#### AMERICAN ARBITRATION ASSOCIATION

YUCHIH TANG and AUSTIN WOOD, individually and on behalf of all others similarly situated,
Claimants,
v.
SHYP, INC.,
Respondent.

#### **CLASS ACTION ARBITRATION DEMAND**

# I. <u>INTRODUCTION</u>

- 1. This case is brought on behalf of individuals who have worked for Shyp, Inc. ("Shyp") as couriers anywhere in the United States. Shyp is a shipping service that provides couriers who can be scheduled and dispatched through a mobile phone application, or through a website, and who pick up items and take them to a warehouse to be packaged and shipped for the customer.
- 2. As described further below, Shyp has misclassified Claimants and other similarly situated couriers as independent contractors and, in so doing, has violated various provisions of California law, including Cal. Labor Code § 2802, by requiring couriers to pay various expenses that should have been borne by the employer.

### II. PARTIES

3. Claimant Yuchih Tang is an adult resident of San Francisco, California, where he has worked as a Shyp bike courier since December 2014.

- 4. Claimant Austin Wood is an adult resident of San Francisco, California, where he has worked as a Shyp vehicle courier since December 2014.
- 5. Respondent Shyp, Inc. ("Shyp") is a Delaware corporation with its principal place of business in San Francisco, California.

### IV. STATEMENT OF FACTS

- 6. Shyp is a San Francisco-based shipping service, which provides package pick-up and shipping services in cities across the country, including San Francisco, Los Angeles, New York, and Miami, via an on demand dispatch system.
- 7. Shyp offers customers the ability to request a courier on a mobile phone application or online through its website.
- 8. Shyp's website advertises that it is "The easiest way to ship anything" and boasts that "Shyp picks up your items, packs, and sends them anywhere in the world using the lowest cost, most reliable option."
  - 9. Shyp couriers receive an hourly wage of \$20.00 per hour.
- 10. Although classified as independent contractors, Shyp couriers are actually employees. Shyp directs couriers' work in detail, monitoring their location and progress through GPS tracking, and instructing couriers where to go to pick up or await delivieries. Couriers are required to follow detailed requirements imposed on them by Shyp, and are subject to termination, based on their failure to adhere to these requirements. For example, couriers have received warnings for rejecting too many pick-ups. Likewise, couriers are admonished to "ALWAYS bubblewrap fragile items" and to know what items the business can and cannot ship.
- 11. Shyp is in the business of providing package pick-up and shipping services to customers, and package pick-up is the very service couriers provide. The couriers' services are fully integrated into Shyp's business, and without the couriers, Shyp's business would not exist.

- 12. However, based on their misclassification as independent contractors,
  Shyp has required couriers to bear many of the expenses of their employment, including
  expenses for their vehicle, gas, bike maintenance, and phone data.
- 13. Shyp requires all couriers to sign an agreement which contains an arbitration clause and which states that the agreement shall be governed by and construed in accordance with California law. Claimants bring their claims pursuant to this agreement.

### **COUNT I**

# Violation of Cal. Lab. Code § 2802

Shyp's conduct, as set forth above, in misclassifying its couriers as independent contractors, and failing to reimburse them for expenses they paid that should have been borne by their employer, constitutes a violation of California Labor Code § 2802. This claim is brought on behalf of a class of similarly situated individuals who have worked for Shyp anywhere in the United States.

WHEREFORE, Claimants request that the Arbitrator enter the following relief:

- 1. Certification of this case as a class action pursuant to the AAA Rules of Class Arbitration;
- 2. Restitution for all expenses to which couriers are entitled under California law;
- 3. A declaration that Shyp that misclassified its couriers as independent contractors:
- 4. Attorneys' fees and costs; and
- 5. Any other relief to which Claimants may be entitled.

Respectfully submitted,

YUCHIH TANG and AUSTIN WOOD, individually and on behalf of all others similarly situated,

By their attorneys,

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