

United States District Court
Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

ANGELE GIROUX,
Plaintiff,
v.
ESSEX PROPERTY TRUST, INC.,
Defendant.

Case No. 16-cv-01722-HSG

**ORDER GRANTING MOTION FOR
FINAL APPROVAL OF CLASS
ACTION SETTLEMENT AND
GRANTING MOTION FOR CLASS
COUNSEL ATTORNEYS' FEES AND
COSTS**

Re: Dkt. Nos. 71, 74, 78

Pending before the Court are two motions in this putative class action dispute. First, Plaintiff Angele Giroux moves the Court for an order granting final approval of the parties' proposed settlement. Dkt. No. 74. Second, Plaintiff moves the Court for an award of attorneys' fees and costs. Dkt. No. 71. Both motions are unopposed. The Court held a final fairness hearing on both motions on September 20, 2018. On October 4, 2018, at the Court's invitation, Plaintiff's counsel submitted a supplemental filing in support of the motion for attorneys' fees. Dkt. No. 78. For the reasons stated below, the Court **GRANTS** final approval. The Court also **GRANTS** Plaintiff's motion for attorneys' fees and costs.

I. BACKGROUND
A. Factual Background

Plaintiff Angele Giroux alleges that Defendant, her current employer, experienced a large-scale cybersecurity data breach. Dkt. No. 51 ("SAC") ¶¶ 1, 10–12. As a result of the breach, cybercriminals accessed personal identifying information — including full names, social security numbers, 2015 compensation information, and payroll deduction information — for approximately 2,500 of Defendant's current and former employees. Id. ¶¶ 10–12. Defendant notified Plaintiff and the other putative Class Members of the breach in March 2016. Id. ¶ 45.

1 Plaintiff asserts that the data breach resulted from Defendant’s failure to implement reasonable
2 security measures to detect and prevent cyber-attacks. Id. ¶¶ 19–20.

3 **B. Settlement Agreement**

4 Following extensive formal discovery and with the assistance of a private mediator, the
5 parties entered into a settlement agreement. Dkt. No. 60. The parties filed the motion for
6 preliminary approval on April 19, 2018. See Dkt. No. 62. The Court granted the motion on June
7 1, 2018. See Dkt. No. 68. The Court directed the parties to implement their proposed class notice
8 plan. Id. at 11.

9 On April 19, 2018, the parties submitted a class action settlement agreement that details
10 the provisions of the proposed settlement. See Dkt. No. 74-2, Ex. A (“SA”). The key terms of the
11 settlement are as follows:

12 Class Definition: The Class includes all present and former employees of Essex Property
13 Trust whose 2015 Form W-2 Wage and Tax Statements (W-2 Forms) were accessed by an
14 unknown person without authorization by a “phishing” incident on or about March 17, 2016. SA
15 ¶ 1.05.

16 Settlement Benefits: Defendant will purchase an additional¹ three years of AllClear credit
17 monitoring and identity protection coverage for all Class Members. SA ¶ 3.13. Defendant will
18 also establish a gross settlement fund consisting of \$350,000. SA ¶ 1.33. Each class member will
19 receive a pro rata share from the settlement fund. SA ¶ 3.01. The parties have estimated that
20 individual Class Members’ recovery, without including the value of identity theft protection for an
21 additional three years, will be approximately \$70. Dkt. No. 74 at 12. The gross settlement fund
22 includes Court-approved attorneys’ fees and costs, settlement administration fees, and any
23 additional incentive award to Plaintiff as class representative. SA ¶ 1.33.

24 Release: The class will release Defendant from all claims against Defendant that arise out
25 of the facts alleged in the complaint and the claims asserted by Plaintiff. SA ¶ 4.02–4.03.

26 Incentive Award: The named Plaintiff requests an incentive award of \$5,000. SA ¶¶ 2.20–
27

28 ¹ Defendant previously purchased two years of credit monitoring for all Class Members in March
2016. SA ¶ 3.12.

1 2.23; Dkt. No. 71 at 11–14.

2 Attorneys’ Fees and Costs: Plaintiff requests attorneys’ fees in the amount of \$140,000, in
3 addition to costs and expenses in the amount of \$9,500. SA ¶¶ 2.18–2.19; Dkt. No. 62 at 7; Dkt.
4 No. 71 at 1.

5 **II. ANALYSIS**

6 **A. Final Settlement Approval**

7 **i. Class Certification**

8 Final approval of a class action settlement requires, as a threshold matter, an assessment of
9 whether the class satisfies the requirements of Federal Rule of Civil Procedure 23(a) and
10 (b). *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1019–1022 (9th Cir. 1998). Because no facts that
11 would affect these requirements have changed since the Court preliminarily approved the class on
12 June 1, 2018, this Order incorporates by reference its prior analysis under Rules 23(a) and (b) as
13 set forth in the order granting preliminary approval. See Dkt. No 68 at 3–7.

14 **ii. The Settlement**

15 “The claims, issues, or defenses of a certified class may be settled . . . only with the court’s
16 approval.” Fed. R. Civ. P. 23(e). The Court may finally approve a class settlement “only after a
17 hearing and on finding that it is fair, reasonable, and adequate.” Fed. R. Civ. P. 23(e)(2); *Officers*
18 *for Justice v. Civil Serv. Comm’n of the City and County of San Francisco*, 688 F.2d 615, 625 (9th
19 Cir. 1982) (“The district court’s role in evaluating a proposed settlement must be tailored to fulfill
20 the objectives outlined above. In other words, the court’s intrusion upon what is otherwise a
21 private consensual agreement negotiated between the parties to a lawsuit must be limited to the
22 extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or
23 overreaching by, or collusion between, the negotiating parties . . .”). To assess whether a
24 proposed settlement comports with Rule 23(e), the Court “may consider some or all” of the
25 following factors: (1) the strength of plaintiff’s case; (2) the risk, expense, complexity, and likely
26 duration of further litigation; (3) the risk of maintaining class action status throughout the trial;
27 (4) the amount offered in settlement; (5) the extent of discovery completed, and the stage of the
28

1 proceedings; (6) the experience and views of counsel; (7) the presence of a governmental
2 participant; and (8) the reaction of the class members to the proposed settlement. *Rodriguez v.*
3 *West Publ'g Corp.*, 563 F.3d 948, 963 (9th Cir. 2009); see also *Hanlon*, 150 F.3d at 1026. “The
4 relative degree of importance to be attached to any particular factor” is case specific. *Officers for*
5 *Justice*, 688 F.2d at 625.

6 In addition, “[a]dequate notice is critical to court approval of a class settlement under Rule
7 23(e).” *Hanlon*, 150 F.3d at 1025. As discussed below, the Court finds that the proposed
8 settlement is fair, adequate, and reasonable, and that Class Members received adequate notice.

9 **a. Adequacy of Notice**

10 Under Federal Rule of Civil Procedure 23(e), the Court “must direct notice in a reasonable
11 manner to all class members who would be bound by the proposal.” Fed. R. Civ. P. 23(e)(1).
12 Rule 23(c)(2)(B) requires “the best notice that is practicable under the circumstances, including
13 individual notice to all members who can be identified through reasonable effort.” The notice
14 must “clearly and concisely state in plain, easily understood language” the nature of the action, the
15 class definition, and the class members’ right to exclude themselves from the class. Fed. R. Civ.
16 P. 23(c)(2)(B). Although Rule 23 requires that reasonable efforts be made to reach all class
17 members, it does not require that each class member actually receive notice. See *Rannis v.*
18 *Recchia*, 380 F. App’x 646, 650 (9th Cir. 2010) (noting that “due process requires reasonable
19 effort to inform affected class members through individual notice, not receipt of individual
20 notice”).

21 The Court finds that the notice and notice plan previously approved by the Court, Dkt. No.
22 68 at 10–11, was implemented and complies with Rule 23(c)(2)(B). The Court ordered that third-
23 party settlement administrator, Simpluris, Inc. (“Simpluris”), send class notice via email and U.S.
24 mail to each putative class member, using addresses as provided by Defendant. *Id.* at 2, 10–11.
25 Simpluris states that class notice was provided as directed. Dkt. No. 74-1 ¶¶ 5–11. Prior to
26 sending class notice, Simpluris verified the addresses with the National Change of Address
27 Database. *Id.* ¶ 6. Simpluris performed an advanced address search for any returned Notice
28 Packets. *Id.* ¶ 8. Updated addresses could not be found for forty-two Class Members, even after

1 further tracing efforts. *Id.* Simpluris received no objections to the settlement and only twelve
2 requests for exclusion from the settlement. Dkt. No. 74-1 ¶¶ 9–10. In light of these facts, the
3 Court finds that the parties have sufficiently provided the best practicable notice to the Class
4 Members.

5 **b. Fairness, Adequacy, and Reasonableness**

6 Having found the notice procedures adequate under Rule 23(e), the Court next considers
7 whether the entire settlement comports with Rule 23(e).

8 **1. Strength of Plaintiff’s Case and Litigation Risk**

9 Approval of a class settlement is appropriate when plaintiffs must overcome significant
10 barriers to make their case. *Chun-Hoon v. McKee Foods Corp.*, 716 F. Supp. 2d 848, 851 (N.D.
11 Cal. 2010). Courts “may presume that through negotiation, the Parties, counsel, and mediator
12 arrived at a reasonable range of settlement by considering Plaintiff’s likelihood of recovery.”
13 *Garner v. State Farm Mut. Auto. Ins. Co.*, No. 08-cv-1365-CW, 2010 WL 1687832, at *9 (N.D.
14 Cal. Apr. 22, 2010). Additionally, difficulties and risks in litigating weigh in favor of approving a
15 class settlement. *Rodriguez*, 563 F.3d at 966. “Generally, unless the settlement is clearly
16 inadequate, its acceptance and approval are preferable to lengthy and expensive litigation with
17 uncertain results.” *Ching v. Siemens Indus., Inc.*, No. 11-cv-04838-MEJ, 2014 WL 2926210, at *4
18 (N.D. Cal. June 27, 2014) (quotation omitted).

19 Though this action reached settlement before the Court had an opportunity to consider the
20 merits of the claims, the Court finds that the amount offered in settlement is reasonable in light of
21 the strength of the underlying case. Plaintiff concedes that she would face both factual and legal
22 hurdles were she to continue litigating, including establishing Article III standing for individuals
23 whose data has been compromised, and overcoming the argument that the economic loss rule bars
24 any negligence claims. Dkt. No. 62 at 11. When combined with Defendant’s apparent willingness
25 to defend against this action, Plaintiff would not be guaranteed a favorable result. In reaching a
26 settlement, however, Plaintiff has ensured a favorable recovery for the class. See *Rodriguez*, 563
27 F.3d at 966 (finding litigation risks weigh in favor of approving class settlement). Accordingly,
28 these factors weigh in favor of approving the settlement. See *Ching*, 2014 WL 2926210, at *4

1 (favoring settlement to protracted litigation).

2 **2. Risk of Maintaining Class Action Status**

3 In considering this factor, the Court looks to the risk of maintaining class certification if
4 the litigation were to proceed. Certifying a class encompassing approximately 2,406 present and
5 former employees of Essex Property Trust presents complex issues that could undermine
6 certification. See Dkt. No. 74-1 at 3. Accordingly, this factor also weighs in favor of settlement.

7 **3. Settlement Amount**

8 The amount offered in the settlement is another factor that weighs in favor of approval.
9 Based on the facts in the record and the parties' arguments at the final fairness hearing, the Court
10 finds that the \$350,000 settlement amount, in addition to the provision of credit monitoring
11 coverage, falls "within the range of reasonableness" in light of the risks and costs of litigation.
12 Each class member will receive a pro rata share from the settlement fund. The parties have
13 estimated that individual class members' recovery, without including the value of identity theft
14 protection for an additional three years, will be approximately \$70.² Dkt. No. 74 at 12. This
15 factor weighs in favor of approval.

16 **4. Extent of Discovery Completed and Stage of Proceedings**

17 The Court finds that class counsel had sufficient information to make an informed decision
18 about the merits of the case. See *In re Mego Fin. Corp. Sec. Litig.*, 213 F.3d 454, 459 (9th Cir.
19 2000). Here, Plaintiff was able to reach this settlement only after Plaintiff conducted extensive
20 discovery and reviewed documents that detailed the extent and effects of the data breach. Dkt. No.
21 74 at 13; Dkt. No. 72 ¶ 2; Dkt. No. 63 ¶¶ 4–6. The Court thus finds that the parties have received,
22 examined, and analyzed information, documents, and materials that sufficiently enabled them to

23 _____
24 ² The Class Action Fairness Act requires "increased judicial scrutiny of coupon settlements." *In re*
25 *HP Inkjet Printer Litig.*, 716 F.3d 1173, 1178 (9th Cir. 2013). Having found no on-point authority
26 to the contrary from the Ninth Circuit, the Court concludes that the in-kind provision of credit
27 monitoring services is not a "coupon," because it has "an intrinsic, tangible value" and is not a
28 discount on future purchases Class Members must make. See *In re Anthem, Inc. Data Breach*
Litig., 327 F.R.D. 299, 323 (N.D. Cal. 2018) (noting that credit monitoring services included as
part of a data breach class action settlement did not amount to a coupon settlement, because
"Settlement Class Members need not hand over any more money to obtain the benefits of the
Settlement"). The Court therefore evaluates this settlement agreement without the heightened
scrutiny required under 28 U.S.C. § 1712(e).

1 assess the likelihood of success on the merits. This factor weighs in favor of approval.

2 **5. Reaction of Class Members**

3 The reaction of the Class Members supports final approval. “[T]he absence of a large
4 number of objections to a proposed class action settlement raises a strong presumption that the
5 terms of a proposed class settlement action are favorable to the class members.” *Nat’l Rural*
6 *Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 528–29 (C.D. Cal. 2004); *In re LinkedIn*
7 *User Privacy Litig.*, 309 F.R.D. 573, 589 (N.D. Cal. 2015) (“A low number of opt-outs and
8 objections in comparison to class size is typically a factor that supports settlement approval.”).

9 Class notice, which was served on each Class Member in accordance with the methods
10 approved by the Court, advised the class of the requirements to object or opt out of the settlement.
11 No objections were received and only twelve class members opted out. See Dkt. No. 74 at 1 and
12 n.1. The Court finds that the absence of objections and very small number of opt-outs indicate
13 overwhelming support among the Class Members and weigh in favor of approval. See, e.g.,
14 *Churchill Village LLC v. Gen. Elec.*, 361 F.3d 566, 577 (9th Cir. 2004) (affirming settlement
15 where 45 of approximately 90,000 class members objected); *Rodriguez v. West Publ. Corp.*, Case
16 No. CV05–3222 R, 2007 WL 2827379, at *10 (C.D. Cal. Sept. 10, 2007) (finding favorable class
17 reaction where 54 of 376,301 class members objected).

18 * * *

19 After considering and weighing the above factors, the Court finds that the settlement
20 agreement is fair, adequate, and reasonable, and that the settlement Class Members received
21 adequate notice. Accordingly, Plaintiffs’ motion for final approval of class action settlement is
22 **GRANTED.**

23 **B. Attorneys’ Fees and Costs, Settlement Administrator Costs, and Incentive**
24 **Award**

25 In its unopposed motion, class counsel asks the Court to approve an award of \$140,000 in
26 attorneys’ fees and \$9,500 in costs. Dkt. No. 71. Class counsel also seeks \$22,500 for Simpluris’s
27 settlement administration costs and a \$5,000 incentive award for the named Plaintiff for her
28 assistance in this case. *Id.*; Dkt. No. 74 at 15–16.

1 **i. Attorneys’ Fees**

2 **a. Legal Standard**

3 Federal courts sitting in diversity apply state law in determining both a party’s right to
4 attorneys’ fees and the method of calculating them. See *Mangold v. Cal. Pub. Util. Comm’n*, 67
5 F.3d 1470, 1478 (9th Cir. 1995). The California Supreme Court has held that where a class action
6 suit results in a common fund for the class, the trial court has discretion to apply either the
7 percentage of common fund or the lodestar approach when calculating the fees. *Laffitte v. Robert*
8 *Half Int’l Inc.*, 1 Cal. 5th 480, 504 (Cal. 2016).

9 “The percentage method calculates the fee as a percentage share of a recovered common
10 fund or the monetary value of plaintiffs’ recovery.” *Id.* at 489. “The lodestar method, or more
11 accurately the lodestar-multiplier method, calculates the fee by multiplying the number of hours
12 reasonably expended by counsel by a reasonable hourly rate. Once the court has fixed the
13 lodestar, it may increase or decrease that amount by applying a positive or negative ‘multiplier’ to
14 take into account a variety of other factors, including the quality of the representation, the novelty
15 and complexity of the issues, the results obtained, and the contingent risk presented.” *Id.* at 489.
16 “The goal under either the percentage or lodestar approach [is] the award of a reasonable fee to
17 compensate counsel for their efforts.” *Id.* at 504.

18 **b. Discussion**

19 Under the circumstances of this case, the Court finds that the lodestar method is the proper
20 measure of the reasonable fees to be awarded to Plaintiff’s counsel. Where, as here, the settlement
21 involves both monetary and non-monetary components, the Court may determine the amount that
22 is “for the benefit of the entire class” before applying a percentage calculation. *In re Anthem, Inc.*
23 *Data Breach Litig.*, No. 15-MD-02617-LHK, 2018 WL 3960068, at *7 (N.D. Cal. Aug. 17, 2018)
24 (quoting *In re Bluetooth Headset Prod. Liab. Litig.*, 654 F.3d 935, 942 (9th Cir. 2011)). Courts
25 may adjust a common fund amount upward based on non-monetary relief “where the value to
26 individual class members of benefits deriving from [non-monetary] relief can be accurately
27 ascertained.” *Staton v. Boeing Co.*, 327 F.3d 938, 974 (9th Cir. 2003).

28 The challenge in using the percentage of recovery method in this case is that the settlement

1 benefits are a hybrid: \$350,000 in cash, plus the in-kind provision of credit monitoring services to
2 class members. The Court obviously faces no challenge in valuing the cash component of the
3 settlement. But the actual value of the credit monitoring services to Class Members is not self-
4 evident. It is undisputed that the retail price of the monitoring services to be provided to the
5 “1,289 class members whose coverage will be automatically redeemed upon final approval” is
6 \$693,739.80, Dkt. No. 71 at 7, and that the retail price of those services for all 2,394 members of
7 the class is over \$1.2 million, Dkt. No. 78 at 1. On the other hand, it is also undisputed that
8 Defendant is paying the monitoring provider a drastically discounted “bulk rate” of approximately
9 \$80,000 to provide the services. Dkt. No. 78 at 9. Moreover, because Class Members are not
10 being offered a choice between a cash component or the continuation of monitoring services, it is
11 difficult to know what value they actually attach to a benefit that from their perspective is being
12 provided for free.

13 For all of these reasons, the Court is not inclined to apply the percentage of recovery
14 method as though this case involved a \$1.6 million settlement fund. The Court simply does not
15 view the retail value of the in-kind services being provided to Class Members as equivalent to a
16 settlement fund containing the corresponding amount of cash. As this case illustrates, a settling
17 defendant can obtain such services at far less than face value, paying a fraction of what it would
18 contribute if it put the cash value of the retail price into a settlement fund. If Defendant is not
19 willing to pay over a million dollars based on the sticker price of the services, the Court questions
20 why it should value them that way in assessing the percentage of recovery.

21 All of this being said, it is clear that Plaintiff’s counsel’s efforts achieved a benefit worth at
22 least \$430,000 for the class (\$350,000 cash plus the \$80,000 bulk price of the monitoring
23 services), and likely worth somewhat more than that. The Court finds this benefit to be
24 substantial, and Plaintiff’s counsel deserves fair compensation for achieving a positive result.

25 Taking all of these factors into account, the Court finds in its discretion that the lodestar-
26 based fee request submitted by Plaintiff’s counsel is reasonable. Class counsel requests \$140,000
27 in fees, having spent a combined 266.2 hours on this case. See Dkt. No. 72 ¶¶ 12–16; Dkt. No. 73
28 ¶ 3. Class counsel thus is seeking fees lower than their aggregate lodestar of \$151,977.50. See

1 Dkt. No. 71 at 10. The Court finds that the billing rates used by class counsel to calculate the
2 lodestar are reasonable and in line with prevailing rates in this district for personnel of comparable
3 experience, skill, and reputation. See Dkt. No. 72 ¶¶ 6, 12 (\$685 per hour with 25 years of
4 experience); Dkt. No. 73 ¶¶ 3, 12 (\$550 per hour with 18 years of experience). See, e.g., In re
5 LinkedIn User Privacy Litig., 309 F.R.D. 573, 591 (N.D. Cal. 2015) (approving class counsel’s
6 hourly rates between \$335 and \$685 in a data breach litigation as reasonable and appropriate); In
7 re Magsafe Apple Power Adapter Litig., No. 5:09-CV-01911-EJD, 2015 WL 428105, at *12 (N.D.
8 Cal. Jan. 30, 2015) (“In the Bay Area, reasonable hourly rates for partners range from \$560 to
9 \$800, for associates from \$285 to \$510, and for paralegals and litigation support staff from \$150
10 to \$240.”)

11 Having reviewed the time class counsel spent litigating this action, the Court notes that
12 counsel worked efficiently and diligently to reach this result. See Dkt. No. 72, Ex. A; Dkt. No. 73,
13 Ex. A. Defendant vigorously litigated this action, denying liability and the appropriateness of
14 class certification. As discussed above, Plaintiff faced both factual and legal hurdles. Class
15 counsel, therefore, assumed substantial risk in litigating this action on a contingency fee basis.
16 Class counsel also obtained significant results for the class: under the settlement agreement,
17 individual Class Members will receive on average approximately \$70 in addition to the credit-
18 monitoring services. Dkt. No. 71 at 13. The Court finds that class counsel’s requested fees are
19 reasonable in light of the results achieved for the class and the work performed, and finds that the
20 requested award is appropriate. The Court accordingly **GRANTS** class counsel’s motion for
21 attorneys’ fees in the amount of \$140,000.

22 **ii. Attorneys’ Costs**

23 Class counsel seeks reimbursement of \$9,500 in out-of-pocket costs. See Dkt. No. 71 at
24 10–11. Class counsel is entitled to recover “those out-of-pocket expenses that would normally be
25 charged to a fee paying client.” *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (quotations
26 omitted).

27 Plaintiff has submitted Mr. Donald Heyrich’s and Ms. Kyann Kalin’s declarations
28 explaining that they incurred \$8,698.64 in litigation-related costs and expenses, including:

1 (1) service fees; (2) travel; and (3) mediation expenses. See Dkt. No. 73, Ex. C; Dkt. No. 72, Ex.
2 B. At the time of filing, Plaintiff counsel anticipated an additional \$800 in costs related to final
3 approval. Dkt. No 71 at 11. The Court is satisfied that these costs were reasonably incurred and
4 **GRANTS** the motion for costs in the amount of \$9,498.64.

5 **iii. Settlement Administration Costs**

6 Class counsel seeks \$22,500 for the costs of class administration conducted by Simpluris.
7 Dkt. No. 74 at 15–16; Dkt. No. 74-1 ¶¶ 11–12. Simpluris’ duties included:

- 8 (a) printing, emailing, and mailing the Notice of Class Action
9 Settlement (“Class Notice”) (b) receiving undeliverable Notice
10 Packets; (c) posting an informational website; (d) receiving and
11 validating requests for exclusion; (e) and answering questions from
12 Class Members. If the Court grants final approval of the Settlement,
Simpluris will be responsible, among other things, for: (f) calculating
individual settlement payments, distributing funds, and tax-reporting
following final approval; (g) mailing settlement checks.

13 Dkt. No. 74-1 ¶ 3.

14 The class notice informed class members that individual awards would reflect a deduction
15 for settlement administration costs, and noted that the estimated individual cash amount would be
16 approximately \$70 after all deductions, see *id.*, Ex. A at 3–4, and no Class Member objected.
17 Courts regularly award administrative costs associated if notice is provided to the class. See, e.g.,
18 *Smith v. Am. Greetings Corp.*, No. 14-CV-02577-JST, 2016 WL 2909429, at *11 (N.D. Cal. May
19 19, 2016); *Bellinghausen v. Tractor Supply Co.*, 306 F.R.D. 245, 266 (N.D. Cal. 2015). Given the
20 scope of Simpluris’ administrative duties in this case, the Court concludes that its costs were
21 reasonably incurred for the benefit of the class and **GRANTS** the full amount of \$22,500.

22 **iv. Incentive Award**

23 Class counsel requests a service award of \$5,000 for named Plaintiff. “[N]amed
24 plaintiffs . . . are eligible for reasonable incentive payments.” *Staton v. Boeing Co.*, 327 F.3d 938,
25 977 (9th Cir. 2003); *Rodriguez v. West Publ’g Corp.*, 563 F.3d 948, 958 (9th Cir. 2009)
26 (“Incentive awards are fairly typical in class action cases.”). They are designed to “compensate
27 class representatives for work done on behalf of the class, to make up for financial or reputational
28 risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a

1 private attorney general.” Rodriguez, 563 F.3d at 958–59. Nevertheless, the Ninth Circuit has
2 cautioned that “district courts must be vigilant in scrutinizing all incentive awards to determine
3 whether they destroy the adequacy of the class representatives” Radcliffe v. Experian Info.
4 Solutions, Inc., 715 F.3d 1157, 1165 (9th Cir. 2013) (quotation omitted). This is particularly true
5 where “the proposed service fees greatly exceed the payments to absent class members.” Id. The
6 district court must evaluate an incentive award using “relevant factors includ[ing] the actions the
7 plaintiff has taken to protect the interests of the class, the degree to which the class has benefitted
8 from those actions, . . . [and] the amount of time and effort the plaintiff expended in pursuing the
9 litigation” Id. at 977.

10 The Court finds that a \$5,000 service award is reasonable to compensate Plaintiff given her
11 contribution to this case. Plaintiff was closely involved in the case, communicating frequently
12 with class counsel, reviewing documents, and participating in settlement strategy and decision-
13 making. Dkt. No. 71 at 13–14. Moreover, a \$5,000 incentive award is not unduly
14 disproportionate to Class Members’ anticipated recovery. Based on the facts presented, including
15 the named Plaintiff’s substantial contributions to the class, class counsel’s request for an incentive
16 award is **GRANTED** in the amount of \$5,000 for the named Plaintiff.

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18 * * *

19
20 **III. CONCLUSION**

21 For the foregoing reasons it is hereby ordered that:

- 22 1. Plaintiff’s Motion for Final Approval of Class Action Settlement is hereby
23 **GRANTED**. Payment to Class Members who have not previously registered for ALLCLEAR
24 Identity Protection shall include the proposed Notice of Availability of Identity Protection, Dkt.
25 No. 75-1, in the envelope with the settlement check.
- 26 2. Plaintiff’s Motion for class counsel’s Attorneys’ Fees and Costs is hereby
27 **GRANTED**.
- 28 3. The Court approves the settlement amount of \$350,000, including payments of


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attorneys' fees in the amount of \$140,000; costs in the amount of \$9,498.64; claims administration fees in the amount of \$22,500; and an incentive fee for the named Plaintiff in the amount of \$5,000.

The parties and settlement administrator are directed to implement this Final Order and the settlement agreement in accordance with the terms of the settlement agreement. The parties are further directed to file a stipulated final judgment by March 29, 2019.

IT IS SO ORDERED.

Dated: 3/14/2019


HAYWOOD S. GILLIAM, JR.
United States District Judge