

FILED
LOS ANGELES SUPERIOR COURT

OCT 06 2022

SHERRI R. CARTER, EXECUTIVE OFFICER/CLERK
BY N. Navarro Deputy
NANCY NAVARRO

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES**

JONATHAN GIANNOULIS, et al,


Plaintiff,

v.

DIRECTV, LLC,

Defendant.

Case No.: BC596668


PROPOSED ORDER GRANTING
MOTION FOR FINAL APPROVAL
OF CLASS ACTION SETTLEMENT

Date: October 6, 2022
Time: 9:00 a.m.
Dept.: SSC-17

I. BACKGROUND

Plaintiffs Jonathan Giannoulis and Deshon Allen sue their former employer, Defendant DIRECTV, LLC (“Defendant” or “DIRECTV”) for alleged wage and hour violations. DIRECTV is a direct broadcast satellite service provider based in El

1 Segundo, California. Plaintiffs seek to represent a class of current and former
2 technicians allegedly misclassified as independent contractors.

3 On October 1, 2015, Plaintiff Giannoulis filed the initial class action complaint
4 alleging causes of action for: (1) failure to pay for all hours worked (Labor Code §§
5 204, 223); (2) failure to pay overtime premium (Labor Code §§ 1194, 510); (3) failure
6 to pay minimum wage (Labor Code §§ 1194, 1197, 1197.1, 1199); (4) failure to provide
7 meal periods (Labor Code §§ 226.7, 512); (5) failure to provide rest periods (Labor
8 Code § 226.7); (6) unlawful wage deductions, collection from wages (chargebacks)
9 (Labor Code §§ 221, 225, 225.5); (7) failure to furnish wage statements (Labor Code §§
10 226, 1174, 1175); (8) failure to reimburse necessary business expenses (Labor Code §§
11 2802, 226.8); (9) failure to pay wages due on discharge, layoff, or resignation (Labor
12 Code §§ 201, 202, 203, 204); and (10) unfair business practices (Bus. & Prof. Code §
13 17200, *et seq.*). On October 20, 2015, Plaintiff Giannoulis filed the First Amended
14 Complaint to add a claim for penalties under the Private Attorneys General Act (Labor
15 Code §§ 2698, 2699, 2699.3) (“PAGA”).

16 On July 17, 2017, Plaintiff Giannoulis filed the Second Amended Complaint
17 adding Deshon Allen as a named Plaintiff.

18 On August 13, ²⁰²⁰~~2019~~, DIRECTV launched an “Individual Settlement Program,”
19 unilaterally issuing checks in the amount of \$2,250 to approximately 1,400 putative
20 class members in exchange for releases. According to DIRECTV’s counsel, roughly
21 85% of the recipients accepted an individual settlement.

22 On August 21, 2020, Plaintiffs filed a motion for class certification. On August
23 26, 2020, the Court granted the parties’ request for a continuance of all case deadlines
24 pending a mediation between the parties. That mediation was unsuccessful.

1 On October 27, 2020, Plaintiffs filed for a protective order seeking, among other
2 things, to invalidate the releases DIRECTV obtained. On January 11, 2021, the Court
3 denied the motion.

4 On May 18, 2021, the parties held another mediation, which resulted in
5 settlement. The terms ultimately were finalized in a Settlement Agreement tendered as
6 Exhibit A to the Second Supplemental Declaration of George A. Hanson filed May 6,
7 2022.

8 The settlement was preliminarily approved on May 11, 2022, subject to certain
9 conditions, with which there has been compliance. Notice was given to the Class
10 Members as ordered (see Declaration of Madely Nava; Supp. Declaration of Madely
11 Nava). Now before the Court is Plaintiff's motion for final approval of the Settlement
12 Agreement, including for payment of fees, costs, and service awards to the named
13 plaintiffs. For the reasons set forth below, the Court grants final approval of the
14 settlement on the terms set forth below.

15
16 **II. THE TERMS OF THE SETTLEMENT**

17
18 **A. SETTLEMENT CLASS DEFINITION**

19 "Settlement Group Members" means all current, former, or prospective workers
20 who were assigned a Technician ID number in the Siebel system, and who installed,
21 serviced, and/or repaired DIRECTV systems in the State of California but were not
22 classified by DIRECTV or any Home Service Provider as W-2 employees during the
23 Covered Period—excluding individuals who (1) performed work through White
24 Communications, LLC, but only during the time they were performing such work; or
25

1 (2) had claims against DIRECTV pending in the United States District Court for the
2 Central District of California as of August 13, 2020. (¶18)

3 “Covered Period” is the time between October 1, 2011, to the date the Court
4 preliminarily approves this Settlement. (¶4)

5 “PAGA Settlement Group Members” means all Settlement Group Members who
6 performed one or more DIRECTV work orders during the PAGA Covered Period while
7 not classified as a W-2 employee while performing such work order(s). (¶13)

8 “PAGA Covered Period” means the time between October 20, 2014, to the date
9 the Court preliminarily approves this Settlement. (¶11)

10 11 **B. THE MONETARY TERMS OF SETTLEMENT**

12 The essential monetary terms are as follows:

- 13 • The Total Settlement Amount is **\$23,150,000** (¶19). This includes payment of a
14 PAGA penalty of **\$150,000** to be paid 75% to the LWDA (\$112,500) and 25% to
15 the PAGA Settlement Group Members (\$37,500) (¶¶ 12, 31).
- 16 • The Net Settlement Amount (“Net”) (**\$11,834,105**) is the Total Settlement
17 Amount less:
 - 18 ○ **\$3,150,000** that Defendant previously paid to certain technicians through
19 its Individual Settlement Program (“Individual Settlement Amount”) (¶8);
 - 20 ○ Up to **\$7,715,895** (33.33%) for attorney fees (¶28);
 - 21 ○ Up to **\$250,000** for attorney costs (*Ibid.*);
 - 22 ○ Up to **\$10,000 total [\$5,000 per Plaintiff]** for service awards to the
23 proposed class representatives (¶29); and
 - 24 ○ Estimated **\$40,000** for settlement administration costs (¶30).

- 1 • The amounts paid under this Settlement will not be subject to tax withholding.
2 (¶31.e)
- 3 • Assuming the Court approves all maximum requested deductions, approximately
4 \$11,842,272.61 will be available for distribution to participating class members.
5 The average settlement share will be approximately \$5,130.96. ($\$11,842,272.61$
6 $\text{Net} \div 2,308 \text{ class members} = \$5,130.96$). In addition, each PAGA Settlement
7 Group Member will receive a portion of the PAGA penalty, estimated to be
8 \$27.39 per PAGA Settlement Group Member. ($\$37,500 \text{ or } 25\% \text{ of } \$150,000$
9 $\text{PAGA penalty} \div 1,369 \text{ PAGA Settlement Group Members} = \27.39).
- 10 • There is no Claim Requirement as to Settlement Group Members with valid
11 addresses on file. A self-identification procedure exists for Settlement Group
12 Members who may not have been identified through Defendant's records (¶43).
- 13 • The settlement is not reversionary (¶27).
- 14 • Individual Settlement Share Calculation: The balance of the Net Settlement
15 Amount remaining, after deduction of the PAGA Settlement Amount, will be
16 distributed to the Settlement Group Members as follows: (¶31.c)
 - 17 ○ First, \$250 will be allocated to all Settlement Group Members; (¶31.c.i)
 - 18 ○ Second, Settlement Group Members who did not cash the \$2,250 check as
19 part of the Individual Settlement Program will be allocated \$2,250;
20 (¶31.c.ii)
 - 21 ○ Third, the remaining Net Settlement Amount will be allocated among
22 Settlement Group Members pro rata according to shares based on work
23 orders completed in the Covered Period. Settlement Group Members who
24 did not cash a check as part of the Individual Settlement Program will
25 receive 2 shares per completed work order. Settlement Group Members

1 who cashed a check as part of the Individual Settlement Program will
2 receive 1 share per completed work order. (§31.c.iii)

- 3 ○ All PAGA Settlement Group Members—regardless of whether they
4 submit an Opt-Out—will receive their share of the PAGA Settlement
5 Amount in the form of a separate check. The amount of each check will
6 be calculated as follows: each PAGA Settlement Group Member will be
7 allocated a share for each work order he or she performed during the
8 PAGA Covered Period, and the aggregate amount to be distributed to the
9 PAGA Settlement Group Members will be allocated equally, pro rata, to
10 each share. (§31.b)

- 11 • Timing of Settlement Payments:

- 12 ○ On the First Payment Date, the Settlement Administrator will pay to
13 Settlement Group Members with valid addresses (including those who
14 have self-identified prior to the First Payment Date), the Settlement
15 Shares; to each Plaintiff, the Service Payments to Named Plaintiffs; to the
16 LWDA, the LWDA Payment; to Class Counsel, the Attorneys' Fees and
17 Expenses Payment; and to the Settlement Administrator, its reasonable
18 fees and expenses. (§48.a) "First Payment Date" is the date that the
19 Settlement Administrator makes the distribution as provided in Paragraph
20 ¶ 48.a and will be 14 days after the Effective Date. (§7)
- 21 ○ On the Second Payment Date, and consistent with Paragraph 31.d, the
22 Settlement Administrator will distribute to (1) the Settlement Members
23 who cashed checks during the first round of payments and (2) those who
24 self-identified after the first round of payments were issued, the portion of
25 the Net Settlement Amount remaining, including the portion remaining

1 from checks from the first round of payments that were not cashed, and
2 the PAGA percentage for each Settlement Group Member. (§48.b)

3 “Second Payment Date” is the date that the Settlement Administrator
4 makes the distribution as provided in Paragraph § 48.b and will be 150
5 days after the First Payment Date. (§16)

- 6 • Tax Withholdings: The entirety of each Settlement Group Member’s share of the
7 PAGA Settlement Amount and Net Settlement Amount will be reported to the
8 IRS on Form 1099. (§31.e)
- 9 • Funding of Settlement: Within 5 days after the Court enters its order granting
10 Final Approval, the Settlement Administrator will provide Defendant with wire
11 transfer information, a W9, CA590, and an invoice. Within 21 days after the
12 Settlement Administrator provides Defendant with the required information,
13 Defendant will transfer the Remaining Settlement Funding Amount to the
14 Settlement Administrator via wire transfer. (§38)
- 15 • Uncashed Settlement Payment Checks: If a Settlement Group Member fails to
16 cash his or her settlement check within 90 days after the settlement checks are
17 mailed to the Settlement Group Members, that settlement check will become
18 void. Any balance remaining with respect to the Total Settlement Amount
19 resulting from settlement checks that are voided for being uncashed within the
20 90 days after mailing or were not distributed on the First Payment Date, will be
21 redistributed by the Settlement Administrator to those Settlement Group
22 Members who self-identified after the First Payment Date and those Settlement
23 Group Members who did cash their settlement checks. The redistribution will
24 first pay to the newly identified Settlement Group Members their pro rata share
25 as calculated pursuant to paragraph 31.c. Then the redistribution will pay to all

1 identified class members, the remaining net settlement amount, allocated on a
2 pro rata basis consistent with paragraph 31.c.3. Pursuant to California Code of
3 Civil Procedure section 384, after 90 days have passed since the mailing of the
4 Second Payment, the balance remaining from any uncashed checks will be
5 distributed by the Settlement Administrator to Legal Aid at Work. (¶31.d)

- 6 ○ Each party and their counsel represents that they have no interest or
7 involvement in the governance or work of Legal Aid at Work. (Decl. of
8 Deshon R. Allen ISO Prelim ¶19; Decl. of Jonathan Giannoulis ISO
9 Prelim ¶18; Supp. Hanson Decl. ISO Prelim ¶12; Supp. Decl. of J. Toji
10 Calabro ISO Prelim ¶2; Decl. of Bradford B. Lear ISO Prelim ¶2; Decl. of
11 Todd C. Werts ISO Prelim ¶2.)

12
13 **C. TERMS OF RELEASES**

- 14 • Settlement Group Member Release: As of the Effective Date of the Settlement
15 Agreement, Plaintiffs Giannoulis and Allen, on behalf of all other Settlement
16 Group Members; fully release and discharge Defendant and any of its former,
17 present or future parents, subsidiaries, affiliates, partners, officers, directors,
18 managers, agents, shareholders, and the predecessors and successors, assigns,
19 and legal representatives of all such entities and individuals (“Released parties”)
20 of any and all known and unknown claims as alleged in, and that could have
21 been alleged based on the facts of, the operative complaint. This includes, but is
22 not limited to statutory, constitutional, contractual or common law claims for
23 wages, damages, unpaid costs or expenses, penalties, liquidated damages,
24 punitive damages, interest, attorneys’ fees, litigation costs, restitution, or
25 equitable relief, arising out of or based upon the following categories of

1 allegations, to the fullest extent such claims are releasable by law: (a) all claims
2 for failure to pay wages, including overtime premium pay and the minimum
3 wage that could have been alleged based on the facts set forth in the operative
4 Complaint; (b) all claims for the failure to provide meal and/or rest periods in
5 accordance with applicable law, including payments for missed meal and/or rest
6 periods and alleged nonpayment of wages for meal periods worked and not
7 taken, that could have been alleged based on the facts set forth in the operative
8 Complaint; (c) all claims for independent contractor misclassification that could
9 have been alleged based on the facts set forth in the operative Complaint; and (d)
10 any and all claims for recordkeeping or pay stub violations, failure to reimburse
11 necessary business expenses, waiting time penalties, and all other civil and
12 statutory penalties. The released claims include without limitation claims
13 meeting the above definition(s) under any and all applicable statutes, including
14 without limitation any provision of the California Labor Code; California Bus. &
15 Prof. Code §§ 17200 et seq.; and any provision of the applicable California
16 Industrial Welfare Commission Wage Orders, to the extent they were or could
17 have been alleged based on the facts set forth in the operative Complaint. For the
18 avoidance of doubt, the scope of the Settlement Group Member Release extends
19 to but is limited to those claims that were or could have been alleged based on
20 the facts set forth in the operative Complaint. (¶32)

- 21 • The State of California's PAGA Release: As of the Effective Date of the
22 Settlement, and in consideration of the PAGA Settlement Amount, Plaintiff
23 Giannoulis—on behalf of the State of California, the LWDA, and the PAGA
24 Settlement Group Members—fully releases and discharges Defendant and the
25 Released Parties of all claims as alleged in (1) Giannoulis's PAGA Notice

1 Letter, filed with the LWDA on September 9, 2015 (Case No. LWDA-CM-
2 302134-17); and (2) his Renewed PAGA Notice Letter, filed with the LWDA on
3 March 17, 2016 (Case No. LWDA-CM-297464-17); that arose during the PAGA
4 Covered Period. For the avoidance of doubt, the scope of California's PAGA
5 Release is limited to those claims disclosed in these PAGA Notice Letters. (§33)

- 6 • The named Plaintiffs will also provide a general release and a waiver of the
7 protections of Cal. Civ. Code §1542. (§§ 34-35)
- 8 • The releases are effective as of the Effective Date of the Settlement. "Effective
9 Date" means the date on which the Settlement Administrator receives the
10 Remaining Settlement Funding Amount from Defendant following the Court's
11 granting of final approval of this Settlement Agreement. (§6)

12 13 **III. ANALYSIS OF SETTLEMENT AGREEMENT**

14 "Before final approval, the court must conduct an inquiry into the fairness of the
15 proposed settlement." Cal. Rules of Court, rule 3.769(g). "If the court approves the
16 settlement agreement after the final approval hearing, the court must make and enter
17 judgment. The judgment must include a provision for the retention of the court's
18 jurisdiction over the parties to enforce the terms of the judgment. The court may not
19 enter an order dismissing the action at the same time as, or after, entry of judgment."
20 Cal. Rules of Court, rule 3.769(h).

21 As discussed more fully in the Order conditionally approving the settlement, "[i]n
22 a class action lawsuit, the court undertakes the responsibility to assess fairness in order to
23 prevent fraud, collusion or unfairness to the class, the settlement or dismissal of a class
24 action. The purpose of the requirement [of court review] is the protection of those class
25 members, including the named plaintiffs, whose rights may not have been given due

1 regard by the negotiating parties.” See *Consumer Advocacy Group, Inc. v. Kintetsu*
2 *Enterprises of America* (2006) 141 Cal. App.4th 46, 60 [internal quotation marks
3 omitted]; see also *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 245
4 (“*Wershba*”), disapproved on another ground in *Hernandez v. Restoration Hardware*
5 (2018) 4 Cal.5th 260 [Court needs to “scrutinize the proposed settlement agreement to the
6 extent necessary to reach a reasoned judgment that the agreement is not the product of
7 fraud or overreaching by, or collusion between, the negotiating parties, and that the
8 settlement, taken as a whole, is fair, reasonable and adequate to all concerned.”] [internal
9 quotation marks omitted].

10 “The burden is on the proponent of the settlement to show that it is fair and
11 reasonable. However ‘a presumption of fairness exists where: (1) the settlement is
12 reached through arm's-length bargaining; (2) investigation and discovery are sufficient to
13 allow counsel and the court to act intelligently; (3) counsel is experienced in similar
14 litigation; and (4) the percentage of objectors is small.’” See *Wershba, supra*, 91
15 Cal.App.4th at pg. 245, citing *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794,
16 1802. Notwithstanding an initial presumption of fairness, “the court should not give
17 rubber-stamp approval.” See *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
18 116, 130. “Rather, to protect the interests of absent class members, the court must
19 independently and objectively analyze the evidence and circumstances before it in order
20 to determine whether the settlement is in the best interests of those whose claims will be
21 extinguished.” *Ibid.*, citing 4 Newberg on Class Actions (4th ed. 2002) § 11:41, p. 90. In
22 that determination, the court should consider factors such as “the strength of plaintiffs'
23 case, the risk, expense, complexity and likely duration of further litigation, the risk of
24 maintaining class action status through trial, the amount offered in settlement, the extent
25 of discovery completed and stage of the proceedings, the experience and views of

1 counsel, the presence of a governmental participant, and the reaction of the class
2 members to the proposed settlement.” *Id.* at 128. This “list of factors is not exclusive and
3 the court is free to engage in a balancing and weighing of factors depending on the
4 circumstances of each case.” *Wershba, supra*, 91 Cal.App.4th at pg. 245.)

5
6 **A. A PRESUMPTION OF FAIRNESS EXISTS**

7 The Court preliminarily found in its Order of May 11, 2022 that the presumption
8 of fairness should be applied. No facts have come to the Court’s attention that would
9 alter that preliminary conclusion. Accordingly, the settlement is entitled to a presumption
10 of fairness as set forth in the preliminary approval order.

11
12 **B. THE SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE**

13 The settlement was preliminarily found to be fair, adequate and reasonable. At
14 preliminary approval, Class Counsel represented that DIRECTV provided direct mail
15 contact information for roughly 1,400 class members (i.e., 61% of the class). In addition,
16 Class Counsel estimated it had email addresses for approximately 70% of class
17 members. (Supp. Hanson Decl. ISO Prelim ¶¶ 17-23.). A procedure for notice by mail,
18 email, and publication was approved.

19 Notice has now been given to the Class and the LWDA through mail, email, and
20 publication processes.

21 ILYM represents that on June 1, 2022, it published the settlement website at
22 www.dtvtechsettlement.com, which received 2,464 views as of September 13, 2022.
23 Also, as of September 13, 2022, 59 individuals have self-identified through the site. (*Id.*
24 at ¶10.)

1 From June 1, 2022 to July 31, 2022, ILYM ran ads on Facebook targeting users in
2 California. As of September 13, 2022, 374,755 individuals saw the ads, and 47 clicked
3 on the ad and were directed to the settlement website. (*Id.* at ¶11.)

4 From June 1, 2022 to July 31, 2022, ILYM published a summary notice in trade
5 journals located at www.fiercevideo.com, www.dbstalk.com, and www.avforum.com.
6 As of September 13, 2022, 1,249,511 individuals saw the ads, and 902 clicked on the
7 trade journal notices and were diverted to the settlement website. (*Id.* at ¶12.)

8 As for individual notice ILYM represents the following:

9 Number of class members: 2,308

10 Number of notices mailed: 1,462

11 Number of individualized notices e-mailed: 846 (for 740 class members)

12 Number of undeliverable mail notices: 45

13 Number of opt-outs: 0

14 Number of objections: 0

15 Number of participating class members: **2,308**

16 (Declaration of Madely Nava (“Nava Decl.”) ¶¶ 6-23.) In her Supplemental Declaration
17 Nava estimates that at least 1,917 class members received either mail notice, email
18 notice, or an email directing them to ILYM’s website for self-identification. (Nava Supp.
19 Dec. ¶16)

20 The settlement provides for a self-identification process for individuals who may
21 believe they are Settlement Group Members, but were not initially identified in
22 Defendant’s records. See Settlement Agreement ¶43.

23 The self-identification period will expire 120 days after the First Payment Date.
24 ILYM will make its determination as to whether self-identifying persons are Settlement
25 Group Members and issue them their allocated payments. (Settlement Agreement ¶43.)

1 ILYM will provide the parties with an updated list of all Settlement Group Members no
2 later than 35 days after the Self-Identification Period closes. (*Id.* at ¶44.)

3 As of October 3, 2022 67 persons self-identified. See Nava Supp. Dec ¶18.

4 The Court finds that the notice was given as directed and conforms to due process
5 requirements. Given the reactions of the Class Members and the LWDA to the proposed
6 settlement and for the reasons set for in the Preliminary Approval order, the settlement is
7 found to be fair, adequate, and reasonable.

8 **C. CLASS CERTIFICATION IS PROPER**

9 For the reasons set forth in the preliminary approval order, certification of the
10 Class for purposes of settlement is appropriate.

11 **D. ATTORNEY FEES AND COSTS**

12 Class Counsel requests \$7,715,895 (33.33%) for attorney fees and \$241,832.39 for
13 costs. (Memo ISO Final at 17:16-17, 22:5.)

14 Courts have an independent responsibility to review an attorney fee provision and
15 award only what it determines is reasonable. *Garabedian v. Los Angeles Cellular*
16 *Telephone Company* (2004) 118 Cal.App.4th 123, 128. A percentage calculation is
17 permitted in common fund cases. *Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480,
18 503.

19 In the instant case, fees are sought pursuant to the percentage method. (Memo
20 ISO Final at.) A lodestar cross check is requested.

21 The \$7,715,895 fee request is 33.33% of the Total Settlement Amount. Class
22 Counsel also asserts that their lodestar confirms that the fee request is fair, reasonable,
23 and should be approved. (Memo ISO Final at 19:6-8.)

24 Based on the representations of counsel, the combined lodestar is approximately
25 \$3,993,197.83, based on 5,998.8 hours spent on the prosecution of the case and resulting

1 in a blended rate of \$665.65 per hour. (Memo ISO Final at 20:11-21:16.) This implies a
2 multiplier of 1.93.

3 A lodestar is calculated by multiplying the number of hours reasonably expended
4 by the reasonable hourly rate. *PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084,
5 1095-1096 (*PLCM*). “Generally, ‘[t]he lodestar is calculated using the reasonable rate
6 for comparable legal services in *the local community* for noncontingent litigation of the
7 same type, multiplied by the reasonable number of hours spent on the case.’ ”
8 *Environmental Protection Information Center v. Dept. of Forestry & Fire Protection*
9 (2010) 190 Cal.App.4th 217, 248, quoting *Nichols v. City of Taft* (2007) 155
10 Cal.App.4th 1233, 1242-1243.

11 As to the reasonableness of the rate and hours charged, trial courts consider
12 factors such as “the nature of the litigation, its difficulty, the amount involved, the skill
13 required in its handling, the skill employed, the attention given, the success or failure,
14 and other circumstances.” *PLCM, supra*, 22 Cal.4th at p. 1096. “The evidence should
15 allow the court to consider whether the case was overstaffed, how much time the
16 attorneys spent on particular claims, and whether the hours were reasonably expended.”
17 *Christian Research Institute v. Alnor* (2008) 165 Cal.App.4th 1315, 1320.

18 Each of the counsel has provided the Court with general information as to the
19 work done, the hours spent, the experience and training of each, and indicates that his
20 proposed hourly rate has either been approved by other courts or should be considered
21 fair and reasonable. (See Hanson Decl. ISO Final ¶¶ 20-40; Calabro Decl. ISO Final ¶¶
22 4-15; Werts Decl. ISO Final ¶¶ 7-18.) There is, however, insufficient information for a
23 meaningful lodestar analysis to be performed. Counsel summarize the hours billed in
24 total. See Hanson Dec. ¶22; Calabro Dec. ¶15; Werts Dec. ¶12 . This is insufficient to
25 determine whether the time spent was reasonable. In support of their proposed hourly

1 rates, Class Counsel provide declarations by Aaron Kaufmann and Stanley Saltzman,
2 who are each attorneys with class action experience but who have had no involvement in
3 this litigation. (See Decl. of Kauffman, Decl. of Saltzman.) These Declarations relate to
4 the proposed hourly rates to be used in a lodestar analysis and also comment on the
5 quality of the work done.

6 There is very little data provided (and very little may be available) as to current
7 rates charged by wage and hour class action counsel in Los Angeles.

8 The Saltzman Declaration is of limited usefulness as, in the main, it does not
9 reflect rates charged by wage and hour class action litigators in the Los Angeles area.

10 The Kaufman Declaration, at Paragraphs 16-20, is properly directed to the type of
11 work at issue and properly describes what the Declarant and members of his firm charge
12 for similar work, but otherwise has little detail.

13 The Laffey matrix likewise is of limited usefulness, as it does not break down for
14 area of practice or geography. *Cf. Ruiz v. JCP Logistics, Inc.* (C.D. Cal. Aug. 12, 2016,
15 No. SACV 13-1908-JLS (ANx)) 2016 U.S. Dist. LEXIS 189280, at *28-30.) (rejecting
16 Laffey matrix and setting \$600 per hour for experienced wage and hour class action
17 counsel).

18 Nonetheless, the **\$7,715,895** fee request (33 1/3%) represents a reasonable
19 percentage of the total funds paid by Defendant. It is consistent with that awarded in
20 similar cases of this age, complexity, and risk level. Further, the notice expressly
21 advised class members of the fee request, and no one objected. (Nava Decl. ¶16, Exhibit
22 B thereto.) Accordingly, the Court awards fees in the amount of **\$7,715,895**.

23 Fee Split: The attorney's fees awarded in this case will be split among Class
24 Counsel as follows: (1) 65.52% to Stueve Siegel Hanson LLP; (2) 10% to Calabro Law
25

1 Office; and (3) 24.48% to Lear Werts LLP. Class Counsel represents that both named
2 Plaintiffs gave written approval to this fee arrangement. (Hanson Decl. ISO Prelim ¶86.)

3 Class Counsel requests **\$241,832.39** in costs. This is less than the \$250,000 cap
4 provided in the settlement agreement (¶28). The amount was disclosed to Class
5 Members in the Notice, and no objections were received. (Nava Decl. ¶16, Exhibit B
6 thereto.) Costs include: Hosting/Data Storage (\$106,752.72), Online Research
7 (\$58,183.20), and Arbitrators/Mediators (\$22,000). (Memo ISO Final at pp. 22-23; see
8 also Hanson Decl. ISO Final ¶¶ 42-43; Calabro Decl. ISO Final ¶16; Werts Decl. ISO
9 Final ¶19).

10 The costs appear to be reasonable and necessary to the litigation, are reasonable
11 in amount, and were not objected to by the class.

12 For all of the foregoing reasons, costs of **\$241,832.39** are approved.

13 **E. SERVICE AWARDS TO CLASS REPRESENTATIVES**

14 A service (or incentive) fee award to a named class representative must be
15 supported by evidence that quantifies the time and effort expended by the individual and
16 a reasoned explanation of financial or other risks undertaken by the class representative.
17 See *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 806-807;
18 see also *Cellphone Termination Cases* (2010) 186 Cal.App.4th 1380, 1394-1395
19 [“Criteria courts may consider in determining whether to make an incentive award
20 include: (1) the risk to the class representative in commencing suit, both financial and
21 otherwise; (2) the notoriety and personal difficulties encountered by the class
22 representative; (3) the amount of time and effort spent by the class representative; (4) the
23 duration of the litigation and; (5) the personal benefit (or lack thereof) enjoyed by the
24 class representative as a result of the litigation. (Citations.)”].

1 Here, the Class Representatives request enhancement awards of **\$5,000 each**,
2 totaling **\$10,000**. (Memo ISO Final at 24:3-5.) They urge that the awards are
3 appropriate for the following reasons:

4 Plaintiff Giannoulis represents that his contributions to the action include:
5 conferring with his attorneys; working with his attorneys to prepare the opposition to
6 Defendant's motion to compel arbitration, including preparing his declaration; gathering
7 work-related documents for his attorneys and working with them to prepare responses to
8 Defendant's interrogatories and requests for documents; discussing the progress of the
9 case with counsel over its nearly 7 years of litigation; being involved in settlement
10 discussions; and assisting counsel in preparing the motions for preliminary and final
11 approval of the settlement. He estimates spending a total of 30 hours on the case.
12 (Declaration of Jonathan Giannoulis ISO Final ¶¶ 17-22.)

13 Plaintiff Allen represents that his contributions to the action include: conferring
14 with his attorneys; searching for relevant documents for his attorneys; working with his
15 attorneys to prepare responses to Defendant's interrogatories and requests for
16 documents; discussing the progress of the case with counsel over the 5 years he was
17 involved in the litigation; being involved in settlement discussions; and assisting counsel
18 in preparing the motions for preliminary and final approval of the settlement. He
19 estimates spending approximately 33-35 hours on the case. (Declaration of Deshon R.
20 Allen ISO Final ¶¶ 17-22.)

21 In light of the above-described contributions to this action, and in
22 acknowledgment of the benefits obtained on behalf of the class, a **\$5,000** service award
23 to each Plaintiff is reasonable and approved.

24 //

25 //

1 **F. SETTLEMENT ADMINISTRATION COSTS**

2 The Settlement Administrator, ILYM, requests **\$40,000** in compensation for its
3 work in administering this case. (Nava Decl. ¶20, Exhibit E thereto.) At the time of
4 preliminary approval, costs of settlement administration were estimated at \$40,000
5 (¶28.) Class Members were provided with notice of this amount and did not object.
6 (Nava Decl. ¶16, Exhibit B thereto.)

7 Accordingly, settlement administration costs are approved in the amount of
8 **\$40,000.**

9
10 **IV. CONCLUSION AND ORDER**

11 The Court hereby:

- 12 (1) Grants class certification for purposes of settlement;
- 13 (2) Grants final approval of the settlement as fair, adequate, and reasonable;
- 14 (3) Finds the notice process is the best available in the circumstances and meets the
15 requirements of due process;
- 16 (4) Awards **\$7,715,895** in attorney fees to Class Counsel, Calabro Law Office,
17 Stueve Siegel Hanson LLP, and Lear Werts LLP;
- 18 (5) Awards **\$241,832.39** in litigation costs to Class Counsel;
- 19 (6) Approves payment of **\$112,500** (75% of \$150,000 PAGA penalty) to the
20 LWDA;
- 21 (7) Awards **\$5,000 each** as Class Representative Service Awards to Jonathan
22 Giannoulis and Deshon Allen;
- 23 (8) Awards **\$40,000** in settlement administration costs to ILYM Group, Inc.;
- 24
- 25

1 (9) Orders class counsel to lodge a proposed Judgment, consistent with this ruling
2 and containing the class definition, full release language, and a statement that no
3 class members opted out by 10/14, 2022;

4 (10) Orders class counsel to provide notice to the class members pursuant to
5 California Rules of Court, rule 3.771(b) and to the LWDA pursuant to Labor
6 Code §2699 (1)(3); and

7 (11) Sets a Non-Appearance Case Review re: Final Report re: Distribution of
8 Settlement Funds for

9 9/29/2023, at 8:30 a.m.

10 Final Report is to be filed by

11 9/21/2023. If there is unpaid residue

12 or unclaimed or abandoned class member funds and/or interest thereon to be
13 distributed to Legal Aid at Work, Plaintiffs' counsel shall also submit an
14 Amended Judgment pursuant to Cal. Code of Civ. Pro. § 384 and give notice of
15 the Judicial Council of California upon entry of the Amended Judgment, when
16 entered, pursuant to Cal. Code of Civ. Pro. §384.5.

17
18
19 Dated:

10/6/2022

Maren E. Nelson

20 MAREN E. NELSON

21 Judge of the Superior Court
22
23
24
25