



1 STUART LIBICKI, Esq. (SBN 57626)
 2 SCHWARTZ, STEINSAPIR,
 3 DOHRMANN & SOMMERS LLP
 4 6300 Wilshire Boulevard, Suite 2000
 5 Los Angeles, CA 90048-5268
 6 Telephone: (323) 655-4700 - Facsimile: (323) 655-4488
 7 sl@ssdslaw.com

8 WILLIAM T. PAYNE (SBN 90988)
 9 PAMINA EWING (PA Bar # 59244)
 10 FEINSTEIN DOYLE
 11 PAYNE & KRAVEC, LLC
 12 429 Forbes Avenue, 17th Floor
 13 Pittsburgh, PA 15219
 14 Phone: (412) 281-8400 - Fax: (412) 281-1007
 15 wpayne@stemberfeinstein.com
 16 pewing@stemberfeinstein.com

17 Arthur Grebow, Esq. (SBN 41374)
 18 GREBOW & RUBIN LLP
 19 16133 Ventura Boulevard, Suite 260
 20 Encino, CA 91436
 21 Phone: 818-783-1100 - Fax: (818) 783-1103
 22 agrebow@grebowrubinlaw.com

23 **UNITED STATES DISTRICT COURT**
 24 **CENTRAL DISTRICT OF CALIFORNIA**
 25 **WESTERN DIVISION**

26 NATHANIEL WILSON, et al.,
 27
 28 Plaintiffs,
 vs.
 THE MILL GROUP INC., et al.,
 Defendants.

CASE NO.: 2:12-CV-10214-SVW-MAN
~~PROPOSED AMENDED~~ FINDINGS
 AND ORDER PRELIMINARILY
 CERTIFYING A CLASS FOR
 SETTLEMENT PURPOSES,
 PRELIMINARILY APPROVING
 PROPOSED CLASS ACTION
 SETTLEMENT, APPROVING FORM
 AND MANNER OF CLASS NOTICE,
 AND SETTING DATE FOR
 HEARING ON FINAL APPROVAL
 OF SETTLEMENT AND AWARD OF
 ATTORNEYS' FEES AND
 EXPENSES AND CASE
 CONTRIBUTION AWARDS

Date: September 9, 2013
 Time: 1:30 p.m.
 Place: Courtroom 6

1 This class action involves claims for alleged violation of the California
2 Labor Code and the California Business and Professions Code, and for
3 conversion. Plaintiffs seek recovery of wages and penalties from Defendants
4 The Mill Group, Inc. dba The Mill ("the Mill") and The Churchill Benefit
5 Corporation dba Yurcor ("Yurcor").

6 The terms of the Settlement are set out in the Second Amended Settlement
7 Agreement, dated December 11, 2013 (the "Agreement" or "Settlement
8 Agreement"),¹ executed by counsel on behalf of Plaintiffs and Defendants.

9 The Court has preliminarily considered the Settlement to determine,
10 among other things, whether the Settlement is sufficient to warrant the issuance
11 of notice to members of the Settlement Class. Upon reviewing the Settlement
12 Agreement, it is hereby ORDERED, ADJUDGED AND DECREED as follows:

13 **1. Class Findings:** Solely for the purposes of the Settlement, the
14 Court finds that the requirements of the Federal Rules of Civil Procedure, the
15 United States Constitution, the Rules of the Court and any other applicable law
16 have been met as to the Settlement Class defined below, in that:

17 (a) The Court preliminarily finds that, as required by FED. R. CIV.
18 P. 23(a)(1), the Settlement Class is ascertainable from records kept by
19 Defendants, and the members of the Settlement Class are so numerous that their
20 joinder before the Court would be impracticable.

21 (b) The Court preliminarily finds that, as required by FED. R. CIV.
22 P. 23(a)(2), there are one or more questions of fact and/or law common to the
23 Settlement Class.

24 //
25 //

26
27 ¹ Capitalized terms not otherwise defined in this Order shall have the same
28 meaning as ascribed to them in the Settlement Agreement.

1 (c) The Court preliminarily finds that, as required by FED. R. CIV.
2 P. 23(a)(3), the claims of the Named Plaintiffs are typical of the claims of the
3 Settlement Class.

4 (d) The Court preliminarily finds, as required by FED. R. CIV. P.
5 23(a)(4), that the Named Plaintiffs who are participants in the Plans and
6 members of the Settlement Class will fairly and adequately protect the interests
7 of the Settlement Class in that (i) the interests of the Named Plaintiffs and the
8 nature of their alleged claims are consistent with those of the members of the
9 Settlement Class, (ii) there appear to be no conflicts between Named Plaintiffs
10 and the Settlement Class, and (iii) the Named Plaintiffs and the members of the
11 Settlement Class are represented by qualified, reputable counsel who are
12 experienced in preparing and prosecuting class actions of this type.

13 (e) The Court preliminarily finds that, as required by FED. R. CIV.
14 P. 23(b)(1), the prosecution of separate actions by individual members of the
15 Settlement Class would create a risk of (i) inconsistent or varying adjudications
16 as to individual class members that would establish incompatible standards of
17 conduct for the parties opposing the claims asserted in this action, or (ii)
18 adjudications as to individual class members that would, as a practical matter, be
19 dispositive of the interests of the other members not parties to the adjudications,
20 or substantially impair or impede those persons' ability to protect their interests.

21 (f) The Court preliminarily finds that as required by FED. R. CIV.
22 P. 23(b)(3), Named Plaintiffs' claims are based on allegations that Defendants,
23 through their alleged scheme to willfully misclassify and treat Class Members as
24 independent contractors and/or unlawfully deduct "Yurcor's overhead costs"
25 (employer payroll taxes) from Class Members' wages earned as employees of
26 Defendants pose questions of law and/or fact common to class members
27 predominating over questions affecting only individual members, and that a class
28

1 action is superior to other available methods for fairly and efficiently
2 adjudicating the controversy.

3 (g) The Court preliminarily finds that, as required by FED. R. CIV.
4 P. 23(g), Class Counsel are capable of fairly and adequately representing the
5 interests of the Settlement Class, in that Class Counsel have done extensive work
6 identifying or investigating potential claims in the action, Class Counsel are
7 experienced in handling class actions and claims; Class Counsel are
8 knowledgeable of the applicable law; and Class Counsel have committed the
9 necessary resources to represent the Settlement Class.

10 **2. Class Certification** — The Court certifies the following Settlement
11 Class under FED. R. CIV. P. 23(b)(1) and FED. R. CIV. P. 23(b)(2):

12
13 All individuals who on or after September 14, 2009 and at any time up
14 to and including March 14, 2013 worked or performed and completed
15 services in California for The Mill Group, Inc. ("Mill") in the pre-
16 production, production or post-production processes of motion
17 pictures, television programs advertising, game art or other visual
18 content, as to whom The Churchill Benefit Corporation dba Yurcor
19 ("Yurcor") performed services for the Mill and/or the respective
20 individual (for example, payroll processing services, "Employer of
21 Record" services or "Yurcor's third party payroll services program").
22

23 The Court appoints the Named Plaintiffs as class representatives for the
24 Settlement Class and appoints Schwartz, Steinsapir, Dohrmann & Sommers
25 LLP, Grebow and Rubin LLP, and Stember Feinstein Doyle Payne & Kravec,
26 LLC as Class Counsel for the Plaintiffs in the Action pursuant to Fed. R.
27 Civ. P. 23(g).
28

1 **3. Preliminary Findings Regarding Proposed Settlement** — The
2 Court preliminarily finds that (i) the proposed Settlement resulted from extensive
3 arms'-length negotiations, (ii) the Settlement Agreement was executed only after
4 Class Counsel had conducted extensive investigation into the facts and merits of
5 their claims, (iii) Class Counsel have diligently investigated and aggressively
6 litigated this case to be fully apprised of the strengths and weaknesses of the
7 Named Plaintiffs' claims, and (iv) the proposed Settlement is sufficiently fair,
8 reasonable, and adequate to warrant sending notice of the proposed Settlement to
9 the Settlement Class.

10 **4. Fairness Hearing** — A hearing is scheduled for April 21, 2014 at
11 (the "Fairness Hearing") to determine, among other things:

- 12 • Whether the Settlement should be finally approved as fair,
13 reasonable and adequate;
- 14 • Whether the Action should be dismissed with prejudice pursuant to
15 the terms of the Settlement Agreement;
- 16 • Whether the notice, summary notice and notice method proposed by
17 the Parties (i) constitutes the best practicable notice, (ii) constitutes notice
18 reasonably calculated, under the circumstances, to apprise members of the
19 Settlement Class of the pendency of the litigation, their right to object to the
20 Settlement, and their right to appear at the Fairness Hearing, (iii) are reasonable
21 and constitute due, adequate, and sufficient notice to all persons entitled to
22 notice, and (iv) meet all applicable requirements of the Federal Rules of Civil
23 Procedure and any other applicable law;
- 24 • Whether Class Counsel adequately represented the Settlement Class
25 for purposes of entering into and implementing the Settlement;
- 26 • Whether the proposed Plan of Allocation should be ordered by this
27 Court for implementation; and

28

1 • Whether any application(s) for attorneys' fees and expenses and
2 compensation to Named Plaintiffs is fair and reasonable and should be approved.
3 Plaintiffs shall file their motion for final approval of the Settlement, attorney's
4 fees, costs and case contribution awards by March 24, 2014. Further, at least ten
5 (10) days prior to the Fairness Hearing, Class Counsel will file with the Court a
6 supplemental declaration certifying that they have distributed the Notice in
7 full compliance with this Order. Further, Class Counsel shall also apprise the
8 Court of any objections that have been filed to date.

9 **5. Settlement Class Notice** — The Parties have presented to the Court
10 a proposed form of Class Notice, appended hereto as Exhibit A. The Court finds
11 that such form fairly and adequately (a) describes the terms and effect of the
12 Settlement Agreement and the Plan of Allocation, (b) notifies the Settlement
13 Class that Class Counsel will seek attorneys' fees from the Settlement Fund not
14 to exceed 25% of the Settlement Fund plus litigation costs of approximately
15 \$10,000, reimbursement of expenses, and compensation up to \$1,500 for each of
16 the Named Plaintiffs, (c) gives notice to the Settlement Class of the time and
17 place of the Fairness Hearing, and (d) describes how the recipients of the Class
18 Notice may object to any of the relief requested. The Parties have proposed the
19 following manner of communicating the notice to members of the Settlement
20 Class, and the Court finds that such proposed manner is the best notice
21 practicable under the circumstances. Accordingly, the Court directs that Class
22 Counsel shall:

23 • By no later than January 14, 2014, cause the Class Notice, with such
24 non-substantive modifications thereto as may be agreed upon by the Parties, to
25 be mailed, by first-class mail, postage prepaid, to the last known address of each
26 member of the Settlement Class who can be identified by reasonable effort.
27 Individual Defendants (if it has not already done so) shall use commercially
28

1 reasonable efforts to assist Class Counsel in promptly obtaining the names and
2 last known addresses of the members of the Settlement Class. The names and
3 addresses Class Counsel obtains pursuant to this order shall be used solely for
4 the purpose of providing notice of this Settlement and for no other purpose.

5 • By no later than January 28, 2014, cause the Class Notice to be
6 published on each website identified in the Class Notice, which will also host
7 copies of all Settlement-related documents, including the Settlement Agreement.

8 **6. Objections to Settlement** — Any member of the Settlement Class
9 who wishes to object to the fairness, reasonableness or adequacy of the
10 Settlement, to any term of the Settlement Agreement, to the Plan of Allocation,
11 to the proposed award of attorneys' fees and expenses, or to the request for
12 compensation for the Named Plaintiffs may file an objection. An objector must
13 file with the Court a statement of his, her, or its objection(s), specifying the
14 reason(s), if any, for each such objection made, including any legal support
15 and/or evidence that such objector wishes to bring to the Court's attention or
16 introduce in support of such objection. The objector must also mail copies of the
17 objection and all supporting law and/or evidence to Class Counsel and counsel
18 for the Defendants. The addresses for filing objections with the Court and
19 service on counsel are as follows:

20 For Filing:

21 Clerk of the Court
22 United States District Court for the Central District of California
23 312 North Spring Street
24 Los Angeles, CA 90012-4701
25 (213) 894-1565

26
27 To Named Plaintiffs Co-Lead Settlement Class Counsel:
28

1 **Arthur Jeffrey Grebow**
2 Grebow and Rubin LLP
3 16133 Ventura Boulevard Suite 260
4 Encino, CA 91436
5 818-783-1100
6 Fax: 818-783-1103
7 Email: agrebow@grebowrubinlaw.com

8
9 **Pamina Ewing**
10 Stember Feinstein Doyle Payne and Kravec LLC
11 1705 Allegheny Building
12 429 Forbes Avenue 17th Floor
13 Pittsburgh, PA 15219
14 412-281-8400
15 Fax: 412-281-1007
16 Email: pewing@stemberfeinstein.com

17
18 **Stuart Libicki**
19 Schwartz Steinsapir Dohrmann and Sommers LLP
20 6300 Wilshire Boulevard Suite 2000
21 Los Angeles, CA 90048-5268
22 323-655-4700
23 Fax: 323-655-4488
24 Email: sl@ssdslaw.com

25
26 **William T Payne**
27 Stember Feinstein Doyle Payne and Kravec LLC

28

1 Allegheny Building
2 429 Forbes Avenue 17th Floor
3 Pittsburgh, PA 15219
4 412-281-8400
5 Fax: 412-492-8978
6 Email: wpayne@stemberfeinstein.com

7

8 To Defendant's Counsel:

9 **Michele J Beilke**

10 **Julia Yenha Trankiem**

11 Reed Smith LLP

12 355 South Grand Avenue Suite 2900

13 Los Angeles, CA 90071

14 213-457-8000

15 Fax: 213-457-8080

16 Email: mbeilke@reedsmith.com

17

18

19 **Gregory V Mersol**

20 **Sabrina L Shadi**

21 Baker and Hostetler LLP

22 12100 Wilshire Boulevard 15th Floor

23 Los Angeles, CA 90025-7120

24 310-820-8800

25 Fax: 310-820-8859

26 Email: sshadi@bakerlaw.com

27

28

1 The objector or his, her, or its counsel (if any) must effect service of
2 copies of the objection on counsel listed above and file it with the Court by no
3 later than February 28, 2014. If an objector hires an attorney to represent him,
4 her, or it for the purposes of making such objection pursuant to this paragraph,
5 the attorney must both effect service of a notice of appearance on counsel listed
6 above and file it with the Court by no later than February 28, 2014. Any
7 member of the Settlement Class or other Person who does not timely file and
8 serve a written objection complying with the terms of this paragraph shall be
9 deemed to have waived, and shall be foreclosed from raising, any objection to
10 the Settlement, and any untimely objection shall be barred.

11 **7. Appearance at Fairness Hearing** — Any objector who files and
12 serves a timely, written objection in accordance with paragraph 6 above may also
13 appear at the Fairness Hearing either in person or through counsel retained at the
14 objector's expense. Objectors or their attorneys intending to appear at the
15 Fairness Hearing must effect service of a notice of intention to appear setting
16 forth, among other things, the name, address, and telephone number of the
17 objector (and, if applicable, the name, address, and telephone number of the
18 objector's attorney) on Class Counsel and Defendants' counsel (at the addresses
19 set out above) and file it with the Court by no later than March 17, 2014. Any
20 objector who does not timely file and serve a notice of intention to appear in
21 accordance with this paragraph shall not be permitted to appear at the Fairness
22 Hearing, except for good cause shown.

23 **8. Notice Expenses** — The expenses of printing and mailing and
24 publishing all notices required hereby shall be paid from the Settlement Fund.

25 **9. Service of Papers** — Defendants' counsel and Class Counsel shall
26 promptly furnish each other with copies of any and all objections that come into
27 their possession.
28

1 **10. Termination of Settlement** — This Order shall become null and
2 void, and shall be without prejudice to the rights of the Parties, all of whom shall
3 be restored to their respective positions existing immediately before this Court
4 entered this Order as well as the Tentative Settlement entered on March 14,
5 2013, if the Settlement is terminated in accordance with the Settlement
6 Agreement.

7 **11. Use of Order** – This Order shall not be construed or used as an
8 admission, concession, or declaration by or against Defendants of any finding of
9 fiduciary status, fault, wrongdoing, breach, or liability. This Order shall not be
10 construed or used as an admission, concession, or declaration by or against
11 Named Plaintiffs or the Settlement Class that their claims lack merit or that the
12 relief requested in the Action is inappropriate, improper or unavailable, or as a
13 waiver by any party of any arguments, defenses, or claims he, she, or it may
14 have, including, but not limited to, any objections by Defendants to class
15 certification in the event that the Settlement Agreement is terminated.

16 **12. Jurisdiction** — The Court hereby retains jurisdiction for purposes
17 of implementing this Settlement, and reserves the power to enter additional
18 orders to effectuate the fair and orderly administration and consummation of the
19 Settlement as may from time to time be appropriate and to resolve any and all
20 disputes arising thereunder.

21 **13. Continuance of Hearing** — The Court reserves the right to
22 continue the Fairness Hearing without further written notice.

23 SO ORDERED this 16th day of December, 2013.

24
25 
26 HON. STEPHEN V. WILSON
27 UNITED STATES DISTRICT JUDGE
28