



Owner-Operators File Suit Against Saturn Transportation Systems, Inc. and Affiliate

Plaintiffs, Eric Sheinhartz, Charles Albert and Jeffery Parkinson claim that Saturn Inc. and Saturn Transportation Systems L.L.C. (a licensed property broker that was created by the owners of Saturn Inc. in March of 1997) were collusively skimming money from them by generating two sets of invoices, one sent to the customer and a "dummy" invoice given to them of which their percentage compensation was based upon.

([PRWEB](#)) March 31, 2002 -- Lebanon MO. - United States District Court Judge, Paul A. Magnuson of Minnesota has granted the motion for a Class Certification of owner-operators, the plaintiffs, against Saturn Transportation Systems, Inc. (Minnesota) and its affiliate Saturn Transportation Systems L.L.C.

Plaintiffs, Eric Sheinhartz, Charles Albert and Jeffery Parkinson claim that Saturn Inc. and Saturn Transportation Systems L.L.C. (a licensed property broker that was created by the owners of Saturn Inc. in March of 1997) were collusively skimming money from them by generating two sets of invoices, one sent to the customer and a "dummy" invoice given to them of which their percentage compensation was based upon.

The suit claims that the linehaul amount charged on the invoices given to the customers was substantially greater than the linehaul amount charged on the corresponding dummy invoice shown to the owner-operator.

Saturn Inc. claims that two invoices always exist when a transaction is brokered and that the owner-operators were aware of the fact that brokers make their money by charging customers more for a load than the carrier charges. The plaintiffs' claim, however, that Saturn's brokerage affiliate had no brokerage authority until after the lawsuit was commenced. Records indicate a license was obtained in December 2000. The plaintiffs also claim that the invoices sent to the customers showed the motor carriers Federal license number.

Furthermore claims are made that Saturn Inc.'s misconduct represents both a breach of the individual lease agreements and a violation of several federal regulations and a Minnesota statute. It is claimed that Saturn Inc. failed to clearly state the amount to be paid by the authorized carrier for equipment and driver's services and also failing to make timely payments.

Sheinhartz and Albert also allege that they were charged for bobtail and physical damage insurance in excess of the actual premium paid by Saturn Inc. without proper disclosure required by the Federal Truth-In-Leasing regulations and Minnesota law. Saturn Inc. does not challenge the claim that approximately 400 owner-operators may have been overcharged for insurance during the proposed class period.

The court found that the fact that Sheinhartz and Albert may have been satisfied with the price of the insurance does not rule out the need for Saturn Inc. to comply with the Federal and State law requiring them to disclose the amount of any fees charged in excess of the premiums.

The motion for Class Certification sought a class of similarly situated owner-operators who contracted with Saturn Inc. between October 12, 1994 and October 11, 2000, and who were not properly paid because Saturn Inc. charged them more than permitted for insurance covered and/or failed to pay them the correct percentage of the amount invoiced to the customer.



The plaintiffs estimated that money was skimmed from as many as 85 percent of the estimated 500 owner-operators that worked for Saturn Inc. during the time period as shown in the affidavit of Cindy Sorenson, a settlement clerk for Saturn Inc. between April 1999 and August 2000. Saturn, Inc. argued that the plaintiffs' estimates were nothing but unfounded guesses.

However, the Court accepted the plaintiffs' estimates as Saturn, Inc. failed to offer rebuttal evidence as to the number of owner-operators that worked for it during the proposed class period. The Court noted that Saturn Inc. generated two sets of invoices in 5,429 out of 7,954 total transactions during the proposed time span covered by the action.

Saturn Inc. alleged that Cindy Sorenson, an employee of Saturn Inc., was used to get confidential, trade secret information and has filed counterclaims against Albert, Sheinhartz, Parkinson and Sorenson.

Saturn Inc. alleges that a conspiracy was formed to defame them and encourage additional owner-operators to break their agreements in their revenge for being terminated by Saturn Inc. for misconduct.

In granting the motion for class certification, Judge Magnuson found that a class action is superior to other available methods of adjudicating Saturn's owner-operator claims noting that "in the absence of a class action, any individual owner-operator wishing to file a claim against Saturn Inc. would face the difficult, if not overwhelming hurdle of marshaling the time and resources needed to pursue a settlement that might result in only a few thousand dollars of recovery."

The Court certified a class of similarly situated owner-operators who contracted with Saturn Inc. between October 12, 1994 and October 11, 2000, and who were underpaid because (1) Saturn Inc. charged them in excess of premium paid by Saturn Inc. for certain insurance coverage without advising them of this excess charge and/or (2) they had lease agreements with Saturn Inc. during the proposed class period specifying that they were to be paid a percentage of the total linehaul amount, but they received payment based on an invoice from Saturn, Inc. to Systems LLC rather than an invoice sent to the customer.

Paul O. Taylor, attorney for the plaintiffs stated after the ruling, "Naturally we are quite pleased with Judge Magnuson's decision. Although the decision does not finally resolve this case, it sends an important message to all trucking companies that they cannot avoid the Federal regulations that require them to deal fairly and openly with their leased owner-operators. "

Attorneys for the plaintiffs in the class action are Paul O. Taylor of the Truckers Justice Center in St. Paul, Minnesota along with Karl Cambronne and Mylene Peterson of the Chestnut & Cambronne Law Firm in Minneapolis Minnesota.

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