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Delivery Drivers Sue Amazon Over Misclassification, Failure to Pay Overtime and the Minimum Wage

BY BRUCE VAIL



The lawsuit charges Amazon and Amazon Logistics Inc. with violating the minimum wage law in Seattle, state labor law in Washington and the federal Fair Labor Standards Act. (soumit/ Flickr)

With wage and hour lawsuits becoming increasingly common across the country, there was little reason for the lawyers at Amazon.com's Seattle headquarters to be surprised when one landed on their doorstep recently. But they may have been concerned to learn that their newest legal adversary is "Sledgehammer Shannon" Liss-Riordan, a [Boston attorney](#) who gained legal fame by beating corporate giants like FedEx and Starbucks in just these kinds of contests.

The new lawsuit against Amazon is similar to one of Liss-Riordan's best known cases—a suit against FedEx that charged the company was misclassifying delivery drivers as independent contractors when the workers were, as a matter of law, regular employees. Liss-Riordan won that fight and, this year, FedEx announced that it would [give up on a series of related legal fights and pay](#) \$240 million to some 12,000 drivers in 20 states. Liss-Riordan took the fight to Amazon in a [suit](#) filed October 4 in the U.S. District Court for the Western District of Washington. It charges Amazon and Amazon Logistics Inc. with violating the minimum wage law in Seattle, state labor law in Washington and the federal Fair Labor Standards Act (FLSA).

Liss-Riordan explains that Amazon is experimenting with a delivery system where the company contracts with individuals to use their own cars to pick up parcels at Amazon warehouses and deliver them to local customers. The drivers typically sign up for a specific work shift and are paid an hourly wage. They are not compensated, however, for expenses like gasoline, car maintenance, telephone calls, or other incidentals. When subtracting these expenses, drivers often end up earning less than the minimum wage and are denied overtime pay, she says.

That description of delivery methods was echoed by Stacy Mitchell, co-director of the advocacy group Institute for Local Self-Reliance. Along with co-author Olivia LaVecchia, Mitchell has just completed a [major study](#) of Amazon's business practices that warns that the giant corporation is killing good jobs in local economies as it seeks to monopolize different sectors of the retail business.

“Amazon has substantially expanded its warehouses in recent years and is experimenting with the so-called ‘last mile’ of the delivery system. They are increasingly using on-demand drivers, and also regional couriers, to move goods,” Mitchell says. “In the past, this sort of ‘last mile’ delivery was typically done by the U.S. Postal Service or United Parcel Service. USPS and UPS jobs are good-paying union jobs, and Amazon is undermining these with its gig economy model.”

In These Times reached out to Amazon to comment on the lawsuit. Spokesman Jim Billimoria provided the following response:

“The small and medium sized businesses that partner with Amazon Logistics have their own employees and are required to abide by applicable laws and Amazon's Supplier Code of Conduct, which focuses on compensation, benefits, and appropriate working hours. We investigate any claim that a provider isn't complying with these obligations.”

Liss-Riordan says this sort of a defense is typical of large corporations, many of which have lost wage and hour lawsuits in court.

“It's not what you say that counts, it's what you do,” she said. “We've been able to demonstrate, time and time again, that a lot of these corporations just don't live up to their stated policies when it comes to real-life employment practices on the ground. That's why you see more and more of these suits.”

Indeed, a [2015 report](#) from the law firm of Seyfarth Shaw LLP described an “onslaught” of litigation resulting in a record high number of federally-filed wage and hour cases in 2015. According to the firm, there were 8,781 such cases in 2015, compared to only 1,935 in 2000.

Asked about her nickname “Sledgehammer Shannon,” Liss-Riordan laughed out loud.

“It’s sort of silly. *Mother Jones* magazine did an [article](#) last year about a case I have against Uber, and I get a lot of jokes. I don’t care. The fact is, we will take on cases like this and fight them for 10 years if we have to.”