

1
2
3
4 UNITED STATES DISTRICT COURT
5 NORTHERN DISTRICT OF CALIFORNIA
6

7 JESSE BLACK,
8 Plaintiff,
9 v.
10 T-MOBILE USA, INC,
11 Defendant.

Case No. 17-cv-04151-HSG

**ORDER GRANTING FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT AND GRANTING IN
PART AND DENYING IN PART
MOTION FOR ATTORNEYS' FEES**

Re: Dkt. Nos. 63, 64

12
13 Pending before the Court are Plaintiff's motions for final approval of class action
14 settlement and for attorneys' fees, costs and expenses, and a class representative enhancement
15 payment. Dkt. Nos. 63, 64. The Court held a final fairness hearing on June 13, 2019. Dkt. No.
16 67. For the reasons set forth below, the Court **GRANTS** final approval. The Court also
17 **GRANTS IN PART AND DENIES IN PART** Plaintiff's motion for attorneys' fees, costs and
18 expenses, and enhancement payment.

19 **I. BACKGROUND**

20 **A. Factual Background**

21 Plaintiff Jesse Black filed this putative labor and employment class action in Alameda
22 Superior Court on January 31, 2017. See Dkt. No. 1, Ex. A ("Compl."). Defendant T-Mobile
23 USA, Inc. ("T-Mobile") removed the action to this Court in July 2017. Dkt. No. 1. In his
24 Complaint, Plaintiff alleges that he worked for Defendant as a Senior Field Technician and was
25 denied adequate overtime compensation as well as meal and rest periods from approximately 2008
26 through 2015. See Compl. ¶ 4. According to Plaintiff, Defendant had "a company-wide" policy
27 of scheduling technicians for rotating "on-call" weeks in which they "had to be available 24/7 to
28 respond to service calls" and "could not use that time freely for their own purpose." Id. ¶¶ 46, 56.

1 An on-call week would run from Monday at 5:00 p.m. through the following Monday at 7:59 a.m.
2 Id. ¶ 46. Defendant paid technicians \$22.47 per day during these on-call weeks, but “failed to pay
3 Plaintiff and class members for the remainder of the time during which they were not free to use
4 their time for their own purposes.” Id. Plaintiff further alleges that Defendant did not have a
5 policy permitting its employees to take a second 30-minute meal period on days they worked in
6 excess of 10 hours. Id. ¶ 48.

7 On the basis of these facts, Plaintiff asserts nine causes of action under California law on
8 behalf of himself and the putative class for: (1) unpaid overtime; (2) unpaid minimum wage; (3)
9 failure to provide meal periods; (4) failure to provide rest periods; (5) failure to provide accurate
10 wage statements and maintain payroll records; (6) failure to pay wages upon termination;
11 (7) failure to provide reporting time pay; (8) unlawful business practices; and (9) unfair business
12 practices. See id. ¶¶ 39–115.

13 The parties participated in mediation on August 21, 2018, and were able to agree on the
14 principal terms of a settlement agreement. Dkt. No. 49. The parties filed their motion for
15 preliminary approval of class action settlement on October 25, 2018, Dkt. No. 51, which the Court
16 granted on February 8, 2019, Dkt. No. 56.

17 **B. Settlement Agreement**

18 Following extensive formal discovery and with the assistance of a mediator, the parties
19 eventually entered into a settlement agreement on October 10, 2018. Dkt. No. 51-1 ¶¶ 4–6, Ex. 1
20 (“SA”). The key terms are as follows:

21 Class Definition: The settlement includes all persons who have worked for Defendant as
22 non-exempt, hourly-paid field technicians in California at any time from February 1, 2013 through
23 the date of Preliminary Approval. SA ¶ 5.

24 Settlement Benefits: Defendant will pay a total settlement amount of \$980,000, including
25 settlement payments to all Class Members totaling an estimated \$594,580 after excluding
26 settlement administrative costs estimated at \$10,000, any incentive awards, any attorneys’ fees and
27 costs award, and a payment of \$18,750 to the Labor Workforce Development Agency pursuant to
28 the Private Attorneys General Act of 2004 (PAGA). SA ¶¶ 8, 13, 25; Dkt. No. 64 at 4. Individual

1 settlement payments will be calculated proportionately based on the number of workweeks a Class
2 Member worked during the class period. SA ¶ 35. Individual settlement amounts will average
3 approximately \$3,110. Dkt. No. 64 at 2; Dkt. No. 64-2 ¶ 16.

4 Release: All settlement Class Members will release:

5 all claims, rights, demands, liabilities, and causes of action, arising
6 from, or related to, the claims alleged or which could have been
7 alleged in the proposed First Amended Complaint based on the same
8 set of operative pleaded facts, including: (i) all claims for unpaid
9 wages, including overtime; (ii) all claims for meal and rest break
10 violations; (iii) all claims for unpaid minimum wages; (iv) all claims
11 for the failure to timely pay wages upon termination; (v) all claims
12 for the failure to timely pay wages during employment, including but
13 not limited to any on call time alleges to be compensable but not paid;
14 (vi) all claims for wage statement violations; (vii) all claims for failure
15 to pay reporting time compensation or paid sick leave; and (viii) all
16 claims asserted through California Business & Professions Code §§
17 17200, et seq., and California Labor Code §§ 2698, et seq. based on
18 the preceding claims.

13 SA ¶ 21.

14 Class Notice: A third-party settlement administrator will send class notices via U.S. mail
15 to each member of the class, using a class list provided by Defendant. SA ¶ 39. The notice will
16 include: the nature of the action, a summary of the settlement terms, and instructions on how to
17 object to and opt out of the settlement, including relevant deadlines. See Dkt. No. 51-1, Ex. A
18 (proposed notice).

19 Opt-Out Procedure: The parties propose that any putative Class Member who does not
20 wish to participate in the settlement must sign and postmark a written request for exclusion to the
21 settlement administrator no later than 30 days after the date notice is mailed. SA ¶¶ 24, 44.

22 Incentive Award: The Named Plaintiff will apply for an incentive award of no more than
23 \$10,000, subject to the approval of the Court. SA ¶¶ 7, 31.

24 Attorneys' Fees and Costs: Plaintiff will file an application for attorneys' fees not to
25 exceed one-third of the settlement fund (\$326,667), and costs not to exceed \$20,000. SA ¶ 2.

26 //

27 //

28 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

II. ANALYSIS

A. Final Settlement Approval

i. Class Certification

Final approval of a class action settlement requires, as a threshold matter, an assessment of whether the class satisfies the requirements of Federal Rule of Civil Procedure 23(a) and (b). *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1019–1022 (9th Cir. 1998). Because no facts that would affect these requirements have changed since the Court preliminarily approved the class on February 8, 2019, this order incorporates by reference its prior analysis under Rules 23(a) and (b) as set forth in the order granting preliminary approval. See Dkt. No. 56 at 4–7.

ii. The Settlement

“The claims, issues, or defenses of a certified class may be settled . . . only with the court’s approval.” Fed. R. Civ. P. 23(e). The Court may finally approve a class settlement “only after a hearing and on finding that it is fair, reasonable, and adequate.” Fed. R. Civ. P. 23(e)(2); *Officers for Justice v. Civil Serv. Comm’n of the City and County of San Francisco*, 688 F.2d 615, 625 (9th Cir. 1982) (“The district court’s role in evaluating a proposed settlement must be tailored to fulfill the objectives outlined above. In other words, the court’s intrusion upon what is otherwise a private consensual agreement negotiated between the parties to a lawsuit must be limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties . . .”). To assess whether a proposed settlement comports with Rule 23(e), the Court “may consider some or all” of the following factors: (1) the strength of plaintiff’s case; (2) the risk, expense, complexity, and likely duration of further litigation; (3) the risk of maintaining class action status throughout the trial; (4) the amount offered in settlement; (5) the extent of discovery completed, and the stage of the proceedings; (6) the experience and views of counsel; (7) the presence of a governmental participant; and (8) the reaction of the class members to the proposed settlement. *Rodriguez v. West Publ’g Corp.*, 563 F.3d 948, 963 (9th Cir. 2009); see also *Hanlon*, 150 F.3d at 1026. “The relative degree of importance to be attached to any particular factor” is case specific. *Officers for Justice*, 688 F.2d at 625.

1 In addition, “[a]dequate notice is critical to court approval of a class settlement under Rule
2 23(e).” Hanlon, 150 F.3d at 1025. As discussed below, the Court finds that the proposed
3 settlement is fair, adequate, and reasonable, and that Class Members received adequate notice.

4 **a. Adequacy of Notice**

5 Under Federal Rule of Civil Procedure 23(e), the Court “must direct notice in a reasonable
6 manner to all class members who would be bound by the proposal.” Fed. R. Civ. P. 23(e)(1).
7 Rule 23(c)(2)(B) requires “the best notice that is practicable under the circumstances, including
8 individual notice to all members who can be identified through reasonable effort.” The notice
9 must “clearly and concisely state in plain, easily understood language” the nature of the action, the
10 class definition, and the class members’ right to exclude themselves from the class. Fed. R. Civ.
11 P. 23(c)(2)(B). Although Rule 23 requires that reasonable efforts be made to reach all class
12 members, it does not require that each class member actually receive notice. See Silber v. Mabon,
13 18 F.3d 1449, 1454 (9th Cir. 1994) (noting that the standard for class notice is “best practicable”
14 notice, not “actually received” notice).

15 The Court finds that the notice and notice plan previously approved by the Court was
16 implemented and complies with Rule 23(c)(2)(B). See Dkt. No. 56 at 3, 10–11. The Court
17 ordered the third-party settlement administrator, Rust Consulting, Inc. (“Rust”), to send class
18 notice via U.S. mail based on a class list Defendant provided. Id. at 3. Rust represents that class
19 notice was provided as directed. Dkt. No. 64-2 ¶¶ 3–11. Rust verified the mailing addresses from
20 the class list with the National Change of Address Database. Id. ¶ 9. A total of 191 notice packets
21 were sent out, and 2 packets were initially returned as undeliverable as of April 25, 2019. Id. ¶¶
22 10–11. For those 2 returned notice packets, Rust performed an address trace to find more current
23 addresses and re-mailed the notice packets. Id. ¶ 11. As of May 9, 2019, no notice packets were
24 returned as undeliverable. Id. ¶ 12.

25 In light of these facts, the Court finds that the parties have sufficiently provided the best
26 practicable notice to the Class Members.

27 //

28 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

b. Fairness, Adequacy, and Reasonableness

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

1. Strength of Plaintiff’s Case and Litigation Risk

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

The Court finds that the amount offered in settlement is reasonable in light of the complexity of this litigation and the substantial risk Plaintiff would face in litigating the case given the nature of the asserted claims. See Dkt. No. 64 at 9–18. Several of Plaintiff’s claims were vulnerable to summary judgment and Defendant would argue against class certification. *Id.* In reaching a settlement, Plaintiff has ensured a favorable recovery for the class. See *Rodriguez*, 563 F.3d at 966 (finding litigation risks weigh in favor of approving class settlement). Accordingly, these factors weigh in favor of approving the settlement. See *Ching*, 2014 WL 2926210, at *4 (favoring settlement to protracted litigation).

2. Risk of Maintaining Class Action Status

In considering this factor, the Court looks to the risk of maintaining class certification if the litigation were to proceed. Certifying a class encompassing approximately 191 exempt, hourly-paid field technicians presents complex issues, especially in the context of labor laws, that could undermine certification. See Dkt. No. 64 at 9–18. Accordingly, this factor also weighs in favor of settlement.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

3. Settlement Amount

The amount offered in the settlement is another factor that weighs in favor of approval. Based on the facts in the record and the parties’ arguments at the final fairness hearing, the Court finds that the \$980,000 settlement amount, which represents 50% of Defendant’s estimated maximum potential exposure, falls well “within the range of reasonableness” in light of the risks and costs of litigation. See Dkt. No. 64 at 15; see, e.g., Villanueva v. Morpho Detection, Inc., No. 13-cv-05390-HSG, 2016 WL 1070523 *4 (N.D. Cal. March 18, 2016) (citing cases). The parties estimated that the recovery of each individual Class Member will be approximately \$3,110. Dkt. No. 64 at 2; Dkt. No. 64-2 ¶ 16. This factor therefore weighs in favor of approval.

4. Extent of Discovery Completed and Stage of Proceedings

The Court finds that Class Counsel had sufficient information to make an informed decision about the merits of the case. See *In re Mego Fin. Corp. Sec. Litig.*, 213 F.3d 454, 459 (9th Cir. 2000). The parties settled only after Plaintiff conducted extensive discovery, including reviewing over a thousand pages of documents, performing a thorough investigation into Defendant’s policies and practices, and engaging an expert to analyze time and payroll records. Dkt. No. 64-1 ¶ 5. Both sides fully briefed and argued Plaintiff’s motion to remand. Dkt. Nos. 15, 19, 20. The Court finds that the parties received, examined, and analyzed information, documents, and materials sufficient to allow them to assess the likelihood of success on the merits. This factor weighs in favor of approval.

5. Experience and Views of Counsel

The Court next considers the experience and views of counsel. “[P]arties represented by competent counsel are better positioned than courts to produce a settlement that fairly reflects each party’s expected outcome in litigation.” *Rodriguez*, 563 F.3d at 967 (quotations omitted). Accordingly, “[t]he recommendations of plaintiffs’ counsel should be given a presumption of reasonableness.” *In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1043 (N.D. Cal. 2008). Class Counsel has substantial experience in labor and wage class actions. Dkt. No. 64-1 ¶¶ 8–9. The Court recognizes, however, that courts have diverged on the weight to assign counsel’s opinions. Compare *Carter v. Anderson Merch., LP*, 2010 WL 1946784, at *8 (C.D. Cal. May 11,

1 2010) (“Counsel’s opinion is accorded considerable weight.”), with Chun-Hoon, 716 F. Supp. 2d
2 at 852 (“[T]his court is reluctant to put much stock in counsel’s pronouncements. . . .”). This
3 factor’s impact is therefore modest, but favors approval.

4 **6. Reaction of Class Members**

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

11 Class notice, which was served in accordance with the method approved by the Court,
12 advised the Class of the requirements to object or opt out of the settlement. The deadline to
13 submit a claim was on April 25, 2019. Dkt. No. 64-2 ¶ 10. Rust received no objections and only
14 one request for exclusion. See Dkt. No. 64-1 ¶¶ 15–16. The Court finds that the lack of objections
15 and minimal number of opt-outs in comparison to the size of the class indicate overwhelming
16 support among the Class Members and weigh in favor of approval. See, e.g., *Churchill Village*
17 *LLC v. Gen. Elec.*, 361 F.3d 566, 577 (9th Cir. 2004) (affirming settlement where 45 of
18 approximately 90,000 class members objected); *Rodriguez v. West Publ. Corp.*, Case No. CV05–
19 3222 R, 2007 WL 2827379, at *10 (C.D. Cal. Sept. 10, 2007) (finding favorable class reaction
20 where 54 of 376,301 class members objected).

21 * * *

22 After considering and weighing the above factors, the Court finds that the settlement
23 agreement is fair, adequate, and reasonable, and that the settlement Class Members received
24 adequate notice. Accordingly, Plaintiff’s motion for final approval of the class action settlement is
25 **GRANTED.**

26 //
27 //
28 //

1 **B. Attorneys’ Fees, Costs and Expenses, and Class Representative Enhancement**
2 **Payment**

3 In its unopposed motion, Class Counsel asks the Court to approve an award of \$326,667 in
4 attorneys’ fees and \$20,000 in costs. Dkt. No. 63 at 1, 19. Class Counsel also seeks a \$10,000
5 incentive award for the Named Plaintiff. Dkt. No. 63 at 20.

6 **i. Attorneys’ Fees**

7 **a. Legal Standard**

8 “In a certified class action, the court may award reasonable attorney’s fees and nontaxable
9 costs that are authorized by law or by the parties’ agreement.” Fed. R. Civ. P. 23(h). In a state
10 law claim—like this one—state law also governs the calculation of attorneys’ fees. See *Vizcaino*
11 *v. Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002). Nevertheless, the Court may still look to
12 federal authority for guidance in awarding attorneys’ fees. See *Apple Computer, Inc. v. Superior*
13 *Court*, 126 Cal. App. 4th 1253, 1264 n.4 (2005) (“California courts may look to federal authority
14 for guidance on matters involving class action procedures.”).

15 Under California law, the “percentage of fund method” is proper in class actions. *Laffitte*
16 *v. Robert Half Int’l Inc.*, 1 Cal. 5th 480, 506 (2016). In addition, “trial courts have discretion to
17 conduct a lodestar cross-check on a percentage fee.” *Id.* The “lodestar figure is calculated by
18 multiplying the number of hours the prevailing party reasonably expended on the litigation (as
19 supported by adequate documentation) by a reasonable hourly rate for the region and for the
20 experience of the lawyer.” *In re Bluetooth*, 654 F.3d at 941 (citing *Staton v. Boeing Co.*, 327 F.3d
21 938, 965 (9th Cir. 2003). Trial courts “also retain the discretion to forgo a lodestar cross-check
22 and use other means to evaluate the reasonableness of a requested percentage fee.” *Laffitte*, 1 Cal.
23 5th at 506.

24 **b. Discussion**

25 Class Counsel here seeks \$326,667 in fees, or 33% of the settlement amount. See Dkt. No.
26 63 at 1. Using federal law for guidance, 25% of the common fund is the benchmark for attorney
27 fee awards. See, e.g., *In re Bluetooth*, 654 F.3d at 942 (“[C]ourts typically calculate 25% of the
28 fund as the ‘benchmark’ for a reasonable fee award, providing adequate explanation in the record
of any ‘special circumstances’ justifying a departure.”). Class Counsel seeks an award that well

1 exceeds the benchmark for a reasonable fee award under the percentage-of-recovery method and is
2 higher than the “usual range” of 20–30%. See *Vizcaino*, 290 F.3d at 1047. The Court considers
3 the reasonableness of the percentage requested in light of the factors endorsed by the Ninth
4 Circuit, with the 25% award as a starting point. The Ninth Circuit has identified several factors a
5 court should consider to determine whether to adjust a fee award from the benchmark: (1) the
6 results achieved; (2) the risk of litigation; (3) the skill required and the quality of work; (4) the
7 contingent nature of the fee and the financial burden carried by the plaintiff; and (5) awards made
8 in similar cases. See *Vizcaino*, 290 F.3d at 1048–50.

9 The Court recognizes that Class Counsel obtained significant results for the class. The
10 settlement amount represents approximately 50% of Defendant’s estimated maximum exposure.
11 Moreover, no Class Member objected to the settlement and only one member requested exclusion,
12 suggesting strong support for the settlement’s outcome. Further, Class Counsel assumed
13 substantial risk in litigating this action on a contingency fee basis, and incurring costs, with “no
14 guarantee that they would receive any remuneration for the many hours [] they spent litigating.”
15 Dkt. No. 63 at 11. Class Counsel also was, to an extent, precluded from taking and devoting
16 resources to other cases or potential cases. With respect to the quality of litigation, Class Counsel
17 is experienced in litigating large class actions concerning employment matters and wage and hour
18 cases. The successful result involved significant commitment of effort and skill. In particular, the
19 attorneys spent many hours determining the alleged exposure and calculating potential settlement
20 payments for the Class Members’ benefit.

21 To further justify this upward departure, Class Counsel contends that its lodestar supports
22 the reasonableness of its request. In calculating its lodestar, Class Counsel states it expended a
23 combined total of 660 hours. Dkt. No. 63 at 16; Dkt. No. 63-1 ¶ 6. With respect to hourly rates,
24 the rates requested are between \$295 to \$435 for associates and \$495 to \$725 for senior counsel
25 and partners. Dkt. No. 63-1 ¶ 6. The Court finds that the billing rates used by Class Counsel to
26 calculate the lodestar are reasonable and in line with prevailing rates in this district for personnel
27 of comparable experience, skill, and reputation. See, e.g., *Hefler v. Wells Fargo & Co.*, No. 16-
28 CV-05479-JST, 2018 WL 6619983, at *14 (N.D. Cal. Dec. 18, 2018) (rates from \$650 to \$1,250

1 for partners or senior counsel, \$400 to \$650 for associates); *In re Volkswagen “Clean Diesel”*
2 Mktg., Sales Practices, & Prod. Liab. Litig., No. 2672 CRB (JSC), 2017 WL 1047834, at *5 (N.D.
3 Cal. Mar. 17, 2017) (billing rates ranging from \$275 to \$1600 for partners, \$150 to \$790 for
4 associates, and \$80 to \$490 for paralegals reasonable “given the complexities of this case and the
5 extraordinary result achieved for the Class.”). According to Class Counsel, based on the number
6 of hours billed and the hourly rates, this yields a lodestar of \$292,354.50. Dkt. No. 63-6 ¶ 6; Dkt.
7 No. 63 at 16. Class Counsel is seeking fees with a 1.2 lodestar multiplier. Dkt. No. 63 at 16.

8 The Court finds that these factors warrant an upward departure from the 25% benchmark.
9 However, the percentage requested is higher than other awards granted by this Court in
10 comparable wage and hour cases. See, e.g., *Cuzick v. Zodiac U.S. Seat Shells, LLC*, No. 16-CV-
11 03793-HSG, 2018 WL 2412137, at *7 (N.D. Cal. May 29, 2018) (finding 33% attorneys’ fee
12 award unjustified and awarding 30%); *Bower v. Cycle Gear, Inc.*, No. 14-CV-02712-HSG, 2016
13 WL 4439875, at *7 (N.D. Cal. Aug. 23, 2016) (finding 30% attorneys’ fee award reasonable).
14 The Court finds that the facts of this case do not warrant the extraordinary award of one-third of
15 the settlement fund to Class Counsel. That said, some upward departure is justified in recognition
16 of the favorable settlement, the substantial risks of litigation, and the financial burden assumed.
17 Accordingly, under the percentage-of-fund-method, the Court **GRANTS** attorneys’ fees of 30% of
18 the total settlement amount, or \$294,000.

19 **ii. Attorneys’ Costs**

20 Class Counsel is entitled to recover “those out-of-pocket expenses that would normally be
21 charged to a fee paying client.” *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (quotations
22 omitted). Class Counsel seeks reimbursement of \$20,000 in out-of-pocket costs. See Dkt. No. 63
23 at 19. Class Counsel submitted a table summarizing the costs and expenses incurred. Dkt. No.
24 63-1 ¶ 9. These expenses include professional service fees (experts, investigators), travel fees, and
25 discovery-related fees. *Id.* The Court is satisfied that these costs were reasonably incurred and
26 **GRANTS** the motion for costs in the amount of \$20,000.

27 **iii. Incentive Award**

28 Class Counsel requests an incentive award of \$10,000 for the Named Plaintiff. “[N]amed

1 plaintiffs . . . are eligible for reasonable incentive payments.” Staton, 327 F.3d at 977; Rodriguez,
2 563 F.3d at 958 (“Incentive awards are fairly typical in class action cases.”). They are designed to
3 “compensate class representatives for work done on behalf of the class, to make up for financial or
4 reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness
5 to act as a private attorney general.” Rodriguez, 563 F.3d at 958–59. Nevertheless, the Ninth
6 Circuit has cautioned that “district courts must be vigilant in scrutinizing all incentive awards to
7 determine whether they destroy the adequacy of the class representatives” Radcliffe v.
8 Experian Info. Solutions, Inc., 715 F.3d 1157, 1165 (9th Cir. 2013) (quotations omitted). This is
9 particularly true where “the proposed service fees greatly exceed the payments to absent class
10 members.” Id. The district court must evaluate an incentive award using “relevant factors
11 includ[ing] the actions the plaintiff has taken to protect the interests of the class, the degree to
12 which the class has benefitted from those actions, . . . [and] the amount of time and effort the
13 plaintiff expended in pursuing the litigation” Id. at 977.

14 In wage and hour cases, many courts in this district have held that a \$5,000 incentive
15 award is “presumptively reasonable.” See, e.g., Harris v. Vector Marketing Corp., No. 08-cv-
16 5198-EMC, 2012 WL 381202, at *7 (N.D. Cal. Feb. 6, 2012) (observing that “as a general matter,
17 \$5,000 is a reasonable amount”); Smith v. Am. Greetings Corp., No. 14-CV-02577-JST, 2016 WL
18 362395, at *11 (N.D. Cal. Jan. 29, 2016) (awarding \$5,000); Odrick v. UnionBancal Corp., No. C
19 10-5565 SBA, 2012 WL 6019495, at *7 (N.D. Cal. Dec. 3, 2012) (same). Incentive awards may
20 also be especially appropriate in wage and hour class actions, where a named plaintiff undertakes
21 “a significant ‘reputational risk’ in bringing [an] action against [plaintiff’s] former employer.
22 Covillo v. Specialtys Cafe, No. C-11-00594 DMR, 2014 WL 954516, at *8 (N.D. Cal. Mar. 6,
23 2014) (citing Rodriguez, 563 F.3d at 958–59). In determining the reasonableness of a requested
24 incentive award, some courts have considered, among other factors, the proportionality between
25 the incentive award requested and the average class member’s recovery. See Austin v. Foodliner,
26 Inc., No. 16-CV-07185-HSG, 2019 WL 2077851, at *8 (N.D. Cal. May 10, 2019); Smith, 2016
27 WL 362395, at *10.

28 Plaintiff requests a \$10,000 service award, at the high end of the range of awards granted

1 by this Court in comparable class actions. See Austin, 2019 WL 2077851, at *8; McDonald v. CP
2 OpCo, LLC, No. 17-CV-04915-HSG, 2019 WL 2088421, at *8 (N.D. Cal. May 13, 2019).
3 Considering all the circumstances of this case, the Court finds that a \$10,000 service award is
4 reasonable to compensate Plaintiff. As to the proportionality between the requested award and
5 average recovery, the Court finds that a ratio of approximately 3.2 times the amount of the
6 sizeable average recovery of \$3,110 is reasonable. Plaintiff spent approximately 90 to 100 hours
7 on this case, actively monitoring the litigation, communicating frequently with counsel, working
8 with counsel to prepare and respond to discovery requests (including interrogatories and document
9 requests), preparing for and sitting for his deposition, and participating in the settlement process.
10 Dkt. No. 63-2 ¶¶ 4–8. Class Counsel confirms that Plaintiff’s effort and commitment contributed
11 to the favorable settlement amount, which represented 50% of Defendant’s estimated maximum
12 potential exposure. Dkt. No. 63 at 21; see Dkt. No. 64 at 15. The Court finds that the incentive
13 award of \$10,000 is appropriate to compensate Plaintiff for his time and effort invested and the
14 risk he took to enable a highly favorable result for his fellow Class Members. The Court therefore
15 **GRANTS** the request for an incentive award in the amount of \$10,000.

16 **III. CONCLUSION**

17 For the foregoing reasons it is hereby ordered that:

18 1. Plaintiff’s Motion for Final Approval of Class Action Settlement is hereby
19 **GRANTED**.

20 2. Plaintiff’s Motion for Class Counsel’s Attorneys’ Fees, Costs and Expenses, and
21 Class Representative Enhancement Payment is hereby **GRANTED IN PART AND DENIED IN**
22 **PART**.

23 3. The Court approves the settlement amount of \$980,000, including payment in the
24 amount of \$18,750 to the Labor Workforce Development Agency under the PAGA; settlement
25 administrator costs in the amount of \$10,000; attorneys’ fees in the amount of \$294,000; costs in
26 the amount of \$20,000; and an incentive fee for the Named Plaintiff in the amount of \$10,000.


27 The parties and settlement administrator are directed to implement this Final Order and the
28 settlement agreement in accordance with the terms of the settlement agreement. The parties are

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

further directed to file a stipulated final judgment within 21 days from the date of this order.

IT IS SO ORDERED.

Dated: 7/24/2019


HAYWOOD S. GILLIAM, JR.
United States District Judge