

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION AT DAYTON**

Gary K. Stout, et al.,

Plaintiffs,

v.

**Case No. 3:13-cv-026
Judge Thomas M. Rose**

Remetronix, Inc., et al.,

Defendants.

ENTRY AND ORDER APPROVING SETTLEMENT

This matter is before the Court on the parties' "Joint Motion to Approve Settlement of FLSA Claims, Doc. 72, which seeks the Court's approval of a confidential settlement agreement resolving the plaintiffs' claims. Because Plaintiffs' complaint includes claims filed under the Fair Labor Standard Act ("FLSA"), 29 U.S.C. §§ 201, *et seq.*, Court approval is required. For the reasons that follow, the settlement will be approved and the parties' joint motion granted.

I. APPLICABLE LAW

"Employees are guaranteed certain rights by the FLSA, and public policy requires that these rights not be compromised by settlement." *Crawford v. Lexington–Fayette Urban Cnty. Gov.*, 2008 WL 4724499, at *2 (E.D. Ky. Oct. 23, 2008). "The central purpose of the FLSA is to protect covered employees against labor conditions 'detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers.'" *Id.* (quoting 29 U.S.C. § 202). The provisions of the FLSA are mandatory and, except in two narrow circumstances, are generally not subject to bargaining, waiver, or modification by contract or settlement. *Brooklyn Sav.*

Bank v. O'Neil, 324 U.S. 697, 706 (1945); *Lynn's Food Stores, Inc. v. United States*, 679 F.2d 1350, 1353–53 (11th Cir. 1982). The first exception involves FLSA claims that are supervised by the Secretary of Labor pursuant to 29 U.S.C. § 216(c). *Lynn's Foods, Inc.*, 679 F.2d at 1533. The second exception, applicable here, encompasses instances in which federal district courts approve settlement of suits brought in federal district court pursuant to § 16(b) of the FLSA. *Id.* *2.

In reviewing the settlement of a federal plaintiff's FLSA claims, the district court must “ensure that the parties are not, via settlement of [the] claims, negotiating around the clear FLSA requirements of compensation for all hours worked, minimum wages, maximum hours, and overtime.” *Rotuna v. W. Customer Mgmt. Group LLC*, 2010 WL 2490989 (N.D. Ohio June 15, 2010) (quoting *Collins v. Sanderson Farms, Inc.*, 568 F. Supp. 2d 714, 719 (E.D. La. 2000)). The existence of a *bona fide* dispute serves as a guarantee that the parties have not manipulated the settlement process to permit the employer to avoid its obligations under the FLSA. *Id.* (citing *Crawford*, 2008 WL 4724499, at *3). The Court should also consider the following factors: the risk of fraud or collusion, the complexity, expense, and likely duration of the litigation, the amount of discovery completed, the likelihood of success on the merits, and the public interest in settlement. *Crawford*, 2008 WL 4724499, at *3 (citing *Int'l Union, United Auto., Aerospace, and Agr. Workers of Am. v. Gen. Motors Corp.*, 497 F.3d 615, 631 (6th Cir. 2007)). In addition, where the settlement agreement proposes an award of attorney's fees, such fees must be reasonable. See generally *Reed v. Rhodes*, 179 F.3d 453, 471 (6th Cir. 1999) (citing *Blum v. Stenson*, 465 U.S. 886, 893 (1984)). In class actions, the court should also consider the opinion of class counsel and class representatives and the reaction of absent class members. *Id.*

II. ANALYSIS

In the present case, the Opt-In Plaintiffs were employed by Defendants as either field technicians or team leaders. As a field technician, the Opt-In Plaintiffs were responsible for

installing, de-installing and relocating medical equipment at various medical facilities across the country. If a job required more than one technician, one technician was designated as a team lead technician. The on-site job duties of the technician and the team lead technician did not vary. In addition to the mechanical installations, the employees were required to complete certain paperwork associated with their job duties. This paperwork would include daily updates to a project manager and the employee's manager at Remetronix, entering time entries and expense entries into Remetronix's billing software, attending regular conference calls with the other employees in that individual's group as well as reviewing quality alerts and safety updates that may be issued by Remetronix. The parties dispute what the job requirements were with respect to these administrative tasks for a team lead and a non-team lead technician. The parties further dispute the amount of time that was spent by the employees on these administrative tasks.

Plaintiffs' position is that they spent from 0.5 to 2 hours per day for performing technician administrative duties and from 1.0 hour per day to 3 hours per day for performing team leader administrative duties. Defendants' position is that the duties required of the employees were relatively minimal and could have been accomplished in 0.2 hours per day for technicians and 0.4 hours per day for team leaders. Given the disputes that have arisen in this case with respect to the nature and extent of the administrative tasks performed, a mutual agreement and settlement of the claims would serve all parties' best's interests. This settlement was reached during the parties' recent mediation which was facilitated by Magistrate Judge Ovington, undertaken at arm's length negotiations which lasted several hours. During this time, both parties were represented by competent and experienced counsel.

Following these negotiations, the parties reached a settlement with regard to the amount of time spent on the administrative tasks. The settlement reflects the unpaid overtime. In addition, an equal will be paid as liquidated damages. Named Plaintiff Gary Stout will also receive compensation

valuing his role as the class. The parties have further agreed to compensate Plaintiffs for reasonable attorneys' fees and expenses in an amount that has been agreed upon by the parties. The agreed upon fees for plaintiffs' counsel equals just over seventy percent (70%) of plaintiffs' counsels' documented fees to date. The agreed upon reduction ensures fairness to the plaintiffs.

As the settlement provides Plaintiffs the relief to which they are entitled under the Fair Labor Standards Act, the Court **APPROVES** the settlement of Plaintiffs' claims under the Fair Labor Standards Act and the Ohio Minimum Fair Wage Standards Act and the Court **DISMISSES** the Complaint with prejudice. The instant case is **TERMINATED** from the dockets of the United States District Court, Southern District of Ohio, Western Division, at Dayton. In accordance with paragraph 10 of the settlement, the Court retains jurisdiction to enforce the settlement agreement.

DONE and **ORDERED** in Dayton, Ohio, this Tuesday, November 25, 2014.

s/Thomas M. Rose

THOMAS M. ROSE
UNITED STATES DISTRICT JUDGE