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Attorneys for Plaintiffs

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

JERMAINE MCNEAL and GENOA  
SOSA, on behalf of themselves and all  
others similarly situated,

Plaintiffs,

v.

RCM TECHNOLOGIES (USA), INC.,  
a Nevada Corporation, and DOES 1 –  
100, inclusive,

Defendants.

Case No. 2:16-cv-05170-ODW-SS

**[PROPOSED] ORDER APPROVING  
AWARD OF SERVICE PAYMENTS,  
ATTORNEYS' FEES, AND COSTS**

Date: July 10, 2017

Time: 1:30 p.m.

Place: Courtroom 5D – 5<sup>th</sup> Floor

Judge: Hon. Otis D. Wright II

1 On July 10, 2017, this Court held a hearing on Plaintiffs’ Motion for Order  
2 Approving Award of Service Payments, Attorneys’ Fees, and Costs, at which all  
3 named parties were represented. Based on the papers filed with the Court and  
4 presentations made to the Court at the hearing, the Court finds that the requested  
5 service awards and requested attorneys’ fees and costs are fair and reasonable. The  
6 Court hereby grants Plaintiffs’ Motion as detailed below.

7 **I. The Requested Service Awards Are Appropriate**

8 In the Ninth Circuit, “[i]ncentive awards are fairly typical in class action  
9 cases.” *Rodriguez v. West Publishing Corp.*, 563 F.3d 948, 958 (9th Cir. 2009).  
10 Such awards “are intended to compensate class representatives for work done on  
11 behalf of the class, to make up for financial or reputational risk undertaken in  
12 bringing the action, and, sometimes, to recognize their willingness to act as a  
13 private attorney general.” *Id.* at 958-59. In evaluating a request for a service award  
14 for a class representative, courts consider all “relevant factors including the actions  
15 the plaintiff has taken to protect the interests of the class, the degree to which the  
16 class has benefited from those actions, ... the amount of time and effort the  
17 plaintiff expended in pursuing the litigation ... and reasonable fears of workplace  
18 retaliation.” *Staton v. Boeing Co.*, 327 F.3d 938, 977 (9th Cir. 2003) (internal  
19 citation omitted).

20 Based on the arguments and evidence submitted by the Plaintiffs, I find that  
21 a \$10,000 service award for each of the two named Plaintiffs is reasonable and  
22 appropriate. Each of the named Plaintiffs submitted a declaration detailing the  
23 ways in which he or she assisted Class Counsel in the litigation of this case,  
24 including by reviewing pleadings and motions, consulting regularly with Class  
25 Counsel about case status and strategy, searching for relevant documents, traveling  
26 to and attending the full-day mediation, and reviewing the Settlement Agreement  
27 that was ultimately reached. In addition, each of the named Plaintiffs took a  
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1 significant risk by becoming a class representative in this action. If Plaintiffs had  
2 not prevailed, there was a risk that they may have been liable for Defendant’s costs  
3 and attorneys’ fees. Plaintiffs also took on the burdens and risks associated with  
4 being named Plaintiffs in a publicly filed lawsuit, including the risk of workplace  
5 retaliation or that potential employers might look unfavorably upon the decision to  
6 sue a former employer.

7 In addition, I find that the incentive awards are proportional to the range of  
8 possible awards under the settlement. *See Staton*, 327 F.3d at 976-77 (court must  
9 balance “the number of named plaintiffs receiving incentive payments, the  
10 proportion of the payments relative to the settlement amount, and the size of each  
11 payment”); *Wren v. RGIS Inventory Specialists*, No. C-06-05778 JCS, 2011 U.S.  
12 Dist. LEXIS 38667, at \*109-110 (N.D. Cal. Apr. 1, 2011) (examining range of  
13 settlement awards and approving \$5,000 settlement awards where average payout  
14 was \$207.69 because some of the individual class members received more than  
15 \$5,000). Indeed, “courts often examine whether incentive awards are proportional  
16 to the range of settlement awards.” *Burden v. Selectquote Ins. Servs.*, 2013 U.S.  
17 Dist. LEXIS 109110, at \*18-19 (N.D. Cal. Aug. 1, 2013). In this case, each class  
18 member will recover an average of \$1,951.89, with some class members  
19 recovering in excess of \$25,000. Given that class members will recover  
20 significantly more than service awards requested, I find that the service awards  
21 requested are fair and reasonable, particularly in light of the actions Plaintiffs have  
22 taken to benefit the class, the degree to which the class has benefited from these  
23 actions, and the risks and burdens the Plaintiffs took on by serving as class  
24 representatives.

25 In sum, the requested payments to the named Plaintiffs are appropriate and  
26 justified as part of the overall Settlement, and I therefore approve service awards in  
27 the amount of \$10,000 for each of the two named Plaintiffs: Jermaine McNeal and  
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1 Genoa Sosa.

2 **II. The Requested Attorneys' Fees and Costs Are Reasonable**

3 The Ninth Circuit has affirmed the use of two separate methods for  
4 determining attorneys' fees in common fund cases: the percentage method and the  
5 lodestar method. *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1029 (9th Cir. 1998).  
6 The goal of both the lodestar and percentage methods is the determination of a  
7 reasonable fee that is consistent with market rates. *In re Coordinated Pretrial*  
8 *Proceedings in Petroleum Products Antitrust Litig.*, 109 F.3d 602, 607 (9th Cir.  
9 1997) ("Reasonableness is the goal, and mechanical or formulaic application of  
10 either method, where it yields an unreasonable result, can be an abuse of  
11 discretion."). A "lodestar" calculation multiplies the number of hours reasonably  
12 expended on the litigation by counsel's reasonable hourly rates, depending on the  
13 region and the experience of the lawyer. *In re Bluetooth Headset Prods. Liab.*  
14 *Litig.*, 654 F.3d 935, 941 (9th Cir. 2011).

15 I find that it is appropriate to use lodestar method under the present  
16 circumstances, *see Adventist Christian School v. Carrier Corp.*, No. 05-cv-05437,  
17 2008 U.S. Dist. LEXIS 106515, at \*4 (W.D. Wash. Apr. 24, 2008) ("Because the  
18 attorneys' fees will be paid separately by [defendant] without reducing the relief  
19 available to the Class, the lodestar method is appropriate"), and that the lodestar  
20 method supports Class Counsel's requested attorneys' fees. Class Counsel  
21 submitted a billing summary reflecting that Class Counsel's lodestar through June  
22 2, 2017, totals in excess of \$123,000.00. Class Counsel's billing summaries reflect  
23 the hours worked by individual timekeepers, the hourly rates of those timekeepers,  
24 and the time spent on various categories of activities, including case development  
25 and investigation, discovery and document review, pleading and motions, and time  
26 spent negotiating and carrying out the settlement in this matter. The billing  
27 summary does not include the additional lodestar time Class Counsel expect to  
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1 expend finalizing and filing this motion, preparing for and attending the final  
2 fairness hearing, speaking with Class Members who may have questions about the  
3 settlement, and ensuring that the settlement is properly administered.

4 Further, I find that Class Counsel’s hourly rates are reasonable given their  
5 experience, expertise, and the prevailing rates for attorneys performing similar  
6 work. Under the lodestar method, courts should apply rates commensurate with  
7 hourly rates for lawyers of “reasonably comparable skill, experience and  
8 reputation.” *Camacho v. Bridgeport Financial, Inc.*, 523 F.3d 973, 979 (9th Cir.  
9 2008). The “relevant community” for the purposes of determining the reasonable  
10 hourly rate is the district in which the lawsuit proceeds. *Barjon v. Dalton*, 132 F.3d  
11 496, 500 (9th Cir. 1997).

12 The attorneys that contributed work to this case are experienced in complex  
13 class action litigation and regularly litigate cases in California federal and state  
14 courts. The partners managing the litigation have an extensive history of  
15 successfully litigating complex class action cases. Class Counsel have also  
16 provided declarations from other experienced wage and hour class action attorneys  
17 in Southern California who attest to Class Counsel’s reputation in the field and the  
18 reasonableness of their rates. I therefore find that Class Counsel’s hourly rates are  
19 reasonable, comparable to those of other class action attorneys with similar  
20 experience and years of practice, and within the range of those found to be  
21 permissible for attorneys practicing class action litigation in the Central  
22 District/Los Angeles area market.

23 Further, the hours recorded by Class Counsel are reasonable. Class Counsel  
24 has spent over 250 hours litigating this case to date. The summaries set forth in the  
25 Riggin Fee Declaration describe the work performed by Class Counsel, which  
26 includes fact investigation, drafting the complaints, propounding written discovery,  
27 drafting a mediation brief, preparing for and attending a mediation, negotiating the  
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1 settlement, working with the Claims Administrator, and other tasks necessary to  
2 this litigation. I find that the hours recorded by Class Counsel were reasonable and  
3 necessary to the litigation of the case, particularly in light of the result obtained for  
4 the class.

5 In sum, given the substantial work performed by Class Counsel over more  
6 than a year of investigation and litigation, the requested fee award is objectively  
7 reasonable under the lodestar method of calculation.

8 I find further that the request for \$10,915.72 in litigation expenses is  
9 reasonable. Class Counsel has submitted a declaration indicating that the  
10 requested costs here are recoverable because they are both relevant to the litigation  
11 and reasonable in amount. Since the outset of this litigation, Class Counsel has  
12 incurred unreimbursed costs prosecuting this case on behalf of the Class, including  
13 costs for the following: (1) travel expenses for counsel to attend court hearings  
14 and for the plaintiffs to attend the mediation; (2) expert fees to review Defendant's  
15 time and payroll data; (3) copying charges; (4) messenger and other delivery  
16 service charges; (5) mediation fees; (6) filing and service fees; and (7) legal  
17 research charges. Class Counsel put forward these out-of-pocket costs without  
18 assurance that they would be repaid. These litigation expenses were necessary to  
19 secure the resolution of this litigation.

20 Accordingly, the Court approves Plaintiffs' request for attorneys' fees and  
21 costs in the amount of \$120,000.00

22 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that:

23 1. This Court hereby finds and concludes that due and adequate notice  
24 was directed to all persons and entities who are Class Members, advising them of  
25 Class Counsel's intent to seek attorneys' fees and costs and service awards, the  
26 amounts thereof, and their right to object thereto.

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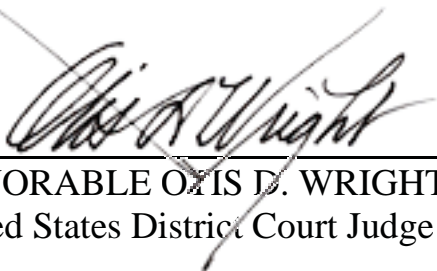
1           2.       A full and fair opportunity was accorded to all such persons and  
2 entities to be heard with respect to the Fee Motion. No Class Member objected to  
3 Class Counsel's request for attorneys' fees and costs or service payments.

4           3.       The Court hereby grants Class Counsel's request for an award of  
5 attorneys' fees and costs in the total amount of \$120,000.00

6           4.       The Court hereby grants Plaintiffs' request for class representative  
7 service awards in amount of \$10,000 each to named Plaintiff.

8           5.       The awarded attorneys' fees and costs, and class representative  
9 service awards shall be paid pursuant to the terms, conditions and obligations of  
10 the Settlement Agreement.

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12 Dated: July 12, 2017

  
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HONORABLE OTIS D. WRIGHT II  
United States District Court Judge

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