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9	CIINDOLO COID	
10		T OF CALIFORNIA
11 12	COUNTY	OF FRESNO
12		Case No. 14CECG00166 KCK
14	MARY BARBER and ISABEL FERNANDEZ, as individuals and on behalf	
15	of all others similarly situated,	PLAINTIFFS' NOTICE OF APPLICATION AND
16	Plaintiffs,	APPLICATION FOR APPROVAL OF ATTORNEY'S FEES, COSTS
17	v.	AND INCENTIVE AWARDS FOR NAMED PLAINTIFFS
18	GRUNDFOS PUMPS CORPORATION , a California corporation, and DOES 1-20 ,	Date: March 9, 2016
19	inclusive,	Time: 3:30 p.m.
20	Defendants.	Dept: 403
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-		FION FOR APPROVAL OF ATTORNEY'S FEES, COSTS ANI R THE NAMED PLAINTIFFS
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1	PLEASE TAKE NOTICE THAT on March 9, 2016 at 3:30 P.M., or as soon thereafter as
2	the matter may be heard, in Department 403 of the above-entitled Court, located at 1130 O Street,
3	Fresno, California, Plaintiffs Mary Barber and Isabel Fernandez will and hereby do move for an
4	Order (1) awarding Class Counsel attorney's fees in the total amount of \$416,666, (2) awarding
5	Class Counsel litigation costs in the total amount of \$17,575.65, and (3) approving Enhancement
6	Awards to the two named Plaintiffs in the amount of \$10,000 each. This application is made
7	pursuant to California Rules of Court, Rule 3.769, which requires Court approval of the settlement
8	of class actions. This application is unopposed by Defendant Grundfos Pumps Corporation and will
9	be based on the Memorandum of Points and Authorities, the Joint Stipulation and Settlement
10	Agreement, the Declaration of Charles A. Jones, the Declarations of Isabel Fernandez and Mary
11	Barber, such evidence or oral argument as may be presented at the hearing, and on the complete
12	records and file herein. ¹
13	DATED: December 30, 2015 JONES LAW FIRM
14	
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16	Charles A. Jones, Esq.
17	Class Counsel
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27	¹ This application should not be construed as a waiver of any attorney-client or attorney work-
28	product privileges.
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	PLAINTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

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1		TABLE OF CONTENTS
2		
3	I.	INTRODUCTION1
4	II.	DESCRIPTION OF THE ACTION AND SETTLEMENT CLASSES
5		
6	III.	KEY SETTLEMENT TERMS
7	IV.	FACTUAL BACKGROUND REGARDING SETTLEMENT6
8 9	V.	ARGUMENT
10		2. The Circumstances of this Case Support a 33-1/3% Fee Award
11		a. The Contingent Nature of This Case11
12		b. The Experience, Reputation, and Ability of Counsel, and the
13		Skill They Displayed in Litigation
14		c. The Results Achieved
15		d.Preclusion of Other Employment
16		C. No Class Member Has Objected to the Attorney Fee Award
17		D. Class Counsel's Request for Costs is Reasonable
17		E. The Class Representatives' Service Payments Are Also Reasonable
10 19	IV.	CONCLUSION
20		
21		
22		
23		
24		
25		
26		
27		
28		
	PLA	i INTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

1	TABLE OF AUTHORITIES
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4	Andrews v. First Interstate Bank of California, San Francisco Super. Ct. Case No. 9535759
5	Bank of America v. Cory (1985) 164 Cal.App.3d 66
6	Bright v. Kanzaki Specialty Papers, S.F. Super. Ct. Case No. 964899
7 8	
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10	City and County of San Francisco v. Sweet (1995) 12 Cal.4th 105
11	Clark v. American Residential Services LLC (2009)175 Cal.App.4th 78516
12	Collins v. Aaron Bros., LASC No. BC 2088569
13	Crandall v. U-Haul International, Inc., LASC Case No. BC1787759
14	D'Amico v. Board of Medical Examiners (1974) 11 Cal.3d 17
15	<i>Estate of Stauffer</i> (1959) 53 Cal.2d 124
16	Gallegos v. Office Depot, Santa Clara Sup. Ct., Case No. CV 7978479
17	Glendale City Employees' Association v. City of Glendale (1975) 15 Cal.3d 3287, 8
18	Goddard v. Longs Drugs Stores, Alameda Super. Ct. Case No. RG041412919
19 20	Graubard, et al. v. Goodyear Tire & Rubber Co., LASC Case No. BC 2305209
21	In re California Indirect-Purchaser Infant Formula Antitrust Class Action Litigation, LASC Case No. J.C.C.P. No. 2557
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23	In re California Indirect-Purchaser Plasticware Antitrust Litigation, San Francisco Super. Ct. Case Nos. 961814, 963201, and 9635909
24	In re Cellphone Fee Termination Cases (2010) 186 Cal.App.4th 138016
25	In re Liquid Carbon Dioxide Cases, San Diego Super. Ct Case No. J.C.C.P. 3012
26	<i>Ketchum v. Moses</i> (2001) 24 Cal.4th 112214
27	Knoff v. City and County of San Francisco (1969) 1 Cal.App.3d 184
28	
	PLAINTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

1	<u>TABLE OF AUTHORITIES</u> (Continued)
2 3	Laykin et al. v. Ann Taylor Retail Inc., et al., LASC BC328843 and BC342729 (Coordinated Actions)9
4	Lealao v. Beneficial California, Inc. (2000) 82 Cal.App.4 th 19passim
5 6	Marroquin v. Bad Bath & Beyond, Alameda Super. Ct. Case No. RG041459189
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20 21	Hopson v. Hanesbrands Inc. (N.D. Cal., Apr. 3, 2009, CV-08-0844 EDL) 2009 WL 928133
22	In re Activision Sec. Litig. (9th Cir. 1989) 723 F. Supp. 13739
23	In re GNC Shareholder Litigation (W.D. Pa. 1987) 668 F.Supp. 450
24	In re Sumitomo Copper Litigation (S.D.N.Y. 1999) 74 F.Supp.2d 393
25 26	In re United Energy Corp. Securities Litigation (C.D. Cal. 1989) 1989 WL 7321 1
27	Mills v. Electric Auto-Lite Co. (1970) 396 U.S. 375
28	
	iii PLAINTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AN INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

1	<u>TABLE OF AUTHORITIES</u> (Continued)
2	Staton v. Boeing Co. (9th Cir.2003) 327 F.3d 9381
4	Van Vranken v. Atlantic Richfield Co. (N.D. 1995) 901 F.Supp. 294
5	Webb v. Board of Educ. (1985) 471 U.S. 234
6	California Statutes
7	Business and Professions Code § 17200 et seq
8	Labor Code § 201-203
9	Labor Code § 226
0	Labor Code § 510
1	
2	Labor Code § 1194
3	Labor Code § 2698
	Labor Code § 2699
5 6	Labor Code § 2802
7	Rules
8	California Rules of Court, Rule 3.769
9	Treatises
0	4 Newberg on Class Actions (4th ed. 2002) § 14.6
1	Newberg, Attorney Fee Awards, § 2.19 (1987)
2	California Practice Guide: Civil Trials and Evidence (The Rutter Group) at §17:172.3
23	Theodore Eisenberg & Geoffrey P. Miller, Incentive Awards to Class Action Plaintiffs:
24	An Empirical Study (2006) 53 UCLA L. Rev. 1303
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MEMORANDUM OF POINTS AND AUTHORITIES

2 I. <u>INTRODUCTION</u>

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Plaintiffs Mary Barber and Isabel Fernandez (collectively, "Plaintiffs") and Class Counsel, Jones Law Firm, move for an award of attorney's fees and costs, and approval of service payments to the Class Representatives in connection with the final approval of the class action settlement of this action. Plaintiffs and Defendant Grundfos Pumps Corporation (hereinafter "Grundfos" or "Defendant") have settled the released claims of the Settlement Class Members, as defined in the parties' Stipulation and Settlement Agreement ("Stipulation" attached as Exhibit 11 to the Jones Declaration) for a *non-reversionary* settlement payment of \$1,250,000. This class action settlement ("Settlement") resolves all claims asserted against Defendant by the named Plaintiffs and Settlement Class Members.

11 The primary claim alleged in this action is that Grundfos failed to issue accurate wage 12 statements to its hourly, non-exempt employees in violation of California Labor Code §226(a). As 13 set forth in detail below, assuming that this Court approves the full amount of attorney's fees, costs 14 and service payments to the class representatives sought through this application, the Settlement 15 Class Members will still receive nearly 100% of the maximum statutory penalties available to them 16 for the alleged violations of Labor Code §226(a). See, California Labor Code §226(e). In addition 17 to the substantial settlement payments made to the Settlement Class Members, the Stipulation 18 further provides that Defendant will pay \$7,500 to the State of California's Labor and Workforce 19 Development Agency ("LWDA") as it is 75% of the amount allocated to settle the claims brought pursuant to the Private Attorneys General Act of 2004, Labor Code § 2698 et. seq. Stip. at ¶32. 20

Because the Settlement achieves outstanding results for the Settlement Class, Defendant's 21 past and current employees, and the State of California, Plaintiffs respectfully request that the 22 Court approve their request for attorney's fees and costs and service payments for serving as the 23 class representatives. Through this application, Plaintiffs seek the Court's approval of an 24 attorney's fee award of \$416,666 plus the reimbursement of \$17,575.65 in litigation costs. The 25 attorney fee request equals 33-1/3% of the Settlement Fund of \$1,250,000, with the fees 26representing a multiplier of 1.13 over Class Counsel's \$371,850 lodestar. See, Jones Decl. 120-23; 27 Ex. 6. Class Counsel's request for an award of attorney's fees and costs is reasonable and 28

appropriate in light of the work performed by Class Counsel in the case, the contingent nature of
 this action, and the results achieved under the Settlement for the class members. *Lealao v. Beneficial California, Inc.* (2000) 82 Cal.App.4th 19.

Plaintiffs also request the Court confirm the amount of service awards agreed to be paid to each named Plaintiff in the amount of \$10,000 each (totaling \$20,000). The amount proposed to be awarded to the representative Plaintiffs is fair and reasonable. Courts approve incentive awards to plaintiffs when justified and appropriate to compensate plaintiffs for their time, effort, and inconvenience. *See e.g.*, *Van Vranken v. Atlantic Richfield Co.* (N.D. Cal. 1995) 901 F. Supp. 294, 299.

9 Pursuant to Court order, this Application is being filed thirty (30) days after the initial 10 mailing of Notice and Claim Forms to the Class Members. Plaintiffs will file a formal motion for 11 Final Approval of this settlement after the date for the filing of Claim Forms and Exclusion Forms 12 has expired. At that time, Plaintiffs will be able to provide to the Court the actual amount of 13 settlement payments made to each Settlement Class Member, the number of exclusion forms filed, 14 and any objections made to the proposed settlement. As of the date of the filing of this Application, 15 no Class Member has objected to any aspect of this settlement, including the amount of fees and 16 costs sought by Class Counsel, or the incentive payments to the class representatives.

17 **II**.

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DESCRIPTION OF THE ACTION AND THE SETTLEMENT CLASSES

On January 21, 2014, Plaintiff Mary Barber filed her Complaint against Defendant 18 Grundfos Pumps Corporation (hereinafter "Grundfos") on behalf of current and former hourly, 19 non-exempt employees who worked for Grundfos at its manufacturing plant located in Fresno, 20California. The primary claim alleged in this action is that Grundfos failed to issue accurate wage 21 statements to its hourly, non-exempt employees. Specifically, the case alleges that Grundfos failed 22to include the hourly rates of pay in the wage statements issued to its non-exempt employees when 23 they received overtime pay, temporary lead pay, or shift differential pay in violation of California 24 Labor Code §226(a)(9). In addition, Plaintiffs also seek PAGA penalties pursuant to California 25 Labor Code §2298 et seq. for violations of Labor Code §226(a). 26

On October 28, 2014, Plaintiff filed a First Amended Complaint ("FAC") adding an additional class representative, Isabel Fernandez, and the following additional causes of action: (1) Violation of Labor Code §§226(b), (c), and (f) and; (2) Labor Code §226.3. The additional causes
of action alleged in the FAC are based on Plaintiffs' allegation that Grundfos failed to maintain
copies of the actual wage statements issued to its employees from January 21, 2011, through
December 14, 2013. In addition, Plaintiffs allege that due to the failure to include all applicable
hourly rates of pay in their wage statements, they were not properly paid for all hours worked.

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A. The Settlement Class And Sub-Classes

7 For the purposes of settlement, the parties have agreed to the creation of one settlement class with two subclasses, defined as follows:

9 9 The Settlement Class: all current and former Fresno-based hourly non-exempt employees 9 employed by Grundfos during the Class Period (January 21, 2011 to December 14, 2013), and 10 shall include two mutually exclusive sub-classes:

> A. Sub-Class 1: "Alternate Rate Sub-Class" shall mean all Settlement Class Members who, at any time between January 21, 2011 and December 14, 2013, earned overtime, double-time, shift differentials, lead pay, or other compensation for time worked that was paid at anything other than their respective base rate.

B. Sub-Class 2: "**Base Rate Sub-Class**" shall mean all Settlement Class Members who, for the entire period between January 21, 2011 and December 14, 2013, only earned compensation for time worked paid at their respective base rate.

- According to Grundfos's records, there are 263 persons who fall within Sub-Class 1 and 15
 persons who fall within Sub-Class 2. The Class and Sub-Classes are only comprised of non exempt, hourly employees. Salaried employees are not included in this settlement.
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<u>KEY SETTLEMENT TERMS</u>

As provided in the Stipulation, the total value of this non-reversionary settlement is \$1,250,000. (Stip. at ¶ 21, 23.) As the settlement in *non-reversionary*, Grundfos will pay out the full \$1,250,000, regardless of the number of claim forms received by the classes. For example, if only half of the class members submit valid and timely claim forms, the settlement awards paid to those members who do submit timely and valid claim forms will increase substantially. (See, Stip.

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¹ ¶¶33, 36.)¹ From the total settlement amount of \$1,250,000 the following amounts will be deducted: (1) Attorney's fees in the amount of \$416,666, subject to Court approval; (2) Attorney's costs up to a maximum of \$20,000, subject to Court approval; (3) Enhancement Awards to the two named Plaintiffs in the amount of \$10,000 each, subject to Court approval; (4) Claim Administration Costs up to a maximum of \$10,000, subject to Court approval; and (5) a payment to the LWDA in the amount of \$7,500.

Assuming that the Court approves all of the above amounts as requested, the non-7 reversionary Net Settlement Amount to be distributed to the Classes will be \$775,834. Should the 8 Court decline to approve or reduce any of the amounts noted above, the non-reversionary Net 9 Settlement Amount shall increase proportionately. Of the non-reversionary Net Settlement 10 Amount, \$773,500 is allocated to pay the claims of those Alternate Rate Sub-Class 1 members who 11 timely submit a valid claim form. (Id. at ¶¶21, 23-26, 32-37.) Similarly, of the non-reversionary 12 Net Settlement Amount, \$2,334 is allocated to pay the claims of those Base Rate Sub-Class 2 13 members who timely submit a valid claim form. (Id.) As set forth below, under the terms of this 14 settlement the Settlement Class Members will actually receive nearly 100% of the maximum 15 statutory penalties available to them under Labor Code §226. See, Jones Decl. ¶9.

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A.

Sub-Class 1: Alternate Rate Sub-Class

Of the Net Settlement Amount, \$773,500.00 is allocated to pay the claims of those non-17 exempt class members who timely submit a valid claim form "Alternate Rate Sub-Class 18 Distribution Fund." (Id. at ¶32-37.) According to Defendant's records, there are a total of 263 19 putative non-exempt class members who are members of the Alternate Rate Sub-Class. The 20members of the Alternate Rate Sub-Class consist of Putative Class Members who allegedly 21received non-complaint wage statements during the class period. i.e., wage statements that did not 22include the hourly rates of pay when the class members received overtime pay, temporary lead pay, 23 or temporary shift differential pay. Under the terms of the proposed settlement, assuming a 100% 24

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As the last date to submit claim forms ends on January 29, 2016, the exact amount that each
 Settlement Class Member will receive is not known at this time. Plaintiffs will set forth the
 amounts received by the Settlement Class Members in connection with their Motion for Final
 Approval of this settlement.

participation rate, Settlement Shares to the Alternate Rate Sub-Class Members will be paid out 1 according to the following formula:

3 4 5 6	# Pay Periods For Which Employee Earned Compensation For Time Worked That Was Paid At Anything Other Than Base Rate (January 21, 2011 – December 14, 2013)	# of Alternative Rate Sub- Class Members in each group	Settlement Share	Total settlement payout for each group
_	1-10	39	\$500	\$19,500
7	11-20	. 28	\$1,000	\$28,000
8	21-30	22	\$2,000	\$44,000
Ĩ	31-40	14	\$3,000	\$42,000
9	41+	160	\$4,000	\$640,000
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Pursuant to California Labor Code §226(e)(1) employees who suffer an injury as a result of 11 a knowing and intentional violation of Labor Code §226(a) are entitled to recover either actual 12 damages or statutory damages of "fifty dollars (\$50) for the initial pay period in which a violation 13 occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, 14 not to exceed an aggregate penalty of four thousand dollars (\$4,000)," plus attorney's fees. 15 (Labor Code §226(e)(1)[emphasis added]; Brewer v. General Nutrition Corp., 2014 WL 5877695 16 at *5 (N.D. Cal. 2014); Jaimez v. DAIOHS USA, Inc., 181 Cal. App. 4th 1286, 1305 (2010). Under 17 the terms of this settlement, Alternate Rate Sub-Class 1 Members will recover nearly 100% 18 of the maximum amount of statutory penalties available to them even after attorney's fees 19 and costs have been deducted. Specifically, 160 Sub-Class 1 Settlement Class Members will 20An analysis of the value of other claims receive the maximum of award of \$4,000, each. released is discussed in the Jones Declaration at ¶¶9-10. 21

As set forth in the above table, the settlement shares paid to each class members directly 22 correspond to the harm suffered, *i.e.*, the number of instances in which the Class Members received 23 non-compliant wage statements. This ensures that all Class Members are treated fairly with 24 respect to their settlement awards. One of the true benefits of this settlement is that it is a total 25payout, non-reversionary settlement. What this means is that none of the settlement funds reverts 26 to the Defendant and instead they are distributed to the class members on a pro-rata basis. See, 27 Stipulation ¶36; Jones Decl. ¶¶9-10. The non-reversionary aspect of this settlement sets this 5

settlement apart from many other class action settlements where the Defendant is able to recoup a
 portion of the settlement amount based on the number of claim forms received.

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B.

Sub-Class 2: Base Rate Sub-Class

Of the non-reversionary Gross Settlement Amount, \$2,334 is allocated to pay the claims of those Base Rate Sub-Class members who timely submit a valid claim form. (Stip at ¶32-37.) There is a total of 15 putative Base Rate Sub-Class Members. Under the terms of the proposed settlement, assuming a 100% participation rate, Base Rate Sub-Class Members will receive \$155.60, net. Base Rate Sub-Class Members consist of individuals who, according to Grundfos's records, only received clearly compliant wage statements. *i.e.*, they never received a wage statement in which they received overtime pay, temporary lead pay, or shift differential pay.

10 Pursuant to California Labor Code §226(f), these Sub-Class members are arguably entitled 11 to a penalty based on the fact that Grundfos allegedly failed to maintain copies of the actual wage 12 statements issued to these Sub-Class members. However, in order to prevail on this claim, 13 Plaintiffs would be required to prove that (1) the Defendant failed to maintain "copies" of the wage 14 statements issued to the class (See, Labor Code §226(a)(b) and (c)) and (2) that the Defendant 15 failed to permit the class members to inspect or copy their wage statements. While the entity who 16 processed the payroll for Defendant during the release period failed to provide Grundfos with 17 copies of the actual wage statements it issued to Defendant's employees (it did provide Grundfos) but not the class members, with documents which identify all of the information required by Labor 18 Code §226(a). As a result, Class Counsel believe that there is a very low probability of success on 19 this particular claim. See, Jones Decl. ¶9-10. Given that there are only 15 Sub-Class members at 20issue, Class Counsel are pleased with the rate of recovery for these Sub-Class members. 21

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IV.

FACTUAL BACKGROUND REGARDING SETTLEMENT

This case has been hotly contested and vigorously litigated since its inception. In total, the Defendant was represented by three separate law firms during the pendency of this action. This settlement resulted from a private mediation which was conducted by the Honorable Carl West (Ret.) The mediation was only pursued after extensive investigation and formal discovery, numerous interviews of potential class members, the deposition of Grundfos's Person Most Knowledgeable Designate on a host of topics, the filing of Plaintiffs' Motion for Class

1 Certification and Motions to Compel, and the disclosure of over 30,000 pages of data and 2 documents concerning the claims alleged in this action.

Prior to mediation, Class Counsel summarized and analyzed the voluminous data provided 3 by Grundfos in order to evaluate Grundfos's exposure and the likelihood of Plaintiffs' success on 4 the merits. Based on the data provided through discovery, Class Counsel were able to not only 5 determine a settlement figure that would pay the Settlement Class Members nearly 100% of the 6 statutory penalties to which they are entitled under Labor Code §226(e), but also arrive at a 7 distribution formula which ensures that the Settlement Class Members are receiving settlement 8 shares that directly correspond to the harm suffered, as reflected in the chart noted above. For a 9 complete review of the work completed by Class Counsel on this case, and time spent, please see 10 the Jones Declaration at ¶20-24.

ARGUMENT

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V.

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A. Class Counsel Request an Award Under the Common Benefit Doctrine

1. A 33 1/3% Fee Award Is Reasonable Here

Class Counsel respectfully request that this Court approve the fees and costs to be paid in
 this action. This Application is made pursuant to California Rules of Court, Rule 3.769 which
 requires Court approval of the fees paid through settlement in a class action.

17 Class Counsel seek attorney's fees of \$416,666, representing 33-1/3% of the settlement 18 consideration under the "common fund" doctrine. Courts have long recognized the "common 19 fund" or "common benefit" doctrine, under which attorneys who create a common fund or benefit 20for a group of persons may be awarded their fees and costs to be paid out of the fund. Serrano v. Priest ("Serrano III") (1977) 20 Cal.3d 25, 34, quoting D'Amico v. Board of Medical Examiners 21 (1974) 11 Cal.3d 1; Glendale City Employees' Association v. City of Glendale (1975) 15 Cal.3d 22328, 341 fn.19; Quinn v. State of California (1995) 15 Cal.3d 162, 167; see also Boeing Co. v. Van 23 Gemert (1980) 444 U.S. 472, 478; Mills v. Electric Auto-Lite Co. (1970) 396 U.S. 375, 391-392. 24

The California Supreme Court has held that, "when a number of persons are entitled in common to a specific fund, and an action brought by a plaintiff or plaintiffs for the benefit of all results in the creation or preservation of that fund, such plaintiff or plaintiffs may be awarded attorneys' fees out of the fund." *Serrano III, supra*, 20 Cal.3d at 34, quoting *D'Amico*, 11 Cal.3d 1;

1	see also Boeing, supra, 444 U.S. at 478 ("[A] lawyer who recovers a common fund for the benefit
2	of persons other than himself or his client is entitled to a reasonable attorney's fee from the fund as
3	a whole."); Mills, supra, 396 U.S. at 391-392 (United States Supreme Court endorsing the common
4	fund approach in class actions). California Practice Guide: Civil Trials and Evidence (The Rutter
5	Group) at § 17:172.3 explains the common fund doctrine as follows:
6	Where the lawsuit results in the recovery of a fund or property benefiting others as well as plaintiff (e.g., a class action), the court has
7	inherent equitable power to order plaintiff's attorney fees paid out of
8	the common fund or property [citations]. Such fee spreading assures that all of those benefited by the litigation pay their fair share of obtaining the recovery.
9	The percentage-of-the-fund approach appears to be the preferred method of awarding fees
10	in traditional common fund cases, such as this case. Where the settlement amount is a "certain or
11	easily calculable sum of money," use of the percentage-of-the-fund method is appropriate.
12	Serrano III, 20 Cal. 3d at 35.
13	In Glendale City Employees' Association v. City of Glendale (1975) 15 Cal.3d 328, 341
14	fn.19, the California Supreme Court upheld an attorneys' fee award based on a percentage of the
15	common benefit obtained in a lawsuit by a city employees' association for retroactive wages:
16	It is not necessary to find this suit a proper class action in order to uphold the portion of the judgment awarding counsel for plaintiffs 25
17	percent of all retroactive salaries and wages received. That award may
18	be sustained under the rule that a litigant who creates a fund in which others enjoy beneficial rights may require those beneficiaries to pay
19	their fair share of the expense of litigation. (See Sprague v. Ticonic National Bank (1939) 307 U.S. 161, 159; Estate of Stauffer (1959) 53
20	Cal.2d 124, 132).
21	In Quinn v. State of California (1995) 15 Cal.3d 162, 167, the California Supreme Court
22	stated: "[O]ne who expends attorneys' fees in winning a suit which creates a fund from which
23	others derive benefits may require those passive beneficiaries to bear a fair share of the litigation
24	costs." Similarly, in City and County of San Francisco v. Sweet (1995) 12 Cal.4th 105, 110-111,
25	the California Supreme Court recognized that the common benefit doctrine has been applied
26	"consistently in California when an action brought by one party creates a fund in which other
27	persons are entitled to share."
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Numerous appellate courts have similarly found this. See e.g., Knoff v. City and County of 1 San Francisco (1969) 1 Cal.App.3d 184, 203-204 (court upheld a "contingent percentage" award 2 of attorneys' fees in a representative action as the proper exercise of the court's broad equitable 3 powers); Rider v. County of San Diego (1992) 11 Cal.App.4th 1410, 1423 (attorneys' fees and 4 expenses properly awarded from common benefit composed of illegally imposed sales and use tax); 5 Bank of America v. Cory (1985) 164 Cal.App.3d 66, 89-92 (fees awarded from common benefit 6 created by action compelling state to claim dormant bank accounts); Parker v. Los Angeles (1974) 7 44 Cal.App.3d 556, 567-568 (court upheld fee award equal to one-third of the damages to owners 8 of residential property in an inverse condemnation action). 9

Moreover, at least eight federal courts of appeal - the First, Third, Sixth, Seventh, Ninth, Tenth, Eleventh and the D.C. Circuit - have endorsed the "percentage fee" method for determining reasonable attorneys' fees in common benefit cases. *See e.g., In re Sumitomo Copper Litig.* (S.D.N.Y. 1999) 74 F.Supp.2d 393, 396-398 (describing the overwhelming weight of federal authority in favor of the percentage fee method); *see also, Lealao, supra*, 82 Cal.App.4th at 30-31 (describing same).

Attorneys' fees awards in line with the amount sought here are frequently upheld. See e.g., *In re Activision Sec. Litig.* (9th Cir. 1989) 723 F. Supp. 1373, 1375.

17The requested fee, equal to one-third of the Settlement Fund, falls well within and even 18 below the percentages awarded in other class action litigation by numerous California trial courts. See e.g., Walgreens Overtime Cases, JCCP No. 4387 (Coordinated Actions) (31% fee award); 19 Laykin et al. v. Ann Taylor Retail Inc., et al., LASC BC328843 and BC342729 (Coordinated 20 Actions) (27.5% fee award); Collins v. Aaron Bros., LASC No. BC 208856 (33 1/3% fee award); 21Gallegos v. Office Depot, Santa Clara Sup. Ct., Case No. CV 797847 (33 1/3% fee award); 22Chalmers v. Electronics Boutique, LASC Case No. BC306571 (33% of common fund); Graubard, 23 et al. v. Goodyear Tire & Rubber Co., LASC Case No. BC 230520 (33% award); Viovens, et al, v. 24 Wackenhut Corp., LASC Case No. BC290071 (31% award); Goddard v. Longs Drugs Stores, 25 Alameda Super. Ct. Case No. RG04141291 (25% award); Crandall v. U-Haul International, Inc., 26LASC Case No. BC178775 (40% award); Albrecht v. Rite Aid Corp., San Diego Super. Ct. Case 27No. 729219 (35% award); Marroquin v. Bed Bath & Beyond, Alameda Super. Ct. Case No. 28

RG04145918 (33 1/3% award); In re Liquid Carbon Dioxide Cases, San Diego Super. Ct Case No. 1 J.C.C.P. 3012 (33 1/3% award plus costs); In re California Indirect-Purchaser Plasticware 2 Antitrust Litigation, San Francisco Super. Ct. Case Nos. 961814, 963201, and 963590 (33 1/3% fee 3 award plus costs); Bright v. Kanzaki Specialty Papers, S.F. Super. Ct. Case No. 964899 (33 1/3% 4 fee plus costs); Andrews v. First Interstate Bank of California, S.F. Super. Ct. Case No. 953575 5 (30% fee award including costs); In re California Indirect-Purchaser Infant Formula Antitrust 6 Class Action Litigation, LASC Case No. J.C.C.P. No. 2557 (30% fee award including costs); 7 Sconce/Lamb Cremation Cases, LASC Case No. J.C.C.P. No. 2085 (30% fee award plus costs); 8 Yates v. Wingfoot Commercial Tire Systems, LLC, Sacramento Superior Court Case No. 9 04AS00169 (33% fee award plus costs); Lindley v. Discount Tire Centers, Inc., LASC Case No. 10 BC239094 (33% fee award plus costs); Alfaro v. Senior Classic Leasing, LLC., LASC Court Case 11 No. BC328987 (33% fee award plus costs); and Carl v. Advanced Call Center Technologies, LLC, 12 Sacramento County Superior Court Case No. 34-2013-00148310 (2014)(33 1/3% fee award plus 13 costs.) See, Jones Decl. ¶16; Exhibits 1-5.

14 As the cases cited above demonstrate, attorney's fee awards in the amount sought here are well-established by California law and practice. Accordingly, Class Counsel's fee request is fair 15 and reasonable and is consistent with the awards in California and the Ninth Circuit. It is also 16 reasonable given the history of this action and the result obtained by Class Counsel. See, Jones 17 Decl. ¶15-19. 18

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2. The Circumstances of this Case Support a 33 1/3 % Fee Award

Given the significant results achieved under the circumstances of this litigation, the 20requested fee award is reasonable. As discussed in Sumitomo Copper Litigation, supra, 74 F. Supp. 212d at 396: 22

> No one expects a lawyer whose compensation is contingent on the success of his services to charge, when successful, as little as he would charge a client who in advance of the litigation has agreed to pay for his services, regardless of success. Nor, particularly in complicated cases producing large recoveries, is it just to make a fee depend solely on the reasonable amount of time expended.

In that vein, this Court should consider the contingent nature of this case, the uncertainty of

27the outcome, the quality of the counsel, and the preclusion from other employment.

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a. The Contingent Nature of This Case

From the outset of the case to the present, prosecution of this action has involved 2 significant financial risk for Class Counsel. Class Counsel undertook this matter solely on a 3 contingent basis, with no guarantee of recovery. Class Counsel have placed their own resources at 4 risk to prosecute this action with no guarantee of success. Jones Decl. at ¶12-25. The risks of this 5 case are apparent in that class certification would have been a hard-fought issue, especially given 6 the uncertainty regarding certification of cases such as this. Moreover, even if class certification 7 were granted over Defendant's opposition, there was no assurance that Plaintiffs would succeed at 8 trial. Despite such challenges, Class Counsel were able to persuade Defendant that it faced 9 significant liability exposure such that it was willing to pay \$1,250,000 to settle the Class 10 Members' claims.

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b. <u>The Experience, Reputation, and Ability of Counsel, and the</u> <u>Skill They Displayed in Litigation</u>

Class Counsel have substantial experience in wage-and-hour and other class action litigation, including litigation involving the novel legal issues in this action. *See e.g.*, Jones Decl. at ¶¶2-7. Class Counsel's skill in developing a factual record, moving for Class Certification, and convincing Defendant of their litigation exposure under California law were essential to achieving the Settlement. Through their skill and reputation, Class Counsel were able to obtain a settlement that provides an outstanding result for Class Members. Jones Decl. at ¶¶9-10.

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c. The Results Achieved

20The excellent results achieved by the Settlement support Class Counsel's request for attorney's fees. As noted, no Class Member has filed an objection to any aspect of this settlement, 21 including the amount of fees and costs sought by Class Counsel, both of which were described 22 clearly in the Notice. Pursuant to the terms of the Settlement, all funds will be paid to the 23 Alternate Rate and Base Rate Sub-Class members. As noted, the Settlement Class Members will 24 receive nearly 100% of the statutory penalties available to them under Labor Code §226(e), even 25 if this Court grants the full amount of attorney's fees and costs sought by Class Counsel. 26 Moreover, assuming a 100% claims rate, 160 of the 263 Alternate Rate Sub-Class Members will 27

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receive the maximum recovery of \$4,000 each for Labor Code §226(a) violations. Below is a

3 4 5 6	 # Pay Periods For Which Employee Earned Compensation For Time Worked That Was Paid At Anything Other Than Base Rate (January 21, 2011 – December 14, 2013) 	# of Alternative Rate Sub- Class Members in each group	Settlement Share	Total settlement payout for each group
	1-10	39	\$500	\$19,500
	.11-20	28	\$1000	\$28,000
3	21-30	22	\$2000	\$44,000
	31-40	14	\$3000	\$42,000
9	41+	160	\$4000	\$640,000
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2 chart indicating the amounts paid for the Alternate Rate Sub-Class Members:

If less than 100% of the Settlement Class Members submit claims, the amount paid to those who do will increase commensurately.

With respect to the 15 Base Rate Sub-Class members, i.e., individuals who received compliant wage statements, they too are receiving just compensation of more than \$150.00 each.

14 Class Counsel are extremely pleased with the settlement result achieved in this case. It is 15 not often that attorneys are able to settle an individual case, let alone a complex class action such 16 as the instant case involving nearly 300 class members, for nearly 100% of the value of each 17 individual's case, even after a reduction for attorney's fees and costs. Jones Decl. ¶¶9-10, 24. 18 These payments are intended to compensate class members for claims for Defendant's alleged 19 failure to issue compliant wage statements, and maintain copies of the wage statements provided to its hourly paid employees.² As the vast majority of the Settlement Class Members earn less 2021 than \$13.00 per hour, the monetary settlement achieved in this case will be truly meaningful.

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²³² Due to the fact that class members were paid at higher rates of pay when they worked overtime and received lead pay, and the wage statements did not set forth the hourly rates of pay when the class members did so, Plaintiffs alleged that they and the class members were not paid at their proper rates of pay. After an in-depth review of the wages statements issued to the Class Members, it was determined that 208 class members were not paid at their proper rate of pay when they worked overtime or received lead pay. However, the median amount of underpayments relating to the failure to properly calculate the regular rate of pay during the class Members will be reimbursed for any claims relating the failure to properly calculate their rates of pay. See, Jones Decl. ¶10.

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This is a significant benefit for the Class Members here - it represents a recovery for highly disputed claims. Jones Decl. at ¶24. Equally important is the fact that the State of California will receive \$7,500 for enforcement of labor laws and education of employers.

In addition to the significant monetary awards paid to the Settlement Class members, this filing of this action has also benefited Defendant's past and present employees by virtue of the fact that Defendant changed its practices after the filing of this case and began issuing compliant wage statements to its employees. As a result, Grundfos's current employees, many of whom are class members in this case, will benefit from the fact that they will not only receive accurate wage statements from which they can determine if they are being paid correctly, but also that they will be able to determine whether they are paid at the proper legal rate of pay for all hours worked.

d. Preclusion of Other Employment

12 As California law recognizes, Class Counsel's commitment to this litigation should not be 13 assessed in a vacuum. See Serrano, supra, 20 Cal.3d at 49. A relevant factor in determining 14 attorney's fees is whether the litigation required Class Counsel to forego other employment. Id. 15 Additional cases were available to Class Counsel but had to be foregone to devote the time 16 necessary to pursue this litigation. Jones Decl. at ¶19.

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B. The Requested Fees are Also Justified Under the Lodestar Method

Fee calculations under the lodestar method would result in a similar, if not greater, award, 18 demonstrating the fairness of Class Counsel's percentage fee request. Under the lodestar method, 19 a base fee amount is calculated from a compilation of time reasonably spent on the case and the 20reasonable hourly compensation of the attorney. The base amount is then adjusted by use of a 21 multiplier in light of various factors. Serrano III, supra, 20 Cal.3d at 48. Class Counsel's hourly 22rates are summarized in the Jones Declaration at ¶¶13-21. 23

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One difficulty in determining the hourly rate of attorneys of similar skill and experience in the relevant community is the scarcity of hourly fee-paying clients in class action litigation. As a 25 practical matter, few if any employees or consumers pay attorney's fees on an hourly basis for 26 such extensive litigation, and thus retainer agreements in such cases are based on a stepped-up 27 contingency fee (with the percentage increasing from one third to forty percent if the case goes to 28

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trial). Therefore, there is no customary hourly billing rate for work that is routinely based on a contingent fee relationship, but the nature of class action work should be strongly considered by the Court. In addition, wage and hour work presents a difficult area of law that is not within the knowledge of many lawyers. This kind of class action work requires specialized learning and the willingness to take large risks. Jones Delc. at ¶13-25.

Class Counsel have spent approximately 619 hours litigating this case to date.³ Jones Decl. 6 at ¶21-24; Ex. 6. Class Counsel expects to spend another 65 hours dealing with claims 7 administration issues, work week disputes, communication with class members, researching and 8 drafting the Motion for Final Approval, and preparing for and attending the Final Approval 9 Hearing. Id. Reasonable hours include, in addition to time spent during litigation, the time spent 10before the action was filed, including time spent interviewing the clients, investigating the facts 11 and the law, preparing the initial pleadings and litigating the case. Webb v. Board of Educ. (1985) 12 471 U.S. 234. Further, the fee award should include fees incurred to establish and defend the 13 attorney's fee claim. Serrano v. Priest (1982) 32 Cal.3d 621, 639 ("Serrano IV").

In cases where a common fund analysis is not used, once the court establishes the lodestar amount, it should adjust the fee award by a multiplier in order to make an appropriate fee award. *Serrano III, supra*, 20 Cal.3d at 48. In applying the multiplier, *Newberg on Class Actions* states that "[m]ultiples ranging from one to four frequently are awarded in common fund cases when the lodestar method is applied. A large common fund award may warrant an even larger multiplier." 4 *Newberg on Class Actions* 4th (4th ed. 2002) § 14.6. If the class members paid the fees that the market would bear, they would pay a fee of anywhere from one-third to forty percent of any

²³ ³ In *Martino v. Denevi* (1986) 182 Cal.App.3d 553, 559, the court addressed the issue of what ²⁴ evidence is required in California to support a fee application. The court held: "Testimony of an ²⁵ attorney as to the number of hours worked on a particular case is sufficient evidence to support an ²⁶ award of attorney fees, even in the absence of detailed time records." *Id.* There is no need to ²⁶ attach the voluminous invoices prepared in a case as a basis for an award of fees and costs. *Id.* ²⁷ Through Class Counsel's declaration in support of this application, however, Plaintiffs present a ²⁷ thorough breakdown of all hours spent, and costs incurred, in prosecuting this class action. ²⁸ Pursuant to *Martino, supra*, this presentation is more than sufficient to support the amount sought.

¹⁴ PLAINTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

recovery. Since this is the market rate, the lodestar calculation should be enhanced to reflect what
 the class members would pay on the open market. *Lealao*, *supra*, 82 Cal.App.4th at 47-48.

In *Lealao*, the court held that trial courts should award lodestar fees by examining the percentage-of-the-benefit and adjusting the lodestar calculation accordingly. *Id.* at 49, 53. The court indicated that this is an upward adjustment and should be akin to a contingency fee recovery; the court stated, "[a]n adjustment reflecting the amount of the class recovery is not significantly different from an adjustment reflecting a percentage of that amount; and California courts have evaluated a lodestar as a percentage of the benefit." *Id.* at 46. The *Lealao* method appears particularly appropriate because class actions generally are contingency fee cases for plaintiffs – and the class action clients do not expect to pay an hourly fee.

The rationale of *Lealao* comports with the purpose of the multiplier. The multiplier is "primarily to compensate the attorney for the prevailing party at a rate reflecting the risk of nonpayment in contingency cases." *Ketchum v. Moses* (2001) 24 Cal.4th 1122, 1138. The *Lealao* court reasoned:

> Given the unique reliance of our legal system on private litigants to enforce substantive provisions of law through class and derivative actions, attorneys providing the essential enforcement services must be provided incentives roughly comparable to those negotiated in the private bargaining that takes place in the legal marketplace, as it will otherwise be economic for defendants to increase injurious behavior. It has therefore been urged (most persistently by Judge Richard Posner) that in defining a reasonable fee' in such representative actions the law should mimic the market.

In the class action context, that would mean attempting to award the fee that informed private bargaining, if it were truly possible, might have reached. The simplest way for the law to duplicate the bargain that informed parties would reach if agency costs were low is to look to fee award levels in actions brought by sophisticated private parties under the same or comparable statutes.

²⁴ Lealao, 82 Cal.App.4th at 47 - 48 (internal citations and quotations omitted).

The court added:

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[T]rial judges need the flexibility *Serrano III* provides, as it enables them to relate fee awards to the economic realities that determine the

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efficacy of the private enforcement contemplated by our civil justice system.

Accordingly, we hold that, in cases in which the value of the class recovery can be monetized with a reasonable degree of certainty and it is not otherwise inappropriate, a trial court has discretion to adjust the basic lodestar through the application of a positive or negative multiplier where necessary to ensure that the fee awarded is within the range of fees freely negotiated in the legal marketplace in comparable litigation.

Id. at 49-50.

In looking at similar cases, including those set forth above, Class Counsel's requested fee
comports to the market. Jones Decl. ¶16. Based on the reasonable hourly rates suggested by Class
Counsel, the requested fee award would represent a multiplier of 1.13 over Class Counsel's
\$371,850 lodestar – an amount well within the accepted range for class action cases. In this regard,
decisions of other courts in awarding attorneys' fees in class action litigation are persuasive
evidence of the fair market value of the services provided.

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C. No Class Member Has Objected to the Attorney Fee Award

Counsel's intention to request payment of attorney's fees in the amount requested herein was clearly disclosed to each Class Member in the Court-approved Notice of Class Action Settlement. *See* Exhibit 10. As of the filing of this brief, there has been not one single objection to the request for attorney's fees. Class Counsel will file a supplemental application once the claims period has closed updating the number of objections and the actual amounts paid to the Settlement Class Members.

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D. Class Counsel's Request for Costs is Reasonable

In the course of this litigation, Class Counsel had to (and will) incur substantial out-ofpocket costs totaling approximately \$17,575.65. *See* Jones at ¶25; Ex. 7. Pursuant to the terms of the Stipulation and the class notice, the requested cost award would not exceed \$20,000. The remaining cost balance of \$2,424.35 will be redistributed to the settlement class members on a pro rata basis.

As demonstrated in the Jones Declaration submitted herewith, the incurred costs included
 filing fees, travel, court reporting fees, deposition transcript fees, legal research fees, photocopy

charges, service of process fees, mediation fees and associated expenses, and mailing charges.
 Jones Decl. Ex. 7. Such costs are appropriate for cost reimbursement in these types of cases. See
 e.g., In re United Energy Corp. Sec. Litig. (C.D. Cal. 1989) 1989 WL 7321 1, *6 (quoting Newberg,
 Attorney Fee Awards, § 2.19 (1987)); see also, In re GNC Shareholder Litigation (W.D. Pa. 1987)
 668 F. Supp. 450, 452.

The costs incurred by Class Counsel in this litigation benefited Class Members. In light of the litigation costs that Class Counsel needed to incur to prosecute this action and the positive reaction of Class Members, Plaintiffs' cost request is reasonable and should be granted.

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E. The Class Representatives' Service Payment is also Reasonable

Plaintiffs each seek a service or incentive payment in the amount of \$10,000 (totaling \$20,000). Jones at ¶26. These service payments are intended to recognize the time and efforts that the named Plaintiffs spent on behalf of the Class. Jones at ¶26.

When determining whether incentive awards are appropriate, courts consider a variety of non-exclusive factors such as:

"the actions the plaintiff has taken to protect the interests of the class, the degree to which the class has benefitted from those actions, and the amount of time and effort the plaintiff expended in pursuing the litigation . . . the risk to the class representative in commencing suit, both financial and otherwise, the notoriety and personal difficulties encountered by the class representative, the duration of the litigation, and the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation."

Clark v. American Residential Services LLC (2009) 175 Cal.App.4th 785, 804 (internal quotations omitted), citing Cook v. Niedert (7th Cir. 1998) 142 F.3d 1004, 1016 and Van Vranken, supra, 901
 F.Supp. at 299.

Plaintiffs' proposed \$10,000 incentive award falls within a range deemed acceptable by
California courts. See also In re Cellphone Fee Termination Cases (2010) 186 Cal.App.4th 1380,
1395 (no abuse of discretion when trial court awarded incentive payments of \$10,000 each); Reed
v. 1-800 Contacts, Inc., 2014 WL 29011 (S.D. Cal. 2014) (approving incentive awards of \$10,000
to named plaintiffs). The proposed incentive payments represent only 1.6% of the total settlement
amount of \$1,250,000. Moreover, the proposed incentive payments of \$10,000 each are

PLAINTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

commensurate with the amount of incentive awards awarded to class representatives in other class 1 action settlements with which class counsel have been involved. For instance, In Doornbos v. 2 Pilot Travel, Case No. 04CV00044 BEN (BLM), United States District Court Judge for the 3 Southern District of California, Robert Benitez, approved service payments of \$20,000 each to the 4 two named class representatives in a wage and hour overtime class action which settled for 5 \$3,900,000. (Exhibit 8, Order Awarding Additional Compensation) In Lindley v. Discount Tire 6 Centers, Inc., Case No. BC239094, the Honorable Judge Peter Lichtman (Ret.) approved service 7 payments totaling \$110,000 for the five class representatives in an overtime class action which 8 settled for \$3,250,000. (Exhibit 9, Order Awarding Additional Compensation.) Recently, in Carl v. 9 Advanced Call Center Technologies, LLC, Sacramento County Superior Court Case No. 34-2013-10 00148310, the Honorable Alan G. Perkins awarded incentive payments to the five class 11 representatives in the amount of \$10,000 each in a wage and hour class action which settled for 12 \$2,475,000 (Exhibit 4, Final Approval Order). An award of \$10,000 actually falls below the 13 average enhancement award, according to one study. See Theodore Eisenberg & Geoffrey P. 14 Miller, Incentive Awards to Class Action Plaintiffs: An Empirical Study (2006) 53 UCLA L. Rev. 15 1303, 1308 (concluding the average award per class representative was \$15,992).

16 In this instance, the efforts of the Named Plaintiffs in pursuing this litigation have 17 conferred a substantial economic benefit on a large number of current and former employees of defendant. Without the efforts of the Named Plaintiffs, these absent class members would have 18 received no economic benefit whatsoever. It is widely recognized among attorneys handling 19 overtime cases that both current and former employees are extremely hesitant to assert claims 20against major employers. Whether well-founded or not, workers have tremendous concerns that 21 they will be retaliated against by their current employer. In this instance, Mrs. Fernandez is a 22 current employee of the Defendant and was initially hesitant to serve as a class representative due 23 to fears that her employment with the Defendant would be jeopardized. (Fernandez Decl. ¶4) 24 Moreover, both Mrs. Barber and Mrs. Fernandez risked adverse financial consequences in agreeing 25 to pursue this litigation. Had this case not been certified, or had plaintiffs not prevailed on liability, 26 the Named Plaintiffs may have been liable for costs incurred by the defendant in this action. In 27addition, the Named Plaintiffs held valid individual claims against defendant before becoming the 28

class representatives in this suit. Nonetheless, Mrs. Barber and Mrs. Fernandez were willing to
 serve as class representatives, thereby subordinating their individual claims in order to benefit a
 large class of their co-workers.

As a result of the named Plaintiffs' efforts, the Settlement Class Members will receive nearly 100% of the statutory penalties available to them under Labor Code §226(e) and the State of California will receive \$7,5000, to be put toward education and enforcement of California's labor laws. Additionally, each of the named Plaintiffs will sign release agreements which cover any and all claims that they had or may have against the Defendant, including a Civil Code § 1542 waiver. Thus, the claims released by the named Plaintiffs are far broader than those claims released by the Class Members themselves.

10 The Named Plaintiffs have been extremely helpful to counsel throughout all stages of this 11 case, including pre-filing investigation, discovery, the drafting of the Class Certification Motion 12 and the settlement process. The amount of time spent by Plaintiffs in assisting Class Counsel in 13 prosecuting this case is set forth in the declarations of Barber at \mathbb{Q}^2 and Fernandez at \mathbb{Q}^2 . As set 14 forth in their declarations, the named Plaintiffs have performed the following tasks in this case: (1) 15 assisted Counsel in investigating and substantiating the claims alleged in this action, including 16 multiple conversations with counsel to review facts, documents, and Defendant's policies; (2) 17 assisted in the preparation of the Complaint and First Amended Compalint in this action; (3) produced evidentiary documents and contact information for other class members to Counsel; (4) 18 reviewed the Motion for Class Certification; and (5) assisted Counsel in the Settlement Process and 19 reviewed and approved the Joint Settlement Agreement and Preliminary approval papers. Id. 20

The award of service/incentive payments to the named Plaintiff is especially warranted in a case like this one. Service/incentive payments are necessary to ensure that employees, like Plaintiffs, continue to bring claims like those brought here to enforce the rights of employees. Individuals like the named Plaintiffs (and most Class Members) would have little, if any, recourse without the class action device. Most Class Members – like the named Plaintiffs – would be fearful of retaliation in response to filing any lawsuit, much less a class action. Plaintiffs must be commended for pursuing their claims; modest service payments like those sought here are an appropriate means of doing so.

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1	To date, not a single Class member objected to the service payment requested on behalf of
2	the named Plaintiffs, who brought this litigation on their behalf and who secured a benefit for them
3	worth \$1,250,000. In light of the work that the named Plaintiffs performed on behalf of Class
4	Members, and the Class Members' response to the Settlement, the requested service payments are
5	reasonable and appropriate. Jones at ¶26.
6	VI. <u>CONCLUSION</u>

For all the foregoing reasons, Plaintiffs request that the Court (1) approve Class Counsel's request of \$416,666 as an award of attorneys' fees, (2) approve the requested award of \$17,575.65 in litigation costs to Class Counsel, and (3) approve the request of \$10,000 as a service/incentive payment to each named Plaintiff.

DATED: December 30, 2015

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JONES LAW FIRM

Charles A. Jones, Esq.

Charles A. Jones, Esq. Class Counsel

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	PLAINTIFFS' NOTICE OF APPLICATION AND APPLICATION FOR APPROVAL OF ATTORNEYS' FEES AND COSTS AND INCENTIVE AWARDS FOR THE NAMED PLAINTIFFS

1	CERTIFICATE OF SERVICE
2	I, the undersigned, declare as follows:
3	I am employed in the County of Washoe, State of Nevada.
4	I am over the age of eighteen (18) years and not a party to the within action; my business address is 9585 Prototype Court, Suite B, Reno Nevada, 89521.
5	On December 30, 2015, I served the foregoing documents describes as:
6 7	1. Plaintiffs' Notice of Application and Application for Approval of Attorney's Fees, Costs and Incentive Awards for Named Plaintiffs.
8	2. Declaration of Charles A. Jones in Supports of Application for Approval of Attorney's Fees, Costs and Incentive Awards for Named Plaintiffs.
9	3. Declaration of Isabel Fernandez.
10 11	4. Declaration of Mary Barber
12	on all interested parties in this action addressed to the addressee as follows:
13 14 15	Catherine A. Conway GIBSON DUNN 333 South Grand Ave. Los Angeles, CA 90071
16	X(FEDERAL EXPRESS)
17 18 19	I declare under penalty of perjury under the laws of the State of California that the above is true and correct.
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21	Executed on December 30, 2015, at Reno, Nevada.
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23	7. JAR
24	Nikki Coverston
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	1 Certificate of Service