

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Travis Shanley v. Tracy Logistics LLC, et al.

No. 2:23-cv-02586-DC-JDP · No. 2:23-cv-02586-DC-JDP · Decided January 8, 2026

SUMMARY

The United States District Court for the Eastern District of California grants Defendants’ motion to compel arbitration of Travis Shanley’s individual claim under California’s Private Attorneys General Act and addresses the effect on his representative PAGA claim. The court finds that Shanley agreed to an arbitration agreement, but concludes that he is a transportation worker exempt from the Federal Arbitration Act under 9 U.S.C. § 1. The court therefore analyzes enforcement under the California Arbitration Act and stays the representative PAGA claim pending arbitration.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Dena Coggins
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	January 8, 2026
DOCKET	2:23-cv-02586-DC-JDP
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved to compel arbitration of plaintiff's individual PAGA claim under the Federal Arbitration Act or California Arbitration Act and alternatively to stay the action. The motion was decided on the papers.
STANDARD OF REVIEW	Motions to compel arbitration under the FAA and CAA are evaluated under a standard similar to summary judgment. The party seeking arbitration bears the burden of proving by a preponderance of the evidence that an arbitration agreement exists and that it covers the dispute.
PRECEDENTIAL VALUE	unpublished district court order; persuasive authority only

TOPICS

- employment arbitration
- arbitration
- wage and hour
- civil procedure

PRACTICE AREAS

employment law labor law arbitration wage and hour

QUESTIONS PRESENTED

1. Whether a valid arbitration agreement existed and encompassed plaintiff's individual PAGA claim.
2. Whether plaintiff was a transportation worker exempt from coverage under the Federal Arbitration Act's 9 U.S.C. § 1 exemption.
3. Whether the California Arbitration Act permitted arbitration of plaintiff's individual PAGA claim despite the FAA exemption.
4. Whether plaintiff's representative PAGA claim should be stayed while the individual PAGA claim proceeded in arbitration.

HOLDINGS

1. Defendants established that a valid arbitration agreement existed between the parties and that the agreement encompassed plaintiff's PAGA claim.
2. Plaintiff was a transportation worker engaged in interstate commerce and therefore was exempt from coverage under the FAA pursuant to 9 U.S.C. § 1.
3. Although the FAA did not apply, the C&S arbitration agreement was enforceable under the California Arbitration Act, and plaintiff's individual PAGA claim could be compelled to arbitration.
4. The representative PAGA claim was stayed pending completion of arbitration of plaintiff's individual PAGA claim.

KEY QUOTATIONS

“The court finds Defendants have met their burden of showing a valid arbitration agreement exists (the C&S MAA), that the parties agreed to that agreement, and that the agreement encompasses Plaintiff’s PAGA claim.” (at 9)

“Accordingly, because the court continues to find Plaintiff has made a sufficient showing that he is a transportation worker under 9 U.S.C. § 1, the court finds Plaintiff is exempt from coverage under the FAA.” (at 12)

“Accordingly, the court will grant Defendants’ motion to compel arbitration of Plaintiff’s individual PAGA claim and stay his representative PAGA claim pending resolution of the arbitration.” (at 14)

FACTUAL BACKGROUND

Travis Shanley applied for employment with Tracy Logistics LLC and electronically signed C&S Wholesale Grocers' mutual arbitration agreement covering wage-and-hour claims, including a waiver of class, collective, and representative proceedings. He later signed Tracy's mutual voluntary arbitration agreement and worked as an order selector at defendants' Stockton, California facility, handling and preparing perishable grocery products for shipment. Shanley filed a representative PAGA action alleging numerous California wage-and-hour violations,

including unpaid wages, overtime, break violations, expense reimbursement violations, quota-law violations, inaccurate wage statements, and final-pay violations.

PROCEDURAL HISTORY

Plaintiff filed a representative PAGA action in San Joaquin County Superior Court, and defendants removed it to the Eastern District of California. In a related wage-and-hour action, the court previously found that plaintiff's arbitration agreement was enforceable under the California Arbitration Act but that plaintiff was exempt from the Federal Arbitration Act's transportation-worker provision. Defendants then moved in this action to compel arbitration of plaintiff's individual PAGA claim and to stay the representative PAGA claim. The court granted the motion, ordered the individual claim to arbitration, and stayed the representative claim.

DISPOSITION

other

CASES CITED

- Reyn's Pasta Bella, LLC v. Visa USA, Inc., 442 F.3d 741, 746 n.6 (9th Cir. 2006)
- Viking River Cruises, Inc. v. Moriana, 596 U.S. 639, 644, 649, 659, 662-63 (2022)
- Ortega v. UnitedHealth Grp., Inc., No. 23-cv-05596-JST, 2024 WL 4495817, at *7 (N.D. Cal. Oct. 15, 2024)
- Adolph v. Uber Techs., Inc., 14 Cal. 5th 1104, 1113, 1118, 1123-25 (2023)
- Baumann v. Chase Inv. Servs. Corp., 747 F.3d 1117, 1121 (9th Cir. 2014)
- Circuit City Stores, Inc. v. Adams, 532 U.S. 105, 111-12, 121 (2001)
- Dean Witter Reynolds, Inc. v. Byrd, 479 U.S. 213, 218 (1985)
- AT&T Mobility LLC v. Concepcion, AT&T Mobility LLC v. Concepcion, 563 U.S. 333, 339 (2011)
- Bielski v. Coinbase, Inc., 87 F.4th 1003, 1009 (9th Cir. 2023)
- Chiron Corp. v. Ortho Diagnostic Sys., Inc., 207 F.3d 1126, 1130 (9th Cir. 2000)
- Concat LP v. Unilever, PLC, 350 F. Supp. 2d 796, 804 (N.D. Cal. 2004)
- McCarthy v. Providential Corp., No. 94-cv-00627-FMS, 1994 WL 387852, at *2 (N.D. Cal. July 19, 1994)
- Godun v. JustAnswer LLC, 135 F.4th 699, 708 (9th Cir. 2025)
- Johnson v. Walmart Inc., 57 F.4th 677, 681 (9th Cir. 2023)
- First Options of Chi., Inc. v. Kaplan, 514 U.S. 938, 944 (1995)
- Alexander v. Codemasters Grp. Ltd., 104 Cal. App. 4th 129, 141 (2002)
- Reid v. Google, Inc., 50 Cal. 4th 512, 524 (2010)
- Southwest Airlines Co. v. Saxon, 596 U.S. 450, 455-58 (2022)
- Bissonnette v. LePage Bakeries Park St., LLC, 601 U.S. 246, 252 (2024)
- Lopez v. Aircraft Serv. Int'l Inc., 107 F.4th 1096, 1103 (9th Cir. 2024)
- Rittmann v. Amazon.com, Inc., 971 F.3d 904, 909 (9th Cir. 2020)
- Rogers v. Lyft, Inc., 452 F. Supp. 3d 904, 913 (N.D. Cal. 2020)

- Rogers v. Royal Caribbean Cruise Line, 547 F.3d 1148, 1151 (9th Cir. 2008)
- Ortiz v. Randstad Inhouse Servs., LLC, 95 F.4th 1152, 1159-60, 1162 (9th Cir. 2024)
- Armendariz v. Found. Health Psychcare Servs., Inc., 24 Cal. 4th 83, 99 (2000)
- Iskanian v. CLS Transportation Los Angeles, LLC, 59 Cal. 4th 348, 387 (2014)
- McBurnie v. RAC Acceptance East, LLC, 95 F.4th 1188, 1192 (9th Cir. 2024)
- Tapia v. Paragon Sys., Inc., No. 25-cv-02971-AH-MAR, 2025 WL 1588179, at *3 n.1 (C.D. Cal. June 5, 2025)
- Williams v. Superior Court, 237 Cal. App. 4th 642, 649 (2015)
- Perez v. U-Haul Co. of Cal., 3 Cal. App. 5th 409, 421 (2016)
- Kim v. Reins Int'l Cal., Inc., 9 Cal. 5th 73, 87 (2020)
- Johnson v. Lowe's Home Ctrs., LLC, 93 F.4th 459, 464 (9th Cir. 2024)
- Diaz v. Macy's West Stores, Inc., 101 F.4th 697, 705 (9th Cir. 2024)
- Bonilla v. Young's Mkt. Co., No. 24-cv-03489-EMC, 2025 WL 916020, at *5-6 (N.D. Cal. Mar. 26, 2025)
- Neims v. Neovia Logistics Distrib., LP, No. 23-cv-00716-PA-SHK, 2023 WL 6369780, at *2-5 & n.2 (C.D. Cal. Aug. 10, 2023)
- Hagler v. Activ Enters., No. 24-cv-00990-DSF-SK, 2024 WL 5375788, at *3, 5 (C.D. Cal. Nov. 22, 2024)
- Morales v. Activ Enters., LLC, No. 23-cv-05943-DSF-SK, 2023 WL 11886019, at *6 n.3 (C.D. Cal. Nov. 6, 2023)
- Lopez v. Thyssenkrupp Supply Chain Servs. N.A., Inc., No. 23-cv-03368-VC, 2024 WL 3211492, at *1 (N.D. Cal. June 28, 2024)
- Lopez v. Thyssenkrupp Supply Chain Servs. N.A., Inc., No. 24-4633, 2025 WL 2427620 (9th Cir. Aug. 22, 2025)
- Bracamontes v. United Rentals, Inc., No. 23-cv-02697-DAD-CSK, 2024 WL 1884052, at *6 (E.D. Cal. Apr. 30, 2024)