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Auto dealer paying employees lost wages

Tom Sowa / The Spokesman-Review

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On April 1, 2005, AutoNation Inc. changed the vacation policy for its Spokane and Washington workers. The result was that more than 500 workers statewide lost at least one week, and in some cases three weeks, of unpaid vacation dating from 2004 to spring 2005.

Four years and a long legal battle later, the nation's largest vehicle dealer is paying legal fees and lost wages totaling \$2.6 million to those workers.

About 300 of the affected workers lived or worked here at the time, employed at the Appleway dealerships in the Spokane Valley. Appleway was taken over by AutoNation in 1999.

The payments by AutoNation began this week following a decision last month by the state Supreme Court to not review earlier rulings in the case, which started as a class action but never went to trial.

The average amount paid to those workers is about \$2,700, said Matthew Zuchetto, one of two attorneys representing the Appleway workers.

One highly paid worker, who was not identified, will receive back pay plus interest of nearly \$80,000, Zuchetto said.

AutoNation originally told workers the change would not cost them any money, Zuchetto said.

An arbitrator and state law established that vacation days are equivalent to wages, he said.

In 2007, a Spokane arbitrator ruled in favor of the workers. The arbitrator also awarded Zuchetto and Seattle attorney Toby Marshall \$884,000 in legal fees and costs.

Lawyers for AutoNation then filed a motion in Spokane County Superior Court claiming legal fees should be denied. After the Superior Court denied that motion, AutoNation took the matter to the Washington State Court of Appeals.

In March that court affirmed the attorneys' fees. That left AutoNation one last appeal, which this fall the state Supreme Court refused to consider.

The back pay and interest come to about \$1.4 million. The total attorneys' fees plus interest come to \$1.2 million, Zuchetto said.

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