

Fact Sheet

- Launched in 2007, Secure Talent is a 1099 compliance firm that specializes in reducing the risks associated with using independent contractors. Secure Talent identifies the current level of financial risk for companies that work with independent contractors, ensures that independent contractors are classified correctly and serves as employer of record by providing complete payroll services that include robust employee benefits.
- Independent contractors are also referred to as ICs, 1099 workers, freelancers, business owners or self-employed people. Companies issue IRS Form 1099 to independent contractors as opposed to IRS Form W2 for employees.
- According to the U.S. Department of Labor's Bureau of Labor Statistics, an estimated 10 million independent contractors in the U.S. accounted for roughly 7.5 percent of the total workforce in 2005. Surprisingly, the U.S. Government Accountability Office (GAO) estimates 38 percent of employers examined misclassify employees as independent contractors.
- Microsoft Corporation spent years fighting a class action and finally settled for \$97 million. FedEx Corporation has approximately 30 class action suits filed against it (2007) for allegedly misclassifying its independent contractors.
- Due to the number of government auditing agencies and the various tests used, 1099 compliance services are essential for companies who engage independent contractors.
- Jeff Phelps is founder and president of Secure Talent. As scrutiny by legislators and government agencies regarding independent contractor usage increased, Phelps recognized the need and opportunity to provide simplified compliance and management services that improve the work life of business professionals. Phelps has more than 30 years of professional experience, with the past eight years focused on specializations such as 1099 compliance, risk mitigation and payrolling.

Secure Talent is headquartered in San Francisco, Calif., and provides nationwide services. More information can be found at www.securetalent.com or by calling Secure Talent at 800.778.0197. Media inquiries, please contact Jessica Lee at media@securetalent.com or 619.584.3459.

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