

1 Lawrence Brewster
 2 Regional Solicitor
 3 Daniel J. Chasek
 4 Associate Regional Solicitor
 5 **Susan Seletsky**, Attorney (CSBN #176106)
 6 Office of the Solicitor (Sol #1018733)
 7 United States Department of Labor
 8 350 So. Figueroa St., Suite 370
 9 Los Angeles, California 90071-1202
 10 Telephone: (213) 894-4983
 11 Facsimile: (213) 894-2064
 12 seletsky.susan@dol.gov

13 Attorneys for the Plaintiff

14 UNITED STATES DISTRICT COURT
 15 CENTRAL DISTRICT OF CALIFORNIA

16 **HILDA L. SOLIS,**
 17 Secretary of Labor,
 18 United States Department of Labor,

19 Plaintiff,

20 v.

21 **COMMA DESIGN CORPORATION, doing**
 22 **business as JULIA, a California corporation,**

23 Defendant.

24 Case No.: CV 10 5099-MMM (JCGx)

25 **CONSENT JUDGMENT**

26 Plaintiff Hilda L. Solis, Secretary of Labor, United States Department of Labor
 27 (“Secretary”), and Comma Design Corporation, a California corporation, have agreed to
 28 resolve the matters in controversy in this civil action and consent to the entry of this
 Consent Judgment in accordance herewith:

A. The Secretary has filed a Complaint alleging that the Defendant violated
 provisions of Sections 15(a)(1), 29 U.S.C. § 215(a)(1) of the Fair Labor Standards Act of
 1938, as amended (“FLSA”).

B. Defendant has appeared by counsel and acknowledges receipt of a copy of
 the Secretary’s Complaint.

1 C. Defendant waives issuance and service of process and waives answer and
2 any defenses to the Secretary's Complaint.

3 D. The Secretary and Defendant waive Findings of Fact and Conclusions of
4 Law, and agree to the entry of this Consent Judgment in settlement of this action, with-
5 out further contest.

6 E. Defendant admits that the Court has jurisdiction over the parties and subject
7 matter of this civil action and that venue lies in the Central District of California.

8 It is therefore, upon motion of the attorneys for the Secretary, and for cause
9 shown,

10 ORDERED, ADJUDGED, AND DECREED that the Defendant, its officers,
11 agents, servants, and employees and those persons in active concert or participation with
12 them who receive actual notice of this order (by personal service or otherwise) be, and
13 they hereby are, permanently enjoined and restrained from violating the provisions of
14 Sections 15(a)(1), 29 U.S.C. § 215(a)(1) of the Fair Labor Standards Act of 1938, as
15 amended ("FLSA"), in any of the following manners:

16 1) Defendant shall not, contrary to FLSA § 15(a)(1), 29 U.S.C. § 215(a)(1),
17 transport, offer for transportation, ship, deliver, or sell in commerce (or ship, deliver, or
18 sell with knowledge or reason to believe that shipment, delivery, or sale in commerce is
19 intended) goods in the production of which any employee (of the defendant or other(s))
20 has been employed in violation of the FLSA's minimum wage (29 U.S.C. § 206) or
21 overtime pay provisions (29 U.S.C. § 207);

22 2) Defendant shall not fail to disgorge, from the gross proceeds of its having
23 sold or shipped in commerce goods that had been worked on by employees of Basic &
24 Easy, Inc. who were not paid the minimum wage and/or overtime required by the FLSA,
25 29 U.S.C. §§ 206 and/or 207, from funds previously put on deposit with the U.S. De-
26 partment of Labor, Wage and Hour Division, an amount sufficient to pay to such em-
27 ployees the back wages due to them under the FLSA. The amount hereby found due to
28 these employees is \$22,886.30 for the period from September 17, 2009 through Decem-

1 ber 17, 2009. The attached Exhibit 1 shows the names of each employee, the period of
2 employment covered by this Consent Judgment, and the gross backwage amount due to
3 the employee;

4 3) Defendant shall not fail to disgorge, from the gross proceeds of its having
5 sold or shipped in commerce goods that had been worked on by employees of Lydia 11,
6 Inc. who were not paid the minimum wage and/or overtime required by the FLSA, 29
7 U.S.C. §§ 206 and/or 207, from funds previously put on deposit with the U.S. Depart-
8 ment of Labor, Wage and Hour Division, an amount sufficient to pay to such employees
9 the back wages due to them under the FLSA. The amount hereby found due to these
10 employees is \$12,779.05 for the period from March 1, 2010 through June 1, 2010. The
11 attached Exhibit 2 shows the names of each employee, the period of employment cov-
12 ered by this Consent Judgment, and the gross backwage amount due to the employee.

13 The Secretary shall allocate and distribute the remittances, or the proceeds thereof,
14 to the persons named in the attached Exhibits 1 and 2, or to their estates if that be neces-
15 sary, in her sole discretion, and any money not so paid within a period of three years
16 from the date of its receipt, because of an inability to locate the proper persons or be-
17 cause of their refusal to accept it, shall be deposited by the Secretary in a special deposit
18 account for payment to the proper persons and upon such inability to pay within 3 years,
19 shall then be deposited in the Treasury of the United States, as miscellaneous receipts,
20 pursuant to 29 U.S.C. § 216(c); and, it is further

21 ORDERED that

22 4) Defendant shall review with the owner or top management official of all
23 sewing contractors with whom it does business each of the following matters prior to en-
24 tering into any agreement with the contractor for its services and shall maintain docu-
25 mentation showing that the following matters have been reviewed:

26 A. The terms of the FLSA, including the contractor's obligation to pay
27 minimum wage and overtime and maintain accurate records of the hours worked
28 by and wages paid to its employees;

1 B. Whether the proposed price terms are such that the contractor will be
2 able to comply with the FLSA's minimum wage and overtime requirements;

3 C. The sewing contractor's willingness and ability, in light of the con-
4 tractor's prior compliance history, involvement in the industry and financial re-
5 sources, to understand and comply with the FLSA;

6 D. The Defendant shall oblige the sewing contractor to inform Defen-
7 dant immediately whenever the contractor is unable to meet the requirements of
8 the FLSA.

9 E. The Defendant will require the contractor to maintain true and accu-
10 rate payroll records, and records of hours worked by all persons who work on
11 goods produced for the Defendant. The contractor shall make these records avail-
12 able to the Defendant and the U. S. Dept. of Labor upon request.

13 Defendant shall supply copies of the documentation required by this paragraph to
14 representatives of the Secretary of Labor upon their request;

15 5) On at least an annual basis, Defendant shall hire an independent third party
16 to conduct a pricing analysis of a representative sample of the different types of gar-
17 ments produced by the firm to determine the economic feasibility of Defendant's pricing
18 in light of the wage requirements of the FLSA. Defendant shall maintain documentation
19 of this analysis and provide it to representatives of the Secretary of Labor upon their re-
20 quest;

21 6) Within 30 days of the entry of this Judgment, Defendant shall hire an inde-
22 pendent third party to monitor its sewing contractors to enforce the contractors' compli-
23 ance with the FLSA. The monitor shall not represent either the manufacturer or con-
24 tractor involved in this action in dealings with other parties or the Department of Labor.

25 The monitoring program shall include the following components:

26 a. Random and unannounced site visits to the contractor, at least on a quar-
27 terly annual basis;

28 b. Review of the contractor's timecards and payroll records on at least a

1 quarterly annual basis;

2 c. Private and confidential interviews of at least 20% of the current em-
3 ployees to determine the hours they work and the wages they are paid;

4 d. Disclosure to the contractor of any FLSA compliance issues revealed by
5 the monitoring and corrective action recommended to the contractor.

6 The monitor shall produce written reports of its findings which Defendant shall
7 maintain for a period of three years. Defendant shall supply copies of these reports to
8 representatives of the Secretary of Labor upon their request;

9 7) Defendant shall maintain copies of all cutting tickets issued to their contrac-
10 tors and make these records available for inspection upon request from the U. S. Dept. of
11 Labor's Wage and Hour Division; and it is further

12 ORDERED that the Defendant shall supply all of its sewing contractors with cop-
13 ies of the attached Exhibit 3, in English, Spanish and Korean, which summarizes terms
14 of this Judgment and the employees' rights under the FLSA. Defendant shall ensure that
15 its contractors distribute a copy of Exhibit 3 to each of their current employees within 30
16 days of entry of this Judgment, in the employees' native languages, provide copies to all
17 new hires, and post a copy at each of its contractors' establishments; and it is further

18 ORDERED that each party shall bear its own fees and other expenses incurred by
19 such party in connection with any stage of this proceeding, including but not limited to
20 attorneys' fees, which may be available under the Equal Access to Justice Act, as
21 amended; and, it is further

22 ORDERED that this Court retains jurisdiction of this action for purposes of en-
23 forcing compliance with the terms of this Consent Judgment.

24
25 Dated: July 14, 2010



U.S. DISTRICT COURT JUDGE

26
27 ///

1 For the Defendant:

2 The Defendant hereby appears, waives any
3 defense herein, consents to the entry of
4 this Judgment, and waives notice by the
5 Clerk of Court:

6 For: Defendant Comma Design Corporation

7 By: _____
8 John Ryu

_____ Date

9 Its: _____
10 President

11 LAW OFFICES OF ELLIOTT KIM

12
13 _____
14 HAEWON KIM
15 Law Offices of Elliott Kim
16 3550 Wilshire Boulevard, Suite 730
17 Los Angeles, CA 90010
18 Attorneys for the Defendant

_____ Date

19 For the Plaintiff:

20 M. PATRICIA SMITH
21 Solicitor of Labor

22 LAWRENCE BREWSTER
23 Regional Solicitor

24 DANIEL J. CHASEK
25 Associate Regional Solicitor

26 _____
27 SUSAN SELETSKY, Attorney
28 Attorneys for the Plaintiff
U.S. Department of Labor

_____ Date

Exhibit 1

Last Name	First Name	Period Covered	Gross Amount Due
Alday	Maria De Jesus	10/03/09 – 12/05/09	\$ 1,000.58
Avina	Erica	11/15/09 – 12/12/09	506.23
Calderon	Angelica	09/13/09 – 12/12/09	1,881.35
Calzada	Maria Eugenia	10/04/09 – 11/28/09	685.27
Casas	Alicia	09/13/09 – 12/12/09	1,290.52
Diaz	Lucaria	09/13/09 – 10/24/09	706.75
Flores	Abel	09/13/09 – 12/12/09	1,656.12
Flores	Carmen	09/13/09 – 12/12/09	3,484.65
Garcia	Samuel	09/13/09 – 12/12/09	837.97
Gutierrez	Maria	09/13/09 – 12/12/09	1,143.54
Luna	Benita	10/18/09 – 12/12/09	442.68
Mayo	Cirila	09/13/09 – 12/12/09	2,015.29
Mora	Maria	09/27/09 – 12/12/09	1,203.83
Ontiveros	Julia	09/13/09 – 12/05/09	812.86
Perez	Eduardo	10/25/09 – 12/12/09	907.73
Perez	Joel	11/29/09 – 12/12/09	332.15
Sanchez	Jose Luis	09/13/09 – 12/12/09	3,390.01
Yahuitl	Rogelio	09/13/09 – 12/12/09	588.75

Exhibit 2

Last Name	First Name	Period Covered	Gross Amount Due
Arguello	Ricardo	4/6/2010 - 4/12/2010	\$ 140.55
Calix	Bertha	4/20/2010 - 5/24/2010	\$ 340.39
Castillo	Jeronimo	5/18/2010 - 5/24/2010	\$ 268.36
Chavez	Josefina	3/9/2010 - 3/22/2010	\$ 298.98
Cuevas	Edith	3/9/2010 - 3/22/2010	\$ 165.17
Franco	Coleste	5/18/2010 - 5/24/2010	\$ 128.34
Garcia	Jose	3/2/2010 - 3/8/2010	\$ 127.64
Garcia	Imelda	4/27/2010 - 5/24/2010	\$ 353.65
Gonzalez	Miguel	2/23/2010 - 3/8/2010	\$ 382.59
Gonzalez	Alicia	2/23/2010 - 5/24/2010	\$ 110.56
Gonzalez	Jose	3/2/2010 - 5/24/2010	\$ 91.73
Hernandez	Alex	3/30/2010 - 5/24/2010	\$ 700.31
Hernandez	Antonio	2/23/2010 - 3/1/2010	\$ 144.42
Herrera	Ever	2/23/2010 - 3/22/2010	\$ 292.26
Huinac	Eduardo	2/23/2010 - 5/24/2010	\$ 828.86
Itzep	Ana	4/27/2010 - 5/24/2010	\$ 1,158.49
Jimenez	Raul	3/2/2010 - 5/24/2010	\$ 1,188.21
Leyva	Javier	2/23/2010 - 5/24/2010	\$ 160.04
Lopez	Jose	3/16/2010 - 5/17/2010	\$ 39.77
Lugarda	Idalia	2/23/2010 - 5/24/2010	\$ 832.84
Oxlaj	Felipe	3/30/2010 - 4/26/2010	\$ 44.52
Prado	Ricardo	2/23/2010 - 3/8/2010	\$ 103.93
R.	Gabriela	3/23/2010 - 4/5/2010	\$ 136.52
R.	Esther	2/23/2010 - 4/19/2010	\$ 342.84
Ruiz	Martha	4/27/2010 - 5/24/2010	\$ 377.00

1	Ruiz	Maria	4/27/2010 - 5/24/2010	\$ 319.46
2	Tecum	Francisco	3/9/2010 - 5/3/2010	\$ 337.40
3	Tiguila	Luis	2/23/2010 - 3/15/2010	\$ 30.70
4		Bartolo	2/23/2010 - 3/1/2010	\$ 84.40
5		Nancy	2/23/2010 - 5/24/2010	\$ 1,267.94
6		Esmeralda	2/23/2010 - 4/19/2010	\$ 525.92
7		Ana	3/9/2010 - 4/19/2010	\$ 630.88
8		Alfredo	3/2/2010 - 3/22/2010	\$ 272.19
9		Maura	3/2/2010 - 3/15/2010	\$ 88.68
10		Silvia	4/20/2010 - 4/26/2010	\$ 131.83
11		Bartolome	3/2/2010 - 4/12/2010	\$ 331.68

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1 Exhibit 3

2 **LEGAL NOTICE TO ALL EMPLOYEES**

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4 The **Fair Labor Standards Act** provides that all employees must be
5 paid **minimum wage** for all hours worked. In addition, employees must be
6
7 paid **overtime**, at a rate of time and one half their regular rate, for the
8
9 hours they work over 40 in a workweek. All employees, whether they
10
11 are paid **hourly** or on a **piece rate** basis are entitled to overtime when
12
13 they work over 40 hours.

14 To resolve a lawsuit brought by the **Department of Labor**, the **United**
15 **States District Court** entered an Order forbidding **Comma Design Corpo-**
16 **ration**, a garment manufacturer, from shipping goods on which employees
17
18 were not paid the minimum wage or overtime required by the **Fair Labor**
19
20 **Standards Act**. All employees who work in this establishment can help
21
22 Comma Design Corporation not to violate the Court's Order. **If you think**
23
24 **you are not being paid in accordance with the law, call Comma Design**
25 **Corporation at (323) 234-7777**. Or, you can call the U.S. Department of
26
27 Labor, Wage and Hour Division, at (213) 894-6375 and your name will be
28
kept confidential.