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7	Attorneys for Individual and Represent Plaintiff VICTOR MUNOZ	ative				
8	UNITED STATES DISTRICT COURT					
9 10	NORTHERN	I DISTR	ICT OF CALIF	ORNIA		
11	VICTOR MUNOZ, on behalf of himsel all others similarly situated,	f and	Civil Case No	. 3:18-cv-05761-SK		
12	Plaintiff,	•		PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR FOR AWARD OF		
13	V.		ATTORNEY	S' FEES AND COSTS AND WARD; MEMORANDUM OF		
14	BIG BUS TOURS LIMITED; OPEN TOP		POINTS AN	POINTS AND AUTHORITIES		
15	SIGHTSEEING SAN FRANCISCO, LLC; and DOES 1-20,	The Honorabl	e Sallie Kim			
16	Defendants.			February 3, 2020 9:30 A.M.		
17			Courtroom:	Courtroom C, 15th Floor 450 Golden Gate Avenue		
18			Judge:	San Francisco, California The Honorable Sallie Kim		
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2	NOTICE OF MOTION AND MOTION					
3	TO ALL INTERESTED PARTIES AND THEIR ATTORNEYS OF RECORD:					
4	PLEASE TAKE NOTICE that on February 3, 2020, at 9:30 A.M. or as soon thereafter					
5	as the matter may be heard, before the Honorable Sallie Kim, United States District Court,					
6	Northern District of California, 450 Golden Gate Avenue, San Francisco, California, 15th Floor,					
7	Courtroom C, Plaintiff Victor Munoz ("Plaintiff") will and hereby does move the Court, pursuant					
8	to Rule 23(h) of the Federal Rules of Civil Procedure, for an order awarding \$17,500 in attorneys?					
9	fees, \$1,089.51 in incurred litigation costs, and a service award to Plaintiff Victor Munoz in the					
10	amount of \$5,000.00 for his service to the class. The motion will be based on this Notice, the					
11	Memorandum of Points and Authorities below, the declaration of Steven G. Tidrick, Esq. filed					
12	herewith, the other records, pleadings, and papers filed in this action, and any evidence or					
13	argument presented at the hearing on this motion.					
14	DATED: November 15, 2019 Respectfully submitted,					
15	THE TIDRICK LAW FIRM LLP					
16	By: /s/ Steven G. Tidrick					
17	STEVEN G. TIDRICK, SBN 224760					
18	Attorneys for Individual and Representative					
19	Plaintiff VICTOR MUNOZ					
20	MEMORANDUM OF POINTS AND AUTHORITIES					
21	I. INTRODUCTION					
22	Through this motion, Plaintiff Victor Munoz ("Plaintiff") seeks an order awarding					
23	\$17,500 in attorneys' fees, \$1,089.51 in incurred litigation costs, and an enhancement payment					
24	to Plaintiff Victor Munoz in the amount of \$5,000.00 for his service to the class.					
25	II. NATURE OF CASE AND PROCEDURAL HISTORY					
26	In the interests of efficiency, Plaintiff refers the Court to (1) Plaintiff's motion for					
27	preliminary approval of the settlement, which describes the case and its procedural history. See					
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Docket No. 24 ("Plaintiff's Motion for Preliminary Approval"), at ECF pages 4:6-5:5.<sup>1</sup> That motion, and the renewed motion that was filed after amending the settlement agreement, summarize the terms of the settlement agreement. *See* Plaintiff's Motion for Preliminary Approval, at ECF pages 6:2-9:17; Plaintiff's Renewed Motion for Preliminary Approval (Docket No. 31), ECF pages 3:13-4:6. The settlement agreement, entitled "Stipulation Re: Class Action Settlement & Release," was filed on August 12, 2019 (ECF No. 30) ("Settlement Agreement"). The Court entered an order preliminarily approving the settlement on September 5, 2019. See ECF No. 33.

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## III. SETTLEMENT TERMS RELEVANT TO THIS MOTION

The Settlement Agreement authorizes the Court to award a service award (also known as an enhancement payment) to the Class Representative, Victor Munoz, not to exceed \$5,000, for his service to the class. *See* Settlement Agreement, ECF No. 30, at ECF page 5, § 6(a)(iv). It is within the Court's discretion whether to award such a payment and in what amount. *See id*. The Settlement Agreement provides that any of that requested amount that the Court does not approve shall be added to the Net Settlement Amount to be distributed to the Class. See *id*. at ECF page 5, § 7.

The Court also has the discretion to award Class Counsel attorneys' fees of up to twenty five percent (25%) of the \$70,000 Gross Settlement Value, *i.e.*, \$17,500, and reimbursement of reasonable litigation expenses, with the total fees and costs not to exceed \$20,000. *See* Settlement Agreement, ECF No. 30, at ECF pages 5 and 9, §§ 7 and 14. The Settlement Agreement provides that any of those requested amounts that the Court does not approve shall be added to the Net Settlement Amount to be distributed to the Class. *See id.* at ECF page 5, § 7.

<sub>24</sub> IV.

ARGUMENT

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**A. Plaintiff's Counsel Are Entitled to Recover Fees from the Common Fund** Federal Rule of Civil Procedure 23 provides that, "[i]n a certified class action, the court

- 27 may award reasonable attorney's fees and nontaxable costs that are authorized by law or by the
- 28  $\|$  In this brief, page references for ECF-filed documents refer to the page numbers at the tops of the pages generated by the ECF system, not to the page numbers at the bottoms of the pages.

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR AWARD OF ATTORNEYS FEES AND COSTS AND SERVICE AWARDS; MEMO. OF POINTS AND AUTHORITIES - *Munoz v. Big Bus Tours Limited et al.*, Civil Case No. 3:18-cv-05761-SK

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parties' agreement." Fed. R. Civ. Proc. 23(h). Rule 23(h) applies to requests for attorney's fees 2 for settled class actions. See Staton v. Boeing Co., 327 F.3d 938, 964 (9th Cir. 2003) (explaining 3 that "[a]ttorneys' fees provisions included in proposed class action agreements are, like every 4 other aspect of such agreements, subject to the determination whether the settlement is 5 'fundamentally fair, adequate and reasonable'"). According to the Ninth Circuit, in order to 6 protect the due-process rights of unnamed class members, any such request must be filed prior to 7 the deadline to object to the settlement. In re Mercury Interactive Corp. Sec. Litig., 618 F.3d 988, 8 994-95 (9th Cir. 2010) ("In re Mercury"). See also Weeks v. Kellogg Co., 2011 U.S. Dist. LEXIS 9 155472, at \*80 (C.D. Cal. Nov. 23, 2011) (applying *In re Mercury* and holding that the filing of a 10 fee petition one week before the objection deadline comported with due process). The present 11 motion, filed on November 15, 2019, complies with In re Mercury. 12

With regard to the merits of the Motion, in analyzing Rule 23(h) fee requests, courts
""have an independent obligation to ensure that the award, like the settlement itself, is reasonable,
even if the parties have already agreed to an amount." *Vandervort v. Balboa Capital Corp.*, 2014
U.S. Dist. LEXIS 46174 (C.D. Cal. Mar. 27, 2014) (quoting *In re Bluetooth Headset Prods. Litig.*, 654 F.3d 936, 941 (9th Cir. 2011)).

The U.S. Supreme Court "has recognized consistently that a litigant or a lawyer who 18 recovers a common fund . . . is entitled to a reasonable attorney's fee from the fund as a whole." 19 Boeing Co. v. Van Gemert, 444 U.S. 472, 478 (1980); Staton, 327 F.3d at 967 (same). For 20 purposes of determining a reasonable fee, "courts have discretion to employ either the lodestar 21 method or the percentage-of-recovery method." Greko v. Diesel U.S.A., Inc., 2013 U.S. Dist. 22 LEXIS 60114, at \*23 (N.D. Cal. Apr. 26, 2013). Generally speaking, though, "[t]he lodestar 23 method is . . . preferable when calculating statutory attorney fees, whereas the percentage-of-24 recovery approach is appropriate when the fees will be drawn from a common fund." Clark v. 25 Payless Shoesource, Inc., 2012 U.S. Dist. LEXIS 105187, at \*3-4 (W.D. Wash. July 27, 2012) 26 (citing *In re Bluetooth Headset Prods. Litig.*, 654 F.3d at 941). 27

28 The Ninth Circuit has explained that, "[b]ecause the benefit to the class is easily quantified in common-fund settlements, we have allowed courts to award attorneys a percentage

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of the common fund in lieu of the often more time-consuming task of calculating the lodestar." *In re Bluetooth*, 654 F.3d at 942. *See also Elliott v. Rolling Frito-Lay Sales, LP*, 2014 WL 2761316, at \*9, 2014 U.S. Dist. LEXIS 83796, at \*25 (C.D. Cal. June 12, 2014) (C.D. Cal. June 12, 2014) (Carter, J.) ("There are significant benefits to the percentage approach, including consistency with contingency fee calculations in the private market, aligning the lawyers' interests with achieving the highest award for the class members, and reducing the burden on the courts that a complex lodestar calculation requires.").

As explained by the Ninth Circuit, a "common fund" exists "when (1) the class of 9 beneficiaries is sufficiently identifiable, (2) the benefits can be accurately traced, and (3) the fee 10 can be shifted with some exactitude to those benefiting." In re Petition of Hill, 775 F.2d 1037, 11 1041 (9th Cir. 1985). According to the Supreme Court, "the[se] criteria are satisfied when each 12 member of a certified class has an undisputed and mathematically ascertainable claim to part of a 13 lump-sum [amount]." Boeing Co. v. Van Gemert, 444 U.S. 444, 479 (1980). Here, the Settlement 14 Agreement creates a common fund, as the class of beneficiaries is sufficiently identifiable, the 15 benefits can be accurately traced, and the fee can be shifted with some exactitude to those 16 benefiting. As explained in more detail below, Class Counsel's requested fee award amount is 17 reasonable, and is significantly less than the lodestar. 18

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## **B.** The Requested Fees Are Within the Range of Approval

The Ninth Circuit has stated that "25 percent of the fund [i]s the 'benchmark' award that 20 should be given in common fund cases." Six (6) Mexican Workers v. Arizona Citrus Growers, 21 904 F.2d 1301, 1311 (9th Cir. 1990). That said, "the exact percentage varies depending on the 22 facts of the case, and in 'most common fund cases, the award exceeds that benchmark."" Johnson 23 v. General Mills, Inc., 2013 U.S. Dist. LEXIS 90338, at \*20 (C.D. Cal. June 17, 2013) (quoting 24 Vasquez v. Coast Valley Roofing, Inc., 266 F.R.D. 482, 491 (E.D. Cal. 2010). Thirty percent is 25 within the "usual range." Vizcaino v. Microsoft Corp., 290 F.3d 1043, 1047 (9th Cir. 2002). See 26 also In re Activision Sec. Litig., 723 F. Supp. 1373, 1377-78 (N.D. Cal. 1989) (stating that "nearly 27 all common fund awards range around 30%"). When the Court awards fees above or below the 28 benchmark, the "record must indicate the Court's reasons for doing so." Glass v. UBS Fin. Servs.,

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2007 U.S. Dist. LEXIS 8476, at \*44 (N.D. Cal. Jan. 26, 2007) (citing *Powers v. Eichen*, 229 F.3d 1249, 1256-57 (9th Cir. 2000)).

In this case, the gross settlement amount is \$70,000. The requested fee award of \$17,500 in attorneys' fees represents 25% of that amount.

Among the circumstances the Ninth Circuit has considered relevant in assessing
reasonableness are: (1) the results achieved; (2) the riskiness of prosecuting the litigation;
(3) whether counsel obtained benefits for the Class above and beyond the cash settlement fund
itself; and (4) the financial burden carried by counsel in prosecuting the case on a contingency
basis. *Vizcaino*, 290 F.3d 1043 at 1048-50. In this case, three of the four factors favor a finding
that a fee award of more than 25% would be reasonable.

<u>First</u>, Class Counsel have obtained favorable results for the class. It is no exaggeration to
 predict that without using the class action process, the relief that members of the class were likely
 to achieve ranged from negligible to zero.

Second, prosecuting the litigation has been risky. This case is not one in which a 15 substantial settlement and a recovery of a large attorneys' fee was a foregone conclusion. See 16 Deposit Guar. Nat'l Bank v. Roper, 445 U.S. 326, 338-39 (1980) (recognizing importance of 17 incentivizing qualified attorneys to devote their time to complex, time-consuming cases in which 18 they risk nonpayment); Vizcaino, 290 F.3d at 1048 ("Risk is a relevant circumstance."). 19 Numerous affirmative defenses have been pleaded that, if successful, could bar any recovery. 20 Moreover, there is the risk that no FLSA collective or Rule 23 class would be certified, the risk 21 that an order certifying an FLSA collective or a Rule 23 class would be overturned on appeal, and 22 the risk that a certified class would later be decertified, each of which is a significant risk in a 23 class action and collective action case such as this. Finally, even if a judgment was obtained in 24 favor of the class, the outcome of any appeals from such a judgment, were they to proceed, would 25 be uncertain. 26

27 <u>Third</u>, Plaintiff's counsel has carried a financial burden in prosecuting the case on a
 28 contingency basis has been substantial. To date, Plaintiff's counsel have received no fees during 6
 the pendency of this action, which was filed on April 20, 2018, and they have also advanced all

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costs, despite the risk of no recovery. *See* Declaration of Steven G. Tidrick, Esq., filed herewith ("Tidrick Decl."), ¶ 17.

The circumstances described above would support an upward adjustment from the Ninth 4 Circuit's benchmark of 25 percent. See, e.g., Hopkins v. Stryker Sales Corp., 2013 U.S. Dist. 5 LEXIS 16939, at \*8-9 (N.D. Cal. Feb. 6, 2013) (discussing other wage-and-hour cases in which 6 courts awarded attorneys' fees of 33 1/3% or more, explaining that conducting the case "on an 7 entirely contingent fee basis against a well-represented [d]efendant" supported an upward fee 8 adjustment, and awarding Class Counsel attorneys' fee award of 30 percent of the common fund); 9 Thieriot v. Celtic Ins. Co., 2011 U.S. Dist. LEXIS 44852 (N.D. Cal. Apr. 21, 2011) ("It is 10 common practice to award attorneys' fees at a higher percentage than the 25% benchmark in 11 cases that involve a relatively small — i.e., under \$10 million — settlement fund."); In re 12 Heritage Bond Litig., 2005 U.S. Dist. LEXIS 13555, at\*69 (C.D. Cal. June 10, 2005) ("Here, the 13 Court notes that Plaintiffs' counsel proceeded entirely on contingency basis, while paying for all 14 expenses incurred. There was no guarantee of any recovery, and thus, counsel was subjected to 15 considerable risk of no compensation for time or no reimbursement for expenses."); Boyd v. Bank 16 of Am. Corp., 2014 U.S. Dist. LEXIS 162880, at \*28-29 (C.D. Cal. Nov. 18, 2014) ("Both of the 17 firms representing the Class are small firms with fewer than fifteen attorneys. Firms of this size 18 face even greater risks in litigating large class actions with no guarantee of payment. The Court 19 finds that the considerable risk in this case due to the uncertain legal terrain, coupled with 20 Counsel's contingency fee arrangement, weigh in favor of an increase from the benchmark rate. 21 ... Decisions in analogous wage and hour suits have found awards of one third of the common 22 fund appropriate.") (citing cases and ordering attorneys' fee award of one-third of the common 23 fund). 24

Another factor favoring the requested attorneys' fee award is that it equates to an amount
that is significantly less than the lodestar, as discussed in more detail below. Thus, the requested
fee award results in a "negative multiplier," which supports a finding that the requested fee
award, is reasonable and fair. *See, e.g., Pierce v. Rosetta Stone, Ltd.*, 2013 U.S. Dist. LEXIS
138921, at \*18, 2013 WL 5402120, at \*6 (N.D. Cal. Sept. 26, 2013) (finding that "the requested

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fee award results in a so-called negative multiplier, which suggests that the percentage of the fund amount is reasonable and fair"); Hopkins v. Stryker Sales Corp., 2013 U.S. Dist. LEXIS 16939, at \*9 (N.D. Cal. Feb. 6, 2013) (stating that in several cases in which courts awarded 33 and 1/3 percent of the common fund, the requested fees were "significantly less than the lodestar," citing cases).

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### C. The Lodestar "Cross-check" Confirms that the Requested Attorneys' Fees Are Reasonable

When setting a fee award, courts can—and should—apply the alternative lodestar method 9 to provide "perspective on the reasonableness of a given percentage award." Vizcaino, 290 F.3d at 10 1050. According to the Ninth Circuit, "[c]alculation of the lodestar, which measures the lawyers' 11 investment of time in the litigation, provides a check on the reasonableness of the percentage 12 award." *Id.* "Lodestar calculations are determined by multiplying the number of hours reasonably 13 expended during the litigation by a reasonable hourly rate." In re Heritage Bond Litig., 2005 U.S. 14 Dist. LEXIS 13555, at \*19 (C.D. Cal. June 10, 2005) (citing Hanlon v. Chrysler Corp., 150 F.3d 15 1011, 1029 (1998)). It is "common for a counsel's lodestar figure to [then] be adjusted upward by 16 some multiplier reflecting a variety of factors such as the effort expended by counsel, the 17 complexity of the case, and the risks assumed by counsel." Id. at \*71-72 (citing In re Linerboard 18 Antitrust Litig., 2004 U.S. Dist. LEXIS 10532, 2004 WL 1221350, at \*16 (E.D. Pa. June 2, 2004) 19 (recognizing that from 2001 to 2003, the average multiplier approved in common fund cases was 20 4.35, and during the 30 year period from 1973-2003, the average multiplier approved in common 21 fund class actions was 3.89) (citing Stuart J. Logan, et al., Attorney Fee Awards in Common Fund 22 Class Actions, 24 Class Action Reports 167 (2003)), disapproved on other grounds as stated in In 23 re ATM Fee Antitrust Litig., 686 F.3d 741, 755 n.7 (9th Cir. 2011)). 24

Here, based on detailed, contemporaneously-kept time records, Plaintiff's counsel's 25 unadjusted lodestar (*i.e.*, with no multiplier) is \$32,601.50, computed as a function of the hours 26 and rates described in the declaration of Steven G. Tidrick, Esq., filed herewith. Both the hourly 27 rates and the associated hours are reasonable. As to the rates, "[t]he proper reference point in 28 determining an appropriate fee award is the rates charged by private attorneys in the same legal

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market as prevailing counsel." Rutti v. Lojack Corp., 2012 U.S. Dist. LEXIS 107677, at \*30 2 (C.D. Cal. July 31, 2012) (quoting Trevino v. Gates, 99 F.3d 911, 925 (9th Cir. 1996)). The rates 3 charged by private attorneys in the same legal market, in turn, are the "prevailing market rate[s] 4 in the relevant community" for lodestar purposes. Davis v. City of San Francisco, 976 F.2d 1536, 5 1547 (9th Cir. Cal. 1992) (quoting Bouman v. Block, 940 F.2d 1211, 1235 (9th Cir. 1991), cert. 6 denied, 112 S.Ct. 640 (1991), and citing Blum v. Stenson, 465 U.S. 886, 895 (1984), vacated in 7 part on other grounds by 984 F.2d 345 (9th Cir. 1993)). When setting rates, courts should use the 8 attorneys' "current" rates, *i.e.*, their rates at the time of the fee application. See In re HPL Techs., 9 Inc. Sec. Litig., 366 F. Supp. 2d 912, 919-20 (N.D. Cal. 2005) (explaining that the use of current 10 rates "simplifies the calculation and accounts for the time value of money in that lead counsel 11 ha[ve] not been paid contemporaneously"). 12

The requested hourly rates are within the range of rates that federal courts in California 13 have recently approved in employment class actions. For example, in Nitsch v. DreamWorks 14 Animation SKG Inc., 2017 WL 2423161, at \*9 (N.D. Cal. June 5, 2017), the court found that 15 hourly rates of up to \$1,200-far above Class Counsel's requested hourly rates here-were "fair, 16 reasonable, and market-based, particularly for the 'relevant community' in which counsel work." 17 Similarly, in Koz v. Kellogg Co., 2013 U.S. Dist. LEXIS 129205 (C.D. Cal. Sept. 10, 2013), the 18 court approved attorney hourly rates of up to \$950. See id. at \*23–24. See also Pierce v. County 19 of Orange, 905 F. Supp. 2d 1017, 1036 & n.16 (C.D. Cal. 2012) (approving rates of up to \$850 20 per hour). 21

Other courts have approved The Tidrick Law Firm's hours and hourly rates, including the hourly rates requested here. *See Kinney v. National Express Transit Servs. Corp.*, 2018 U.S. Dist. LEXIS 10808, at \*11 (E.D. Cal. January 23, 2018) (Nunley, J.) (finding Mr. Tidrick's hours and hourly rate of \$825/hour to be reasonable, and likewise with respect to Mr. Young's hours and hourly rate of \$740/hour, stating "The Court finds that Class Counsel's hours and hourly rates are reasonable."); *Jones v. San Diego Metropolitan Transit System*, 2017 WL 5992360, at \*5 (S.D. Cal. Nov. 30, 2017) (Crawford, J.) (finding Mr. Tidrick's hours and hourly rate of \$825/hour to be reasonable, and likewise with respect to

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Mr. Young's hours and hourly rate of \$740/hour, stating "The Court finds that counsel's hours and hourly rates are reasonable.").

The attorneys' fees request here, \$17,500, is about 54% of the lodestar, which is \$32,601.50. Thus, the requested fee award results in a "negative multiplier," which supports a finding that the requested percentage of the fund is reasonable and fair. *See, e.g., Pierce v. Rosetta Stone, Ltd.*, 2013 U.S. Dist. LEXIS 138921, at \*18, 2013 WL 5402120, at \*6 (N.D. Cal. Sept. 26, 2013) ("the requested fee award results in a so-called negative multiplier, which suggests that the percentage of the fund amount is reasonable and fair").

The facts here would warrant a positive multiplier. Indeed, the circumstances described 10 above that support an upward adjustment from the Ninth Circuit's benchmark of 25 percent 11 would also support a positive multiplier. For example, in Boyd v. Bank of Am. Corp., 2014 U.S. 12 Dist. LEXIS 162880 (C.D. Cal. Nov. 18, 2014), the court considered those same factors in 13 approving a 30% award where the lodestar was significantly less than the amount requested, such 14 that the court accepted a multiplier of 2.58. See id. at \*31 (finding that a multiplier of 2.58 is "not 15 out of the range of fees awarded for class action settlements" and citing Vizcaino v. Microsoft 16 Corp., 290 F.3d 1043, 1051 n.6 (9th Cir. 2002) for its "finding [that] multiples ranging from one 17 to four are frequently applied in common fund cases"). 18

Alternatively, in assessing reasonableness, courts often refer to the "*Laffey*" matrix, "[a]
widely recognized compilation of attorney . . . rate data" for the District of Columbia, "so named
because of the case that generated the index," *Laffey v. Northwest Airlines, Inc.*, 572 F. Supp. 354
(D.D.C. 1983). *In re Chiron Corp. Sec. Litig.*, 2007 U.S. Dist. LEXIS 91140, at \*18-19, 2007
WL 4249902, \*6 (N.D. Cal. Nov. 30, 2007). *See also Langer v. Dodaiton, Inc.*, 2015 U.S. Dist.
LEXIS 64805, at \*36-39 & n.53 (C.D. Cal. May 18, 2015) (noting that the court "looks to the the
Laffey Matrix as merely another factor bearing on reasonableness")

Of course, several years have passed since the *In re Chiron* decision, and, as noted above,
 when setting rates, courts should use attorneys' current rates. In addition, since the time that *In re Chiron* was decided, an "adjusted" *Laffey* matrix has been published "using a methodology advocated by economist Dr. Michael Kavanaugh" that "has been used by the United States

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District Court for the District of Columbia to determine the amount of a reasonable fee." 2 Bywaters v. United States, 670 F.3d 1221, 1226 n.4 (Fed. Cir. 2012). As explained by the Federal 3 Circuit, the adjusted *Laffey* matrix "more accurately reflects the prevailing rates for legal 4 services." Id. See also Hash v. United States, 2012 U.S. Dist. LEXIS 53098, at \*62, 2012 WL 5 1252624, at \*22 (D. Idaho Apr. 13, 2012) (agreeing that the "adjusted" Laffey matrix "is the most 6 accurate representation of rates for legal services ... giv[ing] weight to the Federal Circuit's 7 recent statement implying acceptance of the use of the Updated Laffey Matrix") (citing Bywaters, 8 670 F.3d at 1226 n.4). A copy of the current, adjusted Laffey matrix is attached as Exhibit 1 to the 9 Declaration of Steven G. Tidrick, Esq. filed herewith. 10

Furthermore, according to an article reporting on a survey of law firm billing rates published in the August 10, 2012 edition of the *San Francisco Daily Journal*, reasonable hourly rates for attorneys in the San Francisco Bay Area are significantly higher than the rates indicated by the *Laffey* Matrix. According to that survey, the 2012 average billing rate in the San Francisco market was \$675 for a partner, up from \$654 in 2011, and \$482/hour for an associate, up from \$449/hour in 2011. A true and correct copy of that article is attached as Exhibit 3 to the Declaration of Steven G. Tidrick, Esq. filed herewith.

The hourly rates set forth in the San Francisco Daily Journal reflect those charged where 18 full payment is expected promptly upon the rendition of the billing and without consideration of 19 factors other than hours and rates. If any substantial part of the payment were to be contingent or 20 deferred for any substantial period of time, the fee arrangement would typically be adjusted so as 21 to compensate the attorneys for those factors. Fee awards are almost always determined based on 22 current rates, *i.e.*, the attorney's rate at the time when a motion for fees is made, rather than the 23 historical rate at the time the work was performed. This is a common and accepted practice that 24 compensates attorneys for the delay in being paid. 25

In cases where compensation is contingent on success, attorneys generally expect to
receive significantly higher effective hourly rates, particularly where, as in this case, the result is
uncertain. As the case law recognizes, this does not result in any undue "bonus" or "windfall." In
the legal marketplace, a lawyer who assumes a significant financial risk on behalf of a client

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reasonably expects that his or her compensation will be significantly greater than if no risk was involved (for example, if the client paid the bill on a monthly basis), and that the greater the risk, the greater the "enhancement." Adjusting court-awarded fees upward in contingent fees cases to reflect the risk of recovering no compensation whatsoever for hundreds of hours of labor makes those fee awards consistent with the legal marketplace, and thus helps to ensure that meritorious cases will be prosecuted, important public policies will be enforced, and individuals with meritorious legal claims will be better able to obtain qualified attorneys.

9 For all these reasons, Class Counsel's attorneys' fee request of \$17,500—substantially
 10 lower than their lodestar—is therefore reasonable.

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## D. Class Counsel's Requested Expense Reimbursement Is Proper

"The prevailing view is that expenses are awarded in addition to the fee percentage." 12 Jefferson v. H&M Hennes & Mauritz, L.P., 2013 U.S. Dist. LEXIS 2875, at \*9 (C.D. Cal. Jan. 7, 13 2013) (quoting 1 Alba Conte, Attorney Fee Awards § 2:08 at 50–51). To date, Plaintiff's counsel 14 have advanced all costs incurred in this case. As reflected in the declaration of Steven G. Tidrick, 15 the total incurred litigation expenses are \$1,089.51, and do not include the modest, but real, 16 expenses that will be incurred in the future. These costs are reasonable. See Tidrick Decl. ¶ 17 & 17 Ex. 4. See generally Odrick v. UnionBanCal Corp., 2012 WL 6019495, at \*6, 2012 U.S. Dist. 18 LEXIS 171413, at \*17 (N.D. Cal. Dec. 3, 2012) (in a common-fund settlement, noting that class 19 counsel were seeking reimbursement of "costs for a retained expert, mediation, travel, copying, 20 mailing, legal research, and other litigation-related costs," and concluding that "reimbursement of 21 these costs and expenses in their entirety is justified"); Knight v. Red Door Salons, Inc., 2009 22 U.S. Dist. LEXIS 11149, at \*20 (N.D. Cal. Feb. 2, 2009) (in a common-fund settlement, stating 23 that class counsel's expenses "relate to online legal research, travel, postage and messenger 24 services, phone and fax charges, court costs, and the costs of travel"; that "[a]ttorneys routinely 25 bill clients for all of these expenses"; and that "it is therefore appropriate for counsel here to 26 recover these costs from the [s]ettlement [f]und"). The request should therefore be approved in 27 full. 28 12

## E. The Requested Enhancement Payment Is Reasonable

The court has discretion to award "enhancement," "incentive," or "service" awards to 3 compensate plaintiffs for work done on behalf of the class and in consideration of the risk 4 undertaken in prosecuting the action. Rodriguez v. West Publ'g Corp., 563 F.3d 948, 958-59 (9th 5 Cir. 2009). Courts often assess the reasonableness of the award by taking into consideration: 6 "(1) the risk to the class representative in commencing a suit, both financial and otherwise; (2) the 7 notoriety and personal difficulties encountered by the class representative; (3) the amount of time 8 and effort spent by the class representative; (4) the duration of the litigation; and (5) the personal 9 benefit (or lack thereof) enjoyed by the class representative as a result of the litigation." Van 10 Vranken v. Atl. Richfield Co., 901 F. Supp. 294, 299-300 (N.D. Cal. 1995) (approving incentive 11 award of fifty thousand dollars (\$50,000)). See also Graham v. Overland Solutions, Inc., 2012 12 U.S. Dist. LEXIS 130113, at \*22-23 (S.D. Cal. Sept. 12, 2012) (preliminarily approving 13 settlement that requested service awards of \$25,000 each for class representatives). Some courts 14 have held that an incentive award of five thousand dollars (\$5,000) is presumptively reasonable. 15 See, e.g., Pierce, 2013 WL 5402120, at \*6 (citations omitted). 16

Enhancement awards serve a function more than just reimbursement for time; they are to 17 overcome the fear of reprisal, real or perceived. See, e.g., Rodriguez, 563 F.3d at 958-59 (such 18 awards "are intended to compensate class representatives for work done on behalf of [a] class, to 19 make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to 20 recognize their willingness to act as a private attorney general"), vacated on other grounds, 688 21 F.3d 645, 660 (9th Cir. 2012). Courts should consider "the risk to the class representative in 22 commencing suit, both financial and otherwise," as well as "the amount of time and effort spent 23 by the class representative." Smith v. CRST Van Expedited, Inc., 2013 U.S. Dist. LEXIS 6049, at 24 \*16, 2013 WL 163293 at \*6 (S.D. Cal. Jan. 14, 2013). 25

The enhancement payment requested for the Plaintiff, Victor Munoz, in the amount of
\$5,000, is reasonable and warranted. The amount requested is justified by his service to the class.
Mr. Munoz spent at least 20 hours of his personal time assisting in the prosecution of the lawsuit,

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including time spent reviewing documents and conferring with counsel throughout the litigation. *See* Tidrick Decl. ¶ 18.

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4	The enhancement payment requested is also justified because, in addition to spending time			
5	on the case, Mr. Munoz also incurred personal risk, including risks undertaken for payment of			
6	costs and stigma in connection with future employment opportunities. See, e.g., Graham v.			
7	Overland Solutions, Inc., 2012 U.S. Dist. LEXIS 130113, at *22-23 (S.D. Cal. Sept. 12, 2012)			
8	(preliminarily approving settlement that requested service awards of \$25,000 each for class			
9	representatives in part because "risks undertaken for the payment of costs in the event this action			
10	had been unsuccessful" and "stigma upon future employment opportunities for having initiated an			
11	action against a former employer"); Koehl v. Verio, 142 Cal. App. 4th 1313, 1328 (2006) (in			
12	wage and hour action where defendant prevailed at trial, named plaintiffs were held liable, jointly			
13	and severally, for defendant's attorneys' fees).			
14	In light of the foregoing, the requested enhancement payment is reasonable.			
15	V. CONCLUSION			
16	Plaintiff respectfully requests that the Court grant Plaintiff's motion.			
17	DATED: November 15, 2019 Respectfully submitted,			
18	THE TIDRICK LAW FIRM LLP			
19	By: /s/ Steven G. Tidrick			
20	By: /s/ Steven G. Tidrick STEVEN G. TIDRICK, SBN 224760			
21	Attorneys for Individual and Representative			
22	Plaintiff VICTOR MUNOZ			
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