

Judge approves \$415M settlement in Apple, Google wage case

September 3 2015, by Michael Liedtke

A federal judge has approved a \$415 million settlement that ends a lengthy legal saga revolving around allegations that Apple, Google and several other Silicon Valley companies illegally conspired to prevent their workers from getting better job offers.

The <u>settlement</u> of a class-action lawsuit will pay more than 64,000 technology <u>workers</u> about \$5,800 apiece. The complaint, filed in 2011, originally sought \$3 billion in damages that could have been tripled under U.S. antitrust law. Based on that figure, the workers could have received more than \$100,000 apiece if they prevailed at trial.

Nearly \$41 million of the settlement will be paid to lawyers representing the technology workers. That's less than half of the roughly \$85 million in fees that the attorneys had sought.

The approval granted Wednesday by U.S. District Judge Lucy Koh in San Jose, California, dispenses with a case that exposed internal emails casting former Apple CEO Steve Jobs in an unflattering light. Koh had rejected a \$324.5 million settlement of the case reached last year as inadequate.

Apple Inc., Google Inc., Intel Corp. and Adobe Systems Inc. will pay the revised settlement. Last year, Koh approved a separate settlement requiring Intuit Inc., Pixar Animation Studios and Lucasfilm to pay a \$20 million settlement to resolve allegations made against them in the same case.



The lawsuit depicted Jobs, who died in 2011, as the conniving ringleader of a scheme designed to minimize the chances that top computer programmers and other talented employees would defect to other technology companies.

Koh approved the latest settlement after finding little resistance to the deal. She said only 67 of the 64,666 workers represented in the case objected to or opted out of the settlement.

Just six of the workers objected because they thought they weren't getting paid enough in the settlement, according to court documents. One of the unhappy workers estimated that he had been cheated out of \$400,000 because of the alleged collusion among some of Silicon Valley's biggest companies.

The lawsuit accused Apple, Google and the other companies of forming a "no-poaching" cartel that secretly agreed not to recruit each other's workers. Lawyers for the employees argued the pact illegally suppressed the wages of the affected workers.

The alleged collusion stopped after the U.S. Justice Department opened an investigation that culminated with an antitrust complaint being filed against Apple, Google and the other participating companies in 2010. The Justice Department's case was settled without the companies acknowledging any guilt or paying any fines.

All the companies denied wrongdoing in settling the case.

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