Са	se 3:21-cv-01120-L-LL Document 1 Filed	06/16/21	PageID.1	Page 1 of 15
1 2 3 4 5 6 7 8 9 10 11	Sophia M. Rios (SBN 305801) srios@bm.net BERGER MONTAGUE PC 12544 High Bluff Drive, Suite 340 San Diego, CA 92130 Telephone: (619) 489-0300 Facsimile: (215) 875-4604 Attorneys for Plaintiff and the Proposed Collective [Additional counsel listed on following p UNITED STATES SOUTHERN DISTRI SAN DIEGO	DISTRIC	CALIFOR	
12 13 14 15 16 17 18 19 20	JEFFREY PIPICH, individually and on behalf of all others similarly situated, Plaintiff, v. O'REILLY AUTO ENTERPRISES, LLC, a Delaware corporation, Defendant.	COLL COMP OF: (1)H	FAIR LAB ACT (29 U	
<ul> <li>21</li> <li>22</li> <li>23</li> <li>24</li> <li>25</li> <li>26</li> <li>27</li> <li>28</li> </ul>				
	COLLECTIVE ACTION COMPLAINT AND DEMAND FOR JURY TRIAL			

Ca	se 3:21-cv-01120-L-LL Document 1 Filed 06/16/21 PageID.2 Page 2 of 15				
1	Shanon J. Carson* (PA 85957)				
2	scarson@bm.net Camille Fundora Rodriguez*				
3	(PA 312533, NJ 01764-2011)				
4	crodriguez@bm.net				
	Daniel F. Thornton* (PA 318431, NJ 10857-2014)				
5	dthornton@bm.net				
6	BERGER MONTAGUE PC				
7	1818 Market Street, Suite 3600 Philadelphia, PA 19103				
8	Telephone: (215) 875-3000				
9	Facsimile: (215) 875-4604				
10	* <i>pro hac vice</i> applications forthcoming				
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
	COLLECTIVE ACTION COMPLAINT AND DEMAND FOR JURY TRIAL				
	COLLECTIVE ACTION COMILATINT AND DEMAND FOR JUNT TRIAL				

# **COLLECTIVE ACTION COMPLAINT**

Plaintiff Jeffrey Pipich ("Plaintiff"), on behalf of himself and all others
similarly situated, brings this lawsuit against O'Reilly Auto Enterprises, LLC,
("O'Reilly" or "Defendant"), seeking all available remedies under the Fair Labor
Standards Act of 1938, 29 U.S.C. §§ 201, *et seq.* ("FLSA"). The allegations that
follow are made on personal knowledge as to Plaintiff's own conduct and on
information and belief as to the acts of others.

8

#### **INTRODUCTION**

O'Reilly Auto Enterprises, LLC ("O'Reilly" or "Defendant"), owns 1. 9 and operates a line of automotive retailers that specializes in providing aftermarket 10 parts and accessories to both consumers and businesses. O'Reilly relies on a robust 11 network of distribution centers strategically located across the United Sates to 12 ensure timely product availability and optimal inventory levels throughout their 13 stores. O'Reilly employs thousands of individuals at distribution centers 14 throughout the state of California and the United States, to support the flow of its 15 automobile products into stores nationwide. The manual tasks these employees 16 perform include, without limitation, storing inventory, reviewing and selecting 17 orders, pulling specific parts according to retailers' needs, packing orders, and 18 19 loading and delivering orders.

20 2. This case is about O'Reilly's failure to provide proper payment of all
 21 wages, including regular and overtime wages. As described in further detail below,
 22 O'Reilly administered illegal policies requiring its non-exempt workers to undergo
 23 COVID-19 screenings and security inspections each day without pay. These pre 24 shift off-the-clock COVID-19 screenings and pre- and post- shift security checks
 25 constitute compensable time that was worked by Plaintiff and Collective Members.
 26 By failing to pay for this time worked, O'Reilly has violated the FLSA.

27

JURISDICTION AND VENUE

28

3. The FLSA authorizes a private right of action to recover damages for

is subject to personal jurisdiction in this District.

violation of its wage and hour provisions. 29 U.S.C. § 216(b). This Court has federal question jurisdiction over Plaintiff's FLSA claims under 28 U.S.C. § 1331.
4. Venue is proper in the Southern District of California because O'Reilly

3 4

1

2

O'Reilly is subject to personal jurisdiction before this Court because it 5. 5 has purposefully availed itself of the privileges of conducting activities throughout 6 the State of California and established minimum contacts sufficient to confer 7 jurisdiction. O'Reilly transacts business in California, advertises in California, and 8 markets to California consumers. The violations of the law forming the basis of 9 this lawsuit occurred in California. Further, O'Reilly employs California residents. 10 Therefore, the assumption of jurisdiction over O'Reilly will not offend traditional 11 notions of fair play and substantial justice and is consistent with the constitutional 12 requirements of due process. O'Reilly also had and continues to have continuous 13 and systematic contacts with the State of California sufficient to establish general 14 jurisdiction over it. 15

16

17

18

19

20

21

## PARTIES AND PERSONAL JURISDICTION

6. Plaintiff Jeffrey Pipich resides in Moreno Valley, California. Plaintiff worked for Defendant as a City Counter Route Driver from approximately July 2015 to February 2021. Plaintiff was a non-exempt employee and was compensated on an hourly basis. Pursuant to 29 U.S.C. § 216(b), Plaintiff has consented in writing to be a plaintiff in this action. *See* Exhibit A.

7. The "FLSA Collective" are all current and former non-exempt
employees of O'Reilly who underwent a COVID-19 screening or security
inspection during at least one week in the three-year period before the filing of this
Complaint to the present.

26 8. Plaintiff reserves the right to redefine the FLSA Collective prior to
27 notice or certification, and thereafter, as may be warranted or necessary.

28

9. O'Reilly is a Delaware corporation registered to do business in

California, and at all relevant times has been engaged in the business of selling 1 automobile parts in the State of California and nationwide. O'Reilly owns 5,616 2 stores and relies on a network of 28 distribution centers nationwide to support its 3 retail operations. 4

10. O'Reilly's corporate headquarters is located at 233 South Patterson, 5 Springfield, Missouri 65802. 6

11. At all material times, O'Reilly has been governed by and subject to the 7 FLSA, 29 U.S.C. § 207. 8

12. O'Reilly employed Plaintiff and continues to employ similarly situated 9 employees as defined by the FLSA, 29 U.S.C. § 203(d). See also 29 C.F.R. 10 791.2(a). 11

At all material times, O'Reilly has been an enterprise within the 12 13. meaning of section 3(r) of the FLSA. 29 U.S.C. § 203(r). 13

14. During all times relevant hereto, Plaintiff was an employee of O'Reilly 14 and was covered by the FLSA. 15

The unlawful acts alleged in this Complaint were committed by 15. 16 O'Reilly or O'Reilly's officers, agents, employees, or representatives, while 17 actively engaged in the management of O'Reilly's businesses or affairs and with 18 the authorization of O'Reilly. 19

16. At all material times, the unlawful conduct against Plaintiff and the 20 21 FLSA Collective as described in this Complaint was actuated, in whole or in part, by a purpose to serve O'Reilly. At all relevant times, the unlawful conduct 22 23 described in this Complaint was reasonably foreseeable by O'Reilly and committed under actual or apparent authority granted by O'Reilly such that all 24 unlawful conduct is legally attributable to O'Reilly. 25

17. O'Reilly employs individuals engaged in commerce or in the 26 production of goods for commerce or handling, selling, or otherwise working on goods or materials that have been moved in or produced in commerce by any 28

27

person, as described by 29 U.S.C. §§ 206-207.

18. O'Reilly's annual gross sales exceed \$500,000.

# **FACTUAL ALLEGATIONS**

4 19. Plaintiff incorporates herein by reference the allegations set forth5 above.

Defendant O'Reilly specializes in offering aftermarket automobile 20. 6 parts to professional and amateur consumers at their 5,594 stores nationwide. 7 O'Reilly operationalizes its value proposition of offering excellent customer 8 service to consumers in part through the support of a strategic network of 28 9 distribution centers that channel inventory into O'Reilly's stores. Indeed, 10 O'Reilly's business model is designed so that timely product availability and 11 optimal inventory levels are achieved via this network of distribution centers, 12 which provide five-nights-a-week delivery to substantially all stores nationwide. 13 See https://corporate.oreillyauto.com/onlineapplication/careerpage/dc (last visited 14 June 4, 2021). 15

16 21. Plaintiff Pipich worked for O'Reilly as an hourly, non-exempt
17 employee at O'Reilly Distribution Center Number 25 in Moreno Valley,
18 California, from July 2015 to February 2021. Plaintiff's job duties included loading
19 and transporting automobile parts from the distribution center to stores throughout
20 the southern California region.

21 22. As an hourly, non-exempt employee, Plaintiff was required to clock22 in and clock-out at one of O'Reilly's timekeeping stations located inside the
23 distribution center. However, prior to clocking in each day, Plaintiff was subject to
24 a health screening for Covid-19 and a security inspection. After clocking out each
25 day, Plaintiff was subject to an additional security inspection.

26 23. The Covid-19 screening was implemented in 2020 following the
27 outbreak of the Coronavirus.

28

1

2

3

24. O'Reilly responded to the public health crisis by systematically

2

7

8

9

10

implementing various safety measures as recommended by the Centers for Disease Control and Prevention, one of which included conducting mandatory health screenings for employees, to mitigate the impact of Covid-19 on its operations and 3 safeguard its business interests. The Covid-19 screening was necessary to ensure 4 that the virus did not infect O'Reilly employees and disrupt the work performed by 5 Plaintiff and the FLSA Collective. 6

25. The Covid-19 screening was imposed by O'Reilly as a requirement for work each shift. The examination was conducted on O'Reilly's premises, was required by O'Reilly, and was necessary for each employee to perform their work for O'Reilly.

26. After parking, Plaintiff was subject to a Covid-19 screening at a 11 designated area in the employee parking lot and, later, in the employee lounge area, 12 both which anteceded access to the main distribution center area where employees 13 conduct their work and where timekeeping stations were located. 14

The screening process involved a security guard or another employee 15 27. of O'Reilly asking a series of questions related to the employee's potential 16 exposure to the virus and present health symptoms. The screening process also 17 entailed taking the employee's temperature. If the employee passed the 18 examination, they were allowed to continue to the next screening, namely the 19 security inspection, before they could officially clock in and commence getting 20 21 paid for their work.

The amount of time that it took to undergo the Covid-19 screening 22 28. ranged between two to five minutes on average. However, this time may have been 23 prolonged in excess of five minutes depending on the number of employees waiting 24 in line to undergo the screening. 25

This Covid-19 daily screening should have been paid by O'Reilly 26 29. because Plaintiff and the FLSA Collective were subject to the control of O'Reilly, 27 had no option of opting out of the health screening, and were threatened with 28

2

3

7

8

9

disciplinary action if they failed to comply with the screening. Plaintiff and the FLSA Collective, specifically, were compelled to remain on O'Reilly's premises during the duration of the screening and perform a series of tasks as instructed by O'Reilly, namely answering questions related to their health and submitting to their 4 temperatures being taken. O'Reilly's control and restraint prevented Plaintiff and 5 the FLSA Collective from using this time for their own purposes. 6

30. Plaintiff and the FLSA Collective nonetheless completed this work while off the clock and without time added to their pay to compensate for the Covid-19 screening.

The security inspection prior to each shift, like the Covid-19 screening, 10 31. was imposed by O'Reilly as a requirement for work. The inspection was conducted 11 on O'Reilly's premises, was required by O'Reilly, and entailed significant control 12 over employees' time. 13

32. Plaintiff underwent the security screening in tandem with and after 14 undergoing the Covid-19 screening, but prior to clocking in for work, at the start 15 of the workday. Indeed, the security screening took place inside the employee 16 lounge, which was outside the main distribution center area where employees 17 accessed timekeeping stations to clock-in. 18

33. The security screening was overseen by a security guard. On a typical 19 morning, Plaintiff would walk up to the security station, empty his pockets, remove 20 21 any metals, open any bags, walk through the metal detector, collect all belongings, walk across the remaining twenty-five (25) feet of the security area, enter the main 22 distribution center area, and only then would he clock in. The clock-in station was 23 located about ten (10) to fifteen (15) feet from the door. 24

Moreover, Plaintiff was subject to the same security inspection upon 25 34. clocking out for the day and before leaving O'Reilly's premises. 26

The amount of time that it took to undergo the pre- shift security 27 35. inspection ranged between three to five minutes on average. However, this time 28

2

may have been prolonged in excess of five minutes depending on the number of employees waiting in line to undergo the screening.

36. The amount of time that it took to undergo the post-shift security
inspection was slightly longer and ranged between three to ten minutes on average.
However, this time often exceeded ten minutes depending on the number of
employees waiting in line to undergo the screening. Plaintiff noticed that lengthier
lines occurred most frequently post-shift when larger groups of employees ended
their shift around the same time.

37. The daily pre-shift and post-shift off-the-clock security inspections 9 should have been paid by O'Reilly because Plaintiff and the FLSA Collective were 10 subject to the control of O'Reilly, had no option of opting out of the security 11 inspections, and were threatened with disciplinary action if they failed to comply 12 with the security inspections. Plaintiff and the FLSA Collective, specifically, were 13 compelled to remain on O'Reilly's premises during the duration of the inspection 14 and perform a series of tasks as instructed by O'Reilly, namely opening bags, 15 removing any metals, walking through the metal detector, and collecting all 16 belongings. O'Reilly's control and restraint prevented Plaintiff and the FLSA 17 Collective from using this time for their own purposes. For instance, Plaintiff and 18 the FLSA Collective could not use their cell phones or consume any food given 19 that these items were prohibited from entering the distribution center. 20

38. The primary job duties of Plaintiff and the FLSA Collective do not fall
under any exemptions under the FLSA or California Wage Laws.

- 39. Plaintiff was regularly scheduled to work, and indeed worked, five (5)
  days per week, typically between forty-five (45) and fifty (50) hours per week.
  Plaintiff observed that other the FLSA Collective were scheduled to work, and
  indeed worked, similar schedules.
- 40. On workdays where Plaintiff and the FLSA Collective already worked
  over eight hours and in workweeks where Plaintiff and the FLSA Collective

already worked forty hours, the foregoing off-the-clock work resulted in time which Plaintiff and the FLSA Collective were not compensated at their overtime rate of pay.

4 41. Plaintiff is representative of the members of the Collective and is
5 acting on behalf of their interests, as well as Plaintiff's own interests, in bringing
6 this action.

7 42. Plaintiff will fairly and adequately represent and protect the interests
8 of the members of the Collective. Plaintiff has retained counsel competent and
9 experienced in employment and wage and hour class action and collective action
10 litigation.

11 43. The similarly situated members of the Collective are known to 12 O'Reilly, are readily identifiable, and may be located through O'Reilly's records. 13 These similarly situated employees may readily be notified of this action, and 14 allowed to "opt-in" to this case pursuant to 29 U.S.C. § 216(b) for the purpose of 15 collectively adjudicating their claims for unpaid wages, unpaid overtime 16 compensation, liquidated damages (or, alternatively, interest), and attorneys' fees 17 and costs under the FLSA.

#### 18

19

20

21

1

2

3

# **COLLECTIVE ACTION ALLEGATIONS**

44. Plaintiff brings the First Cause of Action (the FLSA claim) as an "optin" collective action pursuant to 29 U.S.C. § 216(b) on behalf of a proposed collection of similarly situated employees defined as:

All current and former non-exempt employees of O'Reilly who underwent a COVID-19 screening or security inspection during at least one week in the threeyear period before the filing of this Complaint to the present. (the "FLSA Collective").

45. Plaintiff, individually and on behalf of other similarly situated persons
defined above, seeks relief on a collective basis challenging O'Reilly's policy and

practice of failing to accurately record all hours worked, and failing to properly
pay Plaintiff for all hours worked, including overtime compensation, for time spent
undergoing Covid-19 screenings or security inspections. The number and identity
of other similarly situated persons yet to opt-in and consent to be party-plaintiffs
may be determined from O'Reilly's records, and potential opt-ins may be easily
and quickly notified of the pendency of this action.

7 46. Plaintiff's claims for violations of the FLSA may be brought and
8 maintained as an "opt-in" collective action pursuant to Section 216(b) of the FLSA,
9 because Plaintiff's FLSA claims are similar to the claims of the members of the
10 Collective.

47. The members of the Collective are similarly situated, as they have
substantially similar non-exempt job duties and are subject to a common policy,
practice, or plan that requires them to perform work off-the-clock and without
compensation in violation of the FLSA.

48. Unless the Court promptly issues such notice, the numerous similarly
situated workers nationwide will be unable to secure unpaid overtime pay, which
has been unlawfully withheld by O'Reilly.

## FIRST CAUSE OF ACTION Violation of the Fair Labor Standards Act 29 U.S.C. § 201, *et seq.* (On Behalf of Plaintiff and the FLSA Collective)

49. Plaintiff re-alleges and incorporates the foregoing paragraphs as
though fully set forth herein.

50. The FLSA requires that covered employees receive compensation for
all hours worked and overtime compensation not less than one and one-half times
the regular rate of pay for all hours worked in excess of forty hours in a workweek.
29 U.S.C. § 207(a) (1).

28

18

19

20

21

51. At all times material herein, Plaintiff and the Collective are covered

2

22

23

24

25

26

employees entitled to the rights, protections, and benefits provided under the FLSA. See 29 U.S.C. § 203(e).

52. Defendant O'Reilly Auto Enterprises, LLC, is a covered employer
required to comply with the FLSA's mandates. See 29 U.S.C. § 203(d); 29 C.F.R.
§ 552.109(a).

53. O'Reilly violated the FLSA with respect to Plaintiff and the Collective,
by, among other things, failing to compensate Plaintiff and the Collective for all
hours worked and, with respect to such hours, failing to pay the legally mandated
minimum wage or overtime premium for such work. *See* 29 U.S.C. § 206; 29
C.F.R. § 531.35; 29 U.S.C. § 207 (a), (g). O'Reilly also violated the FLSA by
failing to keep required, accurate records of all hours worked by Plaintiff and the
Collective. 29 U.S.C. § 211(c).

54. Plaintiff and the Collective are victims of a uniform and company-wide
compensation policy. This uniform policy, in violation of the FLSA, has been
applied to current and former non-exempt, hourly employees of O'Reilly, working
in its locations throughout the United States.

17 55. Plaintiff and the Collective are entitled to damages equal to the
18 mandated pay, including minimum wage, straight time, and overtime premium pay
19 within the three years preceding the filing of this Complaint, plus periods of
20 equitable tolling, because O'Reilly has acted willfully and knew or showed
21 reckless disregard for whether the alleged conduct was prohibited by the FLSA.

56. O'Reilly has acted neither in good faith nor with reasonable grounds to believe that its actions and omission were not a violation of the FLSA, and as a result thereof, Plaintiff and the Collective are entitled to recover an award of liquidated damages in an amount equal to the amount of unpaid overtime pay or prejudgment interest at the applicable rate. 29 U.S.C. § 216(b).

57. As a result of the aforesaid violations of the FLSA's provisions, pay,
including straight time and overtime compensation, has been unlawfully withheld

by O'Reilly from Plaintiff and the Collective. Accordingly, O'Reilly is liable for
 unpaid wages, together with an amount equal as liquidated damages, attorneys'
 fees, and costs of this action.

4 58. Wherefore, Plaintiff and the Collective request relief as hereinafter
5 provided.

#### **PRAYER FOR RELIEF**

Plaintiff, on behalf of himself and the FLSA Collective, prays for relief asfollows:

6

24

25

26

27

28

a. That, at the earliest possible time, the Plaintiff be allowed to give
notice of this collective action, or that the Court issue such notice, to the FLSA
Collective Members as defined herein so that such persons shall be informed that
this civil action has been filed, of the nature of the action, and of their right to join
the FLSA collective suit if they believe they were denied unpaid wages;

b. The Court certify that this action may proceed as a collective action
under 29 U.S.C. §216(b);

16 c. The Court find that O'Reilly's policies and practices described above
17 violate the FLSA;

d. The Court award damages, liquidated damages, restitution, and
statutory penalties to be paid by O'Reilly for the causes of action alleged herein;

e. The Court award interest, costs, and expenses, including reasonable
attorneys' fees and expert fees, pursuant; and

f. The Court order such other and further legal and equitable relief the
Court deems just, necessary, and proper.

# Case 3:21-cv-01120-L-LL Document 1 Filed 06/16/21 PageID.14 Page 14 of 15

1	Dated: June 16, 2021	Respectfully submitted,
2		BERGER MONTAGUE PC
3		a/Sonhia M. Dios
4		<u>s/ Sophia M. Rios</u> Sophia M. Rios
5		Shanon J. Carson Camille Fundora Rodriguez
6		Daniel F. Thornton
7		Attorneys for Plaintiff and the Proposed
8		Collective
9		
10		
11		
12 13		
13		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26 27		
27 28		
20		
		12
	COLLECTIVE ACTION COMP	LAINT AND DEMAND FOR JURY TRIAL

# Case 3:21-cv-01120-L-LL Document 1 Filed 06/16/21 PageID.15 Page 15 of 15

1	<b>DEMAND FOR JURY DEMAND</b>			
2	2 Plaintiff hereby demands a trial by	Plaintiff hereby demands a trial by jury on all claims and issues for which		
3	3 Plaintiff and the Collective are entitled to	Plaintiff and the Collective are entitled to a jury.		
4				
5	5 Dated: June 16, 2021 Resp	bectfully submitted,		
6	6 BEF	GER MONTAGUE PC		
7	<u>s/Sa</u>	pphia M. Rios		
8	Sha	nia M. Rios non J. Carson		
9	Carr	ille Fundora Rodriguez		
10		iel F. Thornton		
11	Atto	rneys for Plaintiff and the Proposed		
12		ective		
13 14				
14				
15				
10				
18				
19				
20				
21	1			
22	2			
23	3			
24	4			
25	5			
26	6			
27	7			
28	8			
	13 COLLECTIVE ACTION COMPLAINT	AND DEMAND FOR JURY TRIAL		