

# Lawsuit: Silicon Valley Workers Allege Pay Collusion

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Thousands of Silicon Valley workers can pursue a class-action lawsuit against Adobe, Apple, Google, Intel and other IT heavyweights, claiming the companies colluded not to hire each other's employees, based on a 9th Circuit Court of Appeals ruling. Damages could run to \$9 billion.



In a case that could affect tens of thousands of Silicon Valley workers, the [9th Circuit Court of Appeals](#) cleared to proceed a class action lawsuit against [Adobe](#) (ADBE), [Apple](#) (AAPL), [Google](#) (GOOG), [Intel](#) (INTC) and other IT heavyweights, claiming the companies colluded not to hire each other's employees.

According to reports, damages in the case could run to \$9 billion if the workers are able to prove that the Valley's prominent technologies companies invoked an "overarching conspiracy" not to recruit or hire each others' talent to hold down their mobility and pay.

Last October, U.S. District Judge Lucy Koh—the same presiding judge in the [Apple Samsung patent infringement trials](#)—allowed the case to proceed as a class action, an order the tech giants appealed, claiming the suit covers employees with 2,400 job titles at seven different companies.

In clearing the lawsuit to proceed as a class action, the Appeals court gave it a significant boost because the strength in numbers lowers the costs for the defendants to sue while upping their chances for larger damages awards. Barring a pre-trial settlement, the proceedings are set to begin on May 27, 2014.

The original claim resulted from five software engineers who sued the technology giants in 2011 for violating antitrust laws by secretly agreeing not to compete for each others' workers.

According to the [San Jose Mercury News](#), [Intuit](#) (INTU), Pixar and Lucasfilm previously reached settlement agreements with the plaintiffs for an undisclosed amount.

A large part of the plaintiffs' case banked on emails between top IT executives that suggested the companies in question agreed not to poach each others' talent.

"We look forward to seeking justice for the class at trial," Kelly Dermody, a partner at Lieff, Cabraser, Heimann & Bernstein, co-lead counsel for the class, told the Mercury-News.