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14 15	Lead Trial Counsel (additional counsel listed at signature)		
16	UNITED STATES DISTRICT COURT		
17	CENTRAL DISTRI	CT OF CALIFORNIA	
18	KEITH ANDREWS, an individual, et	Case No. 2:15-cv-04113-PSG-JEMx	
19	al.,	CLASS COUNSEL'S	
20	Plaintiffs,	SUPPLEMENTAL MEMORANDUM	
21	V.	OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR	
22	PLAINS ALL AMERICAN	APPROVAL OF ATTORNEYS' FEES,	
23	PIPELINE, L.P., a Delaware limited	EXPENSES, AND SERVICE AWARDS UNDER RULE 23(H)	
24	partnership, et al.,		
25	Defendants.	Date: September 20, 2022 Time: 1:30 p.m.	
26		Judge: Hon. Philip S. Gutierrez	
27		Courtroom: 6A	
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Class Counsel respectfully submit this supplemental memorandum in support of their motion for attorneys' fees, expenses, and class representative service awards. Following the extensive notice program, not a single Class member has objected to the requested fee and cost award, nor to the requested class representative service awards.

The \$230 million non-reversionary Settlement before the Court provides Fisher and Property Class members meaningful recoveries of the damages they incurred as a result of the Spill. Dkt. 944-1, Ex. 1 ("Settlement"). The Settlement is fair, adequate, and reasonable. Not a single Class member has objected to the substance of the Settlement.

For their work in securing this outstanding result on behalf of the Classes, Class Counsel seek \$73,600,000 in fees and \$6,085,336 in costs. As set forth in Class Counsel's initial memorandum in support of the requested fee and cost award, this request for 32% of the Settlement's total value is strongly supported by each of the relevant factors under Ninth Circuit law. *First*, the Settlement represents a large percentage of total classwide damages and provides Class members with substantial recoveries. Dkt. 954 at 14-17. Second, the result is even more impressive in light of the complexity, novelty, and scale of this case, which entailed innovative legal claims, an extraordinary degree of expert discovery, and countless dispositive or case-altering motions by Defendants. *Id.* at 17-19. *Third*, Class Counsel endured substantial risk by prosecuting the case on contingency for more than seven years, including defeating multiple challenges to class certification, as recently as January of this year. *Id.* at 19-20. *Fourth*, the nature of the case – not to mention the magnitude of the Settlement – creates greater accountability on oil and pipeline companies entrusted with work in environmentally sensitive areas. *Id.* at 20-21. *Fifth*, the requested percentage is comparable to those awarded in similarly lengthy, complex, and large settlements. *Id.* at 21-23. *Lastly*, a lodestar crosscheck yields a modest multiplier of 1.26 for work performed up to the final approval

motion, and this multiplier continues to decrease as work continues. *Id.* at 23-26. This multiplier is significantly below the average multiplier awarded in comparably valued cases and further supports Class Counsel's request. *Id.* at 25-26; *see generally* Dkt. 960, Declaration of Brian T. Fitzpatrick ("Fitzpatrick Decl.") ¶ 35.

The Court-approved notice disseminated to the Class indicated that Class Counsel would not seek a fee in excess of 33% of the Settlement, and costs not to exceed \$6,500,000.¹ Critically, no Class member objected to the fee or cost request stated in the Class Notice, both of which were greater than the amounts Class Counsel actually requests. The complete absence of objections strongly supports the reasonableness and fairness of Class Counsel's request. *See Gutierrez v. Stericycle, Inc.*, No. LA CV15-08187 JAK (JEMx), 2019 WL 12470143, at *8 (C.D. Cal. Mar. 22, 2019) (finding class counsel's requested fee appropriate "in light of the absence of any objections by members of the Class"); *Jenson v. First Tr. Corp.*, No. CV 05-3124 ABC (CTx), 2008 WL 11338161, at *15 (C.D. Cal. June 9, 2008) ("[T]hat no Class members [] have manifested any disapproval of the fee request further supports its reasonableness."); *Nevarez v. Forty Niners Football Co., LLC*, 474 F. Supp. 3d 1041, 1051 (N.D. Cal. 2020) (considering the fact that there were "no objections" as a factor in justifying Plaintiffs' lodestar).² Likewise,

¹ See Dkt. 944-2, Declaration of Jennifer Keough in Support of Motion for

Preliminary Approval of Class Action Settlement and Direction of Notice Under Rule 23(e) ("Keough Decl. ISO Notice") at 80 ("Class Counsel (see Question X below) will apply to the Court for an award of attorneys' fees in an amount not to exceed 33% of the total amount of the Fisher Class Settlement, (or \$60,720,000), plus their litigation expenses (not to exceed \$5.2 million from the Fisher Settlement), and an interest earned on these amounts, at the same rate as earned by the Fisher Class Common Fund."); *id.* at 93 ("Class Counsel (see Question X below) will apply to the Court for an award of attorneys' fees in an amount not the exceed 33% of the total amount of the Property Class Settlement (or \$15,180,000), plus their litigation expenses (not to exceed \$1.3 million from the Property

Settlement), and interest earned on these amounts, at the same rate as earned by the Property Class Common Fund.").

² Cf. In re Amgen Inc. Sec. Litig., No. CV 7-2536 PSG (PLAx), 2016 WL

no Class members filed objections to the requested class representative service awards, which were also disclosed in the Class Notice. *See* Dkt. 944-2, Keough ISO Notice, at 81, 93.

In addition to the seven years of intense effort Class Counsel have dedicated to this matter, they will continue their efforts on behalf of the Class all the way through the complete administration of the Settlement. Since July 29, 2022, Class Counsel have fielded numerous inquiries from Class members. On August 30, Class Counsel organized and attended an in-person meeting with the Commercial Fishermen of Santa Barbara where Class Counsel presented on, among other things, the history of the litigation, a summary of the settlement, the plan of distribution, and gave a tutorial on how to file a claim. Attendees participated both in-person and remotely. Additionally, if the Court grants final approval, Class Counsel will issue a press release to draw further attention to the Settlement, and will send email reminders regarding the claims deadline to any Class members for whom either the Claim Administrator or Class Counsel has a working email address. See Supplemental Declaration of Robert J. Nelson ¶ 6. This ongoing effort and commitment further demonstrates the propriety of the fee and cost award and, as noted, has and will continue to result in a reduction of the already modest 1.26 multiplier on Class Counsel's lodestar.

CONCLUSION

Class Counsel have achieved an extraordinary recovery for the Classes in an incredibly hard-fought, difficult, and risky case. After receiving notice of a fee and

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^{10571773,} at *5 (C.D. Cal. Oct. 25, 2016) (finding class counsel's fee request reasonable after overruling three objections); *Fernandez v. Victoria Secret Stores, LLC*, No. CV 06-04149 MMM (SHx), 2008 WL 8150856, at *13 (C.D. Cal. July 21, 2008) ("Only three class members objected and only twenty-nine opted out. This indicates that counsel achieved a favorable result for the class, which in turn suggests that they are entitled to a generous fee.").

1	cost award larger than what is sought, no member of either Class objected,		
2	evidencing the reasonableness of the requested awards. For these reasons, and those		
3	articulated in Class Counsel's opening memorandum, Class Counsel respectfully		
4	request that the Court grant their motion for \$73,600,000 in attorneys' fees;		
5	\$6,085,336 in litigation expenses; and \$15,000 to each of the fourteen Class		
6	Representatives. ³		
7			
8	Dated: September 2, 2022	Respectfully submitted,	
9		By:/s/Robert J. Nelson	
10		Robert J. Nelson (CSB No. 132797)	
11		Nimish Desai (CSB No. 244953) Wilson M. Dunlavey (CSB No. 307719)	
12		Amelia A. Haselkorn (CSB No. 339633) LIEFF CABRASER	
13		HEIMANN & BERNSTEIN, LLP	
14		275 Battery Street, 29th Floor San Francisco, CA 94111-3339	
15		Telephone: (415) 956.1000 Facsimile: (415) 956.1008	
16		· ,	
17		Juli E. Farris (CSB No. 141716) Matthew J. Preusch (CSB No. 298144)	
18		KELLER ROHRBACK L.L.P. 801 Garden Street, Suite 301	
19		Santa Barbara, CA 93101	
20		Telephone: (805) 456-1496 Facsimile: (805) 456-1497	
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28	³ Plaintiffs attach an amended proposed order to address the lack of objections and		

³ Plaintiffs attach an amended proposed order to address the lack of objections and correct a few typographical errors.

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1	Plaintiffs,
2	V.
2 3 4	PLAINS ALL AMERICAN PIPELINE,
	PLAINS ALL AMERICAN PIPELINE, L.P., a Delaware limited partnership, and PLAINS PIPELINE, L.P., a Texas limited partnership, and JOHN DOES 1 through 10,
5	through 10,
6	Defendants.
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Before the Court is a motion for attorneys' fees, expenses, and class representative service awards. The Court conducted a fairness hearing on September 20, 2022. Having considered the moving papers and the information provided at the hearing, the Court GRANTS the motion for attorneys' fees, costs, and Class Representative service awards.

I. <u>BACKGROUND</u>

This litigation arises from an oil spill that occurred at Refugio State Beach in Santa Barbara County on May 19, 2015.

After this Court consolidated separately filed class actions into this lead case, Plaintiffs filed a consolidated second amended class action complaint on April 6, 2016. Dkt. 88. Plaintiffs alleged various violations of California Law for: (1) strict liability under the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (California Code Section 8670, *et seq.*); (2) ultrahazardous activities under the common law; (3) common law claims for negligence, public nuisance, negligent interference with prospective economic advantage, trespass, continuing private nuisance, and a permanent injunction; and (4) violation of California's Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*). *See id.* ¶¶ 261-359.

The Parties then conducted extensive discovery, which included exchanging more than 360,000 documents totaling over 1.5 million pages, disclosing 17 experts who produced 52 reports, taking over 100 depositions (including depositions of the fourteen Class Representatives), filing and responding to over a dozen motions to strike. Declaration of Robert J. Nelson in Support of Motion for Final Approval, Attorneys' Fees, Costs, and Service Awards ("Nelson Decl.") ¶¶ 3-9.

On August 22, 2016, Plaintiffs moved to certify a Class of fishers and fish processors impacted by Plains' spill, supported by reports from five experts. Dkt. 123. Defendants submitted nine expert reports in support of its opposition. After extensive briefing and oral argument, on February 28, 2017, this Court certified a

1 Fisher and Fish Industry Class based on initial estimates of where the oil traveled 2 and which fishing blocks were impacted. Dkt. 257. 3 Following two years of additional fact and expert discovery, on August 31, 4 2019, Plaintiffs filed a motion to amend the Fisher Class definition. Dkt. 531. 5 Defendants opposed certification, serving amended reports from two of its own experts. Dkt. 545. Following significant briefing, the Court granted Plaintiffs' 6 7 motion and certified the Fisher Class as amended. Dkt. 577. 8 Following that order, Defendants petitioned the Ninth Circuit Court of 9 Appeals to review the certification decision pursuant to Fed. R. Civ. P. 23(f). 10 Plaintiffs opposed, and the Ninth Circuit denied the petition. See Andrews et. al., v. Plains All American Pipeline, et. al, Case No. 19-80167, Dkt. 3 (July 27, 2020). 11 12 Defendants unsuccessfully moved to decertify the Fisher Class three times. See 13 Dkts. 566, 647, 872. 14 On March 5, 2018, Plaintiffs moved to certify a Property Class. Dkt. 428-1. 15 Defendants opposed, submitting reports from three of its own experts in support of its opposition, and moved to strike Plaintiffs' two expert reports. Dkts. 430, 440. On 16 17 April 17, 2018, this Court granted Plaintiffs' motion for certification of the Property 18 Class and denied Plains' motions to strike. Dkt. 454. Defendants petitioned the Ninth Circuit Court of Appeals pursuant to Fed. R. 19 20 Civ. P. 23(f), Plaintiffs opposed, and the Ninth Circuit denied the petition. See 21 Andrews et. al., v. Plains All American Pipeline, et. al, Case No. 18-80054, Dkt. 4 22 (June 27, 2018). Like the Fisher Class, the Property Class was subject to three 23 decertification motions. Dkts. 555, 663, 874. 24 Defendants filed multiple summary judgment motions. As to the Fisher Class, 25 Plains moved for summary judgment in 2019. Dkt. 646. After extensive briefing, with thousands of pages of documents in support of and in opposition to the motion, 26 and lengthy oral argument, the Court granted summary judgment against a subset of 27

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the Fisher Class, the fish processors, as to certain claims and denied the rest. Dkt. 714.

As to the Property Class, Defendants moved for summary judgment on October 21, 2019. Dkt. 554. After Plaintiffs opposed and Defendants replied, the Court ordered supplemental briefing, which both Parties submitted. Dkts. 635, 636. After additional oral argument, the Court issued an order on March 17, 2020, granting summary judgment as to certain claims for certain groups within the Property Class and denying the rest. Dkt. 720.

This case was originally set to go to trial in September of 2020. The Parties had prepared the case for trial, exchanging witness lists, a joint exhibit list with 4,705 entries, jury instructions, deposition designations, and contentions of law and fact. The Parties also fully briefed 16 motions in limine and submitted multiple briefs regarding the trial plan.

The trial was postponed because of the COVID pandemic and was then re-set for June 2, 2022. This Court has since ruled on all 16 motions in limine and numerous other motions, including motions to amend witness and exhibit lists, motions to submit additional supplemental expert reports, and motions to strike other expert reports. See, e.g., Dkts. 891-900 (orders on motions in limine), Dkts. 857, 867 (order on amending witness list and exhibits for trial). The Court also adopted Plaintiffs' proposed trial plan over Defendants' opposition. Dkt. 911.

The parties and their counsel participated in three formal full-day mediations over the course of three years with Judge Daniel Weinstein (Ret.) and Robert Meyer of JAMS, in addition to informal negotiations and numerous telephone conferences over this same time. The first mediation was held in the fall of 2019. The second mediation was held in the fall of 2020. The third full-day mediation took place on March 22, 2022, after which the Parties still had not reached agreement. On April 13, 2022, the mediators submitted a mediator's proposal that both Parties ultimately accepted. After reaching an agreement in principle, the Parties drafted the

Settlement Agreement, notices, other settlement exhibits, and selected the proposed Settlement Administrator. Nelson Decl. ¶ 10; Dkt. 944-1, Exhibit 1 ("Settlement").

Under the proposed Settlement, Defendants will pay \$184 million to the Fisher Class and \$46 million to the Property Class. No portion of the combined \$230 million will revert to Defendants. Plaintiffs sought preliminary approval of the Settlement, Dkt. 944, which the Court granted, Dkt. 949. Specifically, the Court (1) preliminarily approved the Settlement Agreement, (2) appointed JND Legal Administration LLC ("JND") as the Settlement Administrator, and (3) approved the proposed plan to give Class Notice. *Id.* at 1-4.

Plaintiffs now move for an order approving the requested attorneys' fees, expenses, and service awards.

II. ATTORNEYS' FEES, EXPENSES, AND SERVICE AWARDS

Plaintiffs move for (1) \$73.6 million in attorneys' fees, representing 32% of the Settlement Funds, (2) reimbursement of \$6,085,336 in litigation costs incurred by Class Counsel, and (3) service awards of \$15,000 to each Class Representative. *See* Plaintiffs' Notice of Motion and Motion for Attorneys' Fees, Expenses, and Service Awards Under Rule 23(H) ("Fees Mot.") at 2. The Court addresses each request in turn.

A. Attorneys' Fees

1. <u>Legal Standard</u>

Awards of attorneys' fees in class action cases are governed by Federal Rule of Civil Procedure 23(h), which provides that, after a class has been certified, the court may award reasonable attorneys' fees and nontaxable costs. The court "must carefully assess" the reasonableness of the fee award. *Staton v. Boeing Co.*, 327 F.3d 938, 963 (9th Cir. 2003).

Where litigation leads to the creation of a common fund, courts can determine the reasonableness of a request for attorneys' fees using either the common fund method or the lodestar method. *See In re Bluetooth Headset Prods. Liab. Litig.*, 654

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F.3d 935, 944-45. The Court will analyze Class Counsel's fee request under both theories, starting with the percentage-of-the-common-fund theory, and then conducting a lodestar-cross-check.

2. <u>Discussion</u>

Under the percentage-of-recovery method, courts typically use 25% of the fund as a benchmark for a reasonable fee award. *See In re Bluetooth Headset*, 654 F.3d at 942. However, in larger settlements, that 25% benchmark may "be of little assistance," *In re Optical Disk Drive Prod. Antitrust Litig.*, 959 F.3d 922, 931 (9th Cir. 2020), if it would result in an award "either too small or too large in light of the hours devoted to the case or other relevant factors." *Six* (6) *Mexican Workers v. Ariz. Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990).

Here, Class Counsel requests that the court approve a fee award of \$73.6 million, or 32% of the gross Settlement amount. Fees Mot. 2. The Court will evaluate this request in light of the factors set out in *Vizcaino*, and will cross-check the reasonableness of the award using the lodestar method.

a. <u>Percentage-of-the-Common-Fund Method</u>

The selection of a percentage must "take into account all of the circumstances of the case." *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1048 (9th Cir. 2002). When assessing the reasonableness of a fee award under the common fund theory, courts consider factors such as (1) the results achieved, (2) the risk of litigation, (3) the complexity of the case and skill required, (4) the benefits beyond the immediate generation of a cash fund, and (5) awards made in similar cases. *In re Omnivision Techs.*, *Inc.*, 559 F. Supp. 2d 1036, 1046 (N.D. Cal. 2008); *Vizcaino*, 290 F.3d at 1048-50). "Courts may also consider the reaction of class members to the proposed attorney fees," *Wilson v. TE Connectivity Networks, Inc.*, No. 14-CV-04872-EDL, 2019 WL 4242939, at *7 (N.D. Cal. Sept. 6, 2019) (awarding a 34% fee where the amount of fees requested was including in the notice and no class member objected).

1. Results Achieved

"The overall result and benefit to the class from the litigation is the most critical factor in granting a fee award." In re Omnivision Techs., Inc., 559 F. Supp. 2d at 1046. Here, Class Counsel secured large shares of the Classes' maximum potential compensatory damages (i.e., assuming a complete victory at trial and appeal). The \$46 million Property Class Settlement represents over half of the maximum classwide compensatory damages. The \$184 million Fisher Class settlement is over 90% of the claimed damages through 2017, and 36% of damages through 2020. Dkt. 929-2, Ex. B at 9, ¶ 19. This provides meaningful and immediate monetary relief to members of both Classes. See In re Heritage Bond Litig., 2005 WL 1594389 (C.D. Cal. June 10, 2005) (awarding 33.33% in fees to counsel that recovered 36% of the class's total net loss); Carlin v. DairyAmerica, Inc., 380 F. Supp. 3d 998, 1021, 1023 (E.D. Cal. 2019) (awarding 33.3% of a \$40 million common fund that represented 48% of damages); cf. In re Initial Pub. Offering Sec. Litig., 671 F. Supp. 2d 467 (S.D.N.Y. 2009) (awarding 33.33% of \$510.3 million when class members were estimated to recover only about 2% of their damages).

This recovery was obtained in the face of complex and hotly disputed issues that were central to Plaintiffs' case, such as Defendants' negligence, the amount of oil spilled, where the oil went, the proper measure of damages for both Classes, and the propriety of class certification. *See Vizcaino*, 290 F.3d at 1048 (affirming the district court's finding that counsel "achieved exceptional results for the class"

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¹ In April 2022, just before reaching the Settlement, the damages period was extended to 2020, when the Court denied Plains' motion to strike Dr. Rupert's supplemental report regarding damages from 2018-2020. Dkt. 929 at 5-6; Dkt. 937.

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² Even after fees are deducted, the Property Class recovers 35% of its damages, and the Fisher Class recovers 65% of damages through 2017, or 25% through 2020.

despite "the absence of supporting precedents," in the face of difficult facts, and "against [Defendant]'s vigorous opposition throughout the litigation"). A loss on any of these issues at trial in this Court or on appeal might have precluded a Class recovery altogether. Alternatively, the Classes may well have won on liability, only to have the jury award fewer damages than requested. Based on Defendants' most charitable estimate of Fisher Class damages, the proposed Settlement is two-and-a-half times the Fisher Class's damages through 2017. *See* Dkt. 872-11 at 9-10 (Defendants' expert opining that the *maximum possible damages* for the Fisher Class is \$71.3 million).

Further, the Court recognizes the overwhelmingly positive reaction from the Class—not a single Class Member has filed an objection to the Settlement or the fee request. This is especially notable given that the individual class awards at stake in this Settlement are significant, many estimated to be five- or six-figures. Dkts. 951-1 ¶¶ 71, 75, 80; 951-2 ¶ 62; see 4 Newberg and Rubenstein on Class Actions § 13:58 (6th ed.) ("If the class contains particularly significant class members . . . who do not object, those class members' acquiescence may be more meaningful."). The lack of objections to the Settlement and to Class Counsel's request for fees provides a compelling argument that the results obtained are meaningful to the Class and that Class members appreciate the Class Counsel's work achieving them. Jenson v. First Tr. Corp., No. CV 05-3124 ABC (CTx), 2008 WL 11338161, at *15 (C.D. Cal. June 9, 2008) ("[T]hat no Class members that have manifested any disapproval of the fee request further supports its reasonableness.").

Accordingly, the Court finds that the result obtained for the Class supports the reasonableness of the requested award.

2. Risk of Litigation

"The risks assumed by Class Counsel, particularly the risk of non-payment or reimbursement of expenses, is a factor in determining counsel's proper fee award." *In re Heritage Bond Litig.*, 2005 WL 1594389, at *14; *In re Apollo Grp. Inc. Sec.*

Litig., 2012 WL 1378677, at *7 (D. Ariz. Apr. 20, 2012) ("An upward departure from the 25% benchmark figure is warranted in this case because an exceptional result was achieved and it was extremely risky for Class Counsel to pursue this case through seven years of litigation."). Class Counsel took this case on a purely contingent basis with no guarantee of recovery. Nelson Decl. ¶¶ 9, 24.

The Court agrees that the risk taken on by Class Counsel was magnified by the length and novelty of this litigation. Fees Mot. at 11; Final Approval Mot. at section V.A.3. Of the four classes initially pled, Plaintiffs were unsuccessful in certifying one of them (the tourism class), and had the certification of another (the oil industry class) reversed on appeal. *Andrews et. al. v. Plains All American Pipeline, et. al.*, Case No. 18-55850, Dkt. 77-1 (July 3, 2019) (decertifying the Oil Industry subclass). Contrary to some large class actions that settle before or immediately after class certification is granted, as explained above, this case was litigated to the point of trial. Even after the Classes were certified, Defendants continued to challenge the propriety of both Classes until January 2022, when the Court approved the trial plan (Dkt. 911).

Given the substantial risks borne by Class Counsel for seven years in pursuing this class action, this factor weighs in favor of Class Counsel's requested 32% fee.

3. Complexity of the Case and Skill Required

The Court also considers the skill required to prosecute and manage this litigation, as well as Class Counsel's overall performance. *See In re Omnivision Techs.*, 559 F. Supp. 2d at 1047. During the past seven years, the Court witnessed that the complexities of the legal and factual issues in this case required a great amount of skill and experience to prosecute.

As discussed previously, Class Counsel's litigation effort was notable.

Among other things, Class Counsel conducted extensive and technical fact and expert discovery, filed three class certification motions as well as four oppositions to

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class decertification, three oppositions to Fed. R. Civ. P. 23(f) petitions, multiple oppositions to motions for summary judgement, completed preparations for trial, and participated in three formal daylong mediations. *See* Final Approval Mot. at 2-8. Counting both fact and expert discovery, the Parties produced over 1.5 million pages of documents and took over 100 depositions. Nelson Decl., ¶ 11, 18; *see In re Heritage Bond Litig.*, 2005 WL 1594403, at *7 (one-third fee where counsel had "reviewed approximately 1.1 million pages of documents produced by various defendants and [had] taken thirty-four depositions.").

The litigation was complex from a legal standpoint as well. Class Counsel drew from their skills and experience to certify the Classes despite the scarcity of precedent for the Classes. Nelson Decl., ¶ 9.

Finally, Class Counsel successfully handled this protracted litigation against a company with significant financial and legal resources, and represented by a prominent litigation firm. *See In re Am. Apparel, Inc. S'holder Litig.*, 2014 WL 10212865, at *22 (C.D. Cal. July 28, 2014) ("In addition to the difficulty of the legal and factual issues raised, the court should also consider the quality of opposing counsel as a measure of the skill required to litigate the case successfully.").

The Court agrees that the skill displayed by Class Counsel in prosecuting this case and obtaining a favorable settlement supports their requested award.

4. Benefits Beyond the Immediate Generation of a Cash Fund

"Incidental or non-monetary benefits conferred by the litigation are a relevant circumstance." *Vizcaino*, 290 F.3d at 1049. While the Settlement is only one of immediate monetary value for the Class, the Court agrees that this litigation delivered a public benefit by raising the cost of causing environmental harm in California and putting similar corporations on notice. Fees Mot. at 12; *see*, *e.g.*, *Vizcaino*, 290 F.3d at 1049 ("the litigation also benefitted employers and workers nationwide by clarifying the law of temporary worker classification" so that "many

workers who otherwise would have been classified as contingent workers received the benefits of full time employment."); *Bebchick v. Washington Metro. Area Transit Comm'n*, 805 F.2d 396, 408 (D.C. Cir. 1986) (placing significant weight on the public benefit afforded by counsel's litigation in persuading the court that defendant had set transit fares unreasonably high).

As such, the Court finds that the public benefit achieved by this litigation supports the reasonableness of the requested fee.

5. Awards Made in Similar Cases

A court should also consider fee awards from similar cases. *Vizcaino*, 290 F.3d at 1049-50. This Court has recognized that a requested percentage that "falls within the 30 to 33 percent range allowed in common fund cases" generally favors the award. *Flo & Eddie*, 2017 WL 4685536, at *7 (citing numerous cases granting fee awards above the 25 percent benchmark); *see also In re Lidoderm Antitrust Litig.*, 2018 WL 4620695, at *4 (N.D. Cal. Sept. 20, 2018) ("[A] fee award of one-third is within the range of awards in this Circuit.").

In line with the Ninth Circuit's instruction that the "[s]election of the benchmark or any other rate must be supported by findings that take into account all of the circumstances of the case," *Vizcaino*, 290 F.3d at 1048, the Court also compares the requested award to those from cases that are similar to this one not only in size, but also in complexity, duration, and the amount of work that class counsel dedicated to the litigation. *See In re Heritage Bond Litig.*, 2005 WL 1594403, at *9. The Court also notes that the Ninth Circuit has been careful not to adopt a sliding-scale rule regarding the size of a settlement fund in relation to the percentage of attorneys' fees that may be awarded. *In re Optical Disk Drive Prod. Antitrust Litig.*, 959 F.3d at 933; *see also* Fitzpatrick Decl., ¶ 22.

The Court finds that the requested award of attorneys' fees of 32% of the gross Settlement amount is comparable to awards authorized in similar cases. *See In re Apollo Grp. Inc. Sec. Litig.*, 2012 WL 1378677, at *3, *7 (finding 33.33% fee

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award reasonable in a \$145 million settlement following seven years of litigation "pursued the litigation despite great risk"; fee equated to a 1.74 multiplier); *In re TFT-LCD (Flat Panel) Antitrust Litig.*, No. MDL 3:07-MD-1827 SI, 2011 WL 7575003, at *1 (N.D. Cal. Dec. 27, 2011) (30% of \$405 million settlement after six years of litigation "involving complex and difficult issues of fact and law"); *Greenville v. Syngenta Crop Prot., Inc.*, 904 F. Supp. 2d 902, 904, 907 (S.D. III. 2012) (33.33% of \$105 million, equivalent to a 1.34 lodestar multiplier, in a seven-year long pollution case); *In re Linerboard Antitrust Litig.*, No. CIV.A. 98-5055, 2004 WL 1221350 (E.D. Pa. June 2, 2004), *amended*, No. CIV.A.98-5055, 2004 WL 1240775 (E.D. Pa. June 4, 2004) (30% of \$202.5 million settlement, a 2.66 multiplier, following six years of risky litigation). As discussed above, the duration and complexity of this case was on par with these cases. Further, as discussed below, the requested 32% award will result in a relatively low multiplier.

Accordingly, awards in similar cases support the requested fee.

b. Lodestar Cross-Check

The lodestar method is a way for the Court to cross-check the reasonableness of a fee award. To calculate the "lodestar," the court must multiply the number of hours the attorneys reasonably spent on the litigation by the reasonable hourly rate in the community for similar work. *McElwaine v. U.S. West, Inc.*, 176 F.3d 1167, 1173 (9th Cir. 1999); *see In re Toys R Us-Delaware, Inc.--Fair & Accurate Credit Transactions Act (FACTA) Litig.*, 295 F.R.D. 438, 460 (C.D. Cal. 2014) (courts use a "rough calculation of the lodestar as a cross-check to assess the reasonableness of the percentage award."). The Court will then analyze the resulting lodestar multiplier to ensure that it does not present a windfall to Class Counsel. In cases that result in larger settlement funds, courts tend to accept an even higher range of multipliers. *In re: Urethane Antitrust Litig.*, 2016 WL 4060156, at *7 (D. Kan. July 29, 2016); *In re Nat'l Collegiate Athletic Ass'n Athletic Grant-in-Aid Antitrust Litig.*, 768 F. App'x 651, 653 (9th Cir. 2019) (approving 3.66 multiplier in \$200

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million settlement); *see Vizcaino*, 290 F.3d at 1051 n. 6 (approving multiplier of 3.65 in \$96,885,000 settlement).

1. Reasonable Rate

When calculating the lodestar, the reasonable hourly rate is the rate prevailing in the community for similar work. See Gonzalez v. City of Maywood, 729 F.3d 1196, 1200 (9th Cir. 2013) ("[T]he court must compute the fee award using an hourly rate that is based on the prevailing market rates in the relevant community." (internal quotations omitted); Viveros v. Donahue, No. CV 10-08593 MMM (Ex), 2013 WL 1224848, at *2 (C.D. Cal. Mar. 27, 2013) ("The court determines a reasonable hourly rate by looking to the prevailing market rate in the community for comparable services."). The relevant community is the community in which the court sits. See Schwarz v. Sec'y of Health & Human Servs., 73 F.3d 895, 906 (9th Cir. 1995). If an applicant fails to meet its burden, the court may exercise its discretion to determine reasonable hourly rates based on its experience and knowledge of prevailing rates in the community. See, e.g., Viveros, 2013 WL 1224848, at *2; Ashendorf & Assocs. v. SMI-Hyundai Corp., No. CV 11-02398 ODW (PLAx), 2011 WL 3021533, at *3 (C.D. Cal. July 21, 2011); Bademyan v. Receivable Mgmt. Servs. Corp., No. CV 08-00519 MMM (RZx), 2009 WL 605789, at *5 (C.D. Cal. Mar. 9, 2009).

Here, Plaintiffs are represented by counsel at four law firms: Lieff Cabraser Heimann & Bernstein, LLP ("LCHB"); Keller Rohrback, L.L.P. ("KR"); Cappello Noël LLP ("CN"); and Audet & Partners, LLP ("Audet"). First, LCHB is a large plaintiffs' law firm with its primary offices located in San Francisco, California, from which this matter has largely been handled. Nelson Decl., ¶ 27. LCHB attorneys who worked on this case had hourly rates ranging from \$395 to \$1,150. Nelson Decl., Ex. 1. Second, KR is a similarly sized law firm with two of its offices in Seattle, Washington and Santa Barbara, California, from which this matter has largely been handled. Farris Decl., ¶ 11. KR attorneys who worked on this case had

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hourly rates ranging from \$300 to \$1,200. Farris Decl., Ex. 3. Third, CN is a small law firm with its office located in Santa Barbara, California. Noël Decl., ¶ 5. CN attorneys who worked on this case had hourly rates ranging from \$175 to \$1,450. Noël Decl., ¶ 10, Ex. 3. Finally, Audet is a small law firm with its office located in San Francisco, California. See Audet Decl., Ex. A. Audet attorneys who worked on this case had hourly rates ranging from \$200 to \$995. Audet Decl., Ex. A. The Court turns to the 2021 Real Rate Report: The Industry's Leading Analysis of Law Firm Rates, Trends, and Practices ("Real Rate Report") as a useful guidepost to assess the reasonableness of these hourly rates in the Central District. See Eksouzian v. Albanese, No. CV 13-728 PSG (AJWx), 2015 WL 12765585, at *4–5 (C.D. Cal. Oct. 23, 2015). The Real Rate Report identifies attorney rates by location, experience, firm size, areas of expertise, and industry, as well as specific practice areas, and is based on actual legal billing, matter information, and paid and processed invoices from more than 80 companies. See Hicks v. Toys 'R' Us-Del., *Inc.*, No. CV 13-1302 DSF JCG, 2014 WL 4670896, at *1 (C.D. Cal. Sept. 2, 2014). Courts have found that the Real Rate Report is "a much better reflection of true market rates than self-reported rates in all practice areas." *Id.*; see also Tallman v. CPS Sec. (USA), Inc., 23 F. Supp. 3d 1249, 1258 (D. Nev. 2014) (considering the Real Rate Report); G.B. ex rel. N.B. v. Tuxedo Union Free Sch. Dist., 894 F. Supp. 2d 415, 433 (S.D.N.Y. 2012) (same). The Real Rate Report provides that, in Los Angeles, litigation partners have hourly rates ranging from \$527 to \$1,145, and litigation associates have hourly rates ranging from \$412 to \$841. Real Rate Report at 26, 32. Paralegals across the country earn a median real rate of a median rate of \$255 per hour. Id. at 10. As Class Counsel notes, the Real Rate Report does not provide data for professional litigation support staff. However, courts in this district and others have approved rates ranging from \$146 to \$275 for professional litigation support staff, depending on their

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experience. See Rolex Watch USA Inc. v. Zeotec Diamonds Inc., 2021 WL 4786889, at *4 (C.D. Cal. Aug. 24, 2021).

Class Counsel charge partner billing rates ranging from \$510 to \$1,450 per hour and associate rates ranging from \$200 to \$875. Nelson Decl., Ex. 1; Farris Decl., Ex. 3; Noël Decl., Ex. 3; Audet Decl., Ex. A. With a few exceptions, these rates are in line with the Real Rate Report. In addition, courts have recently accepted the billing rates of Class Counsel firms LCHB, KR, and Audet, and a court accepted CN's rates in 2015. Nelson Decl., ¶ 28; Farris Decl., ¶¶ 12-13; Audet Decl., ¶ 12; Noël Decl., ¶¶ 10-11. The Court accepts Class Counsel's billing rates as reasonable for complex class action litigation attorneys in this community.

Class Counsel also charged hourly rates of \$110 to \$405 for paralegals and law clerks, which is only somewhat above the nationwide median. Nelson Decl., Ex. 1; Farris Decl., Ex. 3; Noël Decl., Ex. 3; Audet Decl., Ex. A. Additionally, Class Counsel also charged hourly rates of \$405 to \$510 for professional litigation support staff. *Id.* These rates are generally in line with rates that other courts in this district have approved. Accordingly, the Court approves Class Counsel's rates for paralegals, law clerks, and professional litigation support staff.

In sum, Court finds that Class Counsel's rates fall within an acceptable range.

2. Hours

An attorneys' fee award should include compensation for all hours reasonably expended prosecuting the matter, but "hours that are excessive, redundant, or otherwise unnecessary" should be excluded. *Costa v. Comm'r of Soc. Sec. Admin.*, 690 F.3d 1132, 1135 (9th Cir. 2012). "[T]he standard is whether a reasonable attorney would have believed the work to be reasonably expended in pursuit of success at the point in time when the work was performed." *Moore v. Jas. H. Matthews & Co.*, 682 F.2d 830, 839 (9th Cir. 1982).

Here, the records demonstrate that Class Counsel collectively spent 85,245.6 hours litigating this case through July 22, 2022. *See* Nelson Decl., ¶ 32. As

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discussed above, this case originated in 2015 and has been intensely litigated for seven years. During that time, Class Counsel engaged in extensive discovery and motion practice; reviewed hundreds of thousands of documents, many of which were highly technical; addressed 52 reports from 27 experts; conducted or defended over 100 depositions; brought multiple motions for class certification, opposed motions for summary judgment against each Class, litigated 16 motions in limine, prepared for trial, prepared the Settlement Agreement and related papers, and worked with the Claims Administrator to implement the notice program.

After reviewing the declarations submitted by all four firms, and considering duration, scope, and complexity of this case, the Court finds the 85,245.6 hours expended reasonable. Cf. In re Apple Inc. Device Performance Litig., 2021 WL 1022866 (N.D. Cal. Mar. 17, 2021), *4-5, *8 (approximately 70,000 hours were "reasonable and necessary" in three-year litigation that settled before summary judgment); In re TFT-LCD (Flat Panel) Antitrust Litig., 2011 WL 7575003, at *1 (N.D. Cal. Dec. 27, 2011) (250,000 hours of work in complex antitrust class action).

3. Multiplier

The lodestar amount in this case is \$58,525,944. Nelson Decl., ¶ 32. Class Counsel request 32% in attorneys' fees from the total settlement amount \$230 million. Fee Mot. at 2. This yields a multiplier of 1.26.³

Considering, inter alia, the duration of the litigation, the contingent nature of the representation, and Class Counsel's due diligence in pursuing this case to an exceptional recovery, the novelty and difficulty of the issues involved, the skill required to prosecute Defendants, and awards in other similar cases described above, the Court finds the multiplier of 1.26 more than justified and well within the range regularly approved in this Circuit. See Steiner v. Am. Broad. Co., 248 F. App'x 780, 783 (9th Cir. 2007) (noting that a 6.85 lodestar multiplier fell well

 $^{($230,000,000 \}times 32\%) / $58,525,944 = 1.26.$

within the range of multipliers that courts have allowed); *Vizcaino*, 290 F.3d at 1051 n.6 (approving 3.65 multiplier and noting the usual range is from 1.0-4.0). "Unlike some megafund cases, this one did not result in a huge payout to the class after the passage of little time or the expenditure of little effort." *In re: Cathode Ray Tube* (*CRT*) *Antitrust Litig.*, 2016 WL 4126533, at *6 (N.D. Cal. Aug. 3, 2016), *dismissed sub nom. In re Cathode Ray Tube* (*CRT*) *Antitrust Litig.*, No. 16-16368, 2017 WL 3468376 (9th Cir. Mar. 2, 2017). Moreover, the Court anticipates that the multiplier will be even further reduced by virtue of the additional fees that will accrue with Class Counsel's continued efforts to implement the Settlement.

Therefore, having assessed the reasonableness of the hourly rates, the hours worked, and the multiplier, the Court finds that the requested fee amount is reasonable under both the percentage-of-the-common-fund and lodestar theories, and **GRANTS** Plaintiffs' motion for \$73.6 million in attorneys' fees.

B. <u>Litigation Expenses</u>

In class action settlements, "[a]ttorneys may recover their reasonable expenses that would typically be billed to paying clients in non-contingency matters." *See In re Omnivision Techs.*, 559 F. Supp. 2d at 1048.

Here, Class Counsel requests reimbursement of \$6,085,336 in costs and expenses. *See* Fees Mot. 2. This includes expenses that are typically charged to feepaying clients, including filing fees, expert witness fees, mediation fees, deposition expenses, legal research fees, and copying and postage charges. *See id.* at 17-18; Nelson Decl., ¶ 31, Ex. 1; Farris Decl., ¶ 18, Ex. 3, Ex. 4; Noël Decl., ¶ 16, Ex. 4; Audet Decl., ¶ 15, Ex. C. Class Counsel indicate that the expenses are reflected in the books and records of the firms, and they attest that the request is accurate under penalty of law. Nelson Decl.; Farris Decl.; Noël Decl.; Audet Decl. Given the duration, scope, and vigor of this litigation, the Court is satisfied that the costs are reasonable, and therefore **GRANTS** Plaintiffs' motion for costs in the amount of \$6,085,335.

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C. Service Awards for Class Representatives

"Incentive awards are fairly typical in class action cases." *Rodriguez v. W. Publ'g Corp.*, 563 F.3d 948, 958 (9th Cir. 2009). When assessing requests for incentive awards, courts consider five principal factors:

(1) the risk to the class representative in commencing suit, both financial and otherwise; (2) the notoriety and personal difficulties encountered by the class representative; (3) the amount of time and effort spent by the class representative; (4) the duration of the litigation; (5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation.

Van Vranken v. Atl. Richfield Co., 901 F. Supp. 294, 299 (N.D. Cal. 1995). Further, courts typically examine the propriety of an incentive award by comparing it to the total amount other class members will receive. See Staton, 327 F.3d at 975.

Here, Class Representatives request that the Court award each of them (of which there are fourteen in total) a service award in the amount of \$15,000. *See* Fees Mot. at 2. The Court agrees that the requested service awards are appropriate. Each Class Representative searched for and provided facts used to compile the Second Amended Complaint, helped Class Counsel analyze claims, sat for deposition, followed the case throughout its seven-year trajectory, and reviewed and approved the proposed Settlement. Each submitted declarations further explaining the time and effort they expended to benefit the Class. Nelson Decl., Exs. 3-16. Like Class Counsel, each dedicated time and effort to benefit the litigation without a prospect of receiving compensation in the immediate future, if ever.

Further, the Court is satisfied that the Class Representatives have justified the relative size of their requested enhancement awards compared to the total settlement size and the average class member Individual Settlement Award. The service awards represent 0.1 percent of the gross Settlement. *See Edwards v. Chartwell Services, Inc.*, No. 16-CV-9187-PSG (KSx), 2018 WL 10455206, at *1-2, *8 (C.D. Cal. Aug.

27, 2018) (approving a \$10,000 enhancement award, which was over 25 times the 1 2 average per-member recovery and represented 1.25% of the gross settlement fund, 3 when plaintiff spent approximately 55 hours assisting with the case and risked future job prospects); Palmer v. Pier 1 Imports, No.: 8:16-cv-01120-JLS DFMx, 2018 WL 4 5 8367495, at *6 (C.D. Cal. July 23, 2018) (approving award representing 3.5% of 6 gross settlement fund when plaintiff spent 20 hours helping with the case and faced 7 employment-related risks); Downey Surgical Clinic, Inc. v. Ingenix, Inc., CV 09-8 5457 PSG (JCx), Dkt. 250 (slip op.), at *13 (C.D. Cal. May 16, 2016) (approving 9 \$20,000 enhancement award for each of two plaintiffs). 10 Accordingly, the Court **GRANTS** Plaintiffs' request for enhancement awards in the amount of \$15,000 per Plaintiff, for a total of \$210,000. 11 III. **CONCLUSION** 12 13 For the reasons stated above, Plaintiffs' motion for approval of attorneys' fees, expenses, and incentive awards is GRANTED. Accordingly, it is HEREBY 14 15 ORDERED AS FOLLOWS: 1. Class Counsel is awarded 32 percent of the total settlement amount, or 16 \$73.6 million, in attorneys' fees and \$6,085,336 in costs. 17 2. Each of the fourteen Class Representatives is awarded \$15,000 in 18 service awards. 19 20 3. The Court finds that these amounts are warranted and reasonable for 21 the reasons set forth in the moving papers before the Court, at the Final 22 Approval Hearing, and the reasons stated in this Order.

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IT IS SO ORDERED.

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4456480.3 -19 Case No. 2:15-cv-04113-PSG-JEM [AMENDED PROPOSED] ORDER GRANTING ATTORNEYS' FEES, EXPENSES, AND SERVICE AWARDS