FedEx Agrees to $240 Million Settlement With Drivers in 20 States

FedEx Ground Package System Inc. has agreed to pay drivers in 20 states $240 million to settle lawsuits claiming the second-largest U.S. parcel delivery company misclassified them as independent contractors, it said on Thursday, according to a **Reuters report**.

Reporter **Daniel Wiessner** said Beth Ross, lead lawyer for the plaintiffs, said in an email that the settlement, if approved, would be divided among 12,000 drivers, some of whom would receive tens of thousands of dollars.

FedEx previously contracted directly with independent operators in an effort to save on taxes, fringe benefits, health care costs, pensions and other workers' costs.

"The deal, subject to approval by a federal judge in Indiana where the cases were consolidated, would end nationwide litigation claiming that because drivers were required to use company-branded trucks, uniforms and scanners, FedEx was their employer under federal and state laws," Reuters reports.

Read the article.