



For Immediate Release:

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Group 4 Falck/Wackenhut Loses \$40 Million National Contract in U.S. As a Result of Dispute With SEIU

News Comes As Group 4 Falck Stock Drops 2.8% In Face Of Growing International Pressure To Reform Wackenhut's Business Practices in U.S.

SEIU has been informed by the Blue Cross/Blue Shield Association (BC/BS), America's largest association of health insurance companies, that BC/BS has terminated discussions with Group 4 Falck/Wackenhut over a lucrative national contract because of Wackenhut's anti-worker practices and low standards. The contract for security services at BC/BS offices throughout the U.S. is estimated by industry insiders to be worth close to \$40 million a year.

When BC/BS learnt of Wackenhut's track record of anti-worker, anti-union practices, including illegally forcing employees to give up their basic workplace rights in exchange for company health care coverage, the company told SEIU that they were worried that contracting nationally with a company like Wackenhut could damage their franchise. The Blue Cross/Blue Shield Association is a highly respected leader in the U.S. private health care industry. Their insurance plans provide health care coverage for 88 million Americans – nearly 30 percent of the U.S. population.

The news comes just days after Group 4 Falck stocks tumbled 2.8 percent in the face of growing international pressure over the business practices of their wholly owned U.S. subsidiary, Wackenhut. Unions around the globe, from Australia, Africa and Europe, have joined forces in support of SEIU, the largest security workers union in the U.S.

“Despite the company’s denials, it is clear that Wackenhut’s low standards and anti-worker practices are having an adverse affect on the company’s bottom line on both sides of the Atlantic,” said Stephen Lerner, Director of SEIU’s Building Services Division. “The efforts of workers and unions around the world to shed light on Wackenhut’s unacceptable business practices have been successful. Group 4 Falck clients and investors are sitting up and paying attention,” he said.

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