

COMPENSATIONS, BENEFITS

Wage and Hour

VERDICT: \$258,241.

CASE/NUMBER: Amir Seilabi v. en-N-tech, Narain Naidu / KC051104.

COURT/DATE: Los Angeles Superior Pomona / Oct. 3, 2008.

JUDGE: Hon. Peter J. Meeka.

ATTORNEYS: Cross-Complainant - Michael J. Olecki, Courtney L. Artzner (Grodsky & Olecki LLP, Santa Monica).

Cross-Defendant - Joel W. Baruch (Law Offices of Joel W. Baruch, P.C., Irvine).

TECHNICAL EXPERTS: Cross-Complainant - Martin G. Laffer, CPA, taxes and financial investigation, Beverly Hills; Todd Stefan, computer forensics, Los Angeles.

FACTS: Plaintiff Amir Seilabi was a former employee of defendant/cross-complainant en-N-tech, a company created and operated by defendant Dr. Narain Naidu. From February to October 2005, Seilabi worked at en-N-tech. In October 2005, Seilabi was discharged.

In January 2006, Seilabi filed a claim with the California Labor Commissioner against en-N-tech and Dr. Naidu for unpaid wages and benefits. Seilabi failed to appear at the Labor Commissioner hearing, and his claim was dismissed without prejudice.

In July 2007, Seilabi filed this lawsuit, claiming wage and hour violations and a 50 percent ownership interest in en-N-tech.

PLAINTIFF'S CONTENTIONS: Seilabi brought three groups of claims against en-N-tech and Dr. Naidu. First, Seilabi claimed en-N-tech and Dr. Naidu failed to pay him wages owed for the first three months that Seilabi worked at en-N-tech. Seilabi claimed he was an employee of en-N-tech during this three-month period, and therefore entitled to wages.

Seilabi's second group of claims concerned Seilabi's claim that he was entitled to reimbursement for the \$85,000 he paid for tuition to attend the University of Southern California's Executive MBA Program. Seilabi claimed that defendant Dr. Naidu encouraged Seilabi to attend this program, promised to pay for it, and then failed to make the payments. Seilabi based his claim on a letter he drafted, and Dr. Naidu signed, stating that en-N-tech agreed to pay for Seilabi's tuition.

Finally, Seilabi claimed that he was entitled to 50 percent of a company engaged in the creation and sale of certain health supplement products. Seilabi claimed that he was promised such an equity interest when he first became affiliated with en-N-tech.

DEFENDANT'S CONTENTIONS: As to Seilabi's first claim for unpaid wages, en-N-tech and Dr. Naidu claimed Seilabi was an unpaid intern for the three-month period and was not owed any wages.

As to Seilabi's claim for breach of contract, en-N-tech and Dr. Naidu denied any obligation to pay for Seilabi's tuition primarily because the day after Dr. Naidu signed Seilabi's letter, Dr. Naidu sent Seilabi an email stating that en-N-tech would pay only one half of Seilabi's tuition, and only while Seilabi was employed by en-N-tech. Seilabi's employment was terminated a month later.

en-N-tech and Dr. Naidu disputed Seilabi's claims that he was entitled to any type of ownership or equity interest in either en-N-tech or any other company.

en-N-tech cross-claimed for malicious prosecution. en-N-tech claimed that Seilabi maliciously brought, and then voluntarily abandoned, a similar wage and hour proceeding before the Labor Commissioner.

JURY TRIAL: Length, five days; Poll, 12-0 (all issues); Deliberation, one hour.

SETTLEMENT DISCUSSIONS: The parties mediated the matter but were unable to resolve it. Defendants/cross-complainant offered a "walk-away" but plaintiff/cross-defendant demanded \$300,000. Shortly before trial, the parties participated in a settlement conference with the trial judge, but were also unable to settle the case.

RESULT: Defense verdict and verdict in favor of cross-complainant.

The jury returned a unanimous verdict rejecting all of plaintiff's claims, and awarding cross-complainant \$11,078 on its malicious prosecution claim. en-N-tech and Dr. Naidu were also awarded \$225,000 in attorneys' fees and \$22,163 in costs.

FILING DATE: July 31, 2007.