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**BET TZEDEK AND BUSH GOTTLIEB ANNOUNCE LANDMARK CARWASH CLASS-ACTION LAWSUIT SETTLEMENT**

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**Owners and Operators of Four Los Angeles Carwashes Agree to Pay**

**\$1 Million for Systematic Workplace Violations**

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LOS ANGELES (November 9, 2011)—A landmark class-action lawsuit brought on behalf of about 400 workers against four Los Angeles carwashes has resulted in a settlement of \$1 million to compensate employees for unpaid wages and other employment violations, it was announced today by Bet Tzedek Legal Services and Bush Gottlieb Singer, et al., who jointly prosecuted the case. The agreement is believed to be the largest monetary settlement to date with a carwash employer in California.

Final approval of the settlement—granted in a hearing today by the Hon. Luis A. Lavin of the Los Angeles County Superior Court—brings to a close a lawsuit filed in 2008 against brothers Benny Pirian and Nisan Pirian, the owners and operators of four carwashes (Vermont

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Hand Wash, Celebrity Car Wash, Hollywood Car Wash and Five Star Car Wash). The suit alleged that the Pirian brothers systematically violated the most basic workplace protections, including minimum-wage and overtime laws and meal and rest break provisions, among other breaches of state and federal law. The suit alleged that employees routinely clocked 10-hour days for less than half the minimum wage, while others received no pay whatsoever and worked solely for tips.

The case attracted the attention of the Los Angeles City Attorney, who in February 2009 filed a misdemeanor complaint against the defendants alleging multiple criminal counts of stealing wages and violating labor laws. The City's complaint also alleged that the defendants used intimidation, including threats of physical violence, to discourage workers from asserting their rights. On August 16, 2010, the defendants entered pleas of no contest to six criminal counts, including grand theft, and were sentenced to a year in jail.

"These workers demonstrated remarkable resolve and courage by demanding the lawful wages they had earned through their hard work. The settlement demonstrates that low-wage carwash workers will not quietly accept this kind of exploitation," said David Adelstein, a partner at Bush Gottlieb Singer López Kohanski Adelstein & Dickinson, who litigated the case. Adelstein notes that the defendants have sold one of the carwashes in order to fund the settlement.

Co-counsel Kevin Kish, director of Bet Tzedek's Employment Rights Project, said, "For years, these businesses relied for their success on an assumption that workers can be

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intimidated into silence about fundamental violations of their workplace rights. The plaintiffs in this case have proven that assumption wrong.”

Chloe Osmer, acting director of the CLEAN Carwash Campaign, which seeks to end decades of abuse in the industry, commented: “The Pirian-operated carwashes exemplified the carwash industry’s worst practices. To see their employees recover a settlement of this size sends a powerful message to the estimated 10,000 other carwash workers in Los Angeles County that exploitation is no longer the default practice in this industry.” The settlement comes on the heels of the CLEAN (Community Labor Environmental Action Network) Carwash Campaign’s recent announcement of its first union contract with an L.A. carwash, and the first such contract anywhere in the country.

“What we are beginning to see in this industry is a clear ‘high road,’ with some employers bringing their operations into compliance with minimum labor, health-and-safety, and environmental standards. This settlement is an example of what happens when employers remain on the ‘low road,’” added Kish.

### **About Bush Gottlieb Singer López Kohanski Adelstein & Dickinson**

Founded in 1970, the firm Bush, Gottlieb, Singer, López, Kohanski, Adelstein & Dickinson is dedicated to the practice of law to advance the cause of working people. The firm's attorneys appear and advocate regularly throughout the nation before federal, state and local courts, administrative agencies and

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arbitration panels in their representation of unions, collectively-bargained trust funds, and employees, with respect to a broad range of labor relations and employment matters.

### **About Bet Tzedek Legal Services**

Founded in 1974, Bet Tzedek's mission is to ensure "justice for all." One of the nation's premier public-interest law firms, Bet Tzedek, "The House of Justice" in Hebrew, provides free legal services in matters involving consumer rights, elder law, housing, public benefits and workers' rights to low-income, disabled and elderly people of all racial and religious backgrounds. Each year, Bet Tzedek and its staff of 67 impacts the lives of over 15,000 individuals in the Los Angeles area, augmented by nearly 1,500 attorneys and paralegals who donate almost 57,000 hours in time.

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