



## FedEx Drivers Win Kansas Top Court Ruling on Employment

By Edvard Pettersson - Oct 4, 2014

[FedEx Corp. \(FDX\)](#) drivers in Kansas, in the lead case among 21 consolidated lawsuits over unpaid expenses and overtime, won a ruling by the Kansas [Supreme Court](#) that they're employees and not independent contractors.

The state's top court issued the decision yesterday in response to a request for guidance from the U.S. Court of Appeals in Chicago. The current and former drivers for FedEx Ground Package System Inc. are appealing a 2010 ruling by a federal judge in South Bend, [Indiana](#), who agreed with FedEx that they are independent contractors.

"The company carefully structured its drivers' operating agreements so that it could label the drivers as independent contractors in order to gain a competitive advantage, i.e., to avoid the additional costs associated with employees," according to yesterday's ruling.

Those efforts don't trump the substance of the drivers' relationship with the [company](#), which is that of employees under Kansas law, the court said.

The Kansas decision follows an August ruling by the [U.S. Court of Appeals](#) in [San Francisco](#). That court overturned the 2010 ruling by the Indiana judge and found that FedEx's drivers in California and Oregon are employees.

The federal judge in Indiana had used his ruling on Kansas to throw out similar claims by drivers from other states.

Yesterday's ruling may prompt the Chicago appeals court to also reverse the Indiana judge's decision. Drivers would benefit if the appeals court applied such a ruling to the claims to drivers from other states.

Melissa Charbonneau, a spokeswoman for Memphis, Tennessee-based FedEx, didn't immediately respond to an e-mail after regular business hours yesterday seeking comment on the Kansas court's ruling.

The case is Craig v. FedEx Ground Package System Corp., 108,526, Kansas Supreme Court.

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