

Workers United/SEIU Announces Victory for Laundry Workers as Cintas Settles Class Action Suit Alleging Violations of Los Angeles Living Wage Law for Record-Breaking \$6.5 Million

More than 500 Southern California Cintas laundry workers to get millions in long overdue back wages as class action lawsuit over violations of Los Angeles Living Wage Ordinance comes to a close

LOS ANGELES, Dec. 17 /PRNewswire-USNewswire/ -- Workers United/SEIU announced today that industrial launderer Cintas has agreed to pay \$6.5 million to settle a class action lawsuit alleging that it violated the City of Los Angeles Living Wage Ordinance. The union, which represents 70 percent of laundry workers in California, believes the settlement is the largest monetary amount ever paid for alleged violations of a living wage ordinance. Workers filed the lawsuit in 2004.

"We are overjoyed that Cintas is finally paying us the money we earned," said Blanca Arrellega, a worker at Cintas's Whittier facility. "Five years was too long to wait to get what we worked so hard for. We are happy that Cintas has finally decided to settle instead of fighting us."

The settlement provides \$3.3 million in back wages and interest for more than 500 Southern California Cintas laundry workers at the company's Ontario, Pico Rivera, and Whittier locations. Cintas will pay an additional \$250,000 as penalties, a portion of which will be provided to the State of California for wage and hour enforcement under the Labor Code Private Attorneys General Act (PAGA). In addition to back pay, interest, and penalties, Cintas has agreed to pay more than \$2.6 million in legal fees for the five-year class action case. When the settlement is finalized, it will be presented to the Los Angeles Superior Court for approval.

The Los Angeles settlement comes almost one year after Cintas was required to pay almost \$1.4 million in back wages, interest and penalties to hundreds of Northern California Cintas workers and the State of California in a case where Cintas was found to have violated the City of Hayward's Living Wage Ordinance (Amaral v Cintas). [<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/12/19/BACQ14QQIC.DTL>]

"Cintas has a shameful record of violating wage and hour laws," said Cristina Vazquez, leader of Workers United's Western States Regional Joint Board. "Because the settlement also funds wage enforcement throughout California, this victory is shared by thousands of other California workers who have been cheated by their employers."

BACKGROUND:

- In 2004, laundry workers at multiple Southern California facilities filed a suit against Cintas in one of the earliest attempts to enforce a local living wage law through the courts.
- The class action alleged that Cintas was required to comply with the Los Angeles Living Wage Ordinance because from May 2000 until January 2004, Cintas had uniform rental and laundry contracts with the Los Angeles Department of Water and Power that were subject to the Ordinance.

- In January 2004, the City terminated its contracts with Cintas for cause, charging that Cintas refused to comply with the terms of the agreements. Later that year, the City sued Cintas for breach of contract, alleging among other things that Cintas had violated the Living Wage Ordinance. The City recovered \$350,000 in a settlement which allowed the workers' back wages suit to continue.

- In 2006, the City of Los Angeles filed an amicus brief in support of the workers' case in the Second District Court of Appeal.

- In 2008, the Second District Court of Appeal agreed with plaintiffs that a City regulation limiting LWO coverage could not be enforced in the case.

Cintas provides laundry, uniforms and other business services to 800,000 customers across North America.

Workers United, SEIU was formed in March 2009 after 150,000 workers in the U.S. and Canada decided to leave UNITE HERE to create a union that put workers first. Workers United members work in the laundry, food service, hospitality, gaming, apparel, textile, manufacturing and distribution industries.

SOURCE Workers United/SEIU