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8 Attorney for Plaintiffs Jane Loes 1-3,
9 on behalf of themselves
10 and all others similarly situated

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF SAN DIEGO**

13 JANE LOES 1-3, on behalf of themselves
14 and all others similarly situated,

15 Plaintiffs,

16 v.

17 SFBSC MANAGEMENT, LLC; GOLD CLUB
18 – S.F., LLC d/b/a GOLD CLUB SAN
19 FRANCISCO; AND BT CALIFORNIA, LLC
20 d/b/a THE PENTHOUSE CLUB,

21 Defendants

Case No. _____

22 **CLASS ACTION COMPLAINT AND**
23 **COMPLAINT FOR PUBLIC**
24 **INJUNCTIVE RELIEF**

- 25 1. California Labor Code § 98.6
26 2. Unfair Competition Law, Cal. Bus. &
27 Prof. Code § 17200 *et seq.* (“UCL”)

28 January 29, 2019

1 **I. INTRODUCTION**

2 1. Plaintiffs Jane Loe No. 1, Jane Loe No. 2, and Jane Loe No. 3¹ have worked as
3 exotic dancers for clubs owned and/or operated by Déjà Vu Services, Inc. (a national chain of
4 adult entertainment clubs that has 25 clubs in California); in particular, they have worked for
5 Defendants SFBSC Management, LLC (“SFBSC”) (which manages Déjà Vu clubs), Gold Club
6 S.F., LLC d/b/a Gold Club San Francisco (“Gold Club”), and BT California, LLC d/b/a The
7 Penthouse Club (“Penthouse Club”). They bring this suit on behalf of themselves and all
8 similarly situated dancers seeking damages for Defendants’ illegal retaliation against exotic
9 dancers who have worked at Déjà vu adult entertainment clubs, as well as a public injunction
10 under the Unfair Competition Law, Cal. Bus. & Prof. Code § 17200 *et seq.* (“UCL”), to enjoin
11 Defendants’ illegal conduct. As set forth below, Defendants have expressly retaliated against all
12 of their dancers because prior wage cases were brought on their behalf, alleging that Déjà Vu and
13 Defendants had misclassified the dancers as independent contractors and thereby violated the
14 California Labor Code.

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16 2. In or around November 2018, Defendants announced that they were reclassifying
17 all Déjà Vu dancers in California as employees but that the reclassification would require a
18 drastic change in the dancers’ pay. Defendants made these changes, expressly referring to prior
19 cases brought on behalf of dancers – and in so doing, substantially reduced the dancers’ pay – far
20 beyond any amount that would be arguably justified to offset their increased costs in classifying
21 the dancers as employees. Plaintiffs allege that Defendants’ actions against them and other
22 dancers who have worked at Déjà Vu clubs in California are in retaliation against the dancers for
23 having Labor Code claims brought on their behalf.

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27 ¹ Plaintiffs are requesting to use pseudonyms so as to protect their identities. Courts have
28 allowed exotic dancers in other similar cases to sue under pseudonyms. See, e.g., Roes v. Deja
Vu Services, Inc., San Diego Case No. 37-2018-00028044-CU-OE-CTL (Cal. Super. Ct.)
(ROA# 8); Roes 1-2 v. SFBSC Management, LLC, No. 14-3616 (N.D. Cal.) (Dkt. 32).

1 3. Plaintiffs bring this claim as a class action, seeking to recover lost wages on
2 behalf of dancers who were subject to this retaliatory conduct. In addition, a public injunction is
3 necessary in this case in order to prevent Defendants from misusing the excuse that a switch to
4 employment classification of previously misclassified employees requires such a substantial
5 reduction in their pay. If not remedied, this action by Defendants could have a deleterious effect
6 on the public as a whole, not just the affected dancers. This action could impact other
7 misclassified employees from seeking their rights to proper classification and proper payment
8 under the Labor Code, knowing that if they seek to enforce their rights, they and their fellow
9 workers could all be subject to significant decreases in pay (far beyond what is arguably needed
10 to offset the costs of proper employment classification). This action in turn could undermine the
11 public's interest in proper classification of workers as employees, which the California Supreme
12 Court recognized in announcing in a strongly worded unanimous decision last year, Dynamex
13 Operations West v. Superior Court, 4 Cal. 5th 903, (2018), reh'g denied (June 20, 2018), setting
14 forth a stricter test for employment classification than had previously been used in California.
15

16 4. Defendants' retaliatory conduct in reducing the dancers' wages violates Cal. Lab.
17 Code § 98.6. As a result of Defendants' retaliatory conduct, many dancers, including Jane Loe
18 No. 1 and Jane Loe No. 2, not only suffered a reduction in wages but were also constructively
19 discharged, since working for vastly less pay than they had previously received for their work in
20 an adult entertainment club was not a tenable option.

21 **II. PARTIES**

22 5. Plaintiffs Jane Loe No. 1, Jane Loe No. 2, and Jane Loe No. 3 have performed as
23 exotic dancers at Defendants' clubs in California and were subject to Defendants' illegal
24 retaliatory conduct in slashing the dancers' pay in November 2018. Plaintiff Jane Loe No. 1 was
25 employed at Gold Club from approximately March 2017 to January 2019. Plaintiff Jane Loe No.
26 2 was employed at The Penthouse Club from approximately May 2018 to December 2018.
27 Plaintiff Jane Loe No. 3 has been employed at Gold Club since approximately 2013 (with a
28 break in service).

1 6. Plaintiffs bring this claim on behalf of themselves and all other similarly situated
2 exotic dancers who have worked at Defendants' clubs in California, namely those dancers who
3 were working at Defendants' clubs and were subjected to the substantially reduced pay when
4 Defendants changed their pay structure in conjunction with converting their classification to
5 employee status.

6 7. Defendant SFBSC MANAGEMENT, LLC is management company with its
7 principal place of business in California; it maintains management authority and control over the
8 operations of Gold Club, Penthouse Club, and a number of other Déjà Vu adult entertainment
9 clubs that operate in California.

10 8. Defendant GOLD CLUB – S.F., LLC operates a Déjà Vu adult entertainment club,
11 Gold Club San Francisco, located in San Francisco, California.

12 9. Defendant BT CALIFORNIA, LLC operates a Déjà Vu adult entertainment club,
13 The Penthouse Club, located in San Francisco, California.

14 **III. JURISDICTION AND VENUE**

15 10. This Court has jurisdiction over this action pursuant to Article 6, § 10 of the
16 California Constitution, California Business and Professions Code § 17203 and Code of Civil
17 Procedure §§ 382 and 410.10. This Court has jurisdiction over Defendants because they are
18 registered to conduct, and do conduct, substantial business within California.

19 11. Venue is proper in this Court pursuant to Code of Civil Procedure § 395 because a
20 substantial or significant portion of the conduct complained of herein occurred within this
21 County. The events giving rise to this lawsuit occurred in connection with a prior action in this
22 Court before the Hon. Timothy Taylor, Roes v. Déjà Vu Services, Inc., Case No. 37-2018-
23 00028044-CU-OE-CTL. In particular, Defendants stated that they were reclassifying the dancers
24 as employees in connection with that case. This case is thus closely related to the case of Roes v.
25 Déjà Vu Services, Inc., Case No. 37-2018-00028044-CU-OE-CTL.
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1 **IV. STATEMENT OF FACTS**

2 12. Defendant SFBSC Management, LLC maintains management authority and
3 control over the operations of clubs owned and/or operated by Déjà Vu Services, Inc., a national
4 chain of adult entertainment clubs. These clubs include Gold Club and The Penthouse Club and
5 a number of other adult entertainment clubs in California.

6 13. For many years, Déjà Vu and Defendants classified all exotic dancers who
7 performed at these “gentleman’s clubs” and “adult clubs” as independent contractors. Dancers
8 received pay in the form of a portion of the dance fees generated by their work – often 65-75%
9 or more of the dance fees per shift (plus additional tips from customers).

10 14. Over the years, Defendants were the subject of several wage and hour class
11 actions challenging Defendants’ wage practices and misclassification of dancers as independent
12 contractors. See, e.g., Roes v. Deja Vu Services, Inc., San Diego Case No. 37-2018-00028044-
13 CU-OE-CTL (Cal. Super. Ct.); Hughes v. S.A.W. Entertainment, LTD, et al., No. 16-3371 (N.D.
14 Cal.); Roes 1-2 v. SFBSC Management, LLC, No. 14-3616 (N.D. Cal.).

15 15. In November 2018, in express retaliation against the dancers because these wage
16 lawsuits had been filed on their behalf, Defendants began implementing a new compensation
17 system for the dancers, which substantially reduced their pay – often by a difference of hundreds
18 of dollars or more per shift.

19 20 16. The Defendants expressly informed the dancers that this change (the
21 reclassification and associated change to the dancers’ compensation system) was “a result of the
22 lawsuits and ongoing demands by the suing dancers and their attorneys.”

23 17. These terms were unilaterally determined by Defendants, and dancers were not
24 permitted to negotiate more favorable terms of employment; instead, dancers were required to
25 agree to the new terms of employment and the reduced wages if they wished to keep their jobs.

26 18. A number of dancers (including Plaintiffs Jane Loe No. 1 and Jane Loe No. 2)
27 found these new payment terms untenable and so they were forced to leave their jobs with
28 Defendants.

1 19. Although the Defendants may have believed they needed to reclassify the dancers
2 as employees as a result of the California Supreme Court’s decision in Dynamex Operations
3 West v. Superior Court, 4 Cal. 5th 903 (2018), reh'g denied (June 20, 2018), this reclassification
4 did not in any way require such a substantial decrease in the dancers’ pay.
5

6 20. Although classifying the dancers as employees for all purposes would entail some
7 additional expenditures (such as for payroll taxes, unemployment premiums, etc.), Defendants’
8 significant cuts to the dancers’ pay went well beyond any cost savings that would have been
9 needed to offset these increased liabilities. Instead, Defendants’ decision to substantially reduce
10 Plaintiffs’ and other dancers’ earnings was undertaken to retaliate against the dancers for these
11 various wage lawsuits having been brought on their behalf to assert the dancers’ rights under the
12 California Labor Code.

13 **V. CLASS ACTION ALLEGATIONS**

14 21. Plaintiffs bring this action as a class action, pursuant to California Code Civil
15 Procedure § 382, on behalf of themselves and all other similarly situated exotic dancers who
16 have worked at Defendants’ clubs in California, namely those dancers who were working at
17 Defendants’ clubs when Defendants changed their pay structure in conjunction with converting
18 their classification to employee status and who suffered substantially reduced pay as a result of
19 Defendants’ actions.

20 22. The members of the class or classes are so numerous that joinder of all class
21 members is impracticable.

22 23. Common questions of law and fact exist as to whether Defendants’ new terms of
23 employment and reduced wages were undertaken in retaliation against the dancers because of the
24 claims brought on the dancers’ behalf in prior class action wage lawsuits.

25 24. Plaintiffs are members of the class described above, who suffered damages as a
26 result of Defendants’ conduct and actions alleged herein.

27 25. Plaintiffs’ claims are typical of the claims of the class described above, and
28 Plaintiffs have the same interests as the other members of the class.

1 26. Plaintiffs will fairly and adequately represent and protect the interests of the class
2 members. Plaintiffs have retained able counsel experienced in class action litigation. The
3 interests of the Plaintiffs are coincident with, and not antagonistic to, the interests of the other
4 class members.

5 27. The questions of law and fact common to the members of the class predominate
6 over any questions affecting only individual members, including legal and factual issues relating
7 to liability and damages.
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9 28. A class action is superior to other available methods for the fair and efficient
10 adjudication of this controversy because joinder of all class members is impractical. Prosecution
11 of this action as a class action will eliminate the possibility of repetitive litigation. There will be
12 no difficulty in the management of this action as a class action.

13
14 **COUNT I**
15 **Violation of Cal. Lab. Code § 98.6**

16 29. Defendants' conduct, as set forth above, in retaliating against Plaintiffs and the
17 class constitutes a violation of Cal. Lab. Code § 98.6. Defendants' violation of this section was a
18 willful violation.

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20 **COUNT II**
21 **Violation of Cal. Bus. & Prof. Code § 17200 *et seq.***

22 30. Defendants' conduct, as set forth above, violates the California Unfair
23 Competition Law, Cal. Bus. & Prof. Code § 17200 *et seq.* ("UCL"). Defendants' conduct
24 constitutes unlawful business acts or practices, in that Defendants have violated California Labor
25 Code § 98.6. As a result of Defendants' unlawful conduct, Plaintiffs and other dancers working
26 for Defendants have suffered injury in fact, lost wages and earnings, and in some cases loss of
27 employment. Pursuant to California Business and Professions Code § 17203, Plaintiffs seek
28 restitution, as well as a public injunction requiring Defendants to cease their unlawful retaliation.

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PRAYER FOR RELIEF

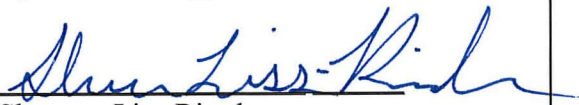
WHEREFORE Plaintiffs pray for the following relief:

- a. Certification of this action as a class action;
- b. Designation of Plaintiffs as representatives of the class;
- c. Designation of Plaintiffs' counsel as class counsel for the class;
- d. Restitution of all lost pay Plaintiffs and the class would have received but for Defendants' retaliation in reducing dancers' pay (including back pay and front pay, as well as any gratuities, to which Plaintiffs who were constructively discharged would have received);
- e. Damages for emotional distress;
- f. Pre- and post-judgment interest;
- g. Reinstatement for any dancers who were constructively discharged but who wish to resume working for Defendants;
- h. An order, in the form of a public injunction, enjoining Defendants from engaging in unlawful retaliation against Plaintiffs and the class;
- i. Attorneys' fees and costs.
- j. Any other relief to which Plaintiffs may be entitled.

Respectfully submitted,

JANE LOES 1-3, on behalf of themselves
and all others similarly situated,

By their attorney,


Shannon Liss-Riordan
LICHTEN & LISS-RIORDAN, P.C.

Dated: January 29, 2019