- 1		
1	Ricardo J. Prieto (Admitted <i>PHV</i> )	
2	rprieto@eeoc.net   SHELLIST   LAZARZ   SLOBIN LLP	
3	11 Greenway Plaza, Suite 1515 Houston, Texas 77046	
4	Telephone: (713) 621-2277 Facsimile: (713) 621-0993	
5	Melinda Arbuckle (Cal. Bar No. 302723) marbuckle@eeoc.net	
6	SHELLIST   LAZARZ   SLOBIN LLP   402 West Broadway, Suite 400	
7	San Diego, California 92101 Telephone: (713) 621-2277	
8	Facsimile: (713) 621-0993	
9	Robert R. Debes, Jr. (Admitted <i>PHV</i> ) bdebes@debeslaw.com	
10	DEBES LAW FIRM	
11	5909 West Loop South, Suite 510 Bellaire, Texas 77401	
12	Telephone: (713) 623-0900 Facsimile: (713) 623-0951	
13	Counsel for Plaintiff, Jacob McGrath, and Proposed Collective Action Members	
14	UNITED STATES I	DISTRICT COURT
15	NORTHERN DISTRICT OF CALIFORNIA SAN FRANCISCO DIVISION	
16		
17	JACOB McGRATH, on behalf of himself and all others similarly situated,	Case No: 3:19-cv-05279-EMC
18	Plaintiff,	PLAINTIFF'S MOTION FOR LEAVE TO FILE MOTION FOR
19	vs.	RECONSIDERATION OF ORDER COMPELLING ARBITRATION [ECF NO. 199]
20	DOORDASH, INC.,	
21	Defendant.	Action Filed: August 23, 2019
22		Judge: Edward M. Chen Date: N/A Time: N/A
23		Place: Courtroom 5, 17 <sup>th</sup> Floor
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28		Case No. 3:19-cv-05279-EMC



## MOTION FOR LEAVE TO FILE MOTION FOR RECONSIDERATION OF ORDER COMPELLING ARBITRATION [ECF NO. 199]

Pursuant to Northern District of California Civil Local Rule 7-9 (b)(3), Plaintiff Jacob McGrath moves this Court for an order granting him leave to file a Motion for Reconsideration of this Court's November 5, 2020 Order Granting Defendant's Motion to Compel Arbitration (ECF No. 199) (the "Order"). As required by Civil Local Rule 7-9, Plaintiff respectfully contends, as discussed more fully below, that the Order is "[a] manifest failure by the Court to consider material facts or dispositive legal arguments which were presented to the Court before such interlocutory order."

Plaintiff files this Motion for Leave approximately one week from when the Court issued the Order, and as such, satisfies L.R. 7-9's 'diligence' requirement.

#### I. <u>INTRODUCTION</u>

Under Northern District Civil Local Rule 7-9, a party may seek leave to file a motion for reconsideration any time before judgment. L.R. 7-9(a). A Motion for Reconsideration may be made on one of three grounds: (1) a material difference in fact or law exists from that which was presented to the Court, which, in the exercise of reasonable diligence, the party applying for reconsideration did not know at the time of the order; (2) the emergence of new material facts or a change of law; or (3) a manifest failure by the Court to consider material facts or dispositive legal arguments presented before entry of judgment. L.R. 7-9 (b)(1)-(3). *Accord School Dist. No. 1J, Multnomah Cty. v. ACandS, Inc.*, 5 F.3d 1255, 1263 (9th Cir. 1993) ("Reconsideration is appropriate if the district court (1) is presented with newly discovered evidence, (2) committed clear error or the initial decision was manifestly unjust, or (3) if there is an intervening change in controlling law.").

Plaintiff seeks leave to move for reconsideration of the Order because of, respectfully, a manifest failure by the Court to consider material facts or dispositive legal arguments presented before the entry of judgment, as evidenced by the following:

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Plaintiff's Motion for Leave to File



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19 Plaintiff objected to Defendant's late-filed evidence in support of its Motion to Compel Arbitration because it did not provide the Opt-In Plaintiffs with an adequate opportunity to 21 respond. (See ECF No. 192). However, nowhere in its Order did the Court address Plaintiff's Objection. Had the Court provided the Opt-In Plaintiffs with an opportunity to respond to

<sup>1</sup> Defendant sought to compel 2,662 individuals out of the current total of approximately 3,256 Plaintiffs.

Defendant's late-filed evidence, they would have demonstrated that DoorDash's latest iteration

of its arbitration agreement is not enforceable, at least as to some of the Opt-In Plaintiffs,

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- concerning Defendant's cram down of its current arbitration agreement to Opt-In Plaintiffs without notifying their undersigned counsel. See Cal. R. of Prof'l Conduct 4.2(a); and Defendant's Motion to Compel Arbitration (ECF No. 116) did not seek to compel (3) every Opt-In Plaintiff in this case (see ECF No. 187-1; Exhibits B and C to the Declaration of
- Stanley Tang). Thus, the Court committed error when it compelled all Opt-In Plaintiffs (with the exception of opt-outs), which was not requested by Defendant or supported by the evidence presented with Defendant's original Motion to Compel Arbitration as is required by the Federal
- Arbitration Act ("the FAA").

#### II. ARGUMENT AND AUTHORITY

Α. Plaintiff's Objection (ECF No. 192) raised Material Facts and Dispositive Legal Arguments Critically Relevant to Defendant's Motion to Compel Arbitration. The Court Erred When It Failed to Consider Plaintiff's Objection.

because the agreement was rolled-out during this litigation <u>and</u> to Opt-in Plaintiffs that were represented by legal counsel not notified of the arbitration roll out. (*Compare, e.g.*, ECF No. 45, Ex. 23 consent form for Yassim Ali filed on 12/20/19, *with* ECF No. 187-1 declaring that Mr. Ali accepted Defendant's CPR agreement on 5/8/20).

## 1. <u>Defendant's Efforts to Compel Arbitration as to the CPR Agreement Are In Violation of Its Counsel's Obligation to Present Legally Operative Documents to Counsel for the Opt-in Plaintiffs.</u>

In his to-be filed Motion for Reconsideration, Plaintiff will present further argument and evidence that Defendant's counsel violated their ethical obligation to present documents with binding legal effect to counsel for the Opt-in Plaintiffs, instead using their client as an instrument for their coercive and inappropriate communications, and that this violation should result in the ineffectiveness of such arbitration agreements. *See* Cal. R. of Prof'l Conduct 4.2(a) ("In representing a client, a lawyer shall not communicate directly **or indirectly** about the subject of the representation with a person\* the lawyer knows\* to be represented by another lawyer in the matter, unless the lawyer has the consent of the other lawyer.") (emphasis added).

Each of the Opt-in Plaintiffs filed their consent to join in this action with the intent of participating in federal court while represented by Plaintiff's counsel. (*See*, *e.g.*, ECF No. 5-1 (Smiley Consent to Become A Party Plaintiff) (agreeing to be bound by judgment by the Court and recognizing representation by Plaintiff's counsel)). Nonetheless, on or about November 9, 2019 (see ECF No. 116 at p. 4), over seven months after the filing of the initial lawsuit against DoorDash by Plaintiff's Counsel, the *Goldman-Hull* lawsuit (filed with this Court on March 22, 2019), and over two months after the filing of this lawsuit, DoorDash rolled out a new arbitration agreement to all of its workers. There is clear evidence that Defense counsel was the architect of the CPR arbitration agreement (or at least played a significant role in its creation and

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implementation),<sup>2</sup> and communication of the arbitration agreement to the Opt-in Plaintiffs was not a party to party communication that stemmed from DoorDash's own instance.

Notwithstanding Defense counsel's clear knowledge and understanding that Plaintiff's counsel represented dashers who could be affected by that roll out, at no time did Defendant notify Plaintiff's counsel of its presentation of the CPR agreement to represented Opt-in Plaintiffs. The CPR arbitration agreement itself purports to encourage dashers to seek counsel. (See ECF No. 116-1; Exhibit E at p. 51 ("CONTRACTOR has the right to consult with counsel of CONTRACTOR'S choice concerning this Mutual Arbitration Provision (or any other provision of this Agreement")), yet Defense counsel could not be bothered to confer with Plaintiff's counsel regarding the roll out.

In the case of Mr. Ali, who had been represented since December of 2019, Defense counsel had knowledge of the representation for over **four months** between when Mr. Ali filed his consent form and when he purportedly agreed to the CPR arbitration agreement, yet still presented the arbitration agreement directly to Mr. Ali without the knowledge of Plaintiff's counsel. (*Compare, e.g.*, ECF No. 45, Ex. 23 consent form for Yassim Ali filed on 12/20/19, with ECF No. 187-1 declaring that Mr. Ali accepted Defendant's CPR agreement on 5/8/20). Defense counsel's failure to communicate with Plaintiff's counsel regarding the arbitration rollout affects potentially dozens or hundreds of other Opt-in Plaintiffs. This issue is critical because had Plaintiff's counsel been made aware of the new CPR agreement, counsel would have advised the Opt-in Plaintiffs to exercise the arbitration agreement's opt-out provision and provided legal assistance to that end. See Balasanyan v. Nordstrom, Inc., No. Civ. A. 11–cv-2609–JM–WMC, 2012 WL 760566, at \*1-2, 4 (S.D. Cal. Mar. 8, 2012) (refusing to enforce

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<sup>&</sup>lt;sup>2</sup> See ECF No. 199 at p. 14, summarizing findings by Judge Alsup in *Abernathy v. DoorDash, Inc.*, No. C-19-7545 WHA (N.D. Cal.) (Docket No. 177) (Order at 7).

<sup>&</sup>lt;sup>3</sup> Plaintiff is currently reviewing records to determine affected Opt-in Plaintiffs. Plaintiff will present the result of such review in the Motion for Reconsideration.

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