

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: March 31, 2005

Commission File No. 001-13783

INTEGRATED ELECTRICAL SERVICES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

76-0542208
(I.R.S. Employer
Identification No.)

**1800 West Loop South
Suite 500
Houston, Texas 77027**
(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code: (713) 860-1500

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

SECTION 5 – CORPORATE GOVERNANCE AND MANAGEMENT**ITEM 5.02 DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS**

As stated in the press release filed herewith as Exhibit 99.1, on March 31, 2005, Integrated Electrical Services, Inc. (the “Company”) named Richard Humphrey the Company’s Chief Operating Officer. Mr. Humphrey established ARC Electric, Inc. (“ARC”), an electrical contracting company in Norfolk, Virginia in 1970. In 1998, ARC became a part of the Company and Mr. Humphrey remained as president of ARC until 2001 when he was appointed Regional Operating Officer of the Company, a position he held until his appointment as Chief Operating Officer. The Company and Mr. Humphrey have entered into an Amended and Restated Employment Agreement (the “Agreement”) effective as of September 10, 2003. The Agreement provides for severance payments under certain circumstances in the event he is terminated by the Company. The Agreement also contains provisions relating to non-competition, return of Company property, inventions, trade secrets and maintaining confidential information. The description of the Agreement is qualified in its entirety by reference to the Agreement itself which is filed herein as Exhibit 10.1 to this current report on Form 8-K.

(C) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amended and Restated Employment Agreement
99.1	Press Release dated March 31, 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report to be signed on its behalf by the undersigned, thereunto duly authorized.

INTEGRATED ELECTRICAL SERVICES, INC.

By: */s/ David A. Miller*

*David A. Miller
Senior Vice President and
Chief Financial Officer*

Dated: April 6, 2005

EXHIBIT INDEX

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10.1	Amended and Restated Employment Agreement
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AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement (the "Restated Agreement") by and between IES Management, L.P. (the "Company"), a Delaware corporation and a wholly owned subsidiary of Integrated Electrical Services, Inc., a Delaware corporation ("IES"), IES and Richard C. Humphrey ("Executive") is hereby entered into effective as of this 10th day of September, 2003 (the "Effective Date").

RECITALS

As of the Effective Date, the Company, IES and other subsidiaries of IES (collectively, the "IES Companies") are engaged primarily in the providing of electrical and communications contracting services.

The Company and Executive have previously entered into an Employment Agreement dated effective as of September 10, 1998 (the "Employment Agreement") that sets forth certain terms and conditions relating to Executive's employment with the Company.

The Company and Executive have determined that the Employment Agreement should be amended and restated.

Therefore, in consideration of the mutual promises, terms, covenants and conditions set forth herein and the performance of each, it is hereby agreed that the Employment Agreement is amended and restated in its entirety as follows:

AGREEMENTS

1. Employment and Duties. The Company hereby employs Executive as Region Operating Officer or in such other position with the Company, IES or another IES Company as from time to time is determined by the Company or IES.

2. Term. The term of this Restated Agreement shall commence on the Effective Date and continue until terminated by either the Executive or the Company or IES upon ten (10) days' prior written notice. In the event of termination of the Restated Agreement, except as provided in paragraph 9, the provisions of paragraphs 3, 4, 5, 6 and 7 herein shall survive pursuant to their terms.

3. Non-Competition Agreement.

(a) Executive recognizes that the Company's and IES' willingness to enter into this Restated Agreement is based in material part on Executive's agreement to the provisions of this paragraph 3 and that Executive's breach of the provisions of this paragraph 3 could materially damage the IES Companies. Subject to the further provisions of this Restated Agreement, Executive will not, during the term of his employment with any IES Company, and for a period of eighteen (18) months immediately following the termination of such for any reason whatsoever, except as may be set forth herein, directly or indirectly, for himself or on behalf of

or in conjunction with any other person, company, partnership, corporation or business of whatever nature:

(i) engage, as an officer, director, shareholder, owner, partner, joint venturer, or in a managerial capacity, whether as an employee, independent contractor, consultant or advisor, or as a sales representative, in any electrical contracting or communications business in direct competition with any IES Company within 100 miles of where any IES Company conducts business, including any territory serviced by an IES Company during the term of Executive's employment (the "Territory");

(ii) hire, employ (or offer to hire or employ) any IES Company employee for the purpose or with the intent of enticing such employee away from or out of the employ of the IES Company;

(iii) call upon any person or entity which is, at that time, or which has been, within one (1) year prior to that time, a customer of an IES national account or IES Company within the Territory for the purpose of soliciting or selling electrical or communications contracting products or services;

(iv) call upon any prospective acquisition candidate, on Executive's own behalf or on behalf of any competitor, which candidate was, to Executive's knowledge after due inquiry, either called upon by an IES Company or for which an IES Company made an acquisition analysis, for the purpose of acquiring such entity; or

(v) disclose customers, whether in existence or proposed, of an IES Company to any person, firm, partnership, corporation or business for any reason or purpose whatsoever except to the extent that the IES Company has in the past disclosed such information to the public for valid business reasons.

Notwithstanding the above, the foregoing covenant shall not be deemed to prohibit Executive from acquiring as an investment not more than one percent (1%) of the capital stock of a competing business, whose stock is traded on a national securities exchange, the NASDAQ Stock Market or on an over-the-counter or similar market, unless the Board of Directors of the Company consents to such acquisition.

(b) Because of the difficulty of measuring economic losses to the IES Companies as a result of a breach of the foregoing covenant, and because of the immediate and irreparable damage that could be caused to the IES Companies for which they would have no other adequate remedy, Executive agrees that foregoing covenant may be enforced by the Company or IES, in the event of breach by Executive, by injunctions and restraining orders. Executive further agrees to waive any requirement for the securing or posting of any bond in connection with such remedies.

(c) It is agreed by the parties that the foregoing covenants in this paragraph 3 impose a reasonable restraint on Executive in light of the activities and business of the IES Companies on the date of the execution of this Agreement and the current plans of the IES Companies; but it is also the intent of the Company and IES and Executive that such covenants be construed and enforced in accordance with the changing activities, business and locations of the IES Companies throughout the term of this covenant, whether before or after the date of termination

of the employment of Executive, unless the Executive was conducting such new business prior to any IES Company conducting such new business. For example, if, during the term of this Restated Agreement, an IES Company engages in new and different activities, enters a new business or establishes new locations for its current activities or business in addition to or other than the activities or business enumerated under the Recitals above or the locations currently established therefore, then Executive will be precluded from soliciting the customers or employees of such new activities or business or from such new location and from directly competing with such new business within 100 miles of its then-established operating location(s) through the term of this covenant, unless the Executive was conducting such new business prior to any IES Company conducting such new business.

(d) It is further agreed by the parties hereto that, in the event that Executive shall cease to be employed hereunder and shall enter into a business or pursue other activities not in competition with the electrical contracting activities of the IES Companies or similar activities or business in locations the operation of which, under such circumstances, does not violate clause (a)(i) of this paragraph 3, and in any event such new business, activities or location are not in violation of this paragraph 3 or of Executive's obligations under this paragraph 3, if any, Executive shall not be chargeable with a violation of this paragraph 3 if the IES Companies shall thereafter enter the same, similar or a competitive (i) business, (ii) course of activities or (iii) location, as applicable.

(e) The covenants in this paragraph 3 are severable and separate, and the unenforceability of any specific covenant shall not affect the provisions of any other covenant. Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent that the court deems reasonable, and the Agreement shall thereby be reformed.

(f) All of the covenants in this paragraph 3 shall be construed as an agreement independent of any other provision in this Restated Agreement, and the existence of any claim or cause of action of Executive against the IES Companies, whether predicated on this Restated Agreement or otherwise, shall not constitute a defense to the enforcement by IES or the Company of such covenants. It is specifically agreed that the period of eighteen (18) months (subject to the further provisions of this Restated Agreement) following termination of employment stated at the beginning of this paragraph 3, during which the agreements and covenants of Executive made in this paragraph 3 shall be effective, shall be computed by excluding from such computation any time during which Executive is in violation of any provision of this paragraph 3.

(g) The Company and IES and Executive hereby agree that this covenant is a material and substantial part of this transaction.

4. Return of Company Property. All records, designs, patents, business plans, financial statements, manuals, memoranda, lists and other property delivered to or compiled by Executive by or on behalf of the Company, IES or any IES Companies or their representatives, vendors or customers which pertain to the business of the Company or IES or any IES Companies shall be and remain the property of the Company or IES or the IES Company, as the case may be, and be subject at all times to their discretion and control. Likewise, all correspondence, reports, records, charts, advertising materials and other similar data pertaining to the business, activities or future plans of the Company or IES or the IES Company which is collected by Executive shall be delivered promptly to the Company without request by it upon termination of Executive's employment.

5. **Inventions.** Executive shall disclose promptly to the Company (or to IES or his then-current IES Company employer if it is other than the Company) any and all significant conceptions and ideas for inventions, improvements and valuable discoveries, whether patentable or not, which are conceived or made by Executive, solely or jointly with another, during the period of employment or within one year thereafter, if conceived during employment, and which are directly related to the business or activities of the IES Companies and which Executive conceives as a result of his employment by the IES Companies. Executive hereby assigns and agrees to assign all his interests therein to the Company or its nominee. Whenever requested to do so by the employing IES Company, Executive shall execute any and all applications, assignments or other instruments that such IES Company shall deem necessary to apply for and obtain Letters Patent of the United States or any foreign country or to otherwise protect the IES Company's interest therein.

6. **Trade Secrets.** Executive agrees that he will not, during or after the term of this Restated Agreement, disclose the specific terms of the Company's, IES' or IES Companies' relationships or agreements with their respective significant vendors or customers or any other significant and material trade secret of the Company, IES or IES Companies, whether in existence or proposed, to any person, firm, partnership, corporation or business for any reason or purpose whatsoever.

7. **Confidentiality.**

(a) Executive acknowledges and agrees that all Confidential Information (as defined below) of the IES Companies is confidential and a valuable, special and unique asset of the IES Companies that gives the IES Companies an advantage over their actual and potential, current and future competitors. Executive further acknowledges and agrees that Executive owes the IES Companies a fiduciary duty to preserve and protect all Confidential Information from unauthorized disclosure or unauthorized use, that certain Confidential Information constitutes "trade secrets" under applicable laws and, that unauthorized disclosure or unauthorized use of the IES Companies' Confidential Information would irreparably injure the IES Companies.

(b) Both during the term of Executive's employment and after the termination of Executive's employment for any reason (including wrongful termination), Executive shall hold all Confidential Information in strict confidence, and shall not use any Confidential Information except for the benefit of the IES Companies, in accordance with the duties assigned to Executive. Executive shall not, at any time (either during or after the term of Executive's employment), disclose any Confidential Information to any person or entity (except other employees of the IES Companies who have a need to know the information in connection with the performance of their employment duties), or copy, reproduce, modify, decompile or reverse engineer any Confidential Information, or remove any Confidential Information from the IES Companies' premises, without the prior written consent of the President of the employing IES Company, or permit any other person to do so. Executive shall take reasonable precautions to protect the physical security of all documents and other material containing Confidential Information (regardless of the medium on which the Confidential Information is stored). This Restated Agreement applies to all Confidential Information, whether now known or later to become known to Executive.

(c) Upon the termination of Executive's employment with the IES Companies for any reason, and upon request of the employing IES Company at any other time, Executive shall promptly surrender and deliver to the IES Company all documents and other written material of any nature containing or pertaining to any Confidential Information and shall not retain any such document or other material. Within five days of any such request, Executive shall certify to the IES Company in writing that all such materials have been returned.

(d) As used in this Agreement, the term "Confidential Information" shall mean any information or material known to or used by or for the IES Companies (whether or not owned or developed by the IES Company and whether or not developed by Executive) that is not generally known to persons in the electrical contracting business. Confidential information includes, but is not limited to, the following: all trade secrets of the IES Companies; all information that the IES Companies have marked as confidential or has otherwise described to Executive (either in writing or orally) as confidential; all nonpublic information concerning the IES Companies' products, services, prospective products or services, research, product designs, prices, discounts, costs, marketing plans, marketing techniques, market studies, test data, customers, customer lists and records, suppliers and contracts; all IES Companies business records and plans; all IES Companies personnel files; all financial information of or concerning the IES Companies; all information relating to operating system software, application software, software and system methodology, hardware platforms, technical information, inventions, computer programs and listings, source codes, object codes, copyrights and other intellectual property; all technical specifications; any proprietary information belonging to the IES Companies; all computer hardware or software manual; all training or instruction manuals; and all data and all computer system passwords and user codes.

8. Release. Notwithstanding anything in this Restated Agreement to the contrary, Executive shall not be entitled to receive any payments pursuant to this Restated Agreement unless Executive has executed (and not revoked) a general release of all claims Executive may have against the IES Companies in a form of such release reasonably acceptable to the employing IES Company.

9. Termination Payment. In the event the employing IES Company determines to terminate Executive with or without cause during the term of this Restated Agreement, the employing IES Company, at its sole option, which must be exercised within twenty (20) days of the date of such termination, shall pay Executive one times his then-current annual salary, payable pursuant to normal payroll practice in return for Executive's continuing to be bound by the terms of paragraph 3 of this Restated Agreement for a period of eighteen (18) months from the date of termination. In the event the employing IES Company does not exercise the option to make the above-described payment to Executive, the terms of paragraph 3 of this Restated Agreement shall terminate effective with the termination of employment of Executive.

In the event Executive voluntarily terminates his employment, no payment shall be due and the terms of paragraph 3 of this Restated Agreement shall continue for a period of eighteen (18) months from the date of termination.

10. Complete Agreement. The Employment Agreement dated effective as of September 10, 1998 is hereby amended and restated in its entirety by this Restated Agreement. Executive has no oral representations, understandings or agreements with the Company, IES or any of their officers, directors or representatives covering the same subject matter as this Restated Agreement. This written Restated Agreement is the final, complete and exclusive statement and expression of the agreement between the

Company, IES and Executive and of all the terms of this Restated Agreement, and it cannot be varied, contradicted or supplemented by evidence of any prior or contemporaneous oral or written agreements. This written Restated Agreement may not be later modified except by a further writing signed by a duly authorized officer of the Company, IES and Executive, and no term of this Restated Agreement may be waived except by writing signed by the party waiving the benefit of such term. Without limiting the generality of the foregoing, either party's failure to insist on strict compliance with this Restated Agreement shall not be deemed a waiver thereof.

11. Notice. Whenever any notice is required hereunder, it shall be given in writing addressed as follows:

To the Company: IES Management, L.P.
Attn: Regional Operating Office
500 Woodlake Drive, Suite 105
Chesapeake, VA 23320

with a copy to: Law Department
Integrated Electrical Services, Inc.
1800 West Loop South, Suite 500
Houston, Texas 77027

To Executive: Richard C. Humphrey
300 Woodward's Ford Road
Chesapeake, VA 23322

Notice shall be deemed given and effective on the earlier of three (3) days after the deposit in the U.S. mail of a writing addressed as above and sent first class mail, certified, return receipt requested, or when actually received. Either party may change the address for notice by notifying the other party of such change in accordance with this paragraph 11.

12. Severability; Headings. If any portion of this Restated Agreement is held invalid or inoperative, the other portions of this Restated Agreement shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. The paragraph headings herein are for reference purposes only and are not intended in any way to describe, interpret, define or limit the extent or intent of the Restated Agreement or of any part hereof.

13. Governing Law. This Restated Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflicts of law provisions.

14. Counterparts. This Restated Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective for all purposes as of the Effective Date.

EXECUTIVE

By: /s/ Richard C. Humphrey

Name: Richard C. Humphrey
Title: Region Operating Officer

IES Management, L.P.

By: /s/ Mark Older

Name: Mark Older
Title: Secretary

INTEGRATED ELECTRICAL SERVICES, INC.

By: /s/ Margery M. Harris

Name: Margery M. Harris
Title: Sr. Vice President, Human Resources

**NEWS RELEASE**

Contacts: H. Roddy Allen, CEO
Integrated Electrical Services, Inc.
713-860-1500

FOR IMMEDIATE RELEASE

Ken Dennard /ksdennard@drg-e.com
Karen Roan / kcroan@drg-e.com
DRG&E
713-529-6600

Integrated Electrical Services Names New Chief Operating Officer

HOUSTON — MARCH 31, 2005 — Integrated Electrical Services, Inc. (NYSE: IES) today announced that Richard Humphrey has been named Chief Operating Officer. Mr. Humphrey will assume the role immediately.

Mr. Humphrey has 35 years of experience in the industry, beginning in 1970 when he established ARC Electric, Inc., an electrical contracting company based in Norfolk, Virginia. In 1998, ARC became part of Integrated Electrical Services. Mr. Humphrey remained as company president of ARC until 2001 when he was appointed to his current position of Regional Operating Officer. In the four years he held this position, his region expanded from nine to fifteen subsidiaries. Mr. Humphrey will relocate to Houston, Texas.

Roddy Allen, IES' President and CEO said, "We are extremely happy to have Richard continue his work at IES as our COO. His company knowledge, industry experience, and leadership should prove invaluable to our company as we continue a strategic realignment. He is an asset to IES who will continue to improve and positively influence the company as we move forward."

Integrated Electrical Services, Inc. is a leading national provider of electrical solutions to the commercial and industrial, residential and service markets. The company offers electrical system design and installation, contract maintenance and service to large and small customers, including general contractors, developers and corporations of all sizes.

This Press Release includes certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the Company's expectations and involve risks and uncertainties that could cause the Company's actual results to differ materially from those set forth in the statements. Such risks and uncertainties include, but are not limited to, the inherent uncertainties relating to estimating future

operating results or our ability to generate sales, income, or cash flow, potential difficulty in addressing material weaknesses in the Company's accounting systems that have been identified to the Company by its independent auditors, potential limitations on our ability to access the credit line under our credit facility, litigation risks and uncertainties, fluctuations in operating results because of downturns in levels of construction, incorrect estimates used in entering into and executing contracts, difficulty in managing the operation of existing entities, the high level of competition in the construction industry, changes in interest rates, the general level of the economy, increases in the level of competition from other major electrical contractors, increases in costs of labor, steel, copper and gasoline, limitations on the availability and the increased costs of surety bonds required for certain projects, inability to reach agreement with a surety company or a co-surety to provide sufficient bonding capacity, risk associated with failure to provide surety bonds on jobs where we have commenced work or are otherwise contractually obligated to provide surety bonds, loss of key personnel, inability to reach agreement for planned sales of assets, business disruption and transaction costs attributable to the sale of business units, costs associated with the closing of business units, unexpected liabilities associated with warranties or other liabilities attributable to the retention of the legal structure of business units where we have sold substantially all of the assets of the business unit, inability to fulfill the terms of the required payments under the credit facility, disruption of business or costs resulting from an SEC investigation, difficulty in integrating new types of work into existing subsidiaries, errors in estimating revenues and percentage of completion on contracts, and weather and seasonality. The foregoing and other factors are discussed and should be reviewed in the Company's filings with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended September 30, 2004.

End of Filing