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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Tanya Peters, on behalf of herself and similarly
situated employees,

Plaintiff,

v.

CookNSolo, Inc.,

Defendant.

CIVIL ACTION

NO. _____

16

6637

JURY TRIAL DEMANDED

COMPLAINT - CLASS/COLLECTIVE ACTION

Plaintiff Tanya Peters (“Plaintiff”) brings this class/collective action lawsuit against Defendant CookNSolo, Inc. (“Defendant”), seeking all available relief under the Fair Labor Standards Act (“FLSA”), 29 U.S.C. §§ 201, *et seq.*, the Pennsylvania Minimum Wage Act of 1968 (“PMWA”), 43 P.S. §§333.101, *et seq.*, and the Philadelphia Gratuity Protection Bill (“GPB”), Philadelphia Code § 9-614.

JURISDICTION AND VENUE

1. This Court has subject matter jurisdiction over the FLSA claim pursuant to 29 U.S.C. § 216(b) and 28 U.S.C. § 1331.
2. This Court has subject matter jurisdiction over the PMWA and GPB claims pursuant to 28 U.S.C. § 1367.
3. Venue is proper pursuant to 28 U.S.C. § 1391.

PARTIES

4. Plaintiff is an individual residing in Milwaukie, OR (Clackamas County).
5. Plaintiff is an employee covered by the FLSA, PMWA and GPB and entitled to their protections.

6. Defendant is a Pennsylvania corporation maintaining a principal place of business in Philadelphia, PA (Philadelphia County).

7. Defendant employs individuals, including Plaintiff, engaged in commerce or in the production of goods for commerce and/or handling, selling, or otherwise working on goods or materials that have been moved in or produced in commerce by any person.

8. Defendant is an employer covered by the FLSA, PMWA, and GPB.

FACTS

9. Defendant owns and operates a restaurant called Zahav and located at 237 St. James Place, Philadelphia, PA 19106.

10. During the past three-years, Defendant has employed at least 30 individuals as servers at Zahav.

11. Servers at Zahav are primarily responsible for taking customers' food and drink orders, serving food and drinks to customers, and otherwise waiting on customers at the restaurant tables.

12. Plaintiff was employed by Defendant as a server at Zahav from approximately March 2014 until approximately December 2015.

13. Defendant has paid Plaintiff and other servers an hourly wage of \$2.83 plus tips.

14. In seeking to comply with the FLSA and PMWA mandate that employees receive a minimum wage of \$7.25/hour, Defendant has purported to utilize a "tip credit" in the amount of \$4.42 (\$7.25 - \$2.83) for each hour worked by Plaintiff and other servers. *See* 29 U.S.C. § 203(m); 43 P.S. § 333.103(d).

15. Defendant has required Plaintiff and other servers to contribute a portion of their tips to other restaurant employees who work as silverware polishers.

16. For example, Plaintiff recalls paying approximately \$5.00 per shift to each silverware polisher working that shift.

17. Silverware polishers spend their work hours cleaning silverware and performing other manual labor away from the restaurant's dining area. As such, they have no customer contact or interaction.

COLLECTIVE AND CLASS ALLEGATIONS

18. Plaintiff brings her FLSA claim pursuant to 29 U.S.C. § 216(b) on behalf of herself and all individuals who, during anytime within the past three years, have been employed as servers at Defendant's Zahav restaurant.

19. Plaintiff's FLSA claim should proceed as a collective action because Plaintiff and other potential members of the collective, having worked pursuant to the common policies described herein, are "similarly situated" as that term is defined in 29 U.S.C. § 216(b) and the associated decisional law.

20. Plaintiff brings her PMWA and GPB claims pursuant to Federal Rule of Civil Procedure 23 on behalf of all individuals who, during any time within the past three years, have been employed as servers at Defendant's Zahav restaurant.

21. The putative class, upon information and belief, includes at least 30 individuals, all of whom are readily ascertainable based on Defendant's standard timekeeping and payroll records, and, as such, is so numerous that joinder of all class members is impracticable.

22. Plaintiff is a class member, her claims are typical of the claims of other class members, and she has no interests that are antagonistic to or in conflict with the interests of other class members.

23. Plaintiff will fairly and adequately represent the class members and their interests,

and she has retained competent and experienced counsel who will effectively represent the class members' interests.

24. Questions of law and fact are common to all class members, since, *inter alia*, this action concerns the legality of Defendant's standardized compensation practices, including Defendant's practices of using the tip credit to satisfy its minimum wage obligations and requiring class members to share tips with silverware polishers.

25. Class certification is appropriate under Federal Rule of Civil Procedure 23(b)(3) because common questions of law and fact predominate over any questions affecting only Plaintiff and because a class action is superior to other available methods for the fair and efficient adjudication of this litigation.

COUNT I
(Alleging Violations of the FLSA)

26. All previous paragraphs are incorporated as though fully set forth herein.

27. The FLSA entitles employees to a minimum hourly wage of \$7.25.

28. While restaurants may utilize a tip credit to satisfy their minimum wage obligations to servers, they forfeit the right to do so when they require servers to share tips with other restaurant employees who do not "customarily and regularly receive tips." *See* 29 U.S.C. § 203(m). Federal courts interpreting this statutory language hold that restaurants lose their right to utilize a tip credit when tips are shared with employees – such as Defendant's silverware polishers – who have little to no direct customer interaction. *See, e.g., Montano v. Montrose Restaurant Associates, Inc.*, 800 F.3d 186 (5th Cir. 2015); *Ford v. Lehigh Valley Restaurant Group, Inc.*, 2014 U.S. Dist. LEXIS 92801 (M.D. Pa. July 9, 2014).

29. By requiring Plaintiff and other servers to share tips with silverware polishers, Defendant has forfeited its right to utilize the tip credit in satisfying its minimum wage

obligations to Plaintiff and other servers. As such, Defendant has violated the FLSA's minimum wage mandate by paying Plaintiff and other servers an hourly wage of \$2.83 rather than \$7.25.

30. In violating the FLSA, Defendant acted willfully and with reckless disregard of clearly applicable FLSA provisions.

COUNT II
(Alleging Violations of the PMWA)

31. All previous paragraphs are incorporated as though fully set forth herein.

32. The PMWA entitles employees to a minimum hourly wage of \$7.25.

33. While restaurants may utilize a tip credit to satisfy their minimum wage obligations to servers, they forfeit the right to do so when they require servers to share tips with other restaurant employees who do not "customarily and regularly receive tips." 43 P.S. § 333.103(d)(2). The sole court to interpret this statutory language has held that restaurants lose their right to utilize a tip credit when tips are shared with employees – such as Defendant's silverware polishers – who have little to no direct customer interaction. *See Ford v. Lehigh Valley Restaurant Group, Inc.*, 2015 Pa. Dist. & Cnty. Dec. LEXIS 11 (P.C.C.P., Lackawanna Cty. Apr. 24, 2015) (Nealon, J.).

34. By requiring Plaintiff and other servers to share tips with silverware polishers, Defendant has forfeited its right to utilize the tip credit in satisfying its minimum wage obligations to Plaintiff and other servers. As such, Defendant has violated the PMWA's minimum wage mandate by paying Plaintiff and other servers an hourly wage of \$2.83 rather than \$7.25.

COUNT III
(Alleging Violations of the GPB)

35. All previous paragraphs are incorporated as though fully set forth herein.

36. Defendant is an employer covered by the GPB's mandates, and Plaintiff and other Zahav servers are employees entitled to the GPB's protections.

37. The GPB requires that "[e]very gratuity shall be the sole property of the employee or employees to who it was paid, given or left for, and shall be paid over in full to such employee or employees." Phila. Code § 9-614(2)(a).

38. Under the GPB, gratuities are only able to be "pooled and distributed among all employees who *directly provide service to patrons.*" Phila. Code § 9-614(2)(c) (emphasis supplied).

39. Defendant has violated the GPB by requiring Plaintiff and other servers to forfeit a portion of their tips each shift to be shared with silverware polishers.

JURY TRIAL DEMAND

Plaintiff demands a jury trial as to all claims so triable.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of herself and other members of the class/collective, seeks the following relief:

- A. \$4.42 for every hour worked;
- B. Reimbursement of gratuities shared with silverware polishers;
- C. Prejudgment interest to the fullest extent permitted under federal and state law;
- D. Liquidated damages to the fullest extent permitted under the FLSA;
- E. Exemplary damages to the fullest extent permitted under the GPB;
- F. Litigation costs, expenses, and attorneys' fees; and
- G. Such other and further relief as this Court deems just and proper.

Date: December 21, 2016



Peter Winebrake
R. Andrew Santillo
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Phone: (215) 884-2491

Attorneys for Plaintiff

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CIVIL COVER SHEET

16-06637

The JS 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 by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

DEFENDANTS

(b) County of Residence of First Listed Plaintiff Clackamas Cty (Oregon) (EXCEPT IN U.S. PLAINTIFF CASES)

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

(c) Attorneys (Firm Name, Address, and Telephone Number) R. Andrew Santillo, Winebrake & Santillo, LLC, 715 Twining Road, Suite 211, Dresher, PA 19025: (215) 884-2491.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
Incorporated or Principal Place of Business In This State
Incorporated and Principal Place of Business In Another State
Foreign Nation

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions

Table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, PERSONAL INJURY, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District (specify)
6 Multidistrict Litigation - Transfer
8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): Fair Labor Standards, 29 U.S.C. sec. 201, et seq.
Brief description of cause: Failure to pay minimum wage.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER DEC 27 2016

DATE 12/21/2016

SIGNATURE OF ATTORNEY OF RECORD

[Signature]

[Signature]

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

16 6637

FOR THE EASTERN DISTRICT OF PENNSYLVANIA DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: Milwaukie, Oregon
Address of Defendant: 237 Saint James Place, Philadelphia, PA 19106
Place of Accident, Incident or Transaction: 237 Saint James Place, Philadelphia, PA 19106
(Use Reverse Side For Additional Space)

Does this civil action involve a nongovernmental corporate party with any parent corporation and any publicly held corporation owning 10% or more of its stock?
(Attach two copies of the Disclosure Statement Form in accordance with Fed.R.Civ.P. 7.1(a)) Yes [] No []

Does this case involve multidistrict litigation possibilities? Yes [] No [X]

RELATED CASE, IF ANY:
Case Number: Judge Date Terminated:

Civil cases are deemed related when yes is answered to any of the following questions:

- 1. Is this case related to property included in an earlier numbered suit pending or within one year previously terminated action in this court? Yes [] No [X]
2. Does this case involve the same issue of fact or grow out of the same transaction as a prior suit pending or within one year previously terminated action in this court? Yes [] No [X]
3. Does this case involve the validity or infringement of a patent already in suit or any earlier numbered case pending or within one year previously terminated action in this court? Yes [] No [X]
4. Is this case a second or successive habeas corpus, social security appeal, or pro se civil rights case filed by the same individual? Yes [] No [X]

CIVIL: (Place [X] in ONE CATEGORY ONLY)

A. Federal Question Cases:

- 1. [] Indemnity Contract, Marine Contract, and All Other Contracts
2. [] FELA
3. [] Jones Act-Personal Injury
4. [] Antitrust
5. [] Patent
6. [] Labor-Management Relations
7. [] Civil Rights
8. [] Habeas Corpus
9. [] Securities Act(s) Cases
10. [] Social Security Review Cases
11. [X] All other Federal Question Cases
(Please specify) Fair Labor Standards Act

B. Diversity Jurisdiction Cases:

- 1. [] Insurance Contract and Other Contracts
2. [] Airplane Personal Injury
3. [] Assault, Defamation
4. [] Marine Personal Injury
5. [] Motor Vehicle Personal Injury
6. [] Other Personal Injury (Please specify)
7. [] Products Liability
8. [] Products Liability — Asbestos
9. [] All other Diversity Cases
(Please specify)

ARBITRATION CERTIFICATION

I, R. Andrew Santillo, counsel of record do hereby certify:
[] Pursuant to Local Civil Rule 53.2, Section 3(c)(2), that to the best of my knowledge and belief, the damages recoverable in this civil action case exceed the sum of \$150,000.00 exclusive of interest and costs;
[] Relief other than monetary damages is sought.

DATE: 12/21/16 R. Santillo Attorney-at-Law 93041 Attorney I.D.#

NOTE: A trial de novo will be a trial by jury only if there has been compliance with F.R.C.P. 38.

I certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court, except as noted above.

DATE: 12/21/16 R. Santillo Attorney-at-Law 93041 Attorney I.D.#

DEC 27 2016

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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CASE MANAGEMENT TRACK DESIGNATION FORM

Tanya Peters

v.

CookNSolo, Inc.

CIVIL ACTION

16 6637

NO.

In accordance with the Civil Justice Expense and Delay Reduction Plan of this court, counsel for plaintiff shall complete a Case Management Track Designation Form in all civil cases at the time of filing the complaint and serve a copy on all defendants. (See § 1:03 of the plan set forth on the reverse side of this form.) In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a Case Management Track Designation Form specifying the track to which that defendant believes the case should be assigned.

SELECT ONE OF THE FOLLOWING CASE MANAGEMENT TRACKS:

- (a) Habeas Corpus – Cases brought under 28 U.S.C. § 2241 through § 2255. ()
- (b) Social Security – Cases requesting review of a decision of the Secretary of Health and Human Services denying plaintiff Social Security Benefits. ()
- (c) Arbitration – Cases required to be designated for arbitration under Local Civil Rule 53.2. ()
- (d) Asbestos – Cases involving claims for personal injury or property damage from exposure to asbestos. ()
- (e) Special Management – Cases that do not fall into tracks (a) through (d) that are commonly referred to as complex and that need special or intense management by the court. (See reverse side of this form for a detailed explanation of special management cases.) ()
- (f) Standard Management – Cases that do not fall into any one of the other tracks. (Y)

12/21/2016
Date

A. M. H.
Attorney-at-law

Plaintiff
Attorney for

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DEC 27 2016