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                       UNITED STATES DISTRICT COURT
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                       EASTERN DISTRICT OF CALIFORNIA
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    THE NATIONAL GRANGE OF THE
                                      CIV. NO. 2:14-676 WBS AC
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    ORDER OF PATRONS OF
    HUSBANDRY, a District of
                                      MEMORANDUM AND ORDER RE: MOTION
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    Columbia nonprofit
                                      FOR ATTORNEY'S FEES
    corporation,
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                 Plaintiff,
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         v.
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    CALIFORNIA STATE GRANGE d/b/a
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    "CSG," a California
    corporation,
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                  Defendant.
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               Plaintiff the National Grange of the Order of Patrons
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    of Husbandry brought this action against defendant California
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    State Grange, currently known as the California State Guild, for
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    violations of the Lanham Act. Presently before the court is
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    plaintiff's motion for attorney's fees in the amount of
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    $154,230.80 pursuant to the Lanham Act and this court's Order of
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    April 20, 2016. (Docket No. 142.)
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## I. Factual and Procedural Background

A detailed factual background of this case is set forth in the court's April 20, 2016 Order granting plaintiff's motion for an injunction. Nat'l Grange of the Order of Patrons of Husbandry v. Cal. State Grange, Civ. No. 2:14-676 WBS AC, 2016 WL 1587193 (E.D. Cal. Apr. 20, 2016). It is therefore unnecessary to repeat that background in full here.

In July 2015, the court granted summary judgment in favor of plaintiff on its claims for (1) trademark infringement, 15 U.S.C. § 1114; and (2) unfair competition and false designation of origin, 15 U.S.C. § 1125(a). (Docket No. 60.)¹ In September 2015, the court entered an Order permanently enjoining "[d]efendant and its agents, affiliates, and assigns, or any party acting in concert with [them] from using marks containing the word 'Grange.'" (Docket No. 86.) Defendant appealed the court's July and September 2015 Orders; that appeal is currently pending before the United States Court of Appeals for the Ninth Circuit. (Docket Nos. 87, 89, 95.) In January 2016, this court denied defendant's motion to stay the September 2015 permanent injunction pending defendant's appeal. (Docket Nos. 108.)

In February 2016, plaintiff moved for an order to show cause why defendant should not be held in contempt for violating the court's September 2015 injunction (the "Contempt Motion").

(Docket No. 109.) The court denied that motion without prejudice

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Plaintiff dismissed its remaining two claims against defendant with prejudice. ( $\underline{\text{Id.}}$ )

to plaintiff filing a motion for further injunctive relief based on the issues that were litigated in this case. (Docket No. 117.) The court additionally denied plaintiff's motion for clarification of the September 2015 injunction. (Docket No. 125.)

On April 20, 2016, the court granted in part plaintiff's motion for further injunctive relief based on the issues that were litigated in this case (the "Injunction" Motion"). (Apr. 20, 2016 Order (Docket No. 138).) In its April 20, 2016 Order, the court held that plaintiff was entitled to reasonable attorney's fees under section 1117(a) of the Lanham Act in connection with (1) plaintiff's Injunction Motion; (2) plaintiff's Contempt Motion; (3) Ed Komski's February 1, 2016 declaration filed in support of plaintiff's Contempt Motion, (Docket No. 109-1); and (4) Komski's December 28, 2015 declaration filed in support of plaintiff's opposition to defendant's motion to stay the court's September 2015 injunction pending defendant's appeal, (Docket Nos. 99-2 to 99-43). Pursuant to the court's April 20, 2016 Order, plaintiff now moves for attorney's fees in the amount of \$154,230.80. (Mot. (Docket No. 142); Mem. at 2 (Docket No. 142-1).)

# II. Discussion

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#### A. Entitlement to Fees

Section 1117(a) of the Lanham Act authorizes reasonable attorney's fees to the prevailing party in an exceptional case.

See 15 U.S.C. § 1117(a); Horphag Research Ltd. v. Garcia, 475

F.3d 1029, 1039 (9th Cir. 2007). In its April 20, 2016 Order, the court held that plaintiff was the prevailing party on its

Injunction and Contempt Motions for purposes of a fee award because it obtained the relief it sought in those motions. (Apr. 20, 2016 Order at 32-33.)

The court also found that this was an "exceptional case" within the meaning of § 1117(a) because there was "significant evidence" that defendant willfully and deliberately continued to infringe plaintiff's trademark rights and engage in unfair competition against plaintiff following the court's September 2015 injunction. (See id. at 33-36 ("The court is hard pressed to find that defendant's acts were anything other than deliberate and willful.")); see also Fifty-Six Hope Rd. Music, Ltd. v. A.V.E.L.A., Inc., 778 F.3d 1059, 1078 (9th Cir. 2015) (stating that a trademark case is exceptional for purposes of a fee award under § 1117(a) where the defendant's conduct "is malicious, fraudulent, deliberate, or willful," and neither egregious conduct nor bad faith is required for such a finding).

### B. Amount of the Fee Award

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The determination of a reasonable fee involves a two-step inquiry. Intel Corp. v. Terabyte Int'l, Inc., 6 F.3d 614, 622 (9th Cir. 1993). First, "the district court applies the lodestar method" by "multiplying the number of hours reasonably expended by a reasonable hourly rate." Ryan v. Editions Ltd. W., Inc., 786 F.3d 754, 763 (9th Cir. 2015) (citing Hensley v. Eckerhart, 461 U.S. 424, 433 (1983)). "The resulting number is frequently called the 'lodestar' amount." McCown v. City of Fontana, 565 F.3d 1097, 1102 (9th Cir. 2009). "The party seeking the award should provide documentary evidence to the court concerning the number of hours spent, and how it determined the

hourly rate(s) requested." <u>Id.</u> (citing <u>Hensley</u>, 461 U.S. at 433).

Second, "in appropriate cases, the district court may adjust the 'presumptively reasonable' lodestar figure based upon the factors listed in <a href="Kerr v. Screen Extras Guild, Inc.">Kerr v. Screen Extras Guild, Inc.</a>, 526 F.2d 67, 69-70 (9th Cir. 1975), that have not been subsumed in the lodestar calculation." <a href="Intel">Intel</a>, 6 F.3d at 622. "The lodestar amount presumably reflects the novelty and complexity of the issues, the special skill and experience of counsel, the quality of representation, and the results obtained from the litigation." <a href="Id">Id</a>. "The court need not consider all [of the <a href="Kerr">Kerr</a>] factors, but only those called into question by the case at hand and necessary to support the reasonableness of the fee award." <a href="Cairns v.">Cairns v.</a>. <a href="Franklin Mint Co.">Franklin Mint Co.</a>, 292 F.3d 1139, 1158 (9th Cir. 2002) (citation omitted).

#### 1. Reasonable Rate

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# a. Prevailing Market Rate

To determine a reasonable hourly rate, the court must look to the prevailing rates in the relevant legal community "for similar work performed by attorneys of comparable skill, experience, and reputation." <a href="Ingram v. Oroudjian">Ingram v. Oroudjian</a>, 647 F.3d 925, 928 (9th Cir. 2011) (citation omitted). "Generally, the relevant community is the forum in which the district court sits." <a href="Barjon v. Dalton">Barjon v. Dalton</a>, 132 F.3d 496, 500 (9th Cir. 1997). The parties agree that the relevant community in this case is the Eastern District of California. <a href="See id.">See id.</a> at 502. The "burden is on the fee applicant to produce satisfactory evidence—in addition to the attorney's own affidavits—that the requested [hourly] rates are

in line with those prevailing in the community for similar services by lawyers of reasonably comparable skill, experience and reputation." Blum v. Stenson, 465 U.S. 886, 896 n.11 (1984).

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Plaintiff requests the following hourly rates here: (1) \$530 for James Bikoff, a partner at Smith, Gambrell and Russell, LLP ("SGR") with 40 years of experience in trademark litigation; (2) \$450 for Bruce McDonald, a partner at SGR with 35 years of experience in intellectual property litigation; (3) \$330 for Holly Lance, an associate at SGR with 5 years of experience in intellectual property litigation; and (4) \$720 for Michael Turrill, a partner at Arent Fox, LLP with 20 years of experience in commercial litigation, including intellectual property disputes. (Bikoff Decl.  $\P\P$  3, 6-8, Exs. D-F (Docket No. 142-2); Turrill Decl. ¶ 5 (Docket No. 142-5).) Defendant does not dispute the reasonableness of the rates that Bikoff, McDonald, or Lance seek and thus the court will award fees at those undisputed rates. Defendant contends that Turrill's rate of \$720 is not reasonable for trademark litigation work in Sacramento, and the court agrees. Defendant suggests that Turrill's rate should be no greater than \$550 per hour.

Notably, none of the declarations submitted in this case state that \$720 is the prevailing rate in Sacramento for a lawyer of Turrill's experience. Moreover, none of the sources plaintiff relies on in support of the requested rates establish prevailing rates in Sacramento or support a rate \$720 for a partner with 20 years of legal experience. For example, the American Intellectual Property Law Association's 2015 Report of the Economic Survey ("AIPLA survey") provides only

national average billing rates for intellectual property attorneys and indicates that the average rate for law firm partners with 20 years of experience like Turrill is \$475 per hour. (Bikoff Decl. ¶ 5, Ex. C); see also Schwarz v. Sec'y of Health & Human Servs., 73 F.3d 895, 908 (9th Cir. 1995) (holding that "a couple of published surveys of ranges of fees charged by various law firms based in Seattle, Washington, and other cities across America . . . told the district court nothing about the prevailing rate in [the relevant communities of] Portland or Phoenix for similarly qualified lawyers working on a similar type of case").

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Plaintiff also relies on the Laffey Matrix, which is "an inflation-adjusted grid of hourly rates for lawyers of varying levels of experience in Washington, D.C." Prison Legal News v. Schwarzenegger, 608 F.3d 446, 454 (9th Cir. 2010) (citations omitted). "The Laffey matrix has been regularly prepared and updated by the Civil Division of the United States Attorney's Office for the District of Columbia and used in fee shifting cases, among others." Craigslist, Inc. v. Naturemarket, Inc., 694 F. Supp. 2d 1039, 1067 (N.D. Cal. 2010). Although courts have relied on the Laffey Matrix and attempted to adjust its rates to account for legal communities outside of Washington, D.C., this court has criticized the use of the Laffey Matrix without a reliable method to adjust the rates to account for the difference between the prevailing market rates in Washington, D.C. and Sacramento. See Johnson v. Wayside Prop., Inc., Civ. No. 2:13-1610 WBS, 2014 WL 6634324, at \*7 (E.D. Cal. Nov. 21, 2014). Nonetheless, even the Laffey Matrix provides that

attorneys with 20 years of experience like Turrill bill \$504 per hour in Washington, D.C.

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Turrill also submits a 2014 National Law Journal survey of billing rates charged by partners in the nation's 350 largest firms (the "NLJ survey"). (Turrill Decl. ¶ 6, Ex. 1.) Turrill, who is a partner at Arent Fox, states that his firm "is ranked number 117 in the AmLaw 200 and has offices in Washington, D.C., New York City, San Francisco, and Los Angeles." (Id. ¶ 4.) Turrill contends that a rate of \$720 per hour is reasonable because it "is consistent with the market rate for partners with [20 years] of experience" in "law firms of similar size and reputation and which are either based in Los Angeles or have Los Angeles offices." (Id.  $\P\P$  5-6.) Turrill also contends that a rate of \$720 per hour is in line with the "prevailing rates in Southern California." (Id. ¶ 7.) He submits a Los Angeles County Superior Court ruling on a fee motion brought under California Government Code section 12965(b) where the Superior Court found that "each attorney's hourly rate (\$700 and \$400) is a reasonable rate for comparable legal services in the L.A. metro area for noncontingent employment litigation." (Id. ¶ 7, Ex. 2); Hancock v. Time Warner Cable Servs., LLC, 2015 WL 5923311 (Cal. Super. Ct. Sept. 1, 2015). This evidence is unhelpful because the relevant community here is Sacramento, and not Los Angeles or Southern California. See Barjon, 132 F.3d at 499-500 (holding that the district court correctly "appl[ied] the rates of the local forum--the Sacramento area--rather than the rates of Wallace's place of business--the San Francisco area" because "Sacramento, not San Francisco, was the relevant market").

The fee award in Hancock also involved a state law employment discrimination action litigated in Los Angeles and the fee request there was analyzed under California law. Turrill Decl. Ex. 2.) By contrast, this action involves federal claims under the Lanham Act, was litigated in Sacramento, and federal law governs the present fee motion pursuant to § 1117(a). See Jadwin v. County of Kern, 767 F. Supp. 2d 1069, 1135 n.76 (E.D. Cal. 2011) (Wanger, J.) (observing that the lodestar analysis under federal law is different from that under state law); see also 99 Only Stores v. 99 Cent Family Sav., Civ. No. 1:10-1319 LJO MJS, 2011 WL 2620983, at \*3 (E.D. Cal. June 29, 2011) ("[C]osts of practicing law, and hence legal fees, can be significantly higher in Southern California where Plaintiff's firm is located than in the Central Valley of California."). As a result, neither the NLJ survey nor the Superior Court's fee award establishes that Turrill's \$720 hourly rate is a reasonable rate in Sacramento for comparable trademark litigation services performed by attorneys with Turrill's skill and experience.

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In sum, the court is not persuaded that the reasonable rate in Sacramento for an attorney of Turrill's skill and experience is \$720. The court will therefore award Turrill \$550 per hour because defendant does not object to that rate for him.

### 2. Reasonable Number of Hours

"A district court, using the lodestar method to determine the amount of attorney's fees to award, must determine a reasonable number of hours for which the prevailing party should be compensated." Gonzalez v. City of Maywood, 729 F.3d 1196, 1202 (9th Cir. 2013). "Ultimately, a 'reasonable' number

of hours equals the number of hours which could reasonably have been billed to a private client." Id. (alterations and quotation marks omitted). "[T]o determine whether attorneys for the prevailing party could have reasonably billed the hours they claim to their private clients, the district court should begin with the billing records the prevailing party has submitted." Id.

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"The fee applicant bears the burden of documenting the appropriate hours expended in the litigation and must submit evidence in support of those hours worked." Gates v. Deukmejian, 987 F.2d 1392, 1397 (9th Cir. 1992) (citing Hensley, 461 U.S. at 433, 437). A fee applicant must "make a good faith effort to exclude from a fee request hours that are excessive, redundant, or otherwise unnecessary." Hensley, 461 U.S. at 434; see Sealy, 743 F.2d at 1384-85 (applying this standard to fee requests under the Lanham Act). "By and large, the district court should defer to the winning lawyer's professional judgment as to how much time he or she was required to spend on the case." Ryan, 786 F.3d at 763 (alterations and citation omitted).

"The party opposing the fee application has a burden of rebuttal that requires submission of evidence to the district court challenging the accuracy and reasonableness of the hours charged or the facts asserted by the prevailing party in its submitted affidavits." Gates, 987 F.2d at 1397-98 (citing Blum, 465 U.S. at 892 n.5). "The district court may reduce the amount of requested fees to reflect a party's limited degree of success, to account for block billing, or to deduct those hours the court deems excessive." Ryan, 786 F.3d at 763 (citations omitted).

Although "[t]here is no precise formula or methodology that the district court is obligated to follow" when reducing fees, <u>id.</u> at 765, "a more specific articulation of the court's reasoning is expected" the greater the "disparity between the requested fees and the district court's award," id. at 764.

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Counsel submitted billing statements indicating the following hours spent on the matters for which plaintiff is entitled to attorney's fees here: Bikoff (79.9 hours); McDonald (188.7 hours); Lance (68.2 hours); and Turrill (37.4 hours).

(See Bikoff Decl. ¶ 3, Ex. B; Turrill Decl. ¶ 8, Ex. 3.) SGR also proposes a 15% reduction to the total fees billed by Bikoff, McDonald, and Lance. (Bikoff Decl. ¶¶ 3-4.)

# a. Fees for Unrelated Matters

The court held in its April 20, 2016 Order that plaintiff was entitled to attorney's fees associated with its Injunction Motion, its Contempt Motion, and Komski's two declarations. (Apr. 20, 2016 Order at 38-39.) Any attorney time that counsel billed for matters unrelated to those four items must be excluded. Plaintiff requests fees for the time that counsel worked on plaintiff's motion for clarification, which it filed on March 11, 2016. (Mot. for Clarification (Docket No. 122); see Opp'n at 7-8 (Docket No. 146).) The court's April 20, 2016 Order did not hold that plaintiff was entitled to attorney's fees associated with its motion for clarification. (See Apr. 20, 2016 Order at 31-39.) The court will thus reduce the following hours billed by counsel for working on plaintiff's motion for clarification: Bikoff (1 hour on March 18, 2016); Lance (0.2 hours on March 8, 2016); and Turrill (4 hours on March 17-18,

2016). (Bikoff Decl. Ex. B at 30; Turrill Decl. Ex. 3 at 32).

Plaintiff is also not entitled to fees for the 1 hour billed by Bikoff for attending a lunch conference on April 6, 2016 with a University of California representative to discuss the University's rental payments under a 2002 lease agreement with defendant. (Bikoff Decl. Ex. B at 35; Opp'n at 9-10.) Because that issue is unrelated to the four matters for which plaintiff was granted fees, the court will reduce Bikoff's billed time by 1 hour.

### b. Block Billing

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Defendant contends that "substantially all time entries for each counsel [a]re block-billed." (Opp'n at 10.) "Block billing is the time-keeping method by which each lawyer . . . enters the total daily time spent working on a case, rather than itemizing the time expended on specific tasks." Welch, 480 F.3d at 945 n.2 (citations omitted). As a result, "the amount of time spent by an attorney on each discrete task is not identified, but instead all hours spent during the course of a day on multiple tasks are billed together." Yeager v. Bowlin, Civ. No. 2:08-102 WBS JFM, 2010 WL 1689225, at \*1 (E.D. Cal. Apr. 26, 2010). Counsel's billing statements indeed contain significant block billing; over 80% of counsel's billing entries are in block format. Defendant argues that the extent of counsel's blockbilling makes it "hopelessly impossible to tell the amount of time spent on each task" and thus requests a 40% reduction in plaintiff's fee award. (Opp'n at 10.)

District courts may not account for block billing by applying an across-the-board reduction to all hours claimed in a

fee petition; rather, courts may apply a percentage reduction only to those hours that are actually block-billed. <a href="Deocampo v.">Deocampo v.</a>
<a href="Potts">Potts</a>, Civ. No. 2:06-1283 WBS, 2014 WL 788429, at \*4 (E.D. Cal. Feb. 25, 2014). "Courts in the Ninth Circuit have reduced up to thirty percent of the hours that are block-billed." <a href="Id.; see">Id.; see</a>, <a href="Eeg.">e.g.</a>, <a href="Welch">Welch</a>, 480 F.3d at 948 (affirming district court's authority to reduce block-billed hours by 10% to 30%); <a href="Willis v.">Willis v.</a>
<a href="City of Fresno">City</a>. No. 1:09-1766 BAM, 2014 WL 3563310, at \*18-19 (E.D. Cal. July 17, 2014) (reducing impermissibly block-billed entries by 30%).

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"The court also retains discretion not to reduce hours that are purportedly block billed if those time entries 'are detailed enough for the court to assess the reasonableness of the hours billed.'" Deocampo, 2014 WL 788429, at \*4 (alterations omitted) (quoting Campbell v. Nat'l Passenger R.R. Corp., 718 F. Supp. 2d 1093, 1103 (N.D. Cal. 2010)); see also Trulock v. Hotel Victorville, 92 F. App'x 433, 434 (9th Cir. 2004) (stating that the "use of block billing" is only one factor in determining whether the number of hours claimed are reasonable). "Although it is true that the fee applicant bears the burden of submitting 'evidence supporting the hours worked and rates claimed,' the Supreme Court has also stated that plaintiff's counsel 'is not required to record in great detail how each minute of his time was expended.'" Fischer v. SJB-P.D. Inc., 214 F.3d 1115, 1121 (9th Cir. 2000) (quoting Hensley, 461 U.S. at 433, 437 n.12). "Instead, plaintiff's counsel can meet [the] burden" of adequately documenting the number of hours billed "by simply listing [the] hours and identifying the general subject matter of [the] time expenditures." <u>Id.</u> (quotations and alterations omitted).

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In <u>Fischer</u>, for example, the Ninth Circuit held that counsel's block-billed time records were sufficient even though they provided summaries of time spent on broad categories of tasks such as pretrial motions and court appearances. <u>Id.</u>

Similarly, in <u>Secalt S.A. v. Wuxi Shenxi Construction Machinery</u>, 668 F.3d 677 (9th Cir. 2012), the Ninth Circuit held in reviewing a fee award under the Lanham Act that even when "billing entries list numerous tasks performed over multi-hour spans, it [is] not an abuse of discretion for the district court to award the associated fees because counsel 'is not required to record in great detail how each minute of his time was expended.'" <u>Id.</u> at 690 (quoting <u>Hensley</u>, 461 U.S. at 437 n.12)). A block-billed entry is only "a problem where it obscures the nature of some of the work claimed." <u>Willis</u>, 2014 WL 3563310, at \*18 (quotations and alterations omitted).

Although a majority of the entries submitted here are in block-billed format, the billing entries identify the particular tasks performed with great detail and specificity. For example, McDonald billed 6.5 hours on December 16, 2015 for the following activities:

Examine documents received from Mr. Komski including correspondence dated 12/15/2015 from McFarland "Regards, Boutin Jones Inc. by Robert D. Swanson," to Annie Waters, President, Little Lake Grange, Willits, CA; email circa 11/25/2015 from McFarland to Woodbridge Grange Members; investigation and research re cause of action by National Grange for contempt of September 30 injunction; new and independent acts of trademark infringement, unfair competition, false advertising, trade libel, interference in contractual relations, copyright infringement, with

availability of exemplary damages and award of costs and attorney's fees, supported by motion preliminary injunction under Federal Rule 65; memorandum to Mr. Bikoff re above; draft memo to Messrs. Komski, Jensen, Riordan and Skinner in response to inquiries re availability of relief; continued work Declaration; memorandum to Mr. Komski re terminology and contents of declaration; memorandum to Ms. Lance with instructions re Huber Declaration; memorandum to Mr. Bikoff and Ms. Lance re problems with use of word "chartered" whereas there is only one California State Grange, recommending amendment of case caption to avoid confusing appearance that California State Grange is defendant; memorandum to Messrs. Bikoff, Komski, Skinner et al. with final declaration; examine comments from Mr. Skinner; examine Shaw Declaration and Komski Declarations filed last week in state court action; conference with Mr. Komski re same; examine and respond to Mr. Komski re exhibit used to document McFarland's statements December 8 meeting; add content to declaration rearrangement of Ranchito Grange and new evidence for independent causes of action; memoranda to Mr. Skinner re new additions to declaration; examine and incorporate further comments[.]

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(Bikoff Decl. Ex. B at 11.) The remaining time entries submitted here are similarly detailed and specific.

Counsel's billing statements here are thus sufficiently detailed for the court to assess the reasonableness of the hours billed. Accord Willis, 2014 WL 3563310, at \*18; Gucci America, Inc. v. Pieta, Civ. No. 04-9626 ABC MCX, 2006 WL 4725707, at \*2 (C.D. Cal. July 17, 2006). Accordingly, no reduction is warranted on the ground that the billing entries submitted here are block-billed.

### c. Komski's December 28, 2015 Declaration

Defendant next argues that the court should exclude any fees associated with Komski's December 28, 2015 declaration because plaintiff filed the declaration in support of its opposition to defendant's motion to stay the court's injunction

pending appeal. (Opp'n at 5-6, 12-14.) Defendant argues that the declaration did not relate to the Contempt or Injunction Motions and should thus be excluded from the fee award. Defendant also argues that any time spent on Komski's December declaration before defendant filed its motion to stay pending appeal should be excluded because defendant's motion to stay is what triggered the December declaration. (Id. at 5.)

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These arguments are unavailing. Plaintiff submitted Komski's December declaration "to describe the public confusion, mistake and deception created by the actions of the Defendant . . . subsequent to this Court's injunction issued on September 30, 2015." (Komski Decl. ¶ 2, Dec. 28, 2015.) The declaration described defendant's actions from the entry of the September 2015 injunction until December 28, 2015. (Id.) Thus, Komski's December declaration was relevant to more than just defendant's motion to stay pending appeal. Plaintiff's Contempt Motion, for example, relied on "the Declaration of Ed Komski dated December 28, 2015." (Komski Decl. ¶ 2, Feb. 1, 2016.) Plaintiff's Injunction Motion was "based on exhibits and evidence that plaintiff had submitted with its contempt motion," including Komski's December declaration. (Apr. 20, 2016 Order at 33.)

The court also relied on Komski's December declaration in its April 20, 2016 Order in finding that the California Grange Foundation was bound by the September 2015 injunction because it was defendant's agent or affiliate, (id. at 20); that defendant had some control over the contents of its online business directory listings, (id. at 28); and that defendant willfully deceived the public after the September 2015 injunction was

issued, (<u>id.</u> at 34-36). Accordingly, the court declines to reduce plaintiff's attorney's fees associated with Komski's December 28, 2015 declaration.

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# d. Time Spent on the Contempt Motion

Defendant argues that time spent on the Contempt Motion should be excluded because counsel started work on the Contempt Motion prematurely and did so while simultaneously communicating with defendant about its compliance with the September 2015 injunction. (Opp'n at 4-6.) The court declines to reduce plaintiff's fee award on that ground because "the Court will not second guess attorney efforts to conduct the litigation strategy for the case," including when to start work on a motion. E-Pass Techs., Inc. v. 3Com Corp., Civ. No. C-00-2255 DLJ, 2007 WL 4170514, at \*8 (N.D. Cal. Nov. 14, 2007).

Defendant also argues that fees associated with the Contempt Motion should be excluded because the motion was denied. (Opp'n at 11-12.) Defendant does not provide any authority to support this argument. Plaintiff's Contempt Motion here was denied without prejudice to plaintiff bringing its subsequent Injunction Motion. (Apr. 20, 2016 Order at 4.) In granting plaintiff's Injunction Motion, the court held that plaintiff was entitled to fees associated with its Contempt Motion because the Injunction Motion was "based on exhibits and evidence that plaintiff had submitted with its contempt motion" and the Contempt Motion "sought much of the same relief the court" granted in the Injunction Motion. (Id. at 33:8-14.) It was apparent to the court that the time expended on the Contempt Motion was utilized in the Injunction Motion.

Defendant further requests that the court exclude any fees for the Contempt Motion incurred between the Contempt Motion's filing on February 1, 2016 and plaintiff's receipt of defendant's opposition to that motion on February 22, 2016, because counsel had no need to continue working on the Contempt Motion until plaintiff received defendant's opposition. (Opp'n at 7, Attach. 3.) The billing records indicate, however, that after plaintiff filed its Contempt Motion, plaintiff's counsel continued to investigate, analyze, and document new information regarding defendant's violations of the September 2015 injunction. (Bikoff Decl. Ex. B at 23-24.) In addition, because plaintiff obtained the relief it sought in its Contempt Motion, the court must "defer to the winning lawyer's professional judgment as to how much time he or she was required to spend on the case." Ryan, 786 F.3d at 763 (citation and alterations omitted). Accordingly, the court declines to reduce the hours requested by counsel on these grounds.

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### e. McDonald's Fees for Attending Hearings

Defendant argues that the court should exclude McDonald's billed hours for attending the March 7, 2016 Contempt Motion hearing and April 18, 2016 Injunction Motion hearing because McDonald did not argue at those hearings. (Opp'n at 9.) "[I]t is not uncommon to have co-counsel in litigation, and fees are commonly awarded to multiple counsel." Stonebrae, L.P. v. Toll Bros., Civ. No. C-08-0221 EMC, 2011 WL 1334444, at \*12 (N.D. Cal. Apr. 7, 2011), aff'd, 521 F. App'x 592 (9th Cir. 2013). The court has direction, however, to reduce a fee award "due to unreasonable inefficiencies and duplicative efforts engendered by

multiple counsel and law firms." Id.

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2 McDonald billed 6.50 and 6 hours, respectively, on 3 March 7 and April 18, 2016 for the following activities: 4 conferring with Bikoff to prepare for the Contempt and Injunction 5 Motion hearings; attending those hearings; conferring with plaintiff, co-counsel, and opposing counsel following the 6 7 hearings; and drafting follow-up memoranda, reports, and recommendations relating to the motion hearings. (Bikoff Decl. 8 9 Ex. B at 29, 38.) It is not unreasonable "for two attorneys to 10 work together on such activities, especially when they are 11 working on different components of a brief or working together on a motion." Garcia, 2012 WL 3778852, at \*7; see Chabner v. United 12 13 of Omaha Life Ins. Co., Civ. No. 95-0447 MHP, 1999 WL 33227443, 14 at \*4 (N.D. Cal. Oct. 12, 1999) (finding it "reasonable that the 15 lead attorneys chose to be present during two pivotal points" in 16 the litigation). The general rule against overstaffing cases 17 "does not prevent two attorneys from working together on certain 18 tasks that are divisible, or conferencing together to determine 19 strategy." De-Occupy Honolulu v. City & County of Honolulu, Civ. No. 12-668 JMS KSC, 2015 WL 1013834, at \*12 (D. Haw. Mar. 9, 20 2.1 2015). "Common sense dictates that . . . a number of people 22 might contribute to one end product." Chabner, 1999 WL 33227443, 23 at \*4.

Given plaintiff's ultimate success in obtaining much of the relief that it sought in its Contempt and Injunction Motions, McDonald's billed time for attending the motion hearings is reasonable. See Ryan, 786 F.3d at 763 ("[T]he district court should defer to the winning lawyer's professional judgment as to

how much time he or she was required to spend on the case."

(alterations and citation omitted)). Accordingly, the court

finds that the hours billed by McDonald for attending the

hearings on plaintiff's Contempt Motion and Injunction Motions

are reasonable.

### f. Travel Time

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Defendant also seeks to exclude McDonald's travel time to the motion hearings. (Opp'n at 8-9.) McDonald billed 4.5 hours on April 17, 2016 for time spent reviewing case files, conducting research, and conferring with co-counsel in preparation for the hearing on plaintiff's Injunction Motion and "travel to California with Mr. Bikoff" to attend that hearing. (Bikoff Decl. Ex. B at 37-38.) This is the only billing entry that mentions travel time in counsel's billing statements. Plaintiff states that the inclusion of the "travel to California" language in McDonald's billing entry was a clerical error and no travel time was actually billed to plaintiff. (Reply at 8-9.)

The court finds plaintiff's explanation credible. Had McDonald actually billed plaintiff for his travel time, he would have billed at least 6 hours for traveling from Washington, D.C. to Sacramento. As for the 4.5 hours that McDonald billed on April 17, 2016, the court finds that 4.5 hours is a reasonable amount of time for conferring with co-counsel, conducting legal research, and reviewing case files in preparation for the Injunction Motion hearing on April 18, 2016. Accordingly, because counsel did not bill any travel time to plaintiff, the court declines to reduce plaintiff's fee award on this ground.

# g. Fees Incurred after April 18, 2016

Defendant argues that any fees incurred after the Injunction Motion hearing on April 18, 2016 should be excluded because "the briefing and hearing were concluded." (Opp'n at 8.) The court's April 20, 2016 Order, however, granted plaintiff "attorney's fees associated with its motion for an injunction [and] its motion for an order to show cause why defendant should not be held in contempt." (Apr. 20, 2016 Order at 38 (emphasis added).) Plaintiff is thus entitled to any fees incurred in preparing the Injunction and Contempt Motions, attending the hearings on those motions, conferring with plaintiff and cocounsel after the hearings, and reviewing the court's subsequent Orders on those motions.

Bikoff and McDonald billed 7 and 3 hours, respectively, on April 19 and 20, 2016 on time spent conferring with co-counsel and communicating with plaintiff regarding the Injunction Motion hearing and the court's subsequent April 20 Order on that motion. (Bikoff Decl. Ex. B at 38.) These tasks are clearly "associated with" plaintiff's Injunction Motion and are thus recoverable. The court thus declines to exclude the attorney's fees that plaintiff incurred after the April 18, 2016 hearing.

# 3. Lodestar Calculation

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Accordingly, the final lodestar figure for purposes of this fee motion is \$144,715.70, calculated as follows:

Bikoff: \$530 x 77.9 = 41,287.00 -15% = \$35,093.95 McDonald: \$450 x 188.7 = 84,915.00 -15% = \$72,177.75 Lance: \$330 x 68 = 22,440.00 -15% = \$19,074.00 Turrill: \$550 x 33.4 = 15,030.00 \$18,370.00

### C. Adjustments to the Lodestar

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A "strong presumption" exists that the lodestar figure represents a "reasonable fee" and should therefore be enhanced or reduced only in "rare and exceptional cases." Pennsylvania v.

Del. Valley Citizens' Council for Clean Air, 478 U.S. 546, 565 (1986) (quotations omitted); see also Gates, 987 F.2d at 1402 (stating "a district court may make upward or downward adjustments to the presumptively reasonable lodestar" in "rare cases"); Cunningham v. County of Los Angeles, 879 F.2d 481, 488 (9th Cir. 1988) ("[D]istrict courts [must] treat the lodestar figure as presumptively reasonable and adjust it only in rare or exceptional cases."). The court does not find that any exceptional circumstances warrant an enhancement to the lodestar here.

Defendant argues that a reduction to the fee award is warranted here because defendant did not willfully violate the court's September 2015 injunction and because this is not an exceptional case under § 1117(a) of the Lanham Act. (See Opp'n at 1-2, 12-14.) The court has already found that plaintiff is entitled to attorney's fees under § 1117(a). (See Apr. 20, 2016 Order at 36 ("[D]efendant has willfully and deliberately continued to deceive the public by infringing plaintiff's trademark and engaging in unfair competition against plaintiff.").) Defendant's arguments challenge the merits of the court's April 20, 2016 Order, and not the reasonableness of the fee amount. The court thus declines to reduce plaintiff's fee award on these grounds.

IT IS THEREFORE ORDERED that plaintiff's motion for

attorney's fees, (Docket No. 142), be, and the same hereby is, GRANTED; and (2) defendant is directed to pay plaintiff \$144,715.70 in attorney's fees and file an affidavit with the court confirming payment within fourteen (14) business days from the date this Order is signed.

IT IS SO ORDERED.

Dated: September 9, 2016

WILLIAM B. SHUBB

UNITED STATES DISTRICT JUDGE