United States District Court Northern District of California 1

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UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN JOSE DIVISION

IN RE NEST LABS LITIGATION

Case No. <u>14-cv-01363-BLF</u>

ORDER DENYING, WITHOUT PREJUDICE, MOTION TO APPOINT INTERIM CLASS COUNSEL

[Re: ECF 29]

This is a putative consumer class action involving defendant Nest Labs, Inc.'s allegedly

misleading advertisement of its "Nest" thermostat product. Before the Court is the motion by

15 plaintiffs Justin Darisse and Joshua Beloff (collectively, "Plaintiffs") to appoint law firms Bursor & Fisher, P.A. and Cafferty Clobes Meriwether & Sprengel LLP ("Cafferty Clobes") as "co-lead 16 interim class counsel." (Pl.'s Mot., ECF 29) Defendant opposes this appointment as premature. 17 18 (Def.'s Opp., ECF 30) Having reviewed the parties' respective written submissions, the Court 19 finds this matter appropriate for submission without oral argument and hereby VACATES the 20 hearing scheduled for September 4, 2014. For the following reasons, Plaintiffs' Motion to 21 Appoint Interim Class Counsel is DENIED, without prejudice. 22 Under Federal Rule of Civil Procedure 23(g)(3), the district court may appoint interim 23 counsel to act on behalf of a putative class before determining whether to certify a class. The 24 appointment of interim class counsel is discretionary and is particularly suited to complex actions,

> If the lawyer who filed the suit is likely to be the only lawyer seeking appointment as class counsel, appointing interim class counsel may be unnecessary. If, however, there are a number of overlapping, duplicative, or competing suits pending in other courts, and some or all of those suits may be consolidated, a number of

as explained in the Manual for Complex Litigation (Fourth):

lawyers may compete for class counsel appointment. In such cases, designation of interim counsel clarifies responsibility for protecting the interests of the class during precertification activities

Manual for Complex Litigation (Fourth) § 21.11 (2004). Further, the commentary to Rule 23 notes that "[i]n some cases . . . there may be rivalry or uncertainty that makes formal designation of interim counsel appropriate." Fed. R. Civ. P. 23 advisory committee's note (discussing former subdivision (g)(2)(A), now renumbered to (g)(3)).

This is not the type of case that warrants appointment of interim class counsel. This action originated as two separate cases with similar complaints. (See Darisse v. Nest Labs, No. 5:14-cv-01363-BLF (Compl., ECF 1); Beloff v. Nest Labs, No. 5:14-cv-01697-BLF (Compl., ECF 1)). On plaintiff Beloff's motion, this Court related the two cases then granted Plaintiffs' stipulation to consolidate the two actions into one. (See Related Case Order, ECF 22; Consolidation Order, ECF 24) Thus, at present, there is only one consolidated action with one consolidated complaint. (See Consolidated Class Action Compl., ECF 28) Though Plaintiffs allude to potential other "tagalong" lawsuit on the horizon, they have not identified any complaints actually filed, let alone any actions that are likely to be consolidated with this one. (Pl.'s Reply 3, ECF 32) This action as it currently stands therefore does not present special circumstances warranting the appointment of interim class counsel. See Donaldson v. Pharmacia Pension Plan, No. CIV. 06-3-GPM, 2006 WL 1308582, at *1-2 (S.D. Ill. May 10, 2006) (noting that typical situation requiring appointment of interim class counsel is one "where a large number of putative class actions have been consolidated or otherwise are pending in a single court").

"[N]or is there a gaggle of law firms jockeying to be appointed class counsel," Parrish v. 22 Nat'l Football League Players Inc., No. C 07-00943 WHA, 2007 WL 1624601, at *9 (N.D. Cal. 23 June 4, 2007), as the only two law firms on the case seek appointment as co-interim class counsel. 24 There does not appear to be any rivalry between the two firms, nor any uncertainty as to their 25 respective roles. In fact, Plaintiffs note that the two firms have been coordinating and collaborating to prosecute the consolidated actions efficiently. (see Pl.'s Mot. 7-8; Persinger Decl. 26 27 ¶ 11, ECF 29-1) As such, greater efficiency and clarity can only be realized if the Court appoints 28 one firm as interim class counsel. Plaintiffs' motion, however, does not request that the Court

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choose one over another. The Court thus finds that it is not necessary to appoint interim class counsel merely to maintain the status quo. For the foregoing reasons, Plaintiffs' Motion to Appoint Interim Class Counsel is DENIED, without prejudice. **IT IS SO ORDERED.** Dated: August 18, 2014 heeman LABŠON FREEMAN United States District Judge