

1 deliberate indifference in the amount of \$1,000. The jury also awarded Plaintiff \$25,000 in punitive
2 damages against Defendant Watson. The total amount of damages awarded was \$41,000.

3 Defendants moved under Federal Rule of Civil Procedure 50 to set aside the failure to
4 intervene claims against Defendant Watson, the deliberate indifference claim against Defendant
5 Adams, and the failure to intervene claim against Defendant Chan.

6 The parties' joint motion is presented under Federal Rule of Civil Procedure 60(b), on the
7 grounds that the proposed settlement avoids the hardship of costly post-trial motions and an appeal,
8 litigation costs and attorney's fees in four other lawsuits that were resolved as part of a global
9 agreement, and satisfies other equities and the interests of justice. The Court deferred ruling on the
10 motions and set a briefing schedule for the filing of post-trial motions.

11 On November 17, 2016, the Court approved the parties' stipulation to vacate and continue the
12 post-trial motion schedule to engage in a settlement conference.

13 On March 28, 2017, a settlement conference was held with Magistrate Judge Kendall J.
14 Newman. The parties submit that they reached a global settlement that included this action and four
15 other of Plaintiff's pending cases: Jacobs v. Scriber, No. 1:06-cv-01280 AWI-EPG (E.D. Cal.); Jacobs
16 v. Quinones, 9th Circuit No. 16-16145 (E.D. Cal. No. 1:10-cv-02349 AWI-JLT); Jacobs v. CSR Reps.,
17 No. 16-cv-00791 DAD-MJS (E.D. Cal.); Jacobs v. Hernandez, No. 1:16-cv-000595 AWI-GSA (E.D.
18 Cal.). The parties agreed to a global settlement sum of \$85,000, contingent on this Court vacating the
19 October 3, 2016, verdict.

20 II.

21 DISCUSSION

22 Federal Rule of Civil Procedure 60(b) provides that a "court may relieve a party or its legal
23 representative from a final judgment, order, or proceeding" where "the judgment has been satisfied,
24 released or discharged," where "applying it prospectively is no longer equitable," or for "any other
25 reason that justifies relief." Fed. R. Civ. P. 60(b)(5)-(6). Rule 60 "vests power in courts adequate to
26 enable them to vacate judgments whenever such action is appropriate to accomplish justice."
27 Klapprott v. United States, 335 U.S. 601, 615 (1949). In U.S. Bancorp Mortgage Co. v. Bonner Mall
28 Partnership, 513 U.S. 18, 29 (1994), the Supreme Court held that appellate court vacatur of district

1 court judgments should only be granted in exceptional circumstances when mootness results from a
2 negotiated settlement, and such circumstance, does not in itself, warrant vacatur. However, the Ninth
3 Circuit has distinguished Bonner Mall in situations where, as here, the district court is asked to vacate
4 its own judgment because such court is enjoys “greater equitable discretion when reviewing [its] own
5 judgments than do appellate courts operating at a distance.” Am. Games, Inc. v. Trade Products, Inc.,
6 142 F.3d 1164, 1170 (9th Cir. 1998).

7 The Ninth Circuit applies a case-by-case balancing determination to assess whether vacatur is
8 appropriate. See Nat’l Union Fire Ins. Co. v. Seafirst Corp., 891 F.2d 762, 765, 767 (9th Cir. 1989).
9 To determine whether to vacate a judgment, the Court must balance “the competing values of finality
10 of judgment and right to relitigation of unreviewed disputes” and consider “the consequences and
11 attendance hardships of dismissal or refusal to dismiss.” Bates v. Union Oil Co. of Calif., 944 F.2d
12 647, 650 (9th Cir. 1991) (internal citation omitted); Am. Games, Inc. v. Trade Prods., Inc., 142 F.3d at
13 1168 (internal citations omitted); see also Ringsby Truck Lines, Inc. v. Western Conference of
14 Teamsters, 686 F.2d 720, 722 (9th Cir. 1982)). The Court should also consider and weigh a settlement
15 negotiated between the parties when balancing the equities. Nat’l Union Fire Ins. Co. v. Seafirst
16 Corp., 891 F.2d at 768; see also In re: TFT-LCD (Flat Panel) Antitrust Litig., No. M 07-1827 SI, 2012
17 WL 12369590, at *4 (N.D. Cal. October 15, 2012) (finding judicial economy supported preliminary
18 approval of a settlement agreement calling for vacatur of a jury verdict because “the Settlement
19 obviates the need for ruling on an outstanding motion seeking to set aside the verdict, any appeal and
20 potential remand, and any new trial that this Court or an appellate court potentially could require,” and
21 stating that “the judicial resources that resulted in the jury verdict were not wasted, as the verdict
22 surely had a significant effect on the Settlement’s outcome”) (quoting In re Vitamins Antitrust Litig.,
23 Docket No. 4572, Case No. 1:99-cv-0197-TFH, slip op. at 5-9 (D.D.C. Nov. 30, 2004). Thus, if
24 vacatur does not undermine judicial precedent or unduly impinge on judicial resources, vacatur may
25 be appropriate. In re: TFT-LCD (Flat Panel) Antitrust Litig., 2012 WL 12369590, at *4; Mayes v.
26 City of Hammond, Ind., 631 F.Supp.2d 1082, 1089 (N.D. Ind. 2008) (noting the different effects and
27 consequences of vacating judicial opinion or orders containing substantive rulings versus a jury
28 verdict that makes a decision on the merits without explanation of its reasoning).

1 At first glance, it appears unjust to vacate a jury verdict that was fully rendered, not based on
2 any error, but rather on the parties' subsequent settlement, as the interests of the public are implicated.
3 Indeed, the Supreme Court has noted that judicial decisions "are not merely the property of private
4 litigants and should stand unless a court concludes that the public interest would be served by a
5 vacatur." U.S. Bancorp Mortgage v. Bonner Mall Partner, 513 U.S. at 26 (quoting Izumi Seimitsu
6 Kogyo Kabushiki Kaisha v. U.S. Phillips Corp., 510 U.S. 27, 40 (1993)). In most situations, the
7 sanctity of the jury trial would be compromised if parties are allowed to weigh the cost benefits by
8 proceeding to trial only to receive an unfavorable decision that can be vacated by a way of subsequent
9 settlement. See, e.g., U.S. Bancorp Mortgage v. Bonner Mall Partner, 513 U.S. at 28 (Some litigants,
10 at least, may think it worthwhile to roll the dice rather than settle in the district court, or in the court of
11 appeals, if, but only if, an unfavorable outcome can be washed away by a settlement-related vacatur.")
12 The Court must protect the sanctity of jury verdicts and should not allow parties to subsequently
13 "hedge their bets" by taking a risk at trial, only to "pay away" the verdict if that risk does not pay off
14 for one party.¹ It is with this vigilance that the Court approaches any request to vacate a jury verdict
15 when there is no plausible allegation of trial error or infirmity.

16 Nonetheless, after consideration of the record in this case, the Court finds the equitable
17 considerations weigh in favor of accepting the parties' settlement and vacatur is appropriate in this
18 action and is unique only to the specific facts of this case. By way of settlement and the joint filing of
19 a motion to vacate the jury verdict, the parties have waived their ability to have the judgment reviewed
20 on appeal, as well as filing post-trial motions and potential appeal of those orders; thus, elevating the
21 need for further litigation and continuance of this action. All parties involved played a role in arriving
22 at a settlement award that is double of that awarded by the jury. Both sides submit that they have
23 limited resources and seek to avoid the substantial hardships imposed by costly and uncertain post-trial

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25 ¹ Our jury system is one of the quintessential pillars of our American democracy. It is a process
26 whereby peers within in our community—not government officials—hold discussion and render a
27 verdict about a party's legal rights and possible remedies. Once the parties exercise that right to a trial
28 by jury, and the community renders a verdict, that verdict should be maintained, absent a legal basis
for disturbing that decision. That is the risk one takes in going to trial- that a jury may not rule in
one's favor.

1 motions and an appeal. However, if this were merely the record, the equities would not justify vacatur
2 of the jury verdict. What makes the equities sway to granting the requested relief is the considerations
3 present in this case: the settlement of four other federal cases and the resources freed both to the
4 parties and the Court in settling those cases. Therefore, of significant importance to the Court is that
5 the parties' settlement terms call for the resolution of three other cases pending in this Court and an
6 appeal in the Ninth Circuit Court of Appeals. The parties submit that without vacatur, Jacobs v.
7 Scribner, No. 1:06-cv-01280 AWI-EPG (E.D. Cal.), will proceed to trial, where Defendants' attorneys
8 and Plaintiff's appointed pro bono counsel will expend substantial resources and costs. Although
9 Jacobs v. CSR Repts, No. 16-cv-00791 DAD-MJS (E.D. Cal.) and Jacobs v. Hernandez, No. 1:16-cv-
10 000595 AWI-GSA (E.D. Cal.), are still in the screening process under 28 U.S.C. § 1915A, the district
11 court will expend additional time and resources screening the complaint, and all parties will be
12 affected if the cases survive the screening process. Further, without vacatur, the parties in Jacobs v.
13 Quinones, 9th Circuit No. 16-16145 (E.D. Cal. No. 1:10-cv-02349 AWI-JLT), the parties will expend
14 substantial time on appellate briefs, and if Plaintiff's appeal is successful, the matter will be remanded
15 to this Court, resulting in further expenditure of scarce resources to litigate this case that will likely go
16 to trial.

17 Based on the foregoing, the Court finds that the equities, along with the joint agreement of the
18 parties, weigh in favor of vacating the verdict to facilitate implementation of the parties' global
19 settlement. Accordingly, it is HEREBY ORDERED that the jury verdict rendered on October 3, 2016,
20 is vacated. The parties' stipulation for a thirty day extension of time to file the dispositional
21 documents is GRANTED, and the dispositional documents in all relevant cases shall be filed within
22 thirty days from the date of service of this order.

23
24 IT IS SO ORDERED.

25 Dated: May 12, 2017



26 UNITED STATES MAGISTRATE JUDGE