

Insights, News & Events

EMPLOYMENT ATTORNEY PREDICTS LYFT CLASS-ACTION SETTLEMENT HAS FAR-REACHING IMPLICATIONS

News
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The article, "Employment Attorney Predicts Lyft Class-Action Settlement Has Far-Reaching Implications," featured in *Lawyers and Settlements*, discussed how many independent contractors and employers, not only on-demand companies and Lyft and Uber drivers, are paying close attention to the proposed Lyft settlement.

Todd Scherwin provided insight into Lyft rationale of settling versus battling it out in court.

"Litigation is expensive and if Lyft decides to fight, they could lose," said Todd. "They may be thinking it's better to pony up the money now and that will change things enough to have more power on their side - to show drivers are independent contractors. And if someone sues them later, they'll have a stronger argument. Maybe they want to let Uber fight or take the bullet."

"The Lyft and Uber outcomes will be determined by what standards the court and lawyers look at and what standards will be pushed forward to challenge current laws," Todd explained. "When you look at the law over the years and what constitutes independent contractors versus employees, key factors suggest Uber and Lyft drivers are independent contractors. These factors are lack of control the company has over them; the ability to control when they work; and how much profit they make instead of companies telling them what to do."

Todd predicted that Lyft will settle and Uber will fight. "Under the law, the way the law is written and interpreted, I

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believe the Uber driver is an independent contractor," he says. "Whatever the outcome, this issue is a challenge; there will be fighting and struggling over misclassification and it will become more obvious with our sharing economy. Guaranteed we will be talking about this for months and years to come."

To read the full article, please visit [Lawyers and Settlements](#).