IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

ERICA DANCY,	§	
PLAINTIFF,	§	
	§	
V.	§	**CASE NO. 3:24-CV-3118-L**
	§	
AMAZON.COM SERVICES LLC,	§	
DEFENDANT.	§	

FINDINGS, CONCLUSIONS AND RECOMMENDATION
OF THE UNITED STATES MAGISTRATE JUDGE

Pursuant to the district judge's referral, Doc. 18, Defendant Amazon.com Services LLC's *Motion to Compel Arbitration*, Doc. 16, is before the Court for findings and a recommended disposition. Defendant requests the Court to compel arbitration of Plaintiff Erica Dancy's claims filed in this lawsuit. For the reasons set forth below, the motion should be **DENIED**.

I. BACKGROUND

Plaintiff Erica Dancy is suing her former employer, Defendant Amazon.com Services LLC, for negligence stemming from a head injury she allegedly sustained at work. Dancy worked for Amazon as a sortation associate at one of its sortation centers in Irving, Texas. Doc. 1 at 2. Dancy alleges that while she was working, "another employee suddenly dropped a package onto [her] head." Doc. 1 at 2. Dancy further alleges that the other employee was "acting in the course and scope of employment with [Amazon] at the time of the incident." Doc. 1 at 3.

In its motion to compel, Amazon asserts that when Dancy started her at-will employment with Amazon, she received: (1) the Amazon TXCare Employee Injury Benefit Plan Summary Plan Description (Doc. 16 at 1-2; Doc. 17 at 37); and (2) Amazon's Mutual Agreement to

Arbitrate (the "Agreement") (Doc. 16 at 1-2; Doc. 17 at 32-36). The Agreement provides in pertinent part that all claims covered by the Agreement "shall be exclusively resolved by binding arbitration." Doc. 17 at 33. The Agreement further defines the claims covered by the Agreement as:

> all claims that [Amazon] or [Dancy's] may have which arise from: any injury suffered by [Dancy] while in the Course and Scope of [Dancy's] employment with [Amazon], including but not limited to, claims for negligence, gross negligence, and all claims for personal injuries, physical impairment, disfigurement, pain and suffering, mental anguish, wrongful death, survival actions, loss of consortium and/or services, medical and hospital expenses, expenses of transportation for medical treatment, expenses of drugs and medical appliances, emotional distress, exemplary or punitive damages and any other loss, detriment or claim of whatever kind and character[.]

Doc. 17 at 33.

On August 9, 2023, Dancy signed a document titled "Receipt and Acknowledgment of Summary Plan Description and Mutual Agreement to Arbitrate." Doc. 17 at 37. By her signature, Dancy acknowledged that she "understand[s] that certain disputes between [her] and Amazon will be referred to mandatory binding arbitration rather than to a judge or jury" and that "[her] signature below acknowledges receipt of and agreement to the Mutual Agreement to Arbitrate." Doc. 17 at 37.

In response to Amazon's Motion to Compel Arbitration, Dancy does not dispute that the Arbitration Agreement exists or that she signed the Receipt and Acknowledgment form. Instead, Dancy contends that she qualifies as a transportation worker, as defined under section 1 of the Federal Arbitration Act ("FAA"), and is therefore exempt from enforcement of the arbitration agreement. Doc. 19 at 1.

II. Applicable Law

Historically, American courts adopted from the English common law "centuries of judicial hostility to arbitration agreements." *Scherk v. Alberto-Culver Co.*, 417 U.S. 506, 510 (1974). Congress, however, passed the Federal Arbitration Act in 1925 to reverse this posture and "ensure judicial enforcement of privately made arbitration agreements." *Dean Witter Reynolds, Inc. v. Byrd*, 470 U.S. 213, 219 (1985). Section 2 of the FAA provides that "[a] written provision in . . . a contract evidencing a transaction involving commerce to settle by arbitration a controversy thereafter arising out of such contract . . . shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity or the revocation of any contract." 9 U.S.C. § 2; *see Rent-A-Center, W., Inc. v. Jackson*, 561 U.S. 63, 67 (2010). "The FAA thereby places arbitration agreements on an equal footing with other contracts . . . and requires courts to enforce them according to their terms." *Rent-A-Center*, 561 U.S. at 67.

Parties aggrieved by another party's failure to arbitrate a claim pursuant to a written arbitration agreement may petition a federal court "for an order directing that such arbitration proceed in a manner provided for in such agreement." *Id.* (quoting 9 U.S.C. § 4). "The court 'shall' order arbitration 'upon being satisfied that the making of the agreement for arbitration or the failure to comply therewith is not in issue.'" *Rent-A-Center*, 561 U.S. at 67 (citing 9 U.S.C. § 4).

Courts perform a two-step inquiry in determining whether to compel arbitration. *Will-Drill Res., Inc. v. Samson Res. Co.*, 352 F.3d 211, 214 (5th Cir. 2003). The court first determines "whether the parties agreed to arbitrate the dispute," *Floyd v. Kelly Servs., Inc.*, No. 3:18-CV-2247-K, 2019 WL 4452309, at *2 (N.D. Tex. Aug. 30, 2019) (Rutherford, J.), rep. and rec. adopted, No. 3:18-CV-2247-K, 2019 WL 4447538 (N.D. Tex. Sept. 16, 2019), because

"[a]rbitration is strictly a matter of consent." *Granite Rock Co. v. Int'l Brotherhood of Teamsters*, 561 U.S. 287, 299 (2010). The relevant inquiry is: "(1) whether there is a valid agreement to arbitrate between the parties; and (2) whether the dispute in question falls within the scope of the arbitration agreement." *Am. Heritage Life Ins. Co. v. Lang*, 321 F.3d 533, 537 (5th Cir. 2003). The strong federal policy favoring arbitration does not apply "to the determination of whether there is a valid agreement to arbitrate between the parties." *Id.* Relevantly, a party who signs a document has presumably read and understood the document's contents and any documents incorporated by reference. *Am. Registry of Radiologic Technologists v. Bennett*, 939 F. Supp. 2d 695, 709 (W.D. Tex., April 11, 2013) (*quoting In re Int'l Profit Assocs., Inc.*, 286 S.W.3d 921, 923 (Tex. 2009)).

At the second step, the court determines "whether any federal statute or policy renders the claims nonarbitrable." *Floyd*, 2019 WL 4452309 at *2 (internal quotation marks omitted) (quoting *R.M. Perez & Assocs., Inc. v. Welch*, 960 F.2d 534, 538 (5th Cir. 1992)). "So unless a statute clearly exempts the arbitrability of a plaintiff's claim, [the court] must 'respect and enforce' the agreement as written." *Lopez v. Cintas Corp.*, 47 F.4th 428, 431 (5th Cir. 2022) (quoting *Epic Sys. Corp. v. Lewis*, 584 U.S. 497, 506 (2018)).

III. ANALYSIS

A. The Parties' Arguments

Rather than contesting the validity of the arbitration agreement, Dancy argues that she is a transportation worker engaged in the movement of goods in interstate commerce and, thus, exempted from enforcement of the arbitration agreement under the FAA. Doc. 19 at 3. In response, Amazon argues that the connection between sortation associates, like Dancy, and

interstate commerce is too attenuated for the associates to be exempt from the FAA. Doc. 21 at 2.

B. Dancy Is a Transportation Worker Under the FAA

The residual clause of 9 U.S.C. § 1 of the FAA exempts from its scope "contracts of employment of seamen, railroad employees, or any other class of workers engaged in foreign or interstate commerce." The Supreme Court has confined the "any other class of workers" language to exempt only "contracts of employment of transportation workers." *Circuit City Stores, Inc. v. Adams*, 532 U.S. 105, 109 (2001); *Bissonnette v. LePage Bakeries Park St., LLC*, 601 U.S. 246, 256 (2024) (citing *Circuit City Stores, Inc.* 532 U.S. at 121). The Supreme Court has further defined "a transportation worker" in this context as "one who is actively engaged in transportation of goods across borders via the channels of foreign or interstate commerce." *Bissonnette*, 601 U.S. at 256. (cleaned up) (citing *Southwest Airlines Co. v. Saxon* 596 U.S. 450, 458 (2022)). And while a transportation worker "need not work in the transportation industry to fall within the exemption from the FAA provided by § 1 of the Act," they "must at least play a direct and 'necessary role in the free flow of goods' across borders." *Id* (citing *Saxon* 596 U.S. at 458).

The language of § 1 focuses on the performance of work rather than the industry of the employer. *Bissonnette*, 601 U.S. at 253 (citing *Saxon*, 596 U.S. at 456). So, the relevant question is what Dancy's job duties at Amazon are, rather that the nature of Amazon's business. *Bissonnette*, 601 U.S. at 254. This inquiry "undermine[s] any attempt to give the provision a sweeping, open-ended construction, instead limiting § 1 to its appropriately 'narrow' scope." *Id.* at 256. (cleaned up). To this end, the Court first defines the "class of workers" to which Dancy

belongs. The next determination is whether that class of workers is "engaged in foreign or interstate commerce." *Saxon*, 596 U.S. at 455; *Lopez*, 47 F.4th at 431.

i. Class of Workers

Amazon proffers the declaration of Manager Tae Um, who explains the process of what sortation centers do and the role of Dancy as a sortation associate. Um avers that Dancy's role—

> was to sort packages onto pallets within the RBD5 facility. Then, a different associate would transfer the pallets of packages toward the shipping area. From there, a different associate would facilitate getting the pallets onto a delivery vehicle before yet another person would actually transport the package.

Doc. 17 at 3. Dancy avers that as a sortation associate, she is "responsible for 'sorting, stacking, and stacking packages' and "helping get customer orders ready for delivery." Doc. 19 at 5. Dancy further states that while she "does not load or unload goods directly," she "directly handles goods that have traveled or will travel in interstate commerce" and "is responsible for determining where goods will go after leaving the facility." Doc. 19 at 5.

Consistent with the foregoing, Amazon's job overview for Sortation Center Associates provides that they are the dedicated team "that is the first stop on the journey from the warehouse" and that the sortation associates' work includes "sorting, scanning, and stacking packages on pallets, and helping to get customer orders ready for delivery." Doc. 20 at 5. Simply put, sortation associates are a class of workers that place packages on specific pallets to be loaded onto vehicles for shipping, but that do not actually load the goods onto the vehicles.

During an evidentiary hearing held on December 4, 2025, Dancy testified that it was not uncommon for her to handle packages that traveled across state lines—both incoming and outgoing. Dancy specifically mentioned that, on occasion, she sorted packages that she noticed (based on the coded labels) were bound for Oklahoma from her sortation center in Irving. Amazon's fact witness, a manager at the same Irving sortation center, confirmed that the

sortation center handled packages that arrived from states outside of Texas, as well as packages that were destined for delivery outside of Texas. The manager also conceded that the work of the sortation associates was integral to the packages arriving at the sortation center making it to their final destinations.

ii. Engaging in Interstate Commerce

The parties' dispute centers on whether the class of sortation associates is "engaged in foreign or interstate commerce" under § 1. More pointedly, this Court is thus tasked with determining whether a class of workers a step removed from the airline cargo loader, as defined in *Saxon*, is "engaged in foreign or interstate commerce." 9 U.S.C. § 1.

In *Saxon*, the Supreme Court looked first to the ordinary meaning of the terms "engaged" (which meant "occupied," "employed," or "involved" in something) and "commerce" (which included, "among other things, 'the transportation of ... goods, both by land or by sea'"). 596 U.S. 450, 456 (quoting Webster's New International Dictionary 725 (1922); Black's Law Dictionary (2d ed. 1910)). It then interpreted § 1 as exempting "any class of workers directly involved in transporting goods across state or international borders." *Id.* Under this analysis, the Supreme Court concluded that it was "plain that airline employees who physically load and unload cargo on and off planes traveling in interstate commerce are, as a practical matter, part of the interstate transportation of goods." *Id.* at 457. Notably though, the Supreme Court expressly declined to resolve the question of whether the exemption applies to those classes of employees "further removed from the channels of interstate commerce or the actual crossing of borders," as is the case with local sortation associates like Dancy who do not directly load the transports for delivery. *See id* at 457 n.2.

Nevertheless, the Supreme Court's holdings are instructive. In *Circuit City*, the Supreme Court held that the phrase "engaged in commerce" has "a more limited reach," and this narrower reading covers only "active employment" in interstate commerce. *Circuit City Stores, Inc*, 532 U.S. at 115-16. Second, the Supreme Court applied the *ejusdem generis* canon to § 1 and interpreted "class of workers engaged in" "commerce" to be "controlled and defined by reference" to the specific classes of "seamen" and "railroad employees" expressly mentioned in § 1. *Id.* at 115; *see* Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts* 199-200 (2012) (the *Ejusdem Generis* Canon: "Where general words follow an enumeration of two or more things, they apply only to persons or things of the same general kind or class specifically mentioned."). On these bases, the Supreme Court further clarified that "transportation workers must be actively 'engaged in transportation' of those goods across borders via the channels of foreign or interstate commerce." *Saxon*, 596 U.S. at 458 (quoting *Circuit City Stores, Inc*, 532 U.S. at 121). It further elaborated that "any such worker must at least play a direct and 'necessary role in the free flow of goods' across borders." *Id.* (quoting *Circuit City Stores, Inc*, 532 U.S. at 121); *see Wallace v. Grubhub Holdings, Inc.*, 970 F.3d 798, 802 (7th Cir. 2020) (Barrett, J.) ("workers must be connected not simply to the goods, but to the act of moving those goods across state or national borders. Put differently, a class of workers must themselves be 'engaged *in the channels* of foreign or interstate commerce.'" (citation omitted)).

Based on the evidence presented here, the Court concludes that sortation associates like Dancy are indeed "engaged" in "interstate commerce" as § 1 contemplates. The class of sortation associates have a "direct and necessary role" in the transportation of goods across borders. The role of sortation associates involves managing goods already in the stream of

commerce to ensure that they get to their final destinations—mainly by preparing them to be sent to their local warehouses (including those located outside of Texas), after which they are delivered the goods to the local customer. And while § 1 has a "more limited reach" to workers "actively engaged in transportation of those goods across borders," sortation associates are in the class of worker that satisfy that requisite. *Wallace, 970 F.3d at 802*. (quotation omitted). By loading packages, some received from outside of Texas, onto pallets that are then loaded onto trucks for further shipment, including to destinations outside of Texas, sortation associates are actively engaged in moving goods across foreign and domestic borders.

The Court of Appeals for the Fifth Circuit held that local delivery drivers, workers that delivered goods from local warehouses to the local customers, are not a class of worker that fell under § 1's definition of transportation worker. *Lopez v. Cintas Corp*, 47 F.4th 428, 430 (5th Cir. 2022). The court explained that local delivery "drivers enter the scene after the goods have already been delivered across state lines." *Id.* at 432. In other words, once the goods arrived at the local "warehouse and were unloaded, anyone interacting with those goods was no longer engaged in interstate commerce" *Id.* at 433. The work of sortation associates is readily distinguishable, however. The evidence established presented here establishes that Amazon sortation associates handle goods mid-journey the stream of commerce and before they have been delivered across state lines in some instances. As testified by Amazon's witness, without sortation associates organizing packages onto pallets to be loaded onto the cargo vehicles for destinations both interstate and intrastate, the goods could not be transported to local warehouses for final delivery. And unlike the local delivery drivers in *Lopez*, the work of sortation associates is not a customer-facing role, which further underscores that this class falls within § 1's ambit. *See id.*

Amazon argues that the transportation worker exception does not apply here because sortation associates are not involved in "loading, unloading or transporting products in interstate commerce." Doc. 21 at 3. However, the relevant inquiry is not whether the class of workers directly load or unload goods, but rather whether the workers play a "a direct and 'necessary role in the free flow of goods' across borders." *Lopez*, 47 F.4th at 433 (quoting *Saxon*, 596 U.S. at 458); *see also Fraga v. Premium Retail Servs.*, 61 F.4th 228, 237 (1st Cir. 2023) (recognizing that workers "who were not involved in transport themselves but were in positions so closely related to interstate transportation as to be practically a part of it" could potentially be engaged in interstate commerce under § 1). As discussed *supra*, workers—such as Amazon sortation associates—who facilitate the movement of goods through interstate transit, are "intimately involved with the commerce" of those goods. *Saxon*, 596 U.S. at 458. Indeed, based on the facts presented here, there can be "no doubt that [interstate] transportation [is] still in progress" when a sortation associate is organizing goods received from Amazon fulfillment centers to be shipped to local Amazon delivery warehouses, including those located in a different state. *Id.* (quoting *Erie R. Co. v. Shuart*, 250 U.S. 465, 468 (1919) (cleaned up)).

Consequently, § 1's transportation-worker exemption applies to Dancy's class of sortation associates, and she is thus exempt from the arbitration requirement.

IV. CONCLUSION

For the reasons stated above, Defendant's *Motion to Compel Arbitration*, Doc. 16, should be **DENIED**.

SO RECOMMENDED on December 22, 2025.

RENÉE HARRIS TOLIVER
UNITED STATES MAGISTRATE JUDGE

INSTRUCTIONS FOR SERVICE AND NOTICE OF RIGHT TO APPEAL/OBJECT

A copy of this report and recommendation will be served on all parties in the manner provided by law. Any party who objects to any part of this report and recommendation must file specific written objections within 14 days after being served with a copy. *See* 28 U.S.C. § 636(b)(1); FED. R. CIV. P. 72(b). An objection must identify the finding or recommendation to which objection is made, the basis for the objection, and the place in the magistrate judge's report and recommendation the disputed determination is found. An objection that merely incorporates by reference or refers to the briefing before the magistrate judge is not specific. Failure to file specific written objections will bar the aggrieved party from appealing the factual findings and legal conclusions of the magistrate judge that are accepted or adopted by the district court, except upon grounds of plain error. *See Douglass v. United Services Automobile Ass'n*, 79 F.3d 1415, 1417 (5th Cir. 1996), *modified by statute on other grounds*, 28 U.S.C. § 636(b)(1) (extending the time to file objections to 14 days).