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NATIONWIDE CLASS ALLEGATIONS FACED BY FEDERAL EXPRESS GROUND AND HOME DELIVERY FOR DENYING FAMILY MEDICAL LEAVE AND EMPLOYEE BENEFITS TO ITS 14,000 DELIVERY DRIVERS

Oakland, CA— Plaintiffs in the consolidated multi-district litigation (MDL) against Federal Express Ground Package System, Inc. and its division, Home Delivery added nationwide claims for violations of the Family Medical Leave Act (FMLA) and the Employee Retirement Security Act (ERISA), covering all FedEx Ground and Home Delivery drivers for the first time. FedEx misclassifies its 14,000 delivery drivers as independent contractors. As a result, the drivers are denied benefits they are entitled to under the FMLA and ERISA.

The FMLA entitles eligible employees to take up to 12 weeks of unpaid leave annually for the birth or adoption of a child or for the serious illness of an employee or specified family member. Health, disability, pension and other employee benefits are governed by ERISA. The company benefit plans cover all employees; since the drivers are in reality employees, they should be receiving these FedEx-paid benefits.

FedEx never informs drivers of their rights under the FMLA and in fact, requires drivers to pay and hire only FedEx-approved replacement drivers to take even one day off. FedEx pressures drivers not to take time off or to come back to work prematurely. Eric Jepson, a named plaintiff in the California case, had serious injuries from a car crash. “I called FedEx from my car while I waited for the paramedics – my manager said I had no choice but to come in to work that day,” said Mr. Jepson, who resigned within a month of his accident because FedEx threatened him with termination for taking time off.

“Denial of family and medical leave, health, disability, pension, and other employee benefits to drivers who are clearly treated as employees undermines the safety net that all workers are entitled to,” said Lynn Rossman Faris, one of the MDL lead counsels.

The MDL consolidated 31 separate class action cases against FedEx. U.S. District Judge Robert Miller, of the Northern District of Indiana, will preside over the MDL case.

Articles regarding the FedEx cases have appeared in Business Week (11/28/05 “The Ground War At FedEx”), the Wall Street Journal (1/7/05, “Drivers Delivery Trouble To FedEx. . .” front page); Forbes (9/19/05, p. 54 “Mutiny On the FedEx Truck); Los Angeles Times (7/25/05 “FedEx Unit Faces Labor Lawsuits); Los Angeles Times (12/5/05 “Delivery Companies Pressured”), Sacramento Bee (5/1/05, “A New Division of Labor”); Philadelphia Inquirer (12/18/05 “Santa’s Helpers Feeling Boxed In”); The Recorder (12/29/05 “FedEx drivers not contractors, judge decides”); Pittsburgh Tribune-Review (12/29/05 “FedEx Drivers Win”) END RELEASE