Lalo v. Apple, Inc et al

Doc. 63

I. INTRODUCTION

This is an Internet privacy class action. KamberLaw, LLC, the iPhone Plaintiffs' Group proposed Interim Class Counsel, has served as lead counsel in over a half-dozen Internet privacy class actions that have *successfully resolved* in 2010-2011 (and many more over the prior decade) and is currently litigating over a dozen Internet privacy class actions, several of which are likely to go to trial¹. Moreover, every member of the proposed iPhone Plaintiffs' Group² executive committee is currently litigating at least as many privacy lawsuits as Milberg, LLP, has listed in its moving papers. *See* Chiu Brief at 8. Milberg's 'self-recommendation' only identifies two privacy class actions, one which it is currently litigating against MySpace and one it litigated against DoubleClick in 2000. Yet, irrespective of the facts that relate to the 'qualifications' aspect of leaders in class actions of this nature, Milberg refuses to agree to a leadership structure that does not include them as essentially lead or co-lead counsel.

The cornerstone of the iPhone Plaintiffs' Group recommendation to this Court that the attorneys from KamberLaw serve as Interim Class Counsel is that not only do they have vast and specialized experience with Internet privacy class actions, but they use their substantive and class action expertise to build consensus for the betterment of the Class. Where KamberLaw and the iPhone Plaintiffs' Group have sought consensus at every turn, Milberg has acted otherwise. There is no doubt—and it is a fortunate circumstance—that all the firms representing plaintiffs in these consolidated matters present certain leadership credentials. There is also no doubt that counsel for the iPhone Plaintiffs' Group have recognized the importance of agreeing

Just today, in the matter *Valentine et al. v. Nebuad, Inc. et al*, an Internet privacy class action pending before Judge Henderson in this District, KamberLaw successfully defeated a motion to dismiss and the Court issued an Order which was quite significant for Internet privacy rights in California and directly relevant to this Case. Judge Henderson ruled that ECPA does not preempt state law claims and that CIPA and CCCL may be brought on behalf of non-California Plaintiffs.

The iPhone Plaintiffs Group is comprised of all plaintiffs and their counsel with the exception of Mr. Anthony Chiu. The iPhone Plaintiffs Group agreed, by self-order, to propose to the court a single "lead" class counsel, with an executive committee consisting of one firm from each of the four filed complaints.

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on a workable leadership structure. They have elevated consensus-building over contentiousness to agree on a leadership structure, modulating their respective leadership aspirations to accomplish that objective. Unfortunately, Mr. Chiu's counsel, Milberg LLP, would not compromise. As a result, Milberg has filed a "self recommendation" urging that it, and it alone, be appointed lead counsel. As evidenced by the events prior to the plaintiffs' meet and confer on leadership recommendation, coupled with the actions of Milberg counsel over the past two weeks, the initial recommendation of the supermajority decision by other counsel was the only practicable way to proceed in the best interests of the class, both from the standpoint of expertise, experience, and temperament.

With the opposition here presented, the iPhone Plaintiffs' Group respectfully submits that permitting Milberg to serve as lead or co-lead counsel over other skilled and qualified counsel, who in fact have greater relevant experience, who sought and achieved consensus would in essence penalize consensus-building and allow Milberg to achieve its objectives without demonstrating even the slightest interest or ability to build the type of agreement necessary to manage this litigation.

II. DISCUSSION

In its March 15, 2011 Order, *supra*, n.**Error! Bookmark not defined.**, the Court clearly set forth the procedure for the orderly, fair, and efficient self-selection of leadership counsel, consistent with the principals set out in the Manual for Complex Litigation (4th) to encourage counsel to coordinate amongst themselves. *See* Manual for Complex Litigation (4th) section § 10.22. In fact, the Order implemented "[b]y far the most common" approach to selection of class counsel—the so-called "private ordering" approach." Manual for Complex Litigation (4th) section 21.272.

Plaintiffs all followed the first step of the Court's procedure and were able to obtain near unanimous consent on the selection of KamberLaw, LLC as Interim Class Counsel and an Executive Committee consisting of representatives from each of the consolidated cases. The group recommended KamberLaw, LLC due to its unique experience in prosecuting *and*

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resolving a multitude of Internet privacy class action lawsuits over the past decade. Experience with which the Milberg firm simply does not have. Further, KamberLaw Managing Partner Scott A. Kamber has litigated privacy cases against and worked constructively with most defense counsel involved in this case, and has resolved matters that involved approximately four of the Defense firms. Finally, as the only plaintiffs' class action counsel from the United States invited to speak at 32nd International Conference of Data Protection and Privacy Commissioners this past October in Jerusalem, Scott A. Kamber prepared and served on a discussion panel with Christopher Wolf, lead counsel for defendant Apple in this matter.

Despite KamberLaw's proven track record in the Internet privacy field, past experience with a number of the same defense counsel who have appeared in this case, and the nearly unanimous agreement among counsel to this appointment, Milberg refused to agree to any structure that did not include its firm as lead counsel. Instead, then as is true now, Milberg insisted that it was 'entitled' to serve as co-lead counsel position. Otherwise, Milberg attorneys would claim that it and only it had the ability to be appointed as interim class counsel. Now, having filed its own "self recommendation" as interim sole class counsel, Milberg has advised its fellow plaintiffs' counsel that it also intends to file an opposition to the iPhone Plaintiffs' Group recommendation to the Court—seeking a second bite at the judicial apple and add more confusion and paperwork³.

Ultimately, Milberg's efforts to re-write counsel structure procedures and its insistence on its purported superiority to other more qualified counsel only further demonstrates a penchant for needless antagonism between itself and the rest of the counsel in this. In fact, for Milberg, it appears that co-lead must be obtained at all cost, causing justifiable concern about

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The iPhone Plaintiffs' Group believed the matter of leadership is fully briefed, unfortunately counsel for Mr. Chiu did not agree. The iPhone Plaintiffs' Group interpreted the March 15, 2011 Order as requiring a single recommendation for Interim Class Counsel as a result of a best-effort at self-ordering, and if any plaintiff disagreed they had ten days to file an opposition. This appeared to be a streamlined procedure. Mr. Chiu's counsel interpreted the Order to mean that a single plaintiff could recommend Interim Class Counsel and also object.

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Milberg's ability to work with other counsel on this case if their self-recommendation is accepted.⁴ Even more concerning, is that this case is not in an area where Milberg has demonstrated any particular past expertise and, for it, this case presents a chance at 'resume' building in this area.

The iPhone Plaintiffs' Group position is simple: KamberLaw, augmented by the proposed executive committee and liaison counsel, is the most capable law firm which can address the unique issues presented by the case and bring this litigation to a successful resolution. And every firm involved on behalf of plaintiffs acknowledges this *except* for Mr. Chiu's Counsel. The successful litigation of this Action requires more than the claimed hiring of an expert to investigate the technical issues involved in Apple's actions, but an understanding of ongoing developments in the technological advancements that demand proficient review and adaptation as they emerge. The iPhone Plaintiffs' Group recommended leadership structure has already been proven in this case by the efficient work to have all counsel agree to both the first Case Management Order as well as the recently filed Joint Case Management Statement. Unfortunately, the later Statement was certainly not made easier by the 'efforts' and gamesmanship evidenced by the attorneys at Milberg during the process of drafting and filing the Statement⁵.

Further, this Court sought the plaintiffs' best efforts at self-organization. Thus, all counsel but Milberg have come together with a singular recommendation. This recommendation

For example, among Milberg's demands on the draft case management statement was that it had to be listed first on the signature line.

Somewhat surprisingly Milberg over the past week has initiated two different correspondence exchanges seeking to have the iPhone Plaintiffs' Group justify filing its recommendation in the form of a motion rather than the "filing/other" category chosen by Milberg. This is mentioned here since it seems to be material to Milberg and may be part of its opposition papers. Suffice it to say that in the judgment of the iPhone Plaintiffs' Group, a notice of motion and option seemed to be the most logical captioning of the recommendation to make it consistent with an ECF category and the simple procedural fact that when seeking action of the Court, a motion is proper. Here, the return date and timing of opposition was not relevant because the Court had previously addressed that opposition papers would be due in ten days. The iPhone Plaintiffs' Group would prefer that the time expended by Class Counsel be spent on pursuits more for the benefit for the Class.

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should be given significant weight by this Court. See In re Intel Corp. Microprocessor Antitrust Litig., MDL No. 05-1717, Slip Op. (D. Del. April 18, 2006) ("appointing class counsel, in part because they were "closer to being the choice of the private ordering process favored by most courts and by the Third Circuit Task Force") (citing Third Circuit Task Force Report: Selection of Class Counsel, 208 F.R.D. 340, 356 (2002)). So the record is clear, the iPhone Plaintiffs' Group were careful to ensure that the self-order was not simply a case of the "majority" of 'votes' wins and the non-majority group is excluded from the leadership structure. As the submissions indicate, every case will have a representative in the leadership structure (i.e., the Executive Committee) and that the firm with the most experience would serve as the interim lead class counsel.

Given the respect each law firm in the iPhone Plaintiffs' Group has for KamberLaw's abilities, this litigation is far more likely to proceed in an orderly and efficient manner, without the inefficient and distracting jockeying necessitated by the appointment of co-lead counsel. It is for these reasons that KamberLaw was the consensus recommendation to serve as sole lead counsel in this case. Since its selection serves the best interests of the Class, the iPhone Plaintiff's Group respectfully requests that the Court honor this selection and the process by which it was arrived at and appoint KamberLaw to serve as Interim Class Counsel.

III. CONCLUSION

class actions, the KamberLaw as Interim Lead Counsel with the proposed executive committee and plaintiffs' liaison counsel, will better serve the Class and the efficient administration of

The iPhone Plaintiff's Group respectfully submits that, in the area of Internet privacy

justice than appointment of Milberg as sole or even co-Interim Lead Counsel.

However, notwithstanding the issues set forth herein, the iPhone Plaintiffs Group remain committed to including each of the four first filed cases on the executive committee including

Milberg LLP as representative counsel in the Chiu matter. The iPhone Plaintiffs Group hope

1	that, sooner rather than later, the attorneys	at Milberg realize that this proposal is fair,
2	reasonable, extremely equitable and more impor	tantly, serves the best interest of the class.
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4	Date: April 4, 2011 Res	spectfully submitted,
5	KA	MBERLAW, LLC
6	By	: s/Scott A. Kamber
7		Scott A. Kamber (pro hac vice)
8		skamber@kamberlaw.com KAMBERLAW, LLC 100 Wall Street, 23 rd Floor
9		100 Wall Street, 23 rd Floor New York, New York 10005
10	See 1111. In Hilbert (pro nuc vice)	
11	DAVID A. STAMPLEY (pro hac vice) skamber@kamberlaw.com	
12	dstampley@kamberlaw.com KAMBERLAW, LLC 100 Wall Street, 23 rd Floor	
13	New York, New York 10005	
14	Telephone: (212) 920-3072 Facsimile: (212) 202-6364	
15	AVI KREITENBERG (SBN 266571) KAMBERLAW, LLP	
16	1180 South Beverly Drive, Suite 601 Los Angeles, CA 90035	
17	Telephone: (310) 400-1050 Facsimile: (310) 400-1056	
18	(310) 100 1030	
19	Proposed Interim Class Counsel and Attorneys for Plaintiff Jonathan Lalo and Putative Class	
20	101 Traintiff Johathan Laio and Tutative Class	
21	DAVID C. PARISI (SBN 162248) SUZANNE HAVENS BECKMAN (SBN 188814) dcparisi@parisihavens.com	
22		
23	shavens@parisihavens.com PARISI & HAVENS LLP	
24	15233 Valleyheart Drive Sherman Oaks, California 91403	
25	Telephone: (818) 990-1299 Facsimile: (818) 501-7852	
26	JEREMY WILSON	
27	jeremy@wtlfirm.com WILSON TROSCLAIR & LOVINS	
28		
	iPhone Plaintiffs' Group Opposition to Plaintiff Chiu's Recommendation	6 Case No. 10-cv-5878 (LHK)

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24	Gona Torry and Luative Class
23	Diego Lopez, Aaron Mulvey, Anna M. Ruston, Gena Terry and Putative Class
22	Counsel for Plaintiffs Daniel Rodimer, Arfat Adil, Emili Clar, Jerod Couch, Barbara Davis, MattHines,
21	
20	Telephone: (612) 339-6900 Facsimile: (612) 339-0981
19	100 Washington Avenue S., Suite 2200 Minneapolis, MN 55401
18	rlockridge@locklaw.com rshelquist@locklaw.com LOCKRIDGE GRINDAL NAUEN P.L.L.P.
17	RICHARD A. LOCKRIDGE ROBERT K. SHELQUIST
16	Telephone: (214) 943-6100
15	1045 North Zang Blvd. Dallas, Texas 75208
14	malleylaw@gmail.com LAW OFFICE OF JOSEPH H. MALLEY
13	JOSEPH H. MALLEY
12	Telephone: (415) 568-2555 Facsimile: (415) 568-2556
11	221 Main Street, Suite 1460 San Francisco, California 94105
10	MICHAEL A. MCSHANE AUDET & PARTNERS LLP
9	WILLIAM AUDET JONAS P. MANN
8	
7	Counsel for Plaintiffs Dustin Freeman, Jared Parsley, Cole Parr, Precious Arrington and Putative Class
6	Facsimile: (214) 890-0712
5	Dallas, Texas 75206 Telephone: (214) 890-0711
4	FEARS NACHAWATI 4925 Greenville Avenue, Suite 715
3	NABIL MAJED NACHAWATI, II mn@fnlawfirm.com
1 2	302 N. Market Street, Suite 501 Dallas, Texas 75202 Telephone: (214) 430-1930
	202 N. Market Street, Suite 501

iPhone Plaintiffs' Group Opposition to Plaintiff Chiu's Recommendation

CERTIFICATE OF SERVICE	
<u>CERTIFICATE OF SERVICE</u>	
I, Scott A. Kamber, an attorney, hereby certify that on April 4, 2011, I caused the above	
iPhone Plaintiffs' Group Opposition to Plaintiff Chiu's Recommendation, by causing true and	
accurate copies of such documents to be electronically filed and transmitted to counsel of record	
through the Court's CM/ECF electronic filing system.	
Date: April 4, 2011 Respectfully submitted,	
KAMBERLAW, LLC	
By: s/Scott A. Kamber	
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iPhone Plaintiffs' Group Opposition to 8
Plaintiff Chiu's Recommendation