Case Name and Number: *Southwest Airlines Co.* v. *Saxon*, No. 21-309

Introduction: Today, the Supreme Court unanimously held that the Federal Arbitration Act (FAA), 9 U.S.C. § 1 et seq., does not apply to employment contracts between airlines and workers who frequently load cargo on and off airplanes.

Background: Respondent Saxon works for Southwest Airlines as a ramp supervisor. Her work frequently requires her to load and unload baggage, airmail, and commercial cargo on and off airplanes that travel across the United States. When Saxon brought a wage-and-hour claim against Southwest, Southwest sought to enforce the parties' arbitration agreement under the FAA. In response, Saxon invoked Section 1 of the FAA, which exempts from the statute's coverage "contracts of employment of seamen, railroad employees, or *any other class of workers* engaged in foreign or interstate commerce."

The district court held that the Section 1 exemption did not apply and enforced the arbitration agreement under the FAA. The Seventh Circuit reversed, concluding that workers who frequently load and unload cargo on and off planes traveling across state lines comprise a "class of workers engaged in foreign or interstate commerce" exempt from the FAA under Section 1.

Issue: Whether a class of workers who load or unload goods from vehicles that travel in interstate commerce, but do not themselves transport goods across state or national borders, is exempt from the Federal Arbitration Act.

Court's Holding: In an 8-0 opinion authored by Justice Thomas, the Supreme Court held that airplane cargo loaders like Saxon are exempt from the FAA. Justice Barrett did not participate in the case.

The Court began by defining the relevant "class of workers" for purposes of the Section 1 exemption. The Court explained that the class must be defined based on "the actual work that the members of the class, as a whole, typically carry out." In this case, the Court defined Saxon's class as "airline cargo loaders," a "class of workers who physically load and unload cargo on and off airplanes on a frequent basis." The Court declined to consider whether supervision of cargo loading alone would be enough to trigger the Section 1 exemption.

The Court then concluded that this class of airline cargo loaders is exempt from the FAA. The Court held that the airline cargo loaders are "engaged in foreign or interstate commerce" because they are "directly involved in transporting goods across state or international borders," even if they do not physically accompany the goods across borders. The Court recognized that its ruling is narrow; it expressly declined to consider whether the FAA exempts workers that are "further removed from the channels of interstate commerce or the actual crossing of borders," such as Amazon last-mile delivery drivers and Grubhub food delivery drivers.

Mayer Brown filed an *amicus* brief in support of Southwest on behalf of the Chamber of Commerce of the United States of America and the National Association of Manufacturers.

Read the opinion here.