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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

CESAR CRUZ,

Plaintiff(s),

v.

SKY CHEFS, INC. ET.AL.,

Defendant(s).

No. C-12-02705 DMR

**ORDER GRANTING MOTION FOR  
FINAL APPROVAL OF CLASS ACTION  
SETTLEMENT; GRANTING IN PART  
MOTION FOR INCENTIVE AWARD;  
GRANTING IN PART MOTION FOR  
ATTORNEYS' FEES AND COSTS  
[DOCKET NOS. 91, 92, 93]**

Plaintiff Cesar Cruz moves for final approval of a class action settlement, an incentive award for the named Plaintiff, and attorneys' fees. [Docket Nos. 91, 92, 93.] Defendant Sky Chefs, Inc. does not oppose the motion. The court conducted a Final Approval Hearing on this matter on December 18, 2014. For the reasons stated below, Plaintiff's motion for final approval of the class action settlement is **granted**, and Plaintiff's motions for an incentive award and for attorneys' fees are **granted in part and denied in part**.

**I. BACKGROUND**

**A. Litigation History**

1 Sky Chefs, a business which provides in-flight food and beverage catering services to  
2 numerous airline carriers within the United States, hired Plaintiff Cesar Cruz (“Plaintiff”) in July  
3 1996 as an assembler. Murray Decl. [Docket No. 38-1] at ¶¶ 2, 6. Plaintiff filed this putative class  
4 action on March 16, 2012 in Alameda County Superior Court. [See Docket No. 1 at 2.] On May 23,  
5 2012, Plaintiff filed an amended complaint stating nine California state law causes of action against  
6 Defendant and LSG Lufthansa Service Holding AG, dba LSG Sky Chefs.<sup>1</sup> On May 25, 2012, Sky  
7 Chefs removed the case to federal court, basing federal jurisdiction on the Class Action Fairness  
8 Act, 28 U.S.C. § 1332(d). Notice of Removal [Docket No. 1]. On October 5, 2012, Defendant  
9 moved to dismiss the amended complaint; the court denied the motion to dismiss on December 21,  
10 2012. [Docket Nos. 20, 30.] On January 16, 2013, Plaintiff filed a second amended complaint. On  
11 February 21, 2013, Defendant moved to dismiss the second amended complaint; the court denied the  
12 motion to dismiss on May 6, 2013. [Docket Nos. 38, 50.]

13 Plaintiff filed a third amended complaint (“TAC”). [Docket No. 72.] The TAC, which is the  
14 operative complaint, brings ten causes of action against Defendant: (1) failure to pay wages for  
15 compensable work at minimum wage pursuant to California Labor Code §§ 1194 and 1197, (2)  
16 failure to pay earned wages for compensable time in violation of California Labor Code § 204, (3)  
17 failure to pay overtime wages at the proper rate under California Labor Code §§ 510 and 1194 and  
18 California Industrial Welfare Commission Wage Order 9-2001 (the “wage order”), (4) failure to  
19 provide required meal periods pursuant to California Labor Code §§ 226.7 and 512 and the wage  
20 order, (5) failure to provide timely meal periods in violation of California Labor Code §§ 226.7 and  
21 512 and the wage order, (6) failure to provide more than two rest periods in violation of California  
22 Labor Code §§ 226.7 and 512 and the wage order, (7) failure to provide complete and accurate wage  
23 statements in violation of California Labor Code § 226, (8) failure to pay all wages timely upon  
24 separation of employment in accordance with California Labor Code §§ 201 and 202, (9) unfair  
25 competition in violation of California Business and Professions Code § 17200, and (10) a request for  
26 civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), California

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27  
28 <sup>1</sup> LSG Lufthansa Service Holding AG dba LSG Sky Chefs has since been dismissed from this  
action. See Docket No. 49.

1 Labor Code § 2698 *et seq.* TAC at ¶¶ 37-112. The fifth and sixth claims were not in the previous  
2 complaint and apparently were added during the settlement negotiations.

3 **B. Discovery and Mediation**

4 The parties have engaged in formal and informal discovery. Lavi Decl. [Docket No. 91-1] ¶¶  
5 6-7. Plaintiff propounded written discovery. *Id.* at ¶ 7. In response, Defendant produced  
6 information regarding class data, including putative Class Members’ payroll records, timesheets, and  
7 other payroll information. *Id.* Defendant also disclosed policies and procedures related to meal and  
8 rest breaks, work time, recording time, and other workplace policies applicable to Plaintiff’s class  
9 claims. *Id.* Plaintiff’s counsel interviewed Plaintiff, reviewed documents, and reviewed and  
10 analyzed the provided policies, procedures, and data. *Id.* at ¶ 8. The parties also agreed to conduct  
11 informal discovery wherein Defendant provided Plaintiff with a random sampling of class members’  
12 timecards during the class period. Lavi Decl. Second Prelim. Approval [Docket No. 83] at ¶¶ 7-8.

13 After a period of discovery, the parties participated in a day-long mediation on June 5, 2013,  
14 before Jeff Krivis, Esq. Lavi Decl. at ¶ 6. The parties were not able to reach a settlement at the  
15 mediation. *Id.* After the mediation, the parties continued to negotiate, with the assistance of the  
16 mediator, and agreed to the terms of the settlement approximately ten weeks after the mediation. *Id.*  
17 Plaintiff then filed his first unopposed motion for preliminary approval of a class action settlement,  
18 which the court denied. *See* Docket Nos. 65, 81. Plaintiff subsequently filed a second unopposed  
19 motion for preliminary approval of a class action settlement, which the court granted. *See* Docket  
20 Nos. 82, 90.

21 **II. THE SETTLEMENT AGREEMENT**

22 The complete terms of the proposed settlement agreement are set forth in the Stipulation and  
23 Settlement Agreement (“Agreement”). *See* Lavi Decl. Second Prelim. Approval Ex. 1. The  
24 Agreement provides for a principal settlement class defined as follows:

25 “Class” or “Class Member” or “Class Members” means any current or former hourly, non-  
26 exempt employee of Sky Chefs who performed paid work for Sky Chefs in California from  
27 March 16, 2008 up to December 12, 2013, or if such person is incompetent or deceased, the  
28 person’s guardian, executor, heir or successor in interest.

1 Agreement at 3.

2 **A. Settlement Amount and Release of Claims**

3 Under the terms of the settlement, in exchange for a release of claims against Defendant,  
4 Defendant will pay a Gross Settlement Amount of \$1,750,000. The Gross Settlement Amount is  
5 non-reversionary<sup>2</sup> and shall include participating Class Members' claims and payroll taxes, Class  
6 Counsel Fees and Costs, Enhancement Payment to Class Representative Plaintiff, payment to the  
7 Labor and Workforce Development Agency (LWDA) for PAGA penalties, and Settlement  
8 Administration Costs. Agreement at 18:4-21:16.

9 The total portion of the Gross Settlement Amount to be paid to "Authorized Claimants," or  
10 Class Members who file a valid and timely Claim Form with the Settlement Administrator to  
11 register their claim for a Settlement Payment,<sup>3</sup> will be equal to the Gross Settlement Amount less (1)  
12 Class Counsel Fees and Costs, (2) Enhancement Payment, (3) LWDA Payment, and (4) Settlement  
13 Administration Costs, which would result in a total class payout of approximately \$1,156,500<sup>4</sup>  
14 ("Distributable Amount"). Agreement at 2:17-19, 19:1-8. Each of these deductions is explained in  
15 greater detail below.

16 **1. Class Counsel Fees and Costs: \$525,000**

17 The Agreement states that Class Counsel will request payment of \$525,000 for Class  
18 Counsel Fees and an amount not to exceed \$13,000.00 for Class Counsel Costs. Agreement at  
19 21:25-22:5. As discussed below, Plaintiff's counsel actually seeks less in attorneys' fees (\$437,500)  
20 than stated in the Agreement.

21 **2. Settlement Administration Costs: \$33,000**

22 The parties selected CPT Group, Inc., to act as Settlement Administrator in this action. The

23 \_\_\_\_\_  
24 <sup>2</sup> The settlement is "non-reversionary" because the entire Distributable Amount will be  
25 distributed to only Authorized Claimants and any settlement checks remaining un-cashed 180 calendar  
26 days after issuance will be void and escheated to the State of California pursuant to the California Code  
27 of Civil Procedure Section 1513. Agreement at 23:23-26.

28 <sup>3</sup> "Settlement Payment" refers to the payment to any Authorized Claimant pursuant to the terms  
of the Agreement. Agreement at 9:11-9:12.

<sup>4</sup> Since, as discussed below, Class Counsel seeks a smaller amount of attorneys' fees than it  
initially anticipated, the Distributable Amount as calculated by Plaintiffs is approximately \$1,244,000.

1 Agreement contemplates an amount not to exceed \$33,000 to compensate all reasonable costs  
2 incurred by the Settlement Administrator in the administration of the Agreement.

3 **3. Representative Plaintiff Enhancement: \$15,000**

4 Plaintiff has made an application for \$15,000 as an enhancement for his time and effort in  
5 prosecuting the matter, as well as compensation for his general release pursuant to California Civil  
6 Code Section 1542.

7 **4. LWDA Payment: \$10,000**

8 Under the Agreement, \$10,000 is allocated to penalties paid to the LWDA in satisfaction of  
9 claims for penalties owed to the agency under the PAGA, with 25% of the amount to be distributed  
10 to the Class Members. Agreement at 18:21-18:24; *see also* Cal. Labor Code § 2699(i).

11 The calculation of the Distributable Amount is summarized below:

12 Gross Settlement Amount: \$1,750,000.00  
13 (minus) Class Counsel Fees: \$437,500.00  
14 (minus) Class Counsel Costs: \$13,000.00  
15 (minus) Estimated Settlement Administration Costs: \$33,000.00  
16 (minus) Enhancement Payment: \$15,000.00  
17 (minus) 75 % of LWDA Payment: \$7,500.00

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18 = **Estimated Amount Distributable to Class: \$1,244,000**

19 **B. Formula for Determining Individual Settlement Payments**

20 The Settlement Payment for individual class members is based on each employee's amount  
21 of "Qualifying Gross Wages," which is adjusted based on whether the Class Member received lead  
22 pay or shift differential pay. The Qualifying Gross Wages is calculated differently depending on  
23 whether the Class Member received lead pay or shift differential pay.

24 For Class Members who received lead pay or shift differential pay, the Qualifying Gross  
25 Wages is the total gross W-2 wages earned by that Class Member for hourly, non-exempt work  
26 during the Class Period as reflected by Defendant's payroll records.

27 However, to account for the more tenuous claim based on payment of lead or shift  
28 differential pay, any Class Member who did not receive lead pay or shift differential pay during the  
29 Class Period will have their total gross W-2 wages multiplied by two to derive that individual's  
30 Qualifying Gross Wages.

1 The Settlement Administrator calculated the total Qualifying Gross Wages earned during the  
2 Class Period by all Authorized Claimants. Each Authorized Claimant's Settlement Payment is  
3 based on their individual Qualifying Gross Wage amount divided by the total Qualifying Gross  
4 Wages for all Authorized Claimants multiplied by the Distributable Amount. Eighty percent will be  
5 designated as wages, to be reported on an IRS W-2 Form with legally required tax deductions, and  
6 twenty percent will be designated as interest reportable on IRS Form 1099.

7 Any and all employer and/or employee taxes arising from any payment to the Class shall be  
8 calculated and paid from the Distributable Amount by the Settlement Administrator. Each Class  
9 Member shall be responsible for any tax consequences of the Settlement or payment of funds  
10 pursuant to this Agreement, including the payment of any applicable tax deductions or obligation as  
11 if paying through payroll.

12 **C. Class Notice and Claims Procedure**

13 Class Members received notice pursuant to the court's order granting preliminary approval  
14 of the class action settlement. [Docket No. 90.] The claims process is now complete.

15 Plaintiff's motion for final approval of the settlement agreement includes a declaration from  
16 the class action claims administrator. *See* Shirinian Decl. [Docket No. 91-1]. On August 28 and  
17 September 3, 2014, the claims administrator received the class list from Defendant. *Id.* at ¶ 5. On  
18 September 10, 2014, the claims administrator performed a National Change of Address search, and  
19 on September 18, 2014, mailed the Notice packages to all 2,995 class members. *Id.* at ¶ 7. On  
20 October 31, 2014, the claims administrator mailed reminder postcards to the 2,388 Class Members  
21 who had not yet submitted a response. *Id.* at ¶ 8. As of November 24, 2014, there were no  
22 objections, four Requests for Exclusions, and fourteen deficient claims caused by submission of  
23 incomplete Claim Forms. *Id.* at ¶¶ 12, 17, 18. The claims administrator mailed out deficiency  
24 letters to these Class Members with instructions on how to cure the deficiencies. *Id.* at ¶ 14.

25 Assuming the deficient claims are cured, a total of 896 Class Members have elected to  
26 participate in the settlement, representing 52.19% of the net Settlement Amount and 29.92% of the  
27 total Class Members (296 out of 2995). *Id.* at ¶ 18.

28 The average settlement payment per valid claimant is \$1,290.74. *Id.* at ¶ 19. The highest

1 estimated settlement payment is \$5,040.62.<sup>5</sup> *Id.*

2 **III. DISCUSSION**

3 **A. Class Certification**

4 For the reasons set forth in the court’s earlier order, the court finds that the proposed  
5 settlement class meets the requirements of Federal Rules of Civil Procedure 23(a) and 23(b)(3). *See*  
6 Docket No. 81 at 8-11.

7 **B. Final Approval of Class Action Settlement**

8 **1. Legal Standard**

9 Federal Rule of Civil Procedure 23(e) provides that a class action may not be settled without  
10 court approval. “If the proposal would bind class members, the court may approve it only after a  
11 hearing and on a finding that it is fair, reasonable, and adequate. Fed. R. Civ. P. 23(e). Approval  
12 under Rule 23 involves a two-step process: (1) preliminary approval of the settlement; and (2) final  
13 approval of the settlement at a fairness hearing following notice to the class. *See Nat’l Rural*  
14 *Telecomm. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 525 (C.D. Cal. 2004).

15 The primary concern of Rule 23(e) is “the protection of those class members, including the  
16 named plaintiffs, whose rights may not have been given due regard by the negotiating parties.”  
17 *Officers for Justice v. Civil Serv. Comm’n of the City & Cnty. of San Francisco*, 688 F.2d 615, 624  
18 (9th Cir. 1982). To assess a proposed settlement, courts balance the following factors: “(1) the  
19 strength of the plaintiffs’ case; (2) the risk, expense, complexity, and likely duration of further  
20 litigation; (3) the risk of maintaining class action status throughout the trial; (4) the amount offered  
21 in settlement; (5) the extent of discovery completed and the stage of the proceedings; (6) the  
22 experience and views of counsel; (7) the presence of a governmental participant; and (8) the reaction  
23 of class members to the proposed settlement.” *Churchill Village LLC v. Gen. Elec.*, 361 F.3d 566,  
24 575 (9th Cir. 2004). Not all of these factors will apply to every class action settlement, and in  
25 certain circumstances, “one factor alone may prove determinative in finding sufficient grounds for  
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27 <sup>5</sup> At the hearing, Plaintiff’s counsel provided updated figures regarding the claims rate and value  
28 of the payments. According to counsel, there are still four opt-outs and no objections. In addition,  
seven of the deficient claims have been resolved, bringing the total number of valid claims to 903.

1 court approval.” *Nat’l Rural Telecomm. Coop.*, 221 F.R.D. at 525 (citing *Torrise v. Tucson Elec.*  
2 *Power Co.*, 8 F.3d 1370, 1376 (9th Cir. 1993)). [Find cite that says that pre-class cert approval is  
3 more rigorous than post] The district court’s role in evaluating a proposed settlement is limited to  
4 the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or  
5 collusion between the negotiating parties, and that the settlement is fair as a whole. *See Rodriguez v.*  
6 *West Publ’g Corp.*, 563 F.3d 948, 965 (9th Cir. 2009). It is neither for the court to reach any  
7 ultimate conclusions regarding the merits of the dispute, nor to second guess the settlement terms.  
8 *Officers for Justice*, 688 F.2d at 625; *see also Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9th  
9 Cir. 1998) (“Neither the district court nor this court ha[s] the ability to delete, modify or substitute  
10 certain provisions. The settlement must stand or fall in its entirety.”). “[T]he decision to approve or  
11 reject a settlement is committed to the sound discretion of the trial judge because [the judge] is  
12 exposed to the litigants and their strategies, positions, and proof.” *Id.* (citation and quotation marks  
13 omitted). “It is the settlement taken as a whole, rather than the individual component parts, that  
14 must be examined for overall fairness.” *Officers for Justice*, 688 F.2d at 625.

## 15 2. Balancing of Factors

16 The court has evaluated the proposed settlement for overall fairness under the relevant  
17 factors and concludes that settlement is appropriate. The parties reached the proposed settlement  
18 after more than two and a half years of litigation, with some formal and informal discovery  
19 completed. The \$1,750,000 gross settlement amount, which represents 8.6% of the maximum  
20 potential recovery from the class claims, fairly reflects the risks in going forward on those claims.  
21 *See Lavi Decl. Second Prelim. Approval at ¶¶ 23-27* (explaining how settlement in contemporaneous  
22 case and Defendant’s potential preemption arguments and other defenses lowered value of class  
23 claims and raised risks of going forward). The amount offered in settlement provides real benefits to  
24 the class on a much shorter time frame than otherwise would be possible. The parties benefitted  
25 from the assistance of an experienced mediator.

26 Further, the reaction of class members to the proposed settlement favors approval. The class  
27 notice was delivered to 2,995 email addresses and no class members objected. There were only four  
28 opt-outs. A court may appropriately infer that a class action settlement is fair, adequate, and



1 reasonable when few class members object to it. *See, e.g., Churchill Village*, 361 F.3d at 577  
2 (upholding district court’s approval of class settlement with 45 objections and 500 opt-outs from a  
3 class of 150,000). The relatively robust response rate to the settlement of approximately 30%  
4 suggests that the settlement, as a whole, is not fair, reasonable, and adequate. *See, e.g., Moore v.*  
5 *Verizon Commc’n Inc.*, No. C 09-1823 SBA, 2013 WL 4610764, at \*8 (N.D. Cal. Aug. 28, 2013)  
6 (granting final approval of class action settlement with 3% claims rate). As class members’ overall  
7 view of the settlement appears to be positive, on balance, the court concludes that the relevant  
8 factors weigh in favor of a finding that the settlement is fair, reasonable, and adequate. The court  
9 therefore grants final approval of the settlement.

10 **C. Plaintiff’s Incentive Award**

11 Along with his motion for final approval of the settlement of this matter, Plaintiff moves for  
12 a \$15,000 incentive award. [Docket No. 92.] Defendant does not object.

13 The incentive award Plaintiff requests is triple the amount which is presumptively reasonable  
14 in this District. *See, e.g., Jacobs v. Cal. State Auto. Ass’n Inter-Ins. Bureau*, No. C 07-0362 MHP,  
15 2009 WL 3562871, at \*5 (N.D. Cal. Oct. 27, 2009) (rejecting a request for a \$25,000 incentive  
16 payment as “quite high for this district, in which a \$5,000 payment is presumptively reasonable.”).

17 Plaintiff’s declaration states that he has “actively participated in this lawsuit for the last 36  
18 months” by (1) visiting in the Employment Development Department in San Francisco, (2)  
19 contacting the Department of Industrial Relations, and the United States Equal Employment  
20 Opportunity Commission, (3) attending a workshop at a consulate in San Francisco regarding his  
21 wage claims, and (4) meeting with different representatives of his local union. None of these  
22 activities, which took approximately 26 hours, resulted in contacts that were able to assist Plaintiff  
23 in his claims. Cruz Decl. [Docket No. 91-1] at ¶ 8.

24 Plaintiff then searched for and met with different attorneys before hiring his current counsel.  
25 After hiring his attorneys, he collected and gathered documents and information (including the union  
26 agreement, paychecks, wage statements, and pay stubs), explained the information, regularly  
27 communicated with his attorneys “to find out about developments in this matter,” and traveled from  
28 the Bay Area to Southern California at least three times to explain Defendant’s policies and

1 procedures to his attorneys. Plaintiff notes that because English is his second language, many of the  
2 documents and conversations had to be translated, which caused Plaintiff to spend more time on the  
3 case. *Id.* at ¶ 9. These tasks took approximately 78 hours. Plaintiff estimates that he has spent, in  
4 total, 104 hours on this matter.

5 In addition, Plaintiff undertook a financial risk that, in the event of judgment in favor of  
6 Defendant, he may have been personally responsible for any costs awarded to Defendant. *Id.* at ¶  
7 11. *See also Pierce v. Rosetta Stone, Ltd.*, No. C 11-01283 SBA, 2013 WL 5402120, at \*7 (N.D.  
8 Cal. Sept. 26, 2013). Plaintiff also provided Defendant with a general release of, inter alia, any age  
9 discrimination claims that Plaintiff may have had since speaking with the Equal Employment  
10 Opportunity Commission, and agree to a no rehire provision. Cruz Decl. at ¶ 11. Plaintiff’s counsel  
11 also argues that Plaintiff’s requested incentive award is reasonable in light of the fact that on average  
12 the class members will receive \$1,290.74.<sup>6</sup> Lavi Decl. at ¶ 25. *See also Wren v. RGIS Inventory*  
13 *Specialists*, No. C-06-05778 JCS, 2011 WL 1230826, at \*37 (N.D. Cal. Apr. 1, 2011) (considering  
14 “whether the incentive payments are proportional to the Settlement Amount.”).

15 Although Plaintiff has explained how he provided assistance to his counsel and contributed  
16 to achieving this result for class members, the court is not persuaded that Plaintiff’s efforts warrant  
17 the \$15,000 incentive award he seeks. Some of the work he put into the case appears to have been  
18 aimed at developing his own claims. As to the rest, the tasks, sacrifices, and risks that Plaintiff  
19 describes are typical of those for a plaintiff in a similar class action lawsuit. Plaintiff was not  
20 deposed and did not attend the mediation because he could not be absent from work. The court finds  
21 that the record supports an incentive payment of \$7,000 to Plaintiff.

22 **D. Motion for Attorneys’ Fees**

23 **1. Request for Attorneys’ Fees and Costs**

24 Rule 23(h) provides that “[i]n a certified class action, the court may award reasonable  
25 attorneys’ fees and nontaxable costs that are authorized by law or by the parties’ agreement.” Fed. R.  
26 Civ. P. 23(h). However, courts “have an independent obligation to ensure that the award, like the  
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28 <sup>6</sup> Plaintiff is projected to receive \$926 for his claim.

1 settlement itself, is reasonable, even if the parties have already agreed to an amount.” *In re*  
2 *Bluetooth Headset Prods. Liab. Litig.*, 654 F.3d 935, 941 (9th Cir. 2011) (citations omitted). Where,  
3 as here, the settlement of a class action creates a common fund, the court has discretion to award  
4 attorneys’ fees using either the lodestar method or the percentage of the fund approach. *Vizcaino v.*  
5 *Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002). The percentage of the fund is the typical  
6 method of calculating class fund fees. *See id.* at 1050 (noting “the primary basis of the fee award  
7 remains the percentage method”). The Ninth Circuit has established 25% of the common fund as the  
8 “benchmark” for attorneys’ fees, with 20-30% as the usual range. *Id.* at 1047. However, the  
9 “benchmark percentage should be adjusted, or replaced by a lodestar calculation, when special  
10 circumstances indicate that the percentage recovery would be either too small or too large in light of  
11 the hours devoted to the case or other relevant factors.” *Six Mexican Workers v. Ariz. Citrus*  
12 *Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990).

13 Even when applying the percentage method, the court should use the lodestar method as a  
14 cross-check to determine the fairness of the fee award. *Vizcaino*, 290 F.3d at 1050. “The lodestar  
15 cross-check calculation need entail neither mathematical precision nor bean counting . . . . [courts]  
16 may rely on summaries submitted by the attorneys and need not review actual billing records.” *In re*  
17 *Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 306-07 (3d Cir. 2005) (footnote and citation omitted). The  
18 court’s selection of the benchmark or any other rate must be supported by findings that take into  
19 account all of the circumstances of the case, including the result achieved, the risk involved in the  
20 litigation, the skill required and quality of work by counsel, the contingent nature of the fee, awards  
21 made in similar cases, and the lodestar cross-check. *Vizcaino*, 290 F.3d at 1048-50.

22 Plaintiff seeks 25% of the gross settlement amount, or \$437,500. Plaintiff contends that 25%  
23 of the common fund is the benchmark for attorneys’ fees awards in this district. This amount is  
24 significantly higher than Plaintiff’s lodestar figure of \$269,275.

25 Plaintiff initially sought preliminary approval of the proposed settlement in November 2013  
26 on a record that this court called “sparse and largely conclusory.” In its order denying Plaintiff’s  
27 first motion for preliminary approval of the settlement, the court noted several specific deficiencies  
28 in Plaintiff’s valuation of the claims. The court stated:

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The court is not finding that the proposed settlement is unfair. This class recovery may turn out to be fair in the end analysis. But, as the court admonished class counsel when it ordered supplemental briefing, class counsel must provide more information for the court to review in order to determine whether absent class members would be receiving a reasonable settlement in view of the risks and rewards of continuing litigation. The court cannot make that determination on the current sparse and largely conclusory record. This is especially true in light of what appears to be the last minute addition of two class claims during the settlement process that were not subject to vigorous discovery and analysis.

Docket No. 81 at 13-14 (citations omitted). After the court denied preliminary approval, Plaintiff filed a second motion for preliminary approval that added a modicum of additional detail to Plaintiff's analysis. Notwithstanding the court's eventual approval of the settlement, the court remains concerned with the quality and thoroughness of counsel's efforts in this matter. Rather than provide new analysis or argument to address the court's concerns, Plaintiff's motion simply recycles his analysis from Plaintiff's motions for conditional approval of the class settlement. At the hearing, Plaintiff's counsel stated that Plaintiff's attorneys avoided discovery in order to minimize the risk of providing evidence for Defendant's potential preemption arguments, thus admitting that it was counsel's strategic decision to leave the facts undeveloped through limited discovery. The court's unanswered concerns about the amount of work Plaintiff's counsel put into this litigation to obtain a fair deal for the class, and the fact that the requested attorneys' fees award is 1.63 times the lodestar amount constitute circumstances that persuade the court that the request for a 25% benchmark award is not justified. Accordingly, the court awards class counsel \$300,000 in attorneys' fees, which reflects a 1.12 multiplier on the lodestar, and represents 17% of the total class recovery.

In addition, the court awards class counsel \$12,764.72 in costs incurred as of December 2, 2014. See Fed. R. Civ. P. 23(h); *Van Vranken v. Atl. Richfield Co.*, 901 F. Supp. 294, 299 (N.D. Cal. 1995) (approving reasonable costs in class action settlement).

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**IV. CONCLUSION**

For the reasons stated above, Plaintiff’s motion for final approval of a class action settlement is **granted**. The court also awards Plaintiff **\$300,000** in attorneys’ fees and **\$12,764.72** in costs. Finally, the court awards Plaintiff **\$7,000** as an incentive award.<sup>7</sup>

IT IS SO ORDERED.

Dated: December 19, 2014



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<sup>7</sup> The difference between the requested and actual fee award shall be added to the gross settlement amount for distribution to class members pursuant to the formula set forth in the Agreement.