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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

9 **FOR THE COUNTY OF LOS ANGELES**

10 **Alyssa Perez**, individually and on behalf of all
11 similarly situated individuals,

12 Plaintiff,

13 vs.
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15 **CSS Payroll Co, LP**, a foreign limited
partnership; **City Storage Systems LLC**, a
16 foreign limited liability company; **CSS Payroll**
Co One, Inc., a foreign corporation; **Travis**
17 **Kalanick**, an individual; and **Does 1-10**,
18 inclusive;

19 Defendants.
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CASE NO. **21STCV35063**

REPRESENTATIVE COMPLAINT FOR

1) **PAGA Penalties (Labor Code §§ 2698,
et seq.)**

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1 Plaintiff Alyssa Perez, in her representative capacity, hereby brings this action on behalf of
2 herself and all other similarly situated current and former employees and alleges as follows, by and
3 through her counsel of record:

4 **INTRODUCTION**

5 1. Plaintiff brings this representative action on behalf of herself and on behalf of a class
6 defined as all women and minorities employed by CSS Payroll Co, LP; CSS Payroll Co One, Inc.;;
7 City Storage Systems LLC; and Travis Kalanick (collectively the “Defendants”).

8 2. Defendants have discriminated and continue to discriminate against their female and
9 minority employees by systematically paying them lesser compensation than what is paid to male
10 and/or white employees performing substantially similar work under similar working conditions, in
11 violation of the California Equal Pay Act, Labor Code § 1197 .5. Upon information and belief,
12 Defendants’ failure to provide equal remuneration for work requiring equal skill, effort, and
13 responsibility is not justified by any lawful reason.

14 3. California’s Equal Pay Act is unambiguous: “[a]n employer shall not pay any of its
15 employees at wage rates less than the rates paid to employees of another race or ethnicity for
16 substantially similar work.” Lab. Code § 1197.5(b). There is no requirement that the employer
17 intend to discriminate; it is sufficient to show that an employee was paid less than employees of
18 other genders or races who occupied comparable positions. *Green v. Par Pools, Inc.*, 111 Cal. App.
19 4th 620, 629 (2003).

20 4. The Equal Pay Act sets forth only four justifications for pay differentials: (1) a
21 seniority system, (2) a non-discriminatory merit system, (3) a quantity or quality system, or (4) a
22 bona fide non-race factor, such as education, training, or experience. Lab. Code § 1197.5(b).

23 5. The bona fide justification only applies if it is consistent with a “business necessity,”
24 which is defined as a “an overriding legitimate business purpose such that the factor relied upon
25 effectively fulfills the business purpose it is supposed to serve” —and only if there is no alternative
26 business practice that satisfies the legitimate business purpose without imposing the same
27 discriminatory impact. Lab. Code § 1197.5(b)(1)(D). Further, “prior salary shall not, by itself,
28 justify any disparity in compensation.” Lab. Code § 1197.5(b)(3).

1 6. Defendants have no legitimate justification for their discriminatory pay
2 practices. Throughout her employment, Ms. Perez has been paid less than other white, male
3 executive assistants for performing the same or substantially similar work. Although all of
4 Defendants' executive assistants perform the same job duties—they are responsible for managing
5 the schedules and communications of key company executives and their duties include prioritizing
6 emails and phone calls, gathering documents to prepare for meetings and coordinating travel
7 arrangements—Ms. Perez was one of a few female or minority executive assistants for Defendants,
8 and was paid substantially less than her white, male co-workers.

9 7. Nor is this issue limited to Defendants' executive assistant positions; Plaintiff is
10 informed and believes that Defendants' female and minority employees are compensated less than
11 male and white employees in all positions and levels of employment, with a similar lack of legal
12 justification for those discriminatory pay practices.

13 **THE PARTIES**

14 8. Plaintiff Alyssa Perez (“Plaintiff”) is a resident of the County of Los Angeles in the
15 State of California. Ms. Perez was employed by Defendants as an executive assistant from
16 approximately February 2020 through May 21, 2021.

17 9. Defendant CSS Payroll Co, LP (“CSS”) is a Delaware limited partnership with its
18 principal place of business and/or headquarters located at 350 S. Beverly Drive, Suite 210, Beverly
19 Hills, CA 90212.

20 10. Defendant CSS Payroll Co One, Inc. (“CSS One”) is a Delaware corporation with
21 its principal place of business and/or headquarters located at 350 S. Beverly Drive, Suite 210,
22 Beverly Hills, CA 90212. CSS One is the General Partner of CSS.

23 11. Defendant City Storage Systems LLC (“City Storage”) is a Delaware limited
24 liability company with its principal place of business and/or headquarters located at 324 S. Beverly
25 Drive, Suite 714, Beverly Hills, CA 90212.

26 12. Defendant Travis Kalanick is the Chief Executive Officer of CSS One and City
27 Storage, and a resident of the County of Los Angeles in the State of California. Since Mr. Kalanick
28 is an owner, managing agent, director, or officer of CSS One and City Storage, and because he

1 caused or directed the acts described herein, he is personally liable for the Labor Code violations
2 complained of herein pursuant to Labor Code section 558.1.

3 13. The true names and capacities of the defendants named herein as Does 1 through 10,
4 inclusive (together with CSS, CSS One, Kalanick, and City Storage, “Defendants”), are unknown
5 to Plaintiff at this time. Accordingly, Plaintiff brings this suit against them by fictitious names
6 pursuant to California Code of Civil Procedure section 474. Plaintiff believes that each of the Doe
7 Defendants is a California resident and/or does substantial business in the State of California. At all
8 relevant times, Does 1 through 10 were acting within the course and scope of their employment and
9 agency with Defendants. Plaintiff is informed and believes that each Doe Defendant is responsible
10 for the injuries and damages alleged herein. Plaintiff will amend this complaint to reflect Does 1
11 through 10’s true names and capacities when they have been determined.

12 14. Except as otherwise noted herein, Defendants participated in the acts alleged herein
13 and/or were the agents, servants, employees, or representatives of the other Defendants. At all
14 times relevant to this complaint, Defendants were acting within the course, scope, and authority of
15 their agency and employment such that the acts of one defendant are legally attributable to the other
16 Defendants. Defendants, in all respects, acted as employers and/or joint employers of Plaintiff and
17 Aggrieved Employees in that each of them exercised control over the wages, hours, and/or working
18 conditions of Defendants’ hourly non-exempt employees.

19 JURISDICTION AND VENUE

20 15. The court has jurisdiction over all causes of action in this complaint pursuant to
21 Article VI, section 10 of the California Constitution. No federal question is at issue; Plaintiff relies
22 solely on California statutes and law, including the Labor Code, IWC Wage Orders, Code of Civil
23 Procedure, and the Business & Professions Code.

24 16. Venue as to Defendants is proper in this Superior Court pursuant to California Code
25 of Civil Procedure section 395. Defendants’ principal places of business are located in Los Angeles
26 County and Defendants are within the jurisdiction of the court for service of process. The unlawful
27 acts alleged have directly affected Plaintiff and similarly situated employees within Los Angeles
28 County.

1 17. Finally, Business & Professions Code section 17204 provides that any person acting
2 on her own behalf may bring an action in any court of competent jurisdiction. This court has
3 jurisdiction as set forth above. This Court maintains appropriate jurisdiction over this dispute.

4 **FACTUAL BACKGROUND**

5 ***Introductory Allegations Regarding the California Equal Pay Act***

6 18. The aggrieved employees are all women and/or racial or ethnic minorities employed
7 by Defendants in California at any time during the PAGA Period.¹

8 19. Throughout the PAGA Period and throughout California, Defendants have paid and
9 continue to pay female and minority employees lower compensation (including salary, stock,
10 bonuses, and all other forms of remuneration) than Defendants have paid and continue to pay male
11 and/or white counterparts in violation of the California Equal Pay Act (“EPA”), California Labor
12 Code §1197.5.

13 20. Specifically, Defendants have paid and continue to pay its women and/or minority
14 employees less than male and/or white employees in the same or substantially similar job positions,
15 even though these employees perform substantially equal or substantially similar work. Defendants
16 have either purposefully given male and/or white employees higher salaries and other compensation
17 packages or have deliberately allowed prior pay discrepancies between male and female employees,
18 and between white and minority employees, to be perpetuate amongst those employees by failing to
19 implement salary bands or take other steps ensuring that underpaid female and minority employees
20 are paid commensurately with their male and white peers upon hire and promotion.

21 21. At all relevant times, Defendants have known or should have known of this pay
22 disparity between its female and minority employees on the one hand and male and white employees
23 on the other, yet Defendants failed to take action to equalize its employees’ pay. Defendants’ failure
24 to pay female and minority employees the same compensation paid to male and white employees
25 for substantially equal or substantially similar work has been and continues to be willful and
26 unjustifiable.

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¹ The “PAGA Period” is defined as September 23, 2020 through the date of trial.

Defendants Engage in Unequal Pay Practices

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22. Upon information and belief, Defendants maintained and continue to maintain a centrally determined and uniform set of policies and/or practices for determining employees’ initial salaries and equities throughout California, as well as subsequent bonuses and raises. These policies and/or practices result in compensating women and minorities less than men and whites with similar qualifications and duties, and in promoting men and whites more frequently to better-compensated job positions and levels than women and minorities with similar qualifications and duties.

23. Defendants unlawfully fail to compensate women and men, and minorities and whites, equally for substantially equal or similar work because Defendants deliberately rely on prior pay (before becoming employees of Defendants) to set salaries for new hires or to determine what job position to place each new hire into. Upon information and belief, Defendants set initial compensation levels for each of the aggrieved employees based on their prior pay and the hiring manager’s discretion.

24. Under Defendants’ organizational structure, jobs are sorted into positions (e.g. executive assistant, business recruiter, and tech recruiter) and levels (e.g. software engineer 1 and software engineer 2). However, Defendants declined to implement salary bands to regulate compensation within these positions and groups. Rather, compensation ranges for any given job position or level are simply the net result of individual decisions made by recruiters and hiring managers, who by practice rely primarily on employees’ prior compensation (*i.e.*, the compensation new hires were earning immediately prior to employment with Defendants) in determining that employee’s compensation.

25. As a result, the ranges of compensation provided to employees within the same position or between substantially similar positions are highly variable and dependent on prior pay histories. These prior pay histories are deeply skewed against women and minorities. Overall, in the

1 United States, women are paid fewer cents for each dollar a man is paid.² In 2014, the U.S. Census
2 data indicated that women in the United States who work full time, year-round are paid \$10,876
3 less annually than men who work full time, year round – or just 78 cents for every dollar.³ By 2018,
4 the wage gap had hardly moved, with white women earning 79 cents to every dollar men did, and
5 minority women earning significantly less—as low as 54 cents per dollar for Latina women.⁴

6 26. Defendants’ recruiters even regularly asked job candidates about their prior pay
7 histories in violation of Labor Code § 432.3.⁵ Defendants then strategically used this information to
8 inform their hiring decisions by bidding down each of their job offers to a level commensurate with
9 each applicant’s prior pay, which in turn perpetuated historical pay disparities between female and
10 male employees and between minority and white employees.

11 ***Plaintiff and Similarly Situated Employees Suffered Harm from Defendants’ Policies***

12 27. For example, Plaintiff was employed as an executive assistant and paid a salary of
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15 ² Numerous structural biases contribute to this history wage gap, which is exacerbated for women
16 who have children or are minorities. *See, e.g.*, Stephen Benard and Shelley J. Correll, *Normative*
17 *Discrimination and the Motherhood Penalty*, 24 *Gender & Society* 616, 621 (Oct. 2010) (describing
18 the tension between prescriptive norms of mothers always prioritizing their children and ideal work-
19 ers always prioritizing work). These biases are most significant for women in competitive fields that
20 require advanced degrees or significant skills, like auditing and accounting. *See* Elizabeth Ty Wilde,
21 Lily Batchelder, David T. Ellwood, *The mommy track divides: The impact of childbearing on wages of*
22 *women of differing skill levels*, National Bureau of Economic Research, Working Paper No. 16582
23 (2010); Amalia R. Miller, *The effects of motherhood timing on career path*, 24 *Journal of Population*
24 *Economics* 1071 (Dec. 2009).

25 ³ *See* “An Unlevel Playing Field, National Partnership for Women and Families,” National Part-
26 nership for Women and Families (Apr. 2015) (*citing* U.S. Census Bureau, Current Population Sur-
27 vey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work Experience in 2013
28 – People 15 Years Old and Over by Total Money Earnings in 2013, Age, Race, Hispanic Origin, and
Sex (2014)).

⁴ *See, e.g.*, “Quick Facts About the Gender Wage Gap,” Center for American Progress (Mar. 2020),
available at <https://www.americanprogress.org/issues/women/reports/2020/03/24/482141/quick-facts-gender-wage-gap/>.

⁵ This practice was expressly made illegal per California’s Labor Code § 432.3 as of January 2018.
Cal. Lab. Code § 432.3 (“An employer shall not rely on the salary history information of an appli-
cant for employment as a factor in determining whether to offer employment to an applicant or what
salary to offer an applicant. An employer shall not, orally or in writing, personally or through an
agent, seek salary history information, including compensation and benefits, about an applicant for
employment.”).

1 \$65,000 per year. Based on information and belief, Defendants' male and white executive assistants
2 were paid substantially higher salaries than Plaintiff, up to and including \$110,000 per year, which
3 was based primarily on their prior earnings.

4 28. Another reason Defendants unlawfully fail to pay women and minorities equally with
5 men and whites for substantially equal or similar work is because Defendants routinely assign
6 women and minorities to job positions or levels below the work that they actually perform.
7 Defendants have channeled and segregated, and continue to channel and segregate, women and
8 minorities into less-compensated and less-favorable job positions and levels than men and whites,
9 despite possessing equal qualifications and performing substantially similar work.

10 For example, Defendants' employ business recruiting and tech recruiting teams, which perform
11 substantially equal or substantially similar work. Both teams were responsible for meeting hiring
12 goals by filling open positions with talented and qualified candidates, which entailed sourcing and
13 screening candidates, coordinating the interview process, and facilitating offers and employment
14 negotiations, all while ensuring candidates have a pleasant experience. However, Defendants
15 provide tech recruiters with more generous salary bands and compensation than "non-tech"
16 recruiters, irrespective of the job duties performed.

17 29. Based on information and belief, the business recruiting team was entirely comprised
18 of women, and a typical business recruiter earned a base salary of approximately \$75,000 per year.
19 Conversely, the tech recruiting team was entirely comprised of men, and tech recruiters earned base
20 salaries of approximately \$90,000 to 100,000. There is a false and gendered perception at
21 Defendants' offices that "technical" job positions are more rigorous, and therefore more
22 prestigious than "non-tech" positions. Based on information and belief, Defendants' "tech"
23 employees, who are mostly male, are compensated more than "non-tech" employees.

24 ***Defendants' Compensation Differentials Have No Legal Justification***

25 30. To the extent that prior pay is the only variable responsible for a gap in compensation
26 based on gender, race, and/or ethnicity, it is discriminatory. Defendants' use of prior compensation
27 to set starting compensation for its employees perpetuates this historic pay disparity between men
28 and women, and results in men receiving higher starting salaries than women, even when those men

1 and women are hired into the same job position and perform substantially equal or similar work.
2 Upon information and belief, Defendants’ policies and practices regarding promotions then either
3 perpetuate this wage gap by use of lockstep promotions or exacerbate it by the use of discretionary
4 promotions that favor white and/or male employees

5 31. As a result, Defendants have paid women less than men for substantially equal or
6 similar work, when viewed as a composite of skill, effort, and responsibility, and performed under
7 similar working conditions throughout the PAGA Period. The cause of the disparity is legally
8 immaterial. *Green*, 111 Cal.App.4th at 626; *Rizo v. Yovino*, 950 F.3d 1217, 1223 (9th Cir. 2020).

9 32. Defendants are required to maintain records of the wage rates, job classifications,
10 and other terms and conditions of employment of all its employees throughout California.
11 Defendants therefore knew or should have known that it paid female employees less than it paid
12 their male counterparts for performing substantially equal or similar work, yet Defendants took no
13 steps at any time during the PAGA Period to pay women equally to men as required by the Labor
14 Code, § 1197.5 *et seq.*

15 **FIRST CAUSE OF ACTION**

16 ***California Labor Code §§ 558, 2699, et seq.***

17 ***Private Attorneys General Act (“PAGA”) Penalties***

18 **(Plaintiff and Aggrieved Employees Against Defendants)**

19 33. Plaintiff repeats, repleads, and incorporates by reference, as though fully set forth in
20 this paragraph, all the allegations of this Complaint.

21 34. Labor Code section 1197.5(a) provides that “[a]n employer shall not pay any of its
22 employees at wage rates less than the rates paid to employees of the opposite sex for substantially
23 similar work.” Lab. Code § 1197.5(a).

24 35. Labor Code section 1197.5(b) provides that “[a]n employer shall not pay any of its
25 employees at wage rates less than the rates paid to employees of another race or ethnicity for
26 substantially similar work.” Lab. Code § 1197.5(b).

27 36. There is no intent requirement; it is sufficient to show that an employee was paid
28 less than employees of other races who occupied comparable positions. *Green v. Par Pools, Inc.*, 111

1 Cal. App. 4th 620, 629 (2003). Further, “prior salary shall not, by itself, justify any disparity in
2 compensation.” Lab. Code § 1197.5(b)(3); *Rizo v. Yonivo*, No. 16-15372 (Ninth Circuit Feb. 27,
3 2020).

4 37. Employers who fail to pay employees at wage rates less than employees of other races
5 or ethnicities for substantially similar positions are liable for the amount of wages unlawfully
6 withheld plus an equal amount as liquidated damages, interest, addition to attorneys’ fees, and costs
7 of suit. Lab. Code § 1197.5(c).

8 38. Defendants have paid women less than men for substantially equal or similar work,
9 when viewed as a composite of skill, effort, and responsibility, and performed under similar working
10 conditions throughout the PAGA Period.

11 39. Defendants’ failure to pay women and men equal compensation for substantially
12 equal or similar work is not justified by any lawful reason.

13 40. Defendants have willfully violated California Labor Code § 1197.5 by intentionally
14 knowingly, and/or deliberately paying women less than men for substantially equal or similar work
15 throughout the PAGA Period.

16 41. As a result of Defendants’ ongoing conduct, violation of California Labor Code §
17 1197.5, and/or willful discrimination, Plaintiff and all other similarly situated current and former
18 employees have suffered and will continue to suffer harm, including but not limited to lost earnings,
19 lost benefits and other financial loss, as well as non-economic damages.

20 42. Labor Code § 204 provides that all wages, other than those mentioned in Section
21 201 and 202, are due and payable twice during each calendar month, on days designated in advance
22 by the employer as regular paydays.

23 43. During the relevant period, Defendants willfully failed to pay aggrieved employees
24 their earned equal wages, as set forth above, upon Defendants’ regularly schedule paydays.
25 Defendants’ failure to timely pay aggrieved employees their earned equal wages violated Labor
26 Code § 204. Plaintiff and all other similarly situated employees are therefore entitled to recover
27 from Defendants statutory penalties in the amount of \$100 per initial violation per employee and
28 \$200 per sub-sequent violation per employee under Labor Code § 210.

1 44. Entitlement to Penalties. Under the California Private Attorneys General Act
2 (“PAGA”), Labor Code § 2698, *et seq.*, an aggrieved employee may bring a representative action⁶
3 as a private attorney general, on behalf of herself and other current or former employees as well as
4 the general public, to recover penalties for an employer’s violations of the Labor Code and IWC
5 Wage Orders.

6 45. These penalties may be “stacked” separately for each of Defendants’ violations of
7 the Labor Code. *See, e.g., Hernandez v. Towne Park, Ltd.*, No. CV 12-02972, 2012 WL 2373372, at
8 *17, n.77 (C.D. June 22, 2012) (“[F]ederal courts applying California law have concluded that
9 stacking is appropriate.”); *see also O’Connor v. Uber Techs., Inc.*, No. 13-CV-03826-EMC, 2016 WL
10 3548370, at *7 (N.D. Cal. June 30, 2016) (“Finally, Plaintiff ignore[s] the potential for stacking of
11 PAGA penalties related to wage-and-hour claims other than the gratuities and expense reimburse-
12 ment claim, i.e., meal and rest breaks, minimum wage and overtime, and workers’ compensation.”).

13 46. Plaintiff, by nature of her employment with Defendants, is an aggrieved employee
14 for purposes of this Complaint with standing to bring an action under PAGA. Plaintiff, on behalf of
15 herself, and all other aggrieved employees, brings this representative action pursuant to Labor Code
16 section 2699, *et seq.*, seeking civil penalties for Defendants’ violation of Labor Code § 1197.5⁷ as
17 described herein, plus attorneys’ fees and costs.

18 47. Per Labor Code § 2699(f), and based on the foregoing, Plaintiff and aggrieved
19 employees are entitled to civil penalties in an amount to be shown at trial subject to the following
20 formula:

- 21 a. In an amount set forth as a civil penalty in the underlying
22 statute; or
23 b. \$100 per initial violation per employee per pay period, and
24 \$200 for each subsequent violation per employee per pay
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26 _____
27 ⁶ Class certification of the PAGA claims is not required, but Plaintiff may choose to seek
28 certification of the PAGA claims. *Arias v. Superior Court*, 46 Cal. 4th 969 (2009).

⁷ Pursuant to Labor Code § 2669.5, violations of Labor Code § 1197.5 are not subject to cure
by an employer and are governed by Labor Code § 2699.3(a).

1 period.

2 48. These penalties shall be allocated seventy-five percent to the Labor and Workforce
3 Development Agency and twenty-five percent to the affected employees. These penalties may be
4 stacked separately for each of Defendants' violations of the Labor Code. *See, e.g., Hernandez v.*
5 *Towne Park, Ltd.*, No. CV 12-02972, 2012 WL 2373372, at *17, n.77 (C.D. Cal. June 22, 2012)
6 (“[F]ederal courts applying California law have concluded that stacking is appropriate.”); *see also*
7 *O’connor v. Uber Techs., Inc.*, No. 13-CV-03826-EMC, 2016 WL 3548370, at *7 (N.D. Cal. June 30,
8 2016) (“Finally, Plaintiff ignore the potential for stacking of PAGA penalties related to wage-and-
9 hour claims other than the gratuities and expense reimbursement claim, i.e., meal and rest breaks,
10 minimum wage and overtime, and workers’ compensation.”).

11 49. Procedural Requirements Met. Plaintiff has satisfied all prerequisites to serve as a
12 representative to enforce California’s labor laws including without limitation the penalty provisions
13 identified above. *See Exhibit A.* As the LWDA took no steps within the prescribed time to intervene
14 and because the violations described herein are not subject to cure under Labor Code section 2699.3,
15 Plaintiff—as a representative of the People of the State of California—is entitled to seek any and all
16 penalties otherwise capable of being collected by the Labor Commission or Department of Labor
17 Standards Enforcement (“DLSE”).

18 **PRAYER FOR RELIEF**

19 WHEREFORE, Plaintiff respectfully prays for judgment as follows:

- 20 A. For an Order:
- 21 a. Appointing Plaintiff as representative of the Aggrieved Employees and the
22 State of California;
- 23 b. Appointing Plaintiff’s counsel as Class Counsel;
- 24 B. For statutory and civil penalties and special damages, according to proof at trial;
- 25 C. For pre- and post-judgment interest on monetary damages;
- 26 D. For preliminary and permanent injunctive relief;
- 27 E. For reasonable attorney’s fees and costs and expert fees and costs; and
- 28 F. For such other relief as this Court deems just and proper.

1 Dated: September 23, 2021

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Respectfully submitted,
KING & SIEGEL LLP

By: 

Elliot J. Siegel
Attorneys for Plaintiff