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19 UNITED STATES DISTRICT COURT
20 NORTHERN DISTRICT OF CALIFORNIA

21 MATTHEW CAMPBELL, MICHAEL
22 HURLEY, on behalf of themselves and all
others similarly situated,

23 Plaintiffs,

24 v.

25 FACEBOOK, INC.,

26 Defendant.

Case No. 4:13-cv-05996-PJH

**PLAINTIFFS' REPLY IN SUPPORT OF
FINAL APPROVAL OF CLASS ACTION
SETTLEMENT AND AWARD OF
ATTORNEYS' FEES AND COSTS AND
SERVICE AWARDS AND RESPONSE TO
OBJECTION**

Date: August 9, 2017
Time: 9:00 am
Judge: Hon. Phyllis J. Hamilton
Place: Courtroom 3, 3rd Floor

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1 **I. INTRODUCTION**

2 Anna St. John—an attorney with the “Center for Class Action Fairness,” an organization
3 the sole purpose of which is to object to class action settlements¹—has lodged a formulaic
4 objection to the proposed Settlement premised on a fundamental misunderstanding of the nature
5 of this lawsuit, the class certified, and the proposed Settlement. As an initial matter, St. John
6 apparently takes issue with the fact that the Settlement provides no monetary relief for class
7 members. However, this Court *declined to certify a damages class*, and therefore, class counsel
8 are not in a position to obtain monetary relief for the class—a fact of which St. John appears to be
9 totally unaware. The objection should be overruled on these grounds alone. Additionally, St.
10 John’s objection is premised on a misunderstanding of both the scope of the case and the scope of
11 the proposed Settlement. This Court certified for class treatment under Rule 23(b)(2) three
12 practices which Facebook ceased either prior to or during the course of this litigation. St. John’s
13 complaints about the value of the settlement to the class are unfounded: Plaintiffs, through years
14 of hard-fought, contentious litigation, were able to obtain significant concessions from Facebook
15 and ultimately obtained a proposed Settlement that confirms and clarifies Facebook’s cessation of
16 the practices at issue, as well as Facebook’s clear and explicit disclosure of the uses it is making
17 of private message URLs going forward. Consent is a central issue of this case, and this
18 Settlement allows users to make an informed decision about whether and what to share in their
19 Private Messages on Facebook. In sum, the Settlement achieves and confirms significant
20 business practice changes to, and disclosures of, Facebook’s practices related to the use of URLs
21 in Private Messages that address each of the three practices certified for class treatment by the
22 Court and challenged in the Second Amended Complaint, benefiting the class now, without the
23 inherent risks of continued litigation and without requiring class members to release any claims
24 they may wish to pursue for monetary relief.

25 St. John’s objections to Plaintiffs’ counsels’ fees completely elide the fact that Plaintiffs’
26 counsel have agreed to a 50 percent negative multiplier in order to reach a settlement. This fact

27
28 ¹ See <https://cei.org/issues/class-action-fairness>.

1 alone vitiates St. John’s objections to Plaintiffs’ counsels’ requested fees. Nor has St. John
2 established that any indicia of “self-dealing” are present here.

3 Finally, this Court, after an extensive discussion at the preliminary approval hearing,
4 settled on a notice plan that goes significantly beyond what other courts have found is required
5 where claims for monetary damages have not been released.

6 Despite years of extensive publicity given to this case (*see* Dkt. No. 233-2, listing dozens
7 of news articles covering this case over a three-year period), this proposed Settlement drew no
8 objections other than from an attorney employed by an organization whose primary mission is to
9 object to class action settlements. Moreover, notice has been issued to the Attorneys General in
10 all fifty states, the District of Columbia and all five permanently inhabited territories pursuant to
11 the Class Action Fairness Act, and no governmental entity has raised objections or concerns about
12 the proposed Settlement. As explained below, the proposed Settlement is fair, reasonable, and
13 adequate. The objection should be overruled and final settlement approval granted.

14 **II. ARGUMENT**

15 **A. The Court Certified Only an Injunctive Relief Class, and as such an**
16 **Injunctive-Relief Only Settlement is Appropriate.**

17 In repeatedly complaining of the “disproportion between attorneys’ fees and purported
18 class benefit,” (Objection at 1), the gravamen of St. John’s objection appears to ultimately be that
19 Plaintiffs did not obtain monetary compensation for Facebook users subject to the challenged
20 practices. *See, e.g.*, Objection at 16 (“the most telling sign of self-dealing in this settlement is that
21 ‘class counsel are amply rewarded’ while ‘the class receives no monetary distribution.’”) (citations omitted). But Plaintiffs vigorously pursued, and this Court *declined to certify*, a
22 damages class under Rule 23(b)(3) at the class certification stage; instead, the Court certified *only*
23 an injunctive relief class under Rule 23(b)(2). Dkt. No. 192, Class Cert. Order, at 27. As such,
24 much of St. John’s argument and authority suggesting that a non-cash relief settlement is
25 “suspect” is inapposite – Plaintiffs are not in a position to obtain cash relief for the class, despite
26 their attempts to pursue the ability to do so at the class certification stage, and Plaintiffs protected
27 St. John’s and other class members’ rights to pursue monetary claims by excluding such claims
28

1 from the classwide release. At least one court recently found an essentially identical objection
2 meritless. *See Garber v. Office of Comm’r of Baseball*, No. 12-3704, 2017 WL 752183, at *4
3 (S.D.N.Y. Feb. 27, 2017) (finding objection to settlement meritless where “it objected to the
4 settlement because it provided no damages when the Court had declined to certify a damages
5 class; it objected to the attorneys’ fees award for being ‘excessive’ only because the attorneys
6 failed to secure damages, again ignoring that the Court had declined to certify a damages class”).

7 Indeed, much of St. John’s authority appears to be boilerplate drawn from other briefs and
8 is irrelevant where only an injunctive-relief class has been certified. *See, e.g.*, Objection at 12
9 (citing *In re Dry Max Pampers Litig.*, 724 F.3d 713 (6th Cir. 2013) for the proposition that
10 “[N]oncash relief ... is recognized as a prime indicator of suspect settlements.”). Contrary to St.
11 John’s suggestion, Plaintiffs did not “‘abandon[] pursuit of a monetary recovery for the class’ in
12 favor of an injunctive relief-only settlement,” (Objection at 12 (quoting *Grok Lines, Inc. v.*
13 *Paschall Truck Lines, Inc.*, No. 14-8033, 2015 WL 5544504, at *7 (N.D. Ill. Sept. 18, 2015)),
14 rather the *Court* held, after briefing and oral argument, that only injunctive relief may be sought
15 on a class-wide basis in this case.

16 There is no indication in St. John’s brief that she is aware that Plaintiffs sought, and the
17 Court rejected, certification of a damages class. Nor does St. John provide any suggestion of how
18 Plaintiffs could have pursued class-wide cash relief given the nature of the class certified.
19 However, as St. John concedes, the Settlement provides that every class member (other than the
20 named Plaintiffs) may still pursue an individual claim for damages (*see* Objection at 21)—
21 damages which they would not have been able to obtain from this case, even if the case had gone
22 to trial and Plaintiffs prevailed. As such, the Settlement “adequately balances fairness to absent
23 class members and recovery for plaintiffs with defendants’ business interest in ending th[e]
24 litigation with finality.” *Lee v. Glob. Tel*Link Corp.*, No. 15-2495, 2017 WL 1338085, at *7
25 (C.D. Cal. Apr. 7, 2017) (internal quotations and citation omitted). Particularly given the Court’s
26 statement that “many class members appear to have suffered little, if any, harm” (Dkt. No. 192,
27 Class Cert. Order, at 27), an injunctive-relief only settlement is fair and appropriate. St. John’s
28 objection should be overruled on these grounds alone.

1 **Facebook’s Acknowledgement of Cessation of the Challenged Practices**
2 **Provides Benefit to the Class.**

3 In its Class Certification Order, the Court certified for class treatment the following three
4 practices by Facebook: (1) “Facebook scans the users’ messages, and when a URL was included,
5 it would increase the “Like” counter for that URL;” (2) “Facebook scans users’ messages, and
6 when a URL is included, it uses that data to generate recommendations,” and (3) “Facebook scans
7 the messages, and when a URL is included, it shares that data with third parties so that they can
8 generate targeted recommendations.” Dkt. No. 192, Class Cert. Order, at 3-4. In its subsequent
9 discovery ruling, the Court confirmed these three practices as the scope of Plaintiffs’ claims for
10 class consideration. *See* Dkt. No. 218 at 2. As described below, the Settlement Agreement
11 achieves full injunctive relief that is tailored to the three practices at issue.

12 Facebook, as part of the Settlement Agreement, acknowledges in unambiguous terms that
13 it has ceased engaging in the challenged practices. The details of those acknowledgements—for
14 example, Facebook’s past uses of EntShares to record Private Message Content, as well as
15 Facebook’s use of Private Message Content to inform its “Recommendations” feed (*see*
16 Settlement Agreement at ¶ 40(a))—were not publicly known prior to this litigation, and were only
17 revealed as a result Plaintiffs’ extensive technical discovery and analysis of Facebook’s Private
18 Message system. Moreover, contrary to St. John’s assertions, prior to entering into this
19 Settlement Agreement, Facebook had not detailed the extent to which it made use of Private
20 Message URL content during the class period, nor had it provided the clear and explicit
21 assurances of cessation of *all* of the conduct described in the Settlement Agreement; thus the
22 Settlement’s acknowledgement provisions may provide valuable to guidance to class members
23 that may choose to seek individual damages for past uses of their Private Message content.
24 Combined with the enhanced disclosures discussed below, the Settlement achieves the twin aims
25 of this litigation: assurance to the class that Facebook has ceased its past challenged uses of URLs
26 in Private Messages, as well as future, transparent disclosure of further uses Facebook may make
27 of such content. St. John incorrectly argues that the Settlement allows Facebook to continue to
28 “intercept” Private Message contents in violation of ECPA (18 U.S.C. §§ 2510, et seq.) and CIPA

1 (Cal. Penal Code § 631). Combined with the enhanced disclosures, Facebook’s future use of
2 URLs in Private Messages would be clearly disclosed to class members and thus would comport
3 with ECPA and CIPA.

4 **C. The Enhanced Disclosures Provide Relief to the Class.**

5 The Settlement requires Facebook to display the following additional language on its
6 United States website for Help Center materials concerning messages within 30 days of the
7 Effective Date: “We use tools to identify and store links shared in messages, including a count of
8 the number of times links are shared.” Dkt. No. 227-3, Settlement Agreement ¶ 40(d). This
9 statement on Facebook’s website unambiguously discloses the use of URLs sent in Private
10 Messages, and allows class members as well future Facebook users to make informed decisions
11 regarding what to share in Private Messages on Facebook. With this language, Facebook
12 provides enhanced disclosures regarding the continued practice of internal logging and counting
13 of URL links, while no longer engaging in the three uses certified for class treatment: sharing and
14 using data derived from the URL processing via the Like Counter, Recommendations Feed, and
15 the Insights Dashboard. *See id.* ¶ 40.

16 St. John makes no effort to explain why this enhanced disclosure on Facebook’s website is
17 “worthless” to the class; she does not deny that it constitutes a new and transparent disclosure of
18 Facebook’s use of URLs in Private Messages going forward, nor does she deny that it will allow
19 users to make an informed choice regarding what to share in Private Messages, or whether to use
20 Facebook’s Private Message feature at all. Given that consent is a complete defense to Plaintiffs’
21 ECPA and CIPA claims, these disclosures (along with the cessation of the challenged practices
22 and disclosures discussed below) bring Facebook’s business practices into compliance with the
23 law, and allow Facebook users to decide whether to consent to allow Facebook to use the URLs
24 they choose to send in Private Messages.

25 Courts have found such additional disclosures appropriate injunctive relief for the class in
26 similar privacy cases. In an analogous recent case within this District, the court approved an
27 injunction-only settlement founded in part on enhanced public disclosures. *In re Yahoo Mail*
28 *Litig.*, No. 13-4980, 2016 WL 4474612, at *4 (N.D. Cal. Aug. 25, 2016) (Koh, J.), appeal

1 dismissed sub nom. *Cody Baker et al. v. Yahoo!, Inc.*, No. 16-16759 (Sept. 30, 2016) (approving
2 settlement that included enhanced disclosures on Yahoo’s Privacy Center Webpage which stated
3 “Yahoo analyzes and stores all communications content, including email content from incoming
4 and outgoing mail.”). While in the *Yahoo* case the defendants agreed to process the class
5 members’ emails in a different manner, here, no such change in business practices can be
6 effectuated as part of the settlement because, as Facebook acknowledges, *it already implemented*
7 *the appropriate business practices changes* (i.e., cessation of the challenged practices) during the
8 course of the litigation.

9 Moreover, Facebook implemented another significant change to its disclosures during the
10 course of this litigation in a way that directly relates to the subject matter of this litigation. As the
11 Settlement Agreement makes clear, during the course of this litigation, Facebook revised its Data
12 Policy to state, inter alia, that Facebook collects the “*content* and other information” that people
13 provide when they “*message* or communicate with others,” and to further explain the ways in
14 which Facebook may use that content. (Dkt. No. 227-3, Settlement Agreement ¶ 40(c) (emphasis
15 added); Facebook Data Policy, §§ I-II.). These enhanced disclosures, enacted after the filing of
16 this action and after the Court’s ruling on the Motion to Dismiss, are among the benefits to class
17 members of this litigation (*see id.*), and together with the additional forward-looking disclosures
18 apprise class members of Facebook’s use of their Private Message content.

19 St. John provides no suggestion of what a better injunctive relief-only settlement would
20 have looked like in this case; she cannot, because the Settlement is specifically tailored to remedy
21 the claims certified for injunctive class treatment by the Court. St. John ignores the two-prong
22 analysis under ECPA and CIPA: both statutes (a) prohibit content interceptions (b) *without*
23 *consent*. 18 U.S.C. §§ 2510, et seq.; Cal. Penal Code § 631. Plaintiffs cannot demand in the
24 future that Facebook not engage in business practices that it fully discloses to its users in
25 compliance with the law. Ultimately, Facebook has agreed to provide the injunctive relief sought
26 on behalf of the settlement class—namely, it has implemented and confirmed substantial changes
27 to both its business practices and to its disclosures and Help Center materials, which Plaintiffs
28

1 contend bring Facebook’s business practices into compliance with their view of ECPA and CIPA.
2 The substantive terms of the Settlement are fair, reasonable, and adequate.²

3 This case involves the fundamental right, codified in the ECPA and CIPA, to privacy in
4 online communications; the importance of this right is manifest by the keen media attention in
5 this case and other cases concerning data privacy (*see, e.g.*, Dkt. No. 233-2, Settlement
6 Agreement, listing dozens of news articles covering this case over a three-year period).³ As
7 described above, the proposed Settlement provides assurance to those interested in how their
8 private communications are used that Facebook is no longer engaging in the challenged practices,
9 and requires Facebook to alter its public disclosures in order to apprise Facebook users of what it
10 does with their private communications going forward. St. John’s objection—bereft of any
11 suggestion of what an appropriate settlement of this case would look like—evinces little
12 understanding of, or even interest in, the technical issues underlying this case, or in the role
13 consent plays with respect to the lawful use of electronic communications. While St. John may
14 consider a transparent addition to the world’s largest social network’s public disclosures
15 regarding how it uses such communications unimportant, the proposed Settlement is in fact an
16 important step towards further transparency in the use of private communications over the
17 Internet.

18 **D. The Requested Attorneys’ Fees and Costs are fair, Reasonable and**
19 **Appropriate under the Circumstances.**

20 **1. Contrary to St. John’s Objection, the Fee Request Includes No Indicia**
21 **of “Self-Dealing.”**

22 Contrary to St. John’s assertions, the settlement negotiations in this action have *none* of
23 the indicia of “self-dealing.” First, in contrast to the cases upon which St. John relies, Facebook
24 agreed not to take a position on Plaintiffs’ fee motion only (a) after Plaintiffs agreed to request

25 ² Because the substantive terms of the Settlement are fair, reasonable, and adequate, St. John’s
26 arguments regarding the adequacy of representation—based on the purported inadequacy of the
27 Settlement—are irrelevant and should be rejected.

28 ³ *See also* Timothy J. Seppala, Facebook facing class-action lawsuit over unauthorized message
scanning, Engadget, available at <https://www.engadget.com/2014/12/25/facebook-class-action-privacy-lawsuit/> (stating the results of this case “will almost assuredly have big effects for how
we communicate on the web moving forward, and you can bet we’ll be following them closely in
the coming year”).

1 only *half* their lodestar and provided Facebook with monthly summaries of counsels’
2 timekeeping, (b) in a mediator’s proposal before a well-respected mediator, (c) after the
3 substantive components of the settlement had been resolved across four mediation sessions before
4 two mediators over several months, (d) at the tail-end of three years of zealous and at times
5 acrimonious litigation, after class certification, and just weeks before the close of fact discovery.
6 Put simply, Class Counsel agreed to a significant 50 percent reduction in lodestar to bring this
7 litigation to an end once the substantive components of the settlement had been resolved and to
8 avoid a protracted fee dispute that would have been contrary to the class’s interests. This is not
9 “clear sailing” but rather strong headwinds on tumultuous waters.⁴

10 Second, St. John’s allegation that the fee is disproportionate to the monetary relief once
11 again evidences St. John’s misunderstanding of the settlement and the history of this litigation.
12 Plaintiffs and Class Counsel zealously fought for class certification of monetary claims under
13 Rule 23(b)(3); however, this Court denied certification. It follows from that ruling that there is no
14 b(3) class to represent, no monetary relief, no common fund and no release of monetary claims.
15 A comparison of the requested attorneys’ fee to a non-existent common fund in this setting
16 signals either disingenuousness or ignorance. Nor is it constructive or instructive to compare the
17 fee request to some monetary valuation of the injunctive relief. The proper analysis is that set
18 forth in Plaintiffs’ Fee Motion⁵—a detailed lodestar analysis under which Class Counsel requests
19 a modest 50 percent of their lodestar and reimbursement of expenses.

21 ⁴ *Milano v. Interstate Battery Sys. of Am., Inc., et al.*, No. 10-2125, Dkt. Nos. 106 & 107 (N.D.
22 Cal. July 5, 2012) (Wilken, J.) demonstrates that no self-dealing occurred in this matter. There,
23 as in this matter, counsel sought settlement of a class with non-monetary relief under Federal
24 Rule 23(b)(2). *Id.*, Dkt. No. 107 at 2-4. The court, acknowledging the “possibility of collusion
25 among the negotiating parties,” noted that the parties “conducted Court-ordered mediation before
26 an experienced former California judge,” which “occurred after the parties had conducted
27 significant discovery and assessed the merits of the case.” *Id.*, Dkt. No. 106 at 5. The court also
28 noted that “the parties reached agreement on all substantive terms before discussing attorneys’
fees.” *Id.* As such, the court found the settlement to be “fair, reasonable, and adequate.” The
court ultimately awarded class counsel \$1,054,838.25 in fees based off the “lodestar value of
Class Counsel’s services.” *Id.*, Dkt. No. 107, at 2.

⁵ See Plaintiff’s Notice of Motion, Unopposed Motion and Memorandum of Points and
Authorities in Support of Motion for an Award of Attorneys’ Fees and Costs and Service Awards,
at 7-16, Dkt. No. 238.

1 Third, contrary to St. John’s allegations, there is no “kicker.” Again, because there is no
2 (b)(3) class, no monetary relief, no monetary release and thus no common fund, Facebook has not
3 paid any money into a common fund that could revert or “kick” back to Facebook. Instead,
4 Facebook simply has agreed to pay the amount ordered by the Court at a future date (30 days
5 from the Effective Date).

6 **2. St. John’s Objection Further Demonstrates that the Requested Fees**
7 **are Fair, Reasonable and Appropriate.**

8 Consistent with this Court’s Standing Order on Procedural Guidance of Class Action
9 Settlements,⁶ Class Counsel’s Fee Motion and supporting declarations provided (1) detailed
10 lodestar information, (2) the billing rate for each professional, (3) evidence that these rates are
11 customary, in accordance with prevailing market rates and have been approved by other courts in
12 this and similar markets, (4) the number of hours spent on fourteen categories of activities, and
13 (5) a detailed chronological narrative of Class Counsel’s work.

14 St. John posits two “concerns” about this detailed documentation. First, St. John suggests
15 that the requested blended rate is too high. Class Counsel stand by the blended rate at full
16 lodestar value in a case of this legal and technical complexity. However, a detailed response is
17 unnecessary because St. John’s objection actually supports a *higher* attorneys’ fee than that
18 requested here. St. John again ignores that Plaintiffs, to avoid a protracted fee dispute, agreed to
19 request only 50 percent of their actual lodestar, resulting in a blended rate of \$289.64. This
20 blended rate is *significantly* lower than the blended rate – ranging from \$366.87 to \$477 –
21 requested *and awarded by the Court* in each of the four cases relied upon by St. John.⁷
22 Accordingly, to the extent it has any value, St. John’s “objection” supports a *higher* attorneys’ fee
23 than that sought by Plaintiffs.

24 ⁶ Available at <http://www.cand.uscourts.gov/pjhorders>.

25 ⁷ *In re Quaker Oats Labeling Litig.*, No. 10-502, 2014 WL 12616764, at *1 (N.D. Cal. July 29,
26 2014) (Seeborg, J.) (Counsel requested and Court approved \$437.54); *Bruno v. Quten Research*
27 *Inst., LLC*, No. 11-173, 2013 WL 990495, at *4 (C.D. Cal. Mar. 13, 2013) (Counsel requested
28 and Court approved \$366.87); *Nguyen v. BMW of N. Am. LLC*, No. 10-2257, 2012 WL 1380276,
at *3 (N.D. Cal. Apr. 20, 2012) (Illston, J.) (Counsel requested and Court approved \$470);
Gabriel Techs. Corp. v. Qualcomm Inc., No. 8-1992 AJB, 2013 WL 410103, at *9 (S.D. Cal. Feb.
1, 2013) (Counsel requested and Court approved \$447).

1 Second, St. John raises a “concern” that a portion of any fee awarded may be shared with
2 counsel for former plaintiff David Shadpour who abandoned this litigation. This concern is
3 unwarranted. Only court-appointed Class Counsel Lieff Cabraser and Carney Bates moved for
4 attorneys’ fees and costs; only Class Counsel filed detailed documentation of their lodestar,
5 hourly rates, experience and expenses; and only Class Counsel—both of whom contributed
6 significant hours and expenses over the entire course of the litigation—will receive any attorneys’
7 fees or cost reimbursements that may be awarded by this Court. Plaintiffs do not oppose a
8 judicial prohibition on distribution of fees beyond Class Counsel but see no reason for it.

9 **E. This Court Did Not Abuse its Discretion by Requiring the Executed Notice.**

10 This Court in no way abused its discretion by requiring the notice plan set forth in the
11 Preliminary Approval Order. In this b(2) context, courts routinely determine that no notice is
12 required. Focusing on the Northern District of California, several courts have ruled that an
13 injunctive relief settlement, with no release of monetary claims by absent class members, does not
14 require any class notice. For example, Judge Tigar recently held that no notice was required to
15 members of the settlement class where, under the settlement, the defendant agreed to change its
16 labeling practices, but monetary claims of class members were not released, nor would class
17 members have the right to opt out. *Lilly v. Jamba Juice Company*, No. 13-2298, 2015 WL
18 1248027 at *9 (N.D. Cal. Mar. 18, 2015) (Tigar, J.). In another (b)(2) injunctive settlement case,
19 Judge Tigar again observed that “notice ‘is not uniformly required’” in settlements of this nature.
20 *Hart v. Colvin*, No. 15-623, 2016 WL 6611002 at *9 (N.D. Cal. 2016) (Tigar, J.) (quoting *Green*
21 *v. Am. Express Co.*, *supra*, 200 F.R.D. 211, 212-213 (S.D.N.Y. 2001)). In another recent case,
22 Judge Koh determined notice was not necessary where the relief was injunctive and class
23 members were still free to pursue monetary claims. *Yahoo Mail*, 2016 WL 4474612 at *5
24 (“because Rule 23(b)(2) provides only injunctive and declaratory relief, ‘notice to the class is not
25 required’”) (quoting *Lyon v. United States Immigration and Customs Enforcement*, 300 F.R.D.
26 628, 643 (N.D. Cal. 2014) (Chen, J.)).

27 The Southern District of California also has followed this approach in the context of b(2)
28 settlements without release of monetary claims. See *Kline v. Dymatize Enters.*, No. 15-2348, 2016

1 WL 6026330 at *6 (S.D. Cal. Oct. 13,2016) (foregoing notice because the class only released
2 claims for injunctive relief); *Bee, Denning, Inc. v. Capital Alliance Group*, No. 13-2654, 2016
3 WL 3952153 at *9 (S.D. Cal. July 21, 2016) (“Because the relief requested in a (b)(2) class is
4 prophylactic, enures to the benefit of each class member, and is based on accused conduct that
5 applies uniformly to the class, notice to absent class members and an opportunity to opt out of the
6 class is not required” therefore “no notice is required for a Rule 23(b)(2) class action settlement”).

7 Federal courts outside of California have reached the same conclusion. *See, e.g., Selby v.*
8 *Principal Mut. Life Ins. Co.*, No. 98-5283, 2003 WL 22772330 (S.D.N.Y. Nov. 21, 2003)
9 (foregoing notice where the only thing that class members could not do as a result of the
10 settlement was sue for alternative injunctive or declaratory relief); *Foti v. NCO Fin. Sys. Inc.*, No.
11 4-707, Dkt. No. 71, at 8-9 (S.D.N.Y. Feb. 20, 2008) (foregoing notice where class members
12 maintained the right to pursue statutory damages and the settlement was injunctive in nature);
13 *Jermyn v. Best Buy Stores, L.P.*, No. 8-214, 2012 WL 2505644 at *3 (S.D.N.Y. Jun. 27, 2012)
14 (foregoing notice where the injunctive settlement “preserve[d] and [did] not release class
15 members’ monetary claims); *In re Subway Footlong Sandwich Mktg. and Sales Practices Litig.*,
16 No. 13-md-2439, 2015 WL 12616163 (E.D. Wisc. Oct. 2, 2015) (foregoing notice where class
17 members were only giving up injunctive claims, the injunctive relief gave class members the
18 relief sought, no collusion was present, notice to a huge portion of the U.S. population would be
19 expensive, and there was significant press surrounding the issue).

20 St. John ignores all these recent cases on point. None of the cases St. John cites involve
21 (b)(2) settlements with injunctive relief systemically impacting all class members the same, with
22 no release of monetary claims. Instead, all St. John’s authority is inapposite as the cases either (a)
23 do not even involve class actions,⁸ (b) involve certification of non-(b)(2) classes seeking
24 monetary relief,⁹ (c) involve the settlement of (b)(2) classes *with* releases of monetary claims,¹⁰ or

25 _____
26 ⁸ *See Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306 (1950) (involving sufficiency of
27 notice sent to beneficiaries on judicial settlement of accounts by trustee of a common trust); *Jones*
28 *v. Flowers*, 547 U.S. 220, 229-30 (2006) (involving sufficiency of notice of a tax sale of home).

⁹ *See In re Katrina Canal Breaches Litig.*, 628 F.3d 185,197 (5th Cir. 2010) (involving
certification of a limited fund mandatory class under 23(b)(1)(B)); *Larson v. AT&T Mobility LLC*,
687 F.3d 109, 122-31 (3d Cir. 2012) (involving certification of a 23(b)(3) class); *In re Motor Fuel*

1 (d) involve (b)(2) settlements from decades past in completely different contexts (school
2 desegregation and discriminatory hiring practices) where the prospective relief impacts individual
3 class members differently.¹¹

4 **III. CONCLUSION**

5 For the foregoing reasons, Plaintiffs and Class Counsel respectfully request that the Court
6 enter an Order overruling St. John's objection, awarding the requested attorneys' fees and
7 expenses and Plaintiff service awards, and granting final approval of the Settlement.

8
9 Dated: July 10, 2017

By: /s/ Hank Bates

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Footnote continued from previous page

22 *Temperature Sales Practices Litig.*, 279 F.R.D. 598, 617 (D. Kan. 2012) (involving certification
23 of both 23(b)(2) and 23(b)(3) classes); *Allen v. Similasan Corp.*, No. 12-376, 2017 WL 1346404,
24 at *2 (S.D. Cal. Apr. 12, 2017) (involving certification of 23(b)(3) class); *Hendricks v. Starkist*
Co., No. 13-729, 2016 WL 5462423, at *3 (N.D. Cal. Sept. 29, 2016) (Gilliam, J.) (involving
certification of 23(b)(3) class); *Fernandez v. Victoria Secret Stores, LLC*, No. 6-4149, 2008 WL
8150856, at *3 n.20 (C.D. Cal. Jul. 21, 2008) (involving certification of 23(b)(3) class).

25 ¹⁰ *See Felix v. Northstar Location Servs.*, 290 F.R.D. 397, 408-09 (W.D.N.Y. 2013) (involving
26 23(b)(2) class with release of monetary claims); *Hecht v. United Collection Bureau, Inc.*,
691 F.3d 218, 225 (2d Cir. 2012) (involving 23(b)(2) class with release of monetary claims).

27 ¹¹ *Mendoza v. United States*, 623 F.2d 1338, 1350 n.16 (9th Cir. 1980) (involving 23(b)(2) class of
28 individuals seeking to desegregate a school); *Mandujano v. Basic Vegetable Prods., Inc.*,
541 F.2d 832, 835 (9th Cir. 1976) (involving 23(b)(2) class of individuals seeking to change
discriminatory hiring practices).

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