

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Reed v. Benjamin Moore & Co.

Reed · No. 1:25-cv-00214-KES-SAB · Decided June 6, 2025

SUMMARY

The United States District Court for the Eastern District of California adopts a magistrate judge’s findings and recommendations and grants the plaintiff’s motion to remand. The court concludes that Benjamin Moore & Co. failed to show by a preponderance of the evidence that the amount in controversy exceeded \$75,000 in this putative wage-and-hour class action. The case is remanded to Fresno County Superior Court and closed.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	June 6, 2025
DOCKET	1:25-cv-00214-KES-SAB
DISPOSITION	remanded
PROCEDURAL POSTURE	Defendant removed a putative wage-and-hour class action from Fresno County Superior Court. Plaintiff moved to remand, and the magistrate judge recommended remand. The district court conducted de novo review, adopted the findings and recommendations, granted the motion to remand, and closed the case.
STANDARD OF REVIEW	De novo review of the magistrate judge's findings and recommendations under 28 U.S.C. § 636(b)(1).
PRECEDENTIAL VALUE	unpublished, nonprecedential
PARTIES	Benjamin Moore & Co. v. Ian C. Reed

TOPICS

- subject matter jurisdiction
- civil procedure
- wage and hour
- class actions

PRACTICE AREAS

- civil procedure
- employment law
- wage and hour

QUESTIONS PRESENTED

1. Whether defendant established by a preponderance of the evidence that the amount in controversy exceeded \$75,000 so that federal subject matter jurisdiction existed after removal.
2. Whether the court should reject, modify, or replace defendant's assumptions concerning the amount in controversy for Reed's wage-and-hour claims.
3. Whether the action should be remanded to Fresno County Superior Court for lack of subject matter jurisdiction.

HOLDINGS

1. Defendant failed to prove by a preponderance of the evidence that the amount in controversy exceeded \$75,000. The court determined that approximately \$39,471 was at issue, below the jurisdictional minimum, and therefore remanded the action for lack of subject matter jurisdiction.
2. When plaintiff's actual pay rate is before the court, the amount in controversy for unpaid work should be estimated using that actual rate rather than the statutory minimum wage because the actual rate is a better assumption of the potential recovery.
3. The overtime claim could be assigned a nonzero amount where defendant's records provided sufficient information to estimate hours worked over eight hours per shift, but the amount should be reduced by a reasonable 20 percent violation rate rather than assuming that all potentially overtime hours were unpaid.

KEY QUOTATIONS

“The district court should weigh the reasonableness of the removing party’s assumptions, not supply further assumptions of its own.” (at 2)

“Where a defendant’s assumption is unreasonable on its face without comparison to a better alternative, a district court may be justified in simply rejecting that assumption and concluding that the defendant failed to meet its burden.” (at 2)

“This is in part because “the amount in controversy is supposed to be an estimate of the entire potential amount at stake in the litigation,” which “demonstrates the unrealistic nature of assigning \$0” to a plaintiff’s claims.” (at 2)

“For these reasons, defendant has failed to meet its burden to show by a preponderance of the evidence that the amount in controversy exceeds the jurisdictional requirement.” (at 4)

FACTUAL BACKGROUND

Ian C. Reed alleged that Benjamin Moore & Co. failed to pay wages and overtime and failed to provide compliant meal and rest periods, wage statements, and waiting-time payments. The complaint alleged company-wide policies and practices, but used limiting terms such as "sometimes," "often," and "regularly." Defendant calculated the amount in controversy using assumed violation rates and damages calculations, while the court found several assumptions speculative, unsupported, or duplicative and recalculated others using Reed's actual pay rate.

PROCEDURAL HISTORY

Plaintiff filed the action in Fresno County Superior Court in December 2024. Defendant removed it to the Eastern District of California on February 18, 2025. Plaintiff moved to remand on March 20, 2025. The magistrate judge recommended remand because defendant failed to establish by a preponderance of the evidence that the amount in controversy exceeded \$75,000; neither party objected. The district court reviewed the matter de novo under 28 U.S.C. § 636(b)(1), adopted the recommendation, remanded the action, and directed the Clerk to close the case.

DISPOSITION

remanded

REMAND INSTRUCTIONS

The findings and recommendations issued May 16, 2025, were adopted. Plaintiff's motion to remand was granted, the action was remanded to Fresno County Superior Court for lack of subject matter jurisdiction, the Clerk was directed to mail the order to the state court clerk, and the federal case was closed.

CASES CITED

- *Arias v. Residence Inn by Marriott*, 936 F.3d 920, 925 (9th Cir. 2019)
- *Jauregui v. Roadrunner Transportation Services, Inc.*, 28 F.4th 989, 994, 996 (9th Cir. 2022)
- *Powell v. USI Insurance Services, LLC*, 2023 WL 6276578, at *4 (C.D. Cal. Sept. 25, 2023)
- *Feao v. UFP Riverside, LLC*, 2017 WL 2836207, at *5 (C.D. Cal. June 29, 2017)