

## First on CNN: A new group of Twitter vendors is suing the company for alleged unpaid bills



By <u>Clare Duffy</u>, CNN Business Published 12:25 PM EDT, Tue April 4, 2023



**New York CNN** — A group of <u>Twitter</u> vendors on Tuesday filed a proposed class action lawsuit alleging that the company has failed to pay tens of thousands of dollars in overdue bills.

The four firms — captioning services company White Coat Captioning, consulting group YES Consulting and public relations firms Cancomm and Dialogue México — allege that Twitter is in breach of their contracts and has yet to pay bills ranging from around \$40,000 to \$140,000 for services they provided the company last year.

Tuesday's lawsuit, which was filed in California Northern District Court and first reported by CNN, refers to the companies suing Twitter as "small businesses without the resources, time, and money to litigate these claims on their own."

The lawsuit comes as new Twitter owner Elon Musk attempts to slash costs after buying the company for \$44 billion, a significant amount of which came from debt financing. It also adds to the growing list of legal actions Twitter is facing from landlords, business partners and former employees claiming the company has failed to pay what they are owed since Musk's takeover.

Twitter is also facing lawsuits from at least one <u>landlord</u> claiming it has missed rent payments, a private jet company for unpaid bills for executive flights and an event production company who said Twitter failed to pay it after canceling the "Chirp Conference" it had been set to organize in November after Musk took over the company.

The latest suit was filed by Shannon Liss-Riordan, who has also filed four proposed class action lawsuits and hundreds of <u>arbitration demands</u> on behalf of Twitter employees laid off following Musk's takeover in pursuit of additional severance they allege they were promised by the company prior to Musk's takeover. Some former workers have also alleged sex and disability discrimination and other issues, which the company has argued in court are without merit.

Twitter has moved to dismiss many of the lawsuits in court. Twitter, which fired much of its media relations team last fall, did not immediately respond to a request for comment about the new lawsuit.

"Elon Musk told Twitter vendors that, if they want to get paid, then sue," Liss-Riordan said in a statement to CNN, referring to comments <u>reportedly</u> made by the Twitter owner. "Well, he's now getting his wish. Businesses, like employees, should not have to sue to get paid what they are owed."

In the new lawsuit, White Coat Captioning said it provided real-time captioning services for events and classes for Twitter employees who were hard of hearing or spoke languages other than English. The company alleged that it began contacting Twitter in November about overdue and pending invoices for services rendered under a contract signed in March 2022.

"Twitter reassured White Coat Captioning it had processed and would pay these invoices, but it never did," the firm alleged in the complaint. In January, the firm claims that Twitter said it was conducting an "additional review" of the invoices. Twitter owes the captioning company around \$42,000, according to the complaint.

YES Consulting, which said it provided leadership training to Twitter employees per an agreement signed in March 2022, alleges that Twitter owes it approximately \$49,000 for services provided between August and November last year.

Latin American public relations firm Dialogue also alleges that Twitter has failed to pay approximately \$140,000 for eight invoices for services provided in November and December of last year.

The vendors are seeking damages in the amount each company is allegedly owed by Twitter, as well as interest.