Blogs

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Coronel v. Pinnacle Agriculture Distribution, Inc.



The California Supreme Court denied review of an appellate court judgment in favor of Simplot in a case called *Coronel v. Pinnacle Agriculture Distribution, Inc.* (*Coronel*). The California Fourth District Court of Appeal held, in an unpublished opinion, that a judgment in a prior class action alleging unpaid wages and inaccurate pay records barred a subsequent putative class action for unpaid wages and inaccurate pay records as a result of a release in the prior class action, even though plaintiff argued the subsequent class action encompassed claims broader than the settlement agreement and judgment in the prior class action.

In 2017, a former employee of Pinnacle Agriculture (acquired by Simplot in 2020), Damian Reyes, filed a class-action lawsuit alleging unpaid wages and inaccurate payroll records, as well as claims under California's Private Attorneys General Act (PAGA) (*Reyes*). The *Reyes* class action was resolved, including through settlement agreements with the class members.

While Reyes was pending, the instant plaintiff, Juvenal Coronel, filed another action. The *Coronel* class sought to recover for the same claims asserted in *Reyes* and to further expand the scope of those claims, adding new claims based on different labor code violations, which were not asserted in *Reyes*. Simplot argued that the release and judgment obtained in the *Reyes* class action barred all claims asserted in *Coronel*, even those for violations of different California Labor Code provisions. Specifically, it was argued, in California, claim preclusion bars subsequent suits between parties involving the same "primary right," and *Coronel* involved the same "primary right" as *Reyes*: the right to be paid for time worked. The trial court agreed and dismissed the *Coronel* case in its entirety. The appellate court affirmed in an unpublished opinion, and the Supreme Court denied review. Although unpublished, the result supports the position that any class-action judgment for unpaid wages will likely bar a subsequent suit between a class member and the same defendant for *other* unpaid wages, thereby preventing class members from getting a "second bite at the apple" by adding new theories of liability to class claims which have already been resolved—an important win for California employers.

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