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12	UNITED STATES DISTRICT COURT			
13	EASTERN DISTRICT OF CALIFORNIA			
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15	TIMOTHY PRUITT,	No. 2:17-cv-00822-JAM-AC		
16	Plaintiff,			
17	V.	ORDER GRANTING IN PART AND		
18	GENENTECH, INC.,	DENYING PLAINTIFF'S BILL OF COSTS, AND GRANTING IN PART AND		
19	Defendant.	DENYING IN PART DEFENDANT'S BILL OF COSTS		
20				
21	Timothy Pruitt filed a lawsuit in Solano County Superior			
22	Court after Genentech, Inc. fired him in July 2016. His ten-			
23	count complaint alleged violations of the California Fair			
24	Employment and Housing Act ("FEHA"), California Labor Code			
25	Section 1102.5, the California Family Rights Act ("CFRA"), and			
26	the Family and Medical Leave Act ("FMLA"). Compl., ECF No. 1-1.			
27	He also raised defamation and wrongful termination claims. <u>Id.</u>			
28	Genentech removed this case to federal court. Notice of Removal,			

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ECF No. 1.

The Court dismissed Pruitt's defamation claim. ECF No. 18. 2 3 Furthermore, the Court granted Genentech summary judgment on Pruitt's FEHA discrimination claim, CFRA claim, and FMLA claim. 4 5 Minutes for 1/8/2019 Hearing; see also, Transcript of 1/8/2019 6 Proceedings at 28:20-29:6. The Court also granted Genentech 7 summary judgment on Pruitt's FEHA and Section 1102.5 retaliation claims to the extent that those claims rested on the theory that 8 9 Genentech retaliated against Pruitt for taking medical leave. 10 Id. at 29:9-13. Pruitt's wrongful termination claim went to 11 trial, as did his FEHA and Section 1102.5 retaliation claims 12 based on the theory that Genentech retaliated against him for 13 filing a race-based discrimination complaint. The jury returned 14 a verdict in favor of Pruitt on his wrongful termination and 15 Section 1102.5 retaliation claims, and in favor of Genentech on 16 the FEHA retaliation claim. Jury Verdict, ECF No. 163.

17 As the prevailing party in this action, Plaintiff seeks to 18 recover costs totaling \$17,072.16. Plf.'s Bill of Costs, ECF No. 19 167. Genentech opposes Pruitt's motion and seeks to recover the 20 costs incurred after Pruitt rejected its Rule 68 offer. Def.'s 21 Bill of Costs, ECF No. 169; Def.'s Objections, ECF No. 170. 22 Pruitt opposes Genentech's claimed costs. Plf.'s Objections, ECF 23 No. 171. For the reasons discussed below, the Court GRANTS IN 24 PART AND DENIES IN PART Pruitt's bill of costs, and GRANTS IN 25 PART AND DENIES IN PART Genentech's bill of costs.¹

 ¹ This motion was determined to be suitable for decision without oral argument. E.D. Cal. L.R. 230(g). The hearing was scheduled for July 16, 2019.

1	I. OPINION
2	A. <u>Legal Standard</u>
3	In general, "costs-other than attorney's fees-should be
4	allowed to the prevailing party." Fed. R. Civ. Proc. 54(d)(1).
5	A party's bill of costs must conform to 28 U.S.C. § 1924. E.D.
6	Cal. L.R. 292(b). It must "itemize the costs claimed and [] be
7	supported by a memorandum of costs and an affidavit of counsel
8	that costs claimed are allowable by law, are correctly stated,
9	and were necessarily incurred." Id. "The party against whom
10	costs are claimed may file specific objections to claimed
11	items with a statement of grounds for objections." E.D. Cal.
12	L.R. 292(c). The objecting party bears the burden of presenting
13	reasons that are "sufficiently persuasive to overcome the
14	presumption in favor of an award." <u>In re Online DVD-Rental</u>
15	Antitrust Litig., 779 F.3d 914, 932 (9th Cir. 2015).
16	Ultimately, a district court must "exercise its discretion in
17	determining whether to allow certain costs." Yeager v. Bowlin,
18	No. 2:08-cv-102-WBS-JFM, 2010 WL 716389, at *1 (E.D. Cal. Feb.
19	26, 2010) (citing <u>Amarel v. Connell</u> , 102 F.3d 1494, 1523 (9th
20	Cir. 1997)).
21	B. <u>Analysis</u>
22	1. <u>Pruitt's Bill of Costs</u>
23	Pruitt claims \$17,062.16 in costs. Plf.'s Bill of Costs at
24	1. Genentech does not challenge Pruitt's \$435 filing fee, but
25	objects to the remaining costs on three grounds: (1) Pruitt
26	failed to establish his claimed transcript, demonstrative, and
27	copying costs were necessarily incurred; (2) Rule 68(d) bars
28	Pruitt from collecting costs incurred after March 18, 2019; and

(3) the costs Pruitt claims for video depositions are
duplicative.

3 Costs Incurred following Rule 68 Offer a. Pruitt incurred \$942.30 in costs following Genentech's 4 5 March 18, 2019 offer of judgment. Although Pruitt contends 6 Genentech cannot recover costs following its Rule 68 offer-an 7 argument discussed below, infra at 6-Pruitt does not oppose 8 Genentech's argument that Rule 68 bars Pruitt from recovering 9 costs incurred after Genentech made the rejected March 18 offer. 10 Correctly so. Rule 68 states, "[i]f the judgment []the offeree 11 finally obtains is not more favorable than the unaccepted offer, 12 the offeree must pay the costs incurred after the offer was 13 made." Fed. R. Civ. Proc. 68(d). On March 18, 2019, Genentech 14 served Pruitt with an offer of judgment amounting to \$600,000, 15 inclusive of costs, expenses, and attorneys' fees. See Decl. of 16 Julie A. Totten ISO Genentech's Bill of Costs ¶ 2, Exh. A. 17 Pruitt did not accept this offer. Rather, he proceeded to trial 18 where the jury returned a verdict for him in the amount of 19 \$233,126. Verdict Form, ECF No. 163. Because Pruitt obtained a 20 judgment less favorable than the one Genentech offered, the 21 Court DENIES the \$942.30 in costs he incurred from April 1-4, 2.2 2019. 23 Section 1920(1) Costs b. 24 Pruitt is entitled to tax "fees of the clerk" under 28

U.S.C. § 1920(1). Pruitt incurred \$435 when he filed his lawsuit against Genentech. The Court awards Pruitt this cost. c. <u>Section 1920(2),(4) Costs</u> Section 1920(2) allows a party to tax costs for "printed or electronically recorded transcripts necessarily obtained for use in the case." 28 U.S.C. § 1920(2). Section 1920(4) allows a party to tax costs for "exemplification and the costs of making copies of any materials where the copies are necessarily obtained for use in the case." 28 U.S.C. § 1920(4). Pruitt claims \$16,637.16 in costs under these two sections.

7 The Court does not award Pruitt the \$1441.25 incurred for videotaping his two-day deposition. The Court agrees with 8 9 Genentech's objection that these costs are duplicative of the 10 \$2571.40 he incurred for stenographic transcripts of that same deposition. See Def.'s Objection at 4 (citing Sullivan v. 11 Costco Wholesale Corp., No. 1:17-cv-00959-EPG, 2019 WL 1168531, 12 13 at *2 (E.D. Cal. Mar. 13, 2019). Pruitt did not explain why 14 duplication of these deposition costs was necessary and absent 15 such an explanation he is not entitled to recover this cost.

16 Furthermore, Pruitt failed to provide a specific basis for 17 the remaining \$14,253.61 claimed in transcript and copying costs were "necessarily obtained."² See 28 U.S.C. § 1920(2),(4). 18 19 Indeed, Pruitt's counsel filed an affidavit and receipts in support of the bill of costs, ECF No. 168, but did not file a 20 "memorandum of costs" at all. The Ninth Circuit adopts "[a] 21 22 narrow construction of § 1920(4) [which] requires recognition 23 that the circumstances in which a copy will be deemed 24 necessarily obtained . . . will be extremely limited." Pac.

² Based on the receipts attached to McHenry's declaration, Pruitt incurred \$14,203.69 rather than \$14,253.61 in transcript costs prior to Genentech's Rule 68 offer. <u>See McHenry Decl., Exh. 2.</u> Pruitt's bill of costs incorrectly lists the cost of Hall's deposition transcript as \$881.47 instead of \$831.55.

1	Marine Center, Inc. v. Philadelphia Indem. Insur. Co., No. 1:13-			
2	cv-00992-DAD-SKO, 2017 WL 6538990, at *4 (E.D. Cal. Dec. 21,			
3	2017) (quoting In re Online DVD-Rental Antitrust Litig., 779			
4	F.3d at 930). As Genentech argues, the Eastern District has			
5	previously denied a prevailing party costs where the bill of			
6	costs included "[t]he mere recitation of the phrase 'necessarily			
7	incurred.'" Def.'s Objections at 2 (citing Ferreira v. M/V CCNI			
8	Antofagasta, No. 2:04-cv-1916-MCE-DAD, 2007 WL 3034941, at *2			
9	(E.D. Cal. Oct. 16, 2007)). But before the Court denied costs			
10	in <u>Ferreira</u> , it issued a minute order permitting the plaintiff			
11	twenty (20) days "to provide further support" for the costs in			
12	question. Id. The Court affords Pruitt the same opportunity			
13	here. Within twenty (20) days, Pruitt must file a memorandum of			
14	costs explaining why his remaining Section 1920(2)&(4) costs			
15	were "necessarily obtained."			
16	In sum:			
17	Original amount of costs requested	\$17,072.16		
	Deduction for costs related to costs incurred	-\$942.30		
18	following Rule 68 offer Deduction for cost of videotaped depositions	-\$1,441.25		
19	Deduction for remaining transcript and copying	-\$14,253.61		
	costs pending supplemental briefing	, ,		
20				
10	TOTAL costs awarded	\$435		
21		\$435		
		\$435		
21	TOTAL costs awarded			
21 22	TOTAL costs awarded 2. Genentech's Bill of Costs	tech contends		
21 22 23	TOTAL costs awarded 2. Genentech's Bill of Costs Genentech claims \$18,571.82 in costs. Genentech	tech contends Def.'s Memo. of		
21 22 23 24	TOTAL costs awarded 2. Genentech's Bill of Costs Genentech claims \$18,571.82 in costs. Genentech Rule 68(d) requires Pruitt to pay these costs. D	tech contends Def.'s Memo. of) FEHA prohibits		
21 22 23 24 25	TOTAL costs awarded2.Genentech's Bill of CostsGenentech claims \$18,571.82 in costs.GenentechRule 68(d) requires Pruitt to pay these costs.DCosts, ECF No. 169-1.Pruitt objects, arguing (1	tech contends Def.'s Memo. of) FEHA prohibits Ent the suit was		

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The Court finds FEHA does not bar Genentech from recovering 2 3 costs under Rule 68(d). As Genentech argues, three of Pruitt's 4 claims went to trial: the FEHA claim, the Section 1102.5 claim, 5 and the wrongful termination claim. See Reply ISO Genentech's 6 Bill of Costs ("Reply") at 1-2. See also Verdict Form. These 7 claims had largely overlapping elements. Id. Accordingly, even 8 if the Court prevented Genentech from seeking costs related to its FEHA defense, Genentech could still claim identical costs 9 10 under the remaining two claims.

11

a. Section 1920(2) Costs

12 Genentech claims \$2,897.91 in costs under 28 U.S.C. 13 § 1920(2). Genentech argues it incurred these costs printing the 14 depositions it was required to lodge with the Court under Local 15 Rule 133(j); printing deposition excerpts it might need for 16 impeachment refreshing witnesses' recollection; and obtaining 17 draft transcripts of portions of the trial proceedings. Memo. of 18 Costs at 2-3. Pruitt objects, arguing it was not necessary for 19 Genentech to obtain depositions for "every potential witness on 20 the parties' witness lists." Plf.'s Objections at 2. The Court 21 disagrees. Up to and throughout trial, Pruitt sought to expand 22 the scope of litigation, attempting to admit evidence that was 23 relevant only to his previously-dismissed discrimination claims. 24 It was not clear, even at the pretrial conference, who and how 25 many of Pruitt's witnesses he intended to call. The Court finds 26 the depositions Genentech printed were necessarily obtained given 27 Pruitt's litigation strategy. The Court awards Genentech 28 \$2,897.91 for these costs.

1	b. <u>Section 1920(3) Costs</u>	
2	Genentech claims \$2,378.28 in costs under 28 U.S.C.	
3	§ 1920(3). Pruitt's only objection to these costs is that	
4	Genentech's witnesses lived too far away. Plf.'s Objection at 4.	
5	Genentech's vocational expert flew into Sacramento from Michigan.	
6	Its economist and forensic psychiatrist flew in from Southern	
7	California. Pruitt does not provide any authority for the	
8	proposition that the costs Genentech incurred fell outside	
9	Section 1920(3). Genentech incurred \$3,724.61 in lodging,	
10	sustenance, parking, and air and ground transportation for three	
11	of its witnesses. <u>See</u> Totten Decl., Exh. E. The \$2,378.28	
12	Genentech claims reflects a reasonable reduction of those costs.	
13	The Court awards Genentech \$2,378.28 for these costs.	
14	c. <u>Section 1920(4) Costs</u>	
15	The Court does not find all the costs Genentech claimed for	
16	"exemplification and [] making copies" were necessary for its	
17	defense. <u>See</u> 28 U.S.C. § 1920(4); <u>see</u> <u>also</u> Def.'s Bill of Costs.	
18	Genentech contends it incurred \$13,295.63 in Section 1920(4)	
19	copying costs. Def.'s Bill of Costs; Memo. of Costs at 3.	
20	Pruitt argues these costs are unreasonable because Genentech's	
21	"kitchen sink approach to trial exhibits" and use of color	
22	printing render many of these costs unnecessary. Plf.'s	
23	Objection at 2-3. The Court agrees in part. The Court disagrees	
24	that the sheer number of exhibits Genentech included in its	
25	exhibit list compared to the number of exhibits admitted at trial	
26	renders the non-admitted exhibits "unnecessary." <u>See</u> Plf.'s	
27	Objections at 3. Although the Ninth Circuit adopts a narrow	
28	construction of "necessarily obtained," it does not interpret the 8	

phrase so narrowly as to "specifically require that the copied 1 document[s] be introduced into the record." In re Online DVD-2 3 Rental Antitrust Litig., 779 F.3d at 927. Genentech argues it 4 used the exhibit copies to prepare its witnesses and aid in 5 witness examination. Memo. of Costs at 3. It also, at opposing 6 counsel's request, provided copies of its exhibits to Pruitt. 7 Reply at 4. The Court's review of Genentech's exhibit list confirms the exhibits were reasonably needed either for 8 9 Genentech's case-in-chief or for impeachment purposes. See 10 Def.'s Amended Exhibit List, ECF No. 88.

11 Review of Genentech's exhibits does, however, belie 12 Genentech's contention that it needed thousands of color copies 13 for its defense. See id.; Plf.'s Objections at 3. Genentech 14 argues "[u]sing color copies . . . [was] entirely appropriate and 15 [] necessary to ensure that binders contained true and correct 16 copies of the parties' exhibits." Reply at 5. Genentech's 17 exhibits are primarily copies of email correspondence, 18 performance evaluations, employee files, and investigation notes. 19 See Def.'s Amended Exhibit List. The Court does not find 20 persuasive Genentech's argument that black and white copies would 21 undermine the veracity of those exhibits. At fifty cents per 22 page, Genentech's color copies were five times more expensive 23 than its black-and-white copies. The Court therefore reduces 24 Genentech's \$8,069 in costs for color printing to \$1,613.80.

Finally, the Court reduces the costs Genentech claims for copying video exhibits. As Plaintiff argues, and as Genentech eventually concedes, the only video exhibits needed were the two videos relating to the "cafeteria incident." Id.; Reply at 4.

Genentech represents the cost for copying these two videos in 1 each party's preferred format was \$440. Reply at 5. The Court, 2 3 therefore, reduces Genentech's video-copying costs from \$2,060 to 4 \$440. 5 In sum: 6 Original amount of costs requested \$18,571.82 Deduction for costs of color copying -\$6,455.20 7 Deduction for costs of copying unnecessary video -\$1,620.00 exhibits 8 TOTAL costs awarded \$10,496.20 9 10 II. ORDER 11 For the reasons set forth above, the Court GRANTS IN PART 12 AND DENIES IN PART Pruitt's bill of costs. The Court awards 13 Pruitt \$435 and denies \$2,383 of Pruitt's claimed costs. As to 14 the remaining \$14,253.61 in Section 1920(4) costs, the Court 15 orders Pruitt to file a memorandum of costs within twenty days of 16 this order explaining why these fees were necessarily incurred. 17 Genentech may file a response to this memorandum within five days 18 thereafter. 19 The Court also GRANTS IN PART AND DENIES IN PART Genentech's 20 bill of costs. The Court awards Genentech \$10,496.62 in costs 21 and denies \$8,075.20 of Genentech's claimed costs. 22 IT IS SO ORDERED. 23 Dated: August 26, 2019 24 25 UNITED STATES DISTRIC 26 27 28 10