plaintiffs and  
19 similarly situated Store Managers were required and/or expected by Defendant to use their own  
20 personal cell phones and data/text plans to address issues in the location that they managed as they  
21 arose and/or issues related to the general operations of the location, regardless of whether they  
22 were working inside Defendant's location or not. However, Defendant did not fully pay for  
23 expenses incurred as a result of Plaintiffs and Class Members' use of their personal cell phone and  
24 data/text plans in carrying out their managerial duties.

25 32. Plaintiffs and similarly situated Store Managers are entitled to reimbursement for  
26 these necessary expenditures, plus interest and attorneys' fees and costs, under Labor Code § 2802.

27 33. As a result of Defendant's violations of Labor Code § 2802, Defendant is also liable  
28 for attorneys' fees and costs under Labor Code § 2802(c).



1 resulting reductions or offsets to earned compensation. Defendant has profited from their  
2 unlawful, unfair, and/or fraudulent acts and practices in the amount of those business expenses and  
3 interest accrued thereon.

4 40. Plaintiffs and similarly situated Store Managers are entitled to restitution pursuant to  
5 Business & Professions Code §§ 17203 and 17208 for all unpaid business expenses, and interest  
6 thereon accruing, from four years prior to the filing of this action to the date of such restitution, and  
7 Defendant should be required to disgorge all the profits and gains they have reaped and restore  
8 such profits and gains to Plaintiffs and Class Members, from whom they were unlawfully taken.

9 41. Plaintiffs have assumed the responsibility of enforcement of the laws and public  
10 policies specified herein by suing on behalf of themselves and other similarly situated members of  
11 the public previously and presently employed by Defendant in California. Plaintiffs' success in  
12 this action will enforce important rights affecting the public interest. Plaintiffs will incur a  
13 financial burden in pursuing this action in the public interest. Therefore, an award of reasonable  
14 attorneys' fees to Plaintiffs is appropriate pursuant to Code of Civil Procedure § 1021.5.

15  
16 **THIRD CAUSE OF ACTION**  
**THE LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004**  
17 **(Labor Code §§ 2699 et seq.)**  
18 **(Claim on behalf of the Class)**

19 42. The allegations of Paragraphs 1 through 28 are re-alleged and incorporated herein  
20 by reference, and Plaintiffs allege as follows a cause of action on behalf of themselves and the  
21 above-described class of similarly situated Store Managers.

22 43. As alleged above, Defendant failed to comply with the California Labor Code. As  
23 such, Plaintiffs are "aggrieved employee(s)" as defined in Labor Code § 2699(a). Pursuant to  
24 Labor Code § 2699, the Labor Code Private Attorneys General Act of 2004, Plaintiffs bring this  
25 action on behalf of themselves and other current and Store Managers against Starbucks  
26 Corporation, and seek recovery of applicable civil penalties as follows:

27 a. where civil penalties are specifically provided in the Labor code for each of the  
28

1 violations alleged herein, Plaintiffs seek recovery of such penalties;  
2 b. where civil penalties are not established in the Labor Code for each of the  
3 violations alleged herein, Plaintiffs seek recovery of the penalties established in §  
4 2699(e) of the Labor Code Private Attorneys General Act of 2004, and in  
5 accordance with § 200.5 of the Labor Code.

6 44. On July 9, 2019, Plaintiffs caused to be served written notice, via certified mail, to  
7 the Labor and Workforce Development Agency and to Defendant, Starbucks Corporation, of  
8 Plaintiffs' intent to amend the complaint to add a cause of action pursuant to Labor Code §§ 2699  
9 *et seq.* Included with the notice was the original complaint.

10 45. The Labor and Workforce Development Agency declined to issue notice of its  
11 intention to pursue civil penalties. Labor Code § 2699(a)(2)(C) authorizes Plaintiffs, as a matter of  
12 right, to amend the existing complaint to add a claim arising under PAGA within 60 days of the  
13 specified time periods. Accordingly, Plaintiffs commence this PAGA claim for civil remedies as  
14 provided for under Labor Code § 2699.

15 46. Plaintiffs, on behalf of themselves and similarly situated Store Managers, requests  
16 relief as described below.

17 **JURY DEMAND**

18 Plaintiffs hereby request a trial by jury.

19 **PRAYER FOR RELIEF**

20 WHEREFORE, Plaintiffs request the following relief:

- 21 1. That the Court determine that this action may be maintained as a class action under  
22 Code of Civil Procedure § 382, and define the Class as requested herein;
- 23 2. That the Court find and declare that Defendant's business expense policies and/or  
24 practices violate California law, including Labor Code § 2802 by refusing and/or failing to  
25 reimburse all business expenses incurred by Plaintiffs and other Store Managers in the discharge of  
26 their duties as employees of Defendant;
- 27 3. That the Court find and declare that Defendant has violated Business and  
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1 Professions Code § 17200 and committed unfair and unlawful business practices by failing to  
2 reimburse Plaintiffs and similarly situated Store Managers for business expenses incurred by them  
3 in the course of their duties for the benefit of Defendant, their employers;

4 4. That the Court declare that Defendant's business expense policies and/or practices  
5 violate California law by causing a denial or forfeiture of compensation, including earned wages.

6 5. That the Court award to Plaintiffs and Class Members all unreimbursed business  
7 expenses, and interest thereon, that they are owed, pursuant to Labor Code § 2802, in an amount to  
8 be proved at trial;

9 6. That Defendant be ordered to pay restitution to Plaintiffs and the Class, due to  
10 Defendant's UCL violations, pursuant to Business and Professions Code §§ 17200-17205, in the  
11 amount of their unreimbursed business expenses and interest thereon;

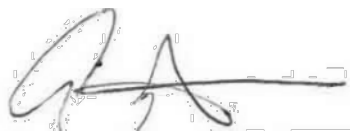
12 7. That the Court award civil penalties to Plaintiffs and the Class as provided by  
13 California Labor Code §2699;

14 8. That Plaintiffs and the Class be awarded reasonable attorneys' fees and costs  
15 pursuant to Labor Code § 2802 and Code of Civil Procedure § 1021.5, and/or other applicable law;

16 9. That the Court award such other and further relief as this Court may deem  
17 appropriate.

18  
19  
20 DATED: October 16, 2019

WYNNE LAW FIRM

21  
22 

23 By: Edward J. Wynne