

Cleaning company hit by lawsuit Franchise owner alleges immigrants are targeted

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WORCESTER — A civil lawsuit has been filed on behalf of a franchise owner of All Pro Cleaning Systems, alleging the Westboro firm targets immigrants to purchase franchises in the cleaning company, then fails to provide promised work.

The suit, filed earlier this week in Worcester Superior Court, also alleges that All Pro misclassifies its employees as independent contractors and makes unlawful deductions from their pay.

Ronald Showalter, president and chief executive officer for All Pro, said franchises are sold in accordance with federal guidelines and denied that the company has treated franchise owners unfairly.

"I don't see how these franchise owners, who signed agreements dictated by the Federal Trade Commission, could be classified as employees," he said. "I can't fathom it. I'm sure we'll prevail."

Shannon E. Liss-Riordan, the Boston lawyer who filed the suit, said a ruling in U.S. District Court in March in a case against Coverall North America, another cleaning company, established that employees who purchased franchises from that company were in fact employees of the company rather than independent contractors.

"In Massachusetts, it doesn't matter if you sign an agreement, look at under the law. Sadly, these companies are making money off their workers, off the fees they charge them, rather than from the customers who purchase cleaning services."

The suit names Leila Munik of Lowell as plaintiff, but Ms. Liss-Riordan said there are about 10 All Pro franchise owners who want to become part of the case. If a judge certifies the case as a class action, it would cover all of All Pro's franchise owners, she said.

No judge or hearing date had been assigned to the case yesterday. The complaint alleges the company purports to sell franchises, largely to immigrants, to whom it promises a certain amount of cleaning business per month.

"However, All Pro systematically does not provide the business expected, or takes away cleaning accounts from cleaning workers without justification, which it can then sell to other workers," the complaint states in part.

The suit also alleges that All Pro misclassifies the workers as independent contractors. Through the alleged misclassification, All Pro unlawfully charges the workers for jobs and makes other deductions from pay and has required the workers to pay expenses normally borne by the employer, according to the complaint.

Through the alleged misclassification the company also had denied workers minimum wage, overtime pay, wage protections and other benefits of employment, such as unemployment compensation, the suit states.

Mr. Showalter said that his company has never taken an account away from one franchise to sell to another, and contested an allegation in the complaint that franchise owners are not allowed to seek their own accounts.

"Without question, this has never occurred," he said of the alleged "churning" of accounts from one franchise to another. "The only reason why we would replace one is at the customer's request. When that happens we have no

choice.”

“... They have the right to go out and land new accounts. We will help them. But if they sign contracts, they have to go through the franchise. We have a non-compete clause.”

Ms. Liss-Riordan said franchises are sold for thousands of dollars, depending on the size package being purchased.

“They pay based on the expected monthly income,” she said. “The company also charges a percentage of their income for managing the accounts, insurance and other fees. We contend these are unlawful deductions from wages.”

Mr. Showalter pointed out that his company is in good standing with the Better Business Bureau, which gives the company an A+ rating, and that he does not need to advertise to recruit franchise owners.

“We’ve been here 16 years. I haven’t placed an ad in more than nine years,” he said. “We get people through recommendations and referrals. They wouldn’t get referred if we were not a good company. We satisfied our franchise owners, that’s we how got here.”