



January 5, 2015

## **ABM Wins Unanimous Reversal of \$94 Million Judgment**

NEW YORK, Jan. 5, 2015 (GLOBE NEWSWIRE) -- On December 31, 2014, [ABM](#) Industries Incorporated (NYSE:ABM) obtained reversal of a \$94 million judgment in a wage-and-hour class action that was awarded by a California trial court in 2012. The California Court of Appeal, Second District, rejected the plaintiffs' theory that the company violated wage-and-hour laws by requiring some employees to remain "on call" and carry radios during rest breaks. In reversing the trial court's erroneous grant of summary judgment for the plaintiffs, the Court of Appeal agreed with ABM that "on-call" rest breaks are permissible under California law.

The trial court's judgment rested on the premise that "California law requires employers to relieve their workers of all duty during rest breaks"—a premise the Court of Appeal rejected as "false." Instead, the Court of Appeal agreed with ABM that "remaining on call does not itself constitute performing work." Because California law requires "only that an employee not be required to work on a rest break," the Court held that rest breaks are valid even where workers on breaks are not "relieved of all duties, such as the duty to remain on call."

The Court of Appeal also noted that "ABM's security guards . . . engaged in various non-work activities," while on their rest breaks, "including smoking, reading, making personal telephone calls, attending to personal business and surfing the Internet."

"As the Court's decision confirms, we have always provided our workers with rest breaks conforming to both the letter and spirit of the law," ABM executive vice president and general counsel Sarah Hlavinka McConnell said. "We're pleased with the Court's fair and thoughtful decision."

ABM was represented by Theodore J. Boutrous Jr., Theane Evangelis, Andrew G. Pappas and Bradley J. Hamburger of Gibson Dunn & Crutcher; and Keith A. Jacoby and Dominic J. Messiha of Littler Mendelson PC.

"The underlying argument in this case - that all security guards employed by ABM did not receive valid rest breaks simply because some may have been required to carry radios - has been absurd from the outset," Mr. Boutrous said. "We are gratified that the Court of Appeal has now vindicated our position."

The case is Augustus et al. v. ABM Security Services Inc., case number B243788, in the Court of Appeal of the State of California, Second Appellate District.

### **ABOUT ABM**

ABM (NYSE:ABM) is a leading provider of facility solutions with revenues of approximately \$5 billion and 118,000 employees in over 300 offices deployed throughout the United States and various international locations. ABM's comprehensive capabilities include facilities engineering, commercial cleaning, energy solutions, HVAC, electrical, landscaping, parking and security, provided through stand-alone or integrated solutions. ABM provides custom facility solutions in urban, suburban and rural areas to properties of all sizes — from schools and commercial buildings to hospitals, manufacturing plants and airports. ABM Industries Incorporated, which operates through its subsidiaries, was founded in 1909. For more information, visit [www.abm.com](http://www.abm.com).

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