

Drivers Ask Judge To Reject \$3M Uber Settlement

By Amy Lee Rosen

Law360, Los Angeles (January 16, 2018, 6:42 PM EST) -- A group of drivers on Tuesday blasted a proposed \$3 million agreement that would end allegations by a separate group of New York drivers against Uber Technologies Inc., telling a New York federal court that it was an improper attempt to settle sales tax claims against the company.

Bigu Haider, who has filed a separate action against Uber along with other drivers, said the sales tax claims included in the settlement with driver Jose Ortega and others remain viable, and the court should not endorse the agreement.

The settling parties, according to Haider, "have jumped through hoops to make a deal on terms advantageous to Uber and to Ortega's counsel — going so far as to restate claims that Uber succeeded in dismissing, expressly for the purpose of settling those claims with Ortega, not Haider."

Earlier this month, Uber **agreed to pay** \$3 million to settle allegations by Ortega and others alleging it had miscalculated the fees it deducted from fares earned by a proposed class of New York state drivers.

Ortega, however, cannot adequately and fairly protect the interests of the class because he "in his purported capacity as a class representative has agreed to bargain away a great number of class members' rights and viable claims," Haider said.

The settlement also should be rejected, Haider said, because it lacks fairness, adequacy and reasonableness.

Phil Hines of Held & Hines LLC, who represents Ortega and another driver, Jose Martinez, told Law360 that Haider's opposition was without merit.

"It relies on an incorrect recital of the relevant facts and timeline and is largely based upon inaccurate financial analysis due, in large part, to the fact that the objectors do not possess the driver and financial information we have obtained," Hines said.

He called Haider's claims that Ortega and Martinez colluded with Uber to shortchange drivers "baseless and insidious."

"Our concern from Day One has been the drivers receiving their fair share, and we have not wavered one bit in the years since then," Hines told Law360. "The objectors' counsels' insinuations are personally offensive to our character and professionalism. We are confident the court will see through this underhanded, tactical ploy."

Hines said the settlement was the result of negotiations aided by an experienced mediator and that the amounts were fair and reasonable.

"The objectors plainly forum-shopped to get their case heard in a different court. They were not the first to file and clearly filed a piggyback claim," Hines said. "Their objections are without merit."

Representatives of Haider and Uber did not immediately respond to questions.

Ortega and Martinez are represented by Jonathan W. Greenbaum of Coburn & Greenbaum PLLC and Marc Held, Phil Hines and Scott Richman of Held & Hines LLC.

Haider is represented by Ria Julien and Jeanne E. Mirer of Mirer Mazzocchi Julien & Chickedantz PLLC and Zubin Soleimany represents the New York Taxi Alliance.

Uber is represented by Andrew M. Spurchise, Kevin R. Vozzo and Maayan Dekker of Littler Mendelson PC.

The case is Jose Ortega et al. v. Uber Technologies Inc. et al., case number 1:15-cv-07387, in the U.S. District Court for the Eastern District of New York.

--Additional reporting by Braden Campbell, John Kennedy and Melissa Daniels. Editing by Eric Kroh and Neil Cohen.