

EXHIBIT A

1
2 Plaintiffs Taje Gill, Esterphanie St. Juste, and Benjamin Valdez, individually and on behalf
3 of others similarly situated, by and through their attorneys, bring the following allegations against
4 Defendants Uber Technologies, Inc. and Lyft, Inc.

5 INTRODUCTION

6 1. Defendants Uber and Lyft operate a powerful duopoly that controls an
7 approximately \$61 billion rideshare industry.

8 2. In California, Defendants maintain their duopoly and exploit their drivers through
9 persistent violations of California antitrust and consumer protection laws.

10 3. First, Defendants label their drivers independent contractors, yet deprive those
11 drivers of economic independence by fixing the prices that drivers must charge to customers for
12 rides. This is a form of vertical price fixing that is *per se* illegal under California's Cartwright Act.

13 4. Vertical price fixing harms drivers and customers by allowing Uber and Lyft to
14 increase customer prices even while suppressing driver pay. If drivers could set prices for their
15 rides, they could offer lower prices to consumers on the platform that offered the drivers the most
16 competitive compensation. By preventing drivers from doing so, Uber and Lyft harm competition
17 in both the labor market as well as the consumer market. Customers pay more, and drivers earn
18 less.

19 5. In addition to vertical price-fixing, Uber and Lyft each adopt non-price restraints
20 that are designed to limit competition between Uber and Lyft with respect to driver compensation
21 and working conditions. One of these practices is to keep driver compensation so low when
22 measured on a per-ride basis that drivers have no choice but to participate in game-like
23 compensation packages that offer drivers a premium payment if, for example, they can complete
24 a certain number of trips within a short period of time (such as a weekend). These practices are
25 designed to make it harder for Uber and Lyft drivers, nominally independent contractors, to switch
26 between ride-hailing platforms based on which would pay them more.

27 6. Since their inception, both Uber and Lyft have built their business models on
28 classifying their drivers as independent contractors. They have always maintained that their drivers

1 are independent contractors and not employees, both in litigation and in public statements made to
2 press and investors. In 2020, Uber and Lyft spent tens of millions of dollars each to fund
3 Proposition 22, a ballot initiative to exempt app-based companies like Uber and Lyft from
4 otherwise-applicable employment requirements.¹

5 7. Relying on their insistence that their drivers are independent, Uber and Lyft have
6 avoided paying a broad range of benefits for workers and taxes to the government, including
7 unemployment insurance premiums, minimum wage, and payroll taxes.

8 8. Of course, if Uber and Lyft conceded that their drivers are employees protected by
9 labor standards, they could exert control of this sort. Firms can set the prices their employees
10 charge customers, and they can dictate when and where their employees work.

11 9. But Defendants have consistently insisted that their drivers are independent
12 contractors. To defend this suit, they cannot take a contrary position that drivers are employees
13 without admitting to liability for withholding wages and benefits to millions of workers.

14 10. The statutory independent contractor status created by Prop 22, even if that measure
15 is constitutional, also does not protect Uber and Lyft from the claims alleged here. Nothing in Prop
16 22 immunizes Defendants from California law prohibiting unfair competition and unlawful and
17 fraudulent business practices.

18 11. Uber and Lyft are either employers responsible to their employees under labor
19 standards laws, or they are bound by the laws that prohibit powerful corporations from using their
20 market power to fix prices and engage in other conduct that restrains fair competition to the
21 detriment of both drivers and riders.

22 12. Therefore, having opted to treat their drivers as third-party independent contractors
23 rather than in-house employees, Uber and Lyft now must lie in the bed they have made. Antitrust
24 laws protect fair competition by ensuring that businesses (whether they are large corporations,
25 small companies, or independent contractors) make economic decisions in an independent manner.
26 But Uber and Lyft have each adopted vertical restraints that constrain the economic independence

27 ¹ Prop 22 passed, but on August 20, 2021, a California superior court found that Prop 22
28 is unconstitutional and unenforceable. *Castellanos v. California* (Super. Ct. S.F., No.
RG21088725). That decision is currently on appeal.

1 of their drivers. They have structured their businesses to have it both ways, denying drivers the
2 rights owed to employees while also denying them meaningful independence.

3 13. With this lawsuit, Plaintiffs seek to permanently enjoin Defendants from fixing
4 prices for rideshare services, withholding fare and destination data from drivers when presenting
5 them with rides, imposing other non-price restraints on drivers, such as minimum acceptance rates,
6 and utilizing non-linear compensation systems based on hidden algorithms rather than transparent
7 per-mile, per-minute, or per-trip pay. Plaintiffs also seek treble damages for suppressed
8 compensation on behalf of themselves and all those similarly situated.

9 **PARTIES**

10 14. Plaintiff Taje Gill is a natural person and resident of the State of California.

11 15. Plaintiff Benjamin Valdez is a natural person and resident of the State of California.

12 16. Plaintiff Esterphanie St. Juste is a natural person and resident of the State of
13 California.

14 17. Defendant Uber Technologies, Inc. is a Delaware corporation with its principal
15 place of business in San Francisco, California

16 18. Defendant Lyft, Inc. is a Delaware corporation with its principal place of business
17 in San Francisco, California.

18 **JURISDICTION & VENUE**

19 19. This Court has subject matter jurisdiction over this action pursuant to California
20 Business and Professions Code §§ 16750, 17070, 17203 and 17204. This Court has personal
21 jurisdiction over the parties because Defendants have their principal places of business in
22 California and because Defendants transact business in, and this action arose from transactions
23 conducted in, this county.

24 20. Venue is proper in this Court pursuant to California Code of Civil Procedure §§
25 395 and 395.5, and Business and Professions Code § 16750, 17070, 17203 and 17204 because
26 Defendants' principal place of business is San Francisco County.

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