

**SANFORD HEISLER AND PUBLIC JUSTICE WIN KEY DECISION
IN CALIFORNIA SUPREME COURT**
Justices Hold Arbitrators Determine Whether Arbitration Agreements Permit Class Arbitration

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July 28, 2016, San Francisco, California –The Supreme Court of California handed down its decision today in *Sandquist v. Lebo Automotive, Inc.*, a long-running individual and class race discrimination matter in which Sanford Heisler, LLP and Public Justice represent plaintiff Timothy Sandquist.

“Today’s decision affirms that employers cannot have it both ways with their arbitration agreements. If they are going to require their employees to resolve disputes with an arbitrator, they also need to be subjected to an arbitrator’s interpretation of the arbitration agreement,” said Felicia Medina, leader of Sandquist’s legal team and Managing Partner of Sanford Heisler’s San Francisco office. “This outcome means that after years of protracted litigation over this legal question, we can now finally begin to address Mr. Sandquist’s original claims and seek redress.”

A former sales manager and long-time employee of John Elway’s Manhattan Beach Toyota, Sandquist, filed an individual and class action on behalf of himself and all other current and former employees of color at the dealership four years ago. A high-performing and hardworking African American man, he joined Manhattan Beach Toyota as a sales representative in 2000, working his way up to sales manager in early 2008. In the two years Sandquist served as General Sales Manager of the dealership, without either the official title or the pay of that leadership position, the Dealership had its most successful years, attaining the Toyota President’s Award.

Despite Sandquist’s success at and loyalty to the dealership, he was routinely passed over for promotions, denied salary increases, and systematically harassed on the basis of his race. After persevering for four years against the ongoing discrimination and hostile work environment that permeated the former Denver Bronco quarterback’s dealership, he was forced to resign in 2011.

In January 2012, Sandquist filed individual and class claims for pay and promotion race discrimination against Lebo Automotive, doing business as John Elway’s Manhattan Beach Toyota, John Elway, Mitchell D. Pierce, Jerry L. Williams, and Darrell Sperber.

However, before the Los Angeles Superior Court could address Sandquist’s employment claims, the litigation became focused on the company’s arbitration agreement. When the trial court held that the arbitration agreement compelled individual arbitration, Sanford Heisler, LLP successfully appealed the decision in the Second District; however, the defendants subsequently appealed the Second District Court’s decision to the state’s highest court.

“Today’s decision is an important one for California workers subject to arbitration agreements by their employers,” said Paul Bland of Public Justice, who argued the case before the state supreme court. “Mr. Elway’s dealership tried to use its arbitration clause to block employees from banding together and to conceal just how pervasive the racist culture at Lebo Automotive had become. The Court’s decision sends a clear message that employees and other groups who have been wronged do not waive their right to fight that injustice together simply because of a carefully worded fine print clause.”

About Sanford Heisler LLP

Sanford Heisler, LLP is a national public interest class-action litigation law firm, which has offices in Washington, D.C., New York, San Francisco, and San Diego. Sanford Heisler is committed to protecting the rights of individuals in employment discrimination, wage and hour, qui tam, and other civil rights matters. The firm has extensive experience in complex class action litigation, having successfully represented thousands of individuals in major class action cases in the United States. The firm also represents select individual clients such as executives, lawyers in employment disputes, and whistleblowers. The firm has recovered over \$1 billion for its clients. More about the Firm and its successes can be found at www.sanfordheisler.com. For the latest news visit our [newsroom](#) or follow us on Twitter at [@sanfordheisler](#)

About Public Justice

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