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SLG Class Action Survival Guide Series

Wage and Hour claims outpace all other types of workplace litigation. In 2012 alone, settlements of wage and hour cases equaled \$467 million bringing the total since 2007 to about \$2.7 trillion. In class actions, companies paid an average of \$4,800,000 per case.

Nearly every class action lawsuit that SLG has recently seen has included claims for incorrect piece-rate compensation, incorrect nonproductive time compensation, and inaccurate wage statements.

Many, many commentators, consultants, and lawyers are weighing in with their "expertise" on these issues. As always, you can rely on SLG, the steady hand, to continue keeping you informed as these lawsuits evolve and to let you know if the Governor comes to his senses.

Pick Up Stix Agreements

(Part 5 of 5)

What is it?

A "Pick Up Stix" Agreement is a settlement agreement used to settle wage and hour claims with individual employees. They are called "Pick Up Stix" Agreements, based on a California Court of Appeal ("COA") case with the same name. The COA ruled these agreements, when properly contemplated and executed, are enforceable.

What it means?

Even when a class action lawsuit has been filed, the company still has the option of settling any wage claims with individual employees thereby picking off each class member with the goal of reducing the class size and making class action litigation less lucrative to class counsel.

Counsel to Management:

Properly executed, a Pick Up Stix Agreement remains the best way to settle individual wage and hour claims under the current law.

To be enforceable, the law requires Pick Up Stix Agreements to meet certain elements such as payment of all wages concededly due to the settling employee and an allocation for the applicable penalties.

The Pick Up Stix Agreements signed by the employees will not be enforceable against the Division of Labor Standards Enforcement ("DLSE").

The implementation or the "roll out" of the Pick Up Stix Agreements is as critical as having an enforceable Pick Up Stix Agreement itself and is best accomplished with the assistance of counsel. Please contact The Saqui Law Group if you have any questions.

