ADVOCATES FOR WORKER RIGHTS LLP MARCO A. PALAU (Bar No. 242340) **ELECTRONICALLY** marco@advocatesforworkers.com JOSEPH D. SUTTON (Bar No. 269951) FILED ids@advocatesforworkers.com Superior Court of California, County of San Francisco 3 EŘIC S. TRABUCCO (Bar No. 295473) est@advocatesforworkers.com 4 04/20/2022 212 9th Street, Suite 314 **Clerk of the Court** BY: SANDRA SCHIRO Oakland, California 94607 **Deputy Clerk** Telephone: (510) 269-4200 6 Facsimile: (408) 657-4684 7 Attorneys for Plaintiff Benito Segura 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 IN AND FOR THE COUNTY OF SAN FRANCISCO 11 12 Case No. CGC-20-586926 BENITO SEGURA, on behalf of himself and all other persons similarly situated, 13 NOTICE OF MOTION AND MOTION FOR ATTORNEYS' FEES & COSTS AND Plaintiff, 14 PLAINTIFF'S SERVICE AWARD **15** VS. June 22, 2022 Date: Time: 9:00 a.m. 16 ALTIA TRANSPORTATION COMPANY, Department 304 THOMAS GASPARINI, and DOES 1-10, 17 inclusive, Before the Honorable Ethan P. Schulman **18** Defendants. 19 20 21 22 23 24 25 **26** 27 28

PLEASE TAKE NOTICE that on June 22, 2022 at 9:00 a.m. in Department 304 of the San Francisco County Superior Court, 400 McAllister, San Francisco, California 94104, Plaintiff in the above-entitled action will move this honorable Court, pursuant to California Rules of Court ("CRC") 3.769, for an order granting approval of Plaintiff's requested attorneys' fees to Class Counsel in the amount of \$149,333.33, reimbursement of actual litigation costs to Class Counsel in an amount up to \$10,000.00, and a service award to the Class Representative, Benito Segura, in the amount of \$15,000. These requests are in accordance with the terms of the Settlement Agreement between the Plaintiff and Defendants Altia Transportation Company and Thomas Gasparini, which the Court preliminarily approved by Order dated March 7, 2022.

This Motion is based upon: the Notice of Motion; the Memorandum of Points and Authorities in Support Thereof; the Declarations of Joseph D. Sutton and Plaintiff Benito Segura in support of the Motion; such argument of counsel as the Court may hear; the complete files, records, and pleadings in the above-captioned matter; and such additional matters as the Court may consider.

Respectfully submitted,

Dated: April 20, 2022

ADVOCATES FOR WORKER RIGHTS LLP

Joseph D. Sutton Attorneys for Plaintiff

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10	IN AND FOR THE COUNT	TY OF SAN FRANCISCO
11		
12	BENITO SEGURA, on behalf of himself and all	Case No. CGC-20-586926
13	other persons similarly situated,	MEMORANDUM OF POINTS AND
14	Plaintiff,	AUTHORITIES IN SUPPORT OF MOTION FOR ATTORNEYS' FEES &
15	vs.	COSTS AND PLAINTIFF'S SERVICE AWARD
16	ALTIA TRANSPORTATION COMPANY,	
17	THOMAS GASPARINI, and DOES 1-10, inclusive,	Date: June 22, 2022 Time: 9:00 a.m.
18	Defendants.	Department 304
19	Defendants.	Before the Honorable Ethan P. Schulman
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I. INTRODUCTION

In accordance with the Court's Order Granting Preliminary Approval of the Class Action and PAGA Settlement, Plaintiff Benito Segura moves for an award of \$149,333.33 in attorneys' fees (representing one-third of the settlement fund of \$448,000) and up to \$10,000 for actual litigation costs. The lodestar cross-check and the substantial payments Class Members will receive if the Settlement is granted final approval in this case justify the requested fee award of one-third of the common fund for the following reasons.

First, the settlement achieved significant relief for Class Members. The Settlement provides a non-reversionary gross payment of \$448,000.00, plus a separate payment of the employer's share of payroll taxes for the wage portion of the settlement payment. The estimated average recovery amount for Class Members from the Net Settlement is \$2,888—a substantial recovery for the Class of delivery drivers. Sutton Decl. at ¶ 38, filed on 11/5/21. Second, Class Counsel took on significant litigation risks and bore the financial burden of litigating this case on a contingency basis. Class Counsel efficiently litigated the claims, achieving a settlement within one year of filing the case. Third, the fees sought represent 95% of the current lodestar in the case. That the current lodestar exceeds the common fund request of \$149,333.33 in attorneys' fees demonstrates the requested fees award is reasonable and for excellent result achieved. Therefore, the Court should award the requested fee award, which to date no class member has objected to.

In addition, the litigation expenses incurred by Class Counsel should also be reimbursed as they were reasonably incurred, and the costs are standard in a case such as this.

Further, Plaintiff requests approval of a \$15,000 service award for named plaintiff, Benito Segura. As shown herein, and in the accompanying declaration of Mr. Segura, Plaintiff took tangible risks in pursuing this matter on behalf of the Class and has devoted significant time and energy to securing this excellent result for the class. The risks taken and effort expended weigh in favor of the requested service award for Mr. Segura.

Accordingly, Plaintiff respectfully requests that the Court approve the requested attorneys' fees, reimbursement of actual litigation expenses, and Plaintiff's requested service award.

II. THE REQUESTED SERVICE AWARD, ATTORNEYS' FEES, AND COSTS ARE REASONABLE AND SHOULD BE APPROVED

A. The Absence of Objections and the Fair, Efficient Settlement Result Support

Approval of the Requested Service Award, Attorneys' Fees, and Costs

The positive reaction from the Class thus far supports the amounts requested for the Class Representative service award, attorneys' fees, and reimbursement of litigation costs. To date, no Class Member has requested exclusion or opted out of the Settlement. (Class Counsel Decl. at ¶ 17; Ex. 1 to Class Counsel Decl. filed herewith.) The Court-approved Class Notice that was sent to all Class Members on March 28, 2022 disclosed the amounts allocated in the Settlement for the Class Representative service awards, attorneys' fees, and reimbursement of costs and expenses. (Ex. 1 to 3rd Supp. Sutton Declaration in Support of Preliminary Approval filed 3/4/22.) Thus far, no Class Member has objected to the amounts allocated in the Settlement for the Class Representative Service Award and Class Counsel's attorneys' fees and litigation expenses award. Plaintiff will submit a declaration from the Settlement administrator once the time-period for opting out and objecting has run and prior to the Final Approval Hearing. (Class Counsel Decl. at ¶ 17.)

B. The Requested Service Award is Well-Justified and Reasonable

The Class Representative should be recognized for his role in bringing this case and creating the settlement fund for Class Members. *See*, *e.g.*, *Bell v. Farmers Ins. Exch.*, 115 Cal. App. 4th 715, 725-26 (2004); *Clark v. Am. Residential Servs. LLC*, 175 Cal. App. 4th 785, 804 (2009). Criteria courts consider in determining whether to make an incentive award include: (1) the risk to the class representative in commencing suit, both financial and otherwise; (2) the notoriety and personal difficulties encountered by the class representative; (3) the amount of time and effort spent by the class representative; (4) the duration of the litigation and; (5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation. *See Van Vranken v. Atlantic Richfield Co.* 901 F. Supp. 294, 299 (N.D. Cal. 1995).

The Risks, Notoriety, Personal Difficulties Plaintiffs Assumed By Bringing this Action Weigh in Favor of the Requested Service Awards

Incentive awards are intended to compensate plaintiffs for risks taken, such as "retaliation ..., discrimination, trouble finding employment, and significant financial risk." *See Rodriguez v. West Publ. Corp.*, 2007 WL 2827379 (C.D. Cal. Sept. 10, 2007), *aff'd in part, rev'd in part sub nom. Rodriguez v. West Publ. Corp.* 563 F.3d 948 (9th Cir. 2009). Class Representative Benito Segura assumed risks in filing this action that merits his requested \$15,000 service award.

First, the Class Representative here assumed the financial risk of being liable for Defendant's litigation costs if the action was not successful. (Class Counsel Decl. at ¶ 4.) While this may seem relatively insignificant, the named plaintiff in this action is a minimum wage worker for whom litigation costs present a significant financial risk. In addition, the Class Representative bore the risk of being blacklisted by local employers as "troublemaker" or facing retaliation for filing his lawsuit. (*Id.*) See, e.g., Asare v. Change Group N.Y., Inc., 2013 U.S. Dist. LEXIS 165935, at *39-40 (S.D.N.Y. Nov. 18, 2013) ([P]laintiffs "faced the risk that new employers would learn that they were class representatives in a lawsuit against their former employer and take adverse action against them. Moreover, each time they change jobs, they will risk retaliation."); see also Staton v. Boeing Co., 327 F.3d 938, 977 (9th Cir. 2003) ("reasonabl[e] fear [of] workplace retaliation" is a factor in assessing the proper amount of the class representative service award). Despite these significant financial risks and risks to his future employment opportunities, Plaintiff chose to take the action that has now resulted in a significant recovery for Class Members.

2. The Time and Effort Spent by the Class Representative Weighs in Favor of the Requested Service Awards

The Court should approve the requested service award because the Class Representative played a critical role in this case, devoting a considerable amount of time and effort in helping to secure a favorable Settlement on behalf of the Class. (Class Counsel Decl. at ¶¶ 4-6.) For example, at the outset of the case, Plaintiff provided the factual background for the class and representative claims and met with counsel and witnesses in person and by phone on several

occasions. (Declaration of Benito Segura filed herewith ("Segura Decl.") at ¶ 13.) Plaintiff also helped his attorneys identify what documents and other evidence Defendant had that would support the claims alleged. (*Id.* at ¶ 15.) Throughout the lawsuit, Plaintiff was in regular contact with counsel and staff to stay abreast of developments and assist with investigation and litigation, and always made himself available to answer questions or provide assistance. (*Id.* at ¶¶ 13-17.) Plaintiff helped Class Counsel prepare for the mediation and participated in the day-long mediation. (*Id.* at ¶ 16.) The considerable time and energy Plaintiff spent in securing a successful result, which is detailed in Plaintiff's declaration, weighs in favor of the requested \$15,000 service award.

3. That the Class Representative Sacrificed His Individual Claims in Favor of the Class Weigh in Favor of the Requested Service Award

Given that Plaintiff worked for Defendant from February 24, 2018 to December 21, 2019, his individual claims were significant. (Segura Decl. at ¶ 2.) Despite this, Plaintiff chose to pursue this action on a class-wide basis, putting himself on equal footing with Class Members in terms of the calculation of shares, which is based on objective criteria: the number of workweeks Class Members worked for Defendant within the Class Period. In other words, the Class Representative chose to put the interests of other workers on par with his own, and arguably, at times, above his own interests. (*Id.* at ¶19.) Knowing that his respective share of the Net Settlement Amount could be smaller in a class-wide settlement, the Class Representative chose to pursue the action on a class-wide basis as he wanted to make an impact beyond his own claims and interests. (*Id.*) Plaintiff's decision to pursue this action on a class wide basis will provide a significant benefit to the Class.

In addition, this Settlement furthers the public policy of enforcing the protections of the Labor Code, which also merits recognition. For example, "Labor Code section 1194 confirms a clear public policy that is specifically directed at the enforcement of California's minimum wage and overtime laws for the benefit of workers." *Sav-on Drug Stores, Inc. v. Sup. Ct.*, 34 Cal. 4th 319, 340 (2004) (internal quotations and citation omitted). Thus, the fact that the Class Representative prioritized the interests of his fellow workers and that the Settlement further an

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important public policy both weigh in favor of the requested service awards.

4. The Requested Service Award Is Warranted As it Falls Within the Reasonable Range of Service Awards

In addition to the underlying factors noted above that support the requested service award, the award—which individually represents less than 3% of the total settlement—is warranted as it falls within a reasonable range of service awards. *See*, *e.g.*, *Carl v. Modern Custom Fabrication*, *Inc.*, No. 14CECG00658, 2016 WL 4611477, at *3 (Fresno Sup. Ct., Apr. 25, 2016) (approving \$10,000 service award that was 11.7% of the total \$85,000 class action settlement); *Nwabueze v. AT&T Inc.*, 2013 U.S. Dist. LEXIS 169270, at *39 (N.D. Cal. Nov. 27, 2013) (awarding service award which was approximately 5% of the total settlement amount). As such, Plaintiff's requested service award of \$15,000 is fair and reasonable and should be approved. (Class Counsel Decl. at ¶ 6.)

C. The Request for Attorneys' Fees Should be Granted Because it is Fair Reasonable Under Either the Common Fund or Lodestar Analyses

A prevailing Plaintiff is statutorily entitled to recover reasonable attorneys' fees related to the Class's wage and hour claims. *See* Lab. Code §§ 226(e)(1), 1194(a), 2699(g)(1); Civ. Code § 1021.5. According to the California Supreme Court, the two "primary methods of determining a reasonable attorney fee in class action litigation ... are [t]he percentage method calculates the fee as a percentage share of a recovered common fund ... [and the] lodestar method, or more accurately the lodestar-multiplier method ..." *Laffitte v. Robert Half Internat. Inc.*, 1 Cal. 5th 480, 489 (2016) (affirming trial court's attorneys' fees decision under the common fund method for one-third of the settlement). Here, the attorneys' fees requested are reasonable under both the common fund and lodestar analyses.

1. The Requested Fee Award is Reasonable Using the Common Fund Method

The common fund method is appropriate here because there is an easily calculable common fund that provides substantial benefits to the class. *See Serrano v. Priest*, 20 Cal. 3d 25, 35 (1977) (A common fund approach is available where Class Counsel's efforts "have resulted in the preservation or recovery of a certain or easily calculable sum of money – out of which sum or

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'fund' the fees are to be paid."). This situation exists here because the settlement is an easily calculable sum of money from which attorneys' fees can be paid. (Class Counsel Decl. ¶ 8.)

The common fund method also allows Plaintiff and Class Counsel to create "a fund from which others will benefit [and] to require those other beneficiaries to bear their fair share of the litigation costs." Nw. Energetic Servs., LLC v. Cal. Franchise Tax Bd., 159 Cal. App. 4th 841, 878 (2008) (citing Serrano, 20 Cal. 3d at 35). The common fund method provides both "[f]airness to the successful litigant, who might otherwise receive no benefit because his recovery might be consumed by the expenses" and the "encouragement of the attorney for the successful litigant, who will be more willing to undertake and diligently prosecute proper litigation for the protection or recovery of the fund if he is assured that he will be promptly and directly compensated should his efforts be successful." Bank of Am. v. Cory, 164 Cal. App. 3d 66, 90 (1985) (citation omitted). At the same time, the common fund approach discourages "cheap settlements and ... the ability of defendants and the plaintiff's attorneys to arrange collusive settlements that exchange a low recovery for a high fee award." Navarro v. Servisair, No. C 08-02716 MHP, 2010 WL 1729538, at *2 (N.D. Cal. Apr. 27, 2010); see also Lealao, 82 Cal. App. 4th at 55, n.5 (the common fund approach discourages "unjustified work and protracting the litigation."). Accordingly, it is unsurprising that the "common fund principle" is "well-established" [in California] and has "been applied by the courts of this state in numerous cases." Serrano, 20 Cal. 3d at 34-35 (collecting cases); see also In re Sutter Health Uninsured Pricing Cases, 171 Cal. App. 4th 495, 512 (2009) (upholding as reasonable a fee award based on a percentage of the settlement recovery).)

When courts determine the percentage of the fund, they look at the reaction of the class members following the notice period. *See Sanders v. City of Los Angeles*, 3 Cal. 3d 252, 263 (1970); *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 251-52 (2001). Courts also consider: (1) the results achieved; (2) the risk of litigation; (3) the skill required and the quality of work; (4) the contingent nature of the fee and the financial burden carried by the plaintiffs; and (5) awards made in similar cases. *See Serrano*, 20 Cal. 3d at 49; *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1048-50 (9th Cir. 2002).

First, as described above, thus far, there has been a positive reaction of the Class Members

supports the requested percentage of the fund. (Class Counsel Decl. at ¶ 17; Ex. 1 to Class Counsel Decl.) Second, the Settlement achieves a significant result in an efficient manner, especially if the litigation were to reach trial, further supporting the requested fees under the common fund approach. Third, Class Counsel demonstrated substantial skill and diligence in achieving the settlement in an efficient manner, which Class Counsel has gained through their history of litigating wage-and-hour class and representative actions. (Prelim. Decl. at ¶¶3-6 filed 11/5/21.) The excellent, early settlement was reached as a result of Class Counsel's expertise and experience. Class Counsel's experience helped narrow the factual and legal issues in the complaint, allowed them to engage in efficient discovery that moved the case towards resolution, and facilitated effective negotiations, including the preparation of detailed mediation papers and damages analyses. (Id. at $\P \P$ 3-7, 17-19.) In a situation such as this where there was a positive resolution and a mutually respectable relationship between opposing counsel, the burden on the judicial system is reduced because there are fewer court appearances and less motion practice. Thus, Class Counsel's skill and diligence in achieving an efficient settlement favors the requested percentage of the fund. See Lealao, 82 Cal. App. 4th at 52 ("counsel should be rewarded, not punished, for helping to achieve [the] goal" of early settlement).

Fourth, the contingent nature of the fee and the financial burden carried by Class Counsel support the requested fees award because a fee award is intended, among other things, to compensate for the risk of loss that counsel assume when undertaking contingency class cases. (Class Counsel Decl. at ¶ 8.) The requested attorneys' fee award is one-third of the Gross Settlement Amount, which is consistent with fee awards in similar cases, and is reasonable and appropriate under the circumstances of this case. *See Carpinelli v. Boliden Ab*, No. CGC-04-435527, 2010 WL 4272058 (San Francisco Sup. Ct., Feb. 5, 2010) (awarding one-third of common fund for attorneys' fees because, *inter alia*, it is "consistent with the market for contingent litigation of this nature"); *Aquino v. Ozburn-Hessey Logistics, LLC*, No. CIVDS-1410456, 2015 WL 12732304, at *2 (San Bernardino Sup. Ct., Dec. 10, 2015) (finding that one-third of common fund for attorneys' fees is reasonable because, *inter alia*, "of the contingent nature of Class Counsels' fee"). Class counsel must take on a substantial risk of "never receiving

compensation at all." *Amaral v. Cintas Corp. No.* 2, 163 Cal. App. 4th 1157, 1217-18 (2008). "A contingent fee must be higher than a fee for the same legal services paid as they are performed" because it "compensates the lawyer not only for the legal services he renders but for the loan of those services." *Id.* (internal citation omitted). Similarly, compensating attorneys for these risks helps fulfill the "need to encourage 'private attorneys general' willing to challenge injustices in our society," and "[a]dequate fee awards are perhaps the most effective means of achieving this salutary goal." *Thayer v. Wells Fargo Bank, NA*, 92 Cal. App. 4th 819, 839 (2001); *see Amaral*, 163 Cal. App. 4th at 1217-18 ("If he is paid no more, competent counsel will be reluctant to accept fee award cases.").

Here, during the period commencing from when the Plaintiff initially approached Class Counsel to the date of the settlement, Class Counsel risked spending considerable time and monetary resources without the promise of repayment or reimbursement. *See In re Vitamin Cases*, No. 301803, 2004 WL 5137597, at *12 (San Francisco Sup. Ct., Apr. 12, 2004) ("The fact that Plaintiff's Counsel settled the case before filing a class certification motion and did not need to go to trial to achieve the result does not diminish the risks that Plaintiffs faced at the outset."). Class Counsel have thus far devoted more than 218 hours of their professional time on this case and will have spent nearly \$10,000 of their own money in support of their successful efforts to vindicate the rights of the Class Members. (Class Counsel Decl. ¶¶ 10, 15.) Further, Class Counsel faced the risk of non-recovery after a substantial investment of time and resources. As a result, Class Counsel should be rewarded with a fee that accounts for these risks.

Fifth, the request for attorneys' fees in the amount of one-third of the common fund falls within the norms accepted by the state and federal courts in California in comparable wage and hour class actions. *See Chavez v. Netflix, Inc.*, 162 Cal. App. 4th 43, 66, n.11 (2008) ("[e]mpirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery"); *Knight v. Red Door Salons, Inc.*, No. 08-01520 SC, 2009 WL 248367, at *6 (N.D. Cal. Feb. 2, 2009) ("fee awards in class

actions average around one-third of the recovery") (quoting *Newberg*, at § 14.6).¹ Indeed, many "California trial courts have awarded attorney's fees ... greater than [] thirty percent" *In re Cal. Indirect Purchases*, No. 960886, 1998 WL 1031494, at *9 (Alameda Sup. Ct., Oct. 22, 1998) (citing eleven California trial court decisions as examples where at least thirty percent of the common fund was award, including cases where forty-five percent was awarded).

The requested percentage also approximates the legal marketplace by awarding a fee comparable to what clients and counsel would likely have negotiated at the outset of the litigation. *See Lealao*, 82 Cal. App. 4th at 47; *see also In re Oracle Sec. Litig.*, 852 F. Supp. 1437, 1450 (N.D. Cal. 1994) (citations omitted). Here, the Class Representative negotiated a one-third contingency fee arrangement, which is a typical arrangement necessary for clients to obtain competent counsel in the marketplace for representation in wage and hour class actions of this nature. (Class Counsel Decl. at ¶ 8; *see Chavez*, 162 Cal. App. 4th at 64-65 (noting that the typical contingency fee contract agreement ranged between 20 and 40 percent of total recovery). Thus, it is fair and equitable that Class Members bear their share of fees in an amount that is not less than that negotiated by the Class Representative. *See Earley v. Super. Ct. of L.A. Cnty.*, 79 Cal. App. 4th 1420, 1436 (2000).

2. The Requested Fee Award is Reasonable Under the Lodestar Method

The lodestar analysis also supports the attorneys' fees allocated in the Settlement. (Class Counsel Decl. ¶ 9.) This method, "more accurately [described as] the lodestar-multiplier method," is calculated by multiplying reasonable hourly rates of counsel by the reasonable number of hours needed to litigate the case to a successful conclusion. *Laffitte*, 1 Cal. 5th at 488. Where the percentage of the fund analysis accurately reflects the results achieved, "[t]he lodestar method better accounts for the amount of work done...." *Id.* at 504 (quoting *Rawlings v. Prudential*—

¹ See also Barrett v. The St. John Cos., No. BC354278 (Los Angeles Sup. Ct., July 9, 2009) (33 & ½3% award in wage and hour class action); Case v. Toyohara Am. Inc., No. BC328111 (Los Angeles Sup. Ct., May 31, 2006) (same); Tokar v. GEICO, No. GIC 810166 (San Diego Sup. Ct. July 9, 2004) (same); Marroquin v. Bed Bath & Beyond, No. RG04145918 (Alameda Sup. Ct., June 22, 2004) (same); Crandall v. U-Haul Int'l, Inc., No. BC178775 (Los Angeles Sup. Ct., Aug. 17, 2001) (40% award in wage and hour class action).

Bache Properties, Inc., 9 F.3d 513, 516 (1993)). Where the common fund method is available, a lodestar cross-check is appropriate to ensure a fair fee award. Laffitte, 1 Cal. 5th at 505. The California Supreme Court has "emphasize[d] [that] the lodestar calculation, when used in this manner, does not override the trial court's primary determination of the fee as a percentage of the common fund ... [unless] the multiplier calculated by means of a lodestar cross-check is extraordinarily high or low," and even when the multiplier is extraordinary, the trial court is still "not necessarily required to make ... an adjustment" to the fees awarded under the common fund approach. Id.

The California Supreme Court in *Laffitte* affirmed a fee award representing one third (33 & ½%) of the common fund, *id.* at 506, which was based on a lodestar amount that required a multiplier of 2.13. *Id.* at 487. As the Court held, only when the multiplier is "extraordinarily high or low [should] the trial court [] consider whether the percentage method should be adjusted so as to bring the imputed multiplier within a justifiable range." *Id.* at 505. Thus, a lodestar cross-check is aimed only at astronomical multipliers. Indeed, cross-checks are not required; in many cases, performing a cross-check "undermines" one of the primary reasons for using the percentage method: aligning counsel's incentives with the benefits delivered to the class and discouraging protracted litigation. *Id.* at 506 (finding trial courts "retain the discretion to forgo a lodestar cross-check"); *see* Report of the Third Circuit Task Force, Court Awarded Attorney Fees, 108 F.R.D. 237, 258 (1985); *see also Lealao*, 82 Cal. App. 4th at 29-30 (citing recommendations of the Third Circuit Task Force with approval and observing that "[t]he criticisms of the lodestar approach set forth in this Report are now echoed by many authorities, who have been most vocal about the manner in which it exacerbates the problem of 'cheap settlements' and burdens already overworked trial judge.").

A reasonable hourly billing rate is the prevailing rate charged by attorneys of similar skill and experience in the relevant community. *See PLCM Group, Inc. v. Drexler*, 22 Cal. 4th 1084, 1095 (2000). The court may consider other factors when determining a reasonable hourly rate, like the attorney's skill and experience, the nature of the work performed, the relevant area of expertise and the attorney's customary billing rates. *See Flannery v. California Highway Patrol*,

61 Cal. App. 4th 629, 632-33 (1998). Here, Class Counsel's 2022 hourly rates are commensurate with the prevailing rates for partners and associates engaged in Plaintiff-side wage and hour class and representative action work in the San Francisco Bay Area. (Class Counsel Decl. at ¶¶ 11-14.) Fee awards for Class Counsel have been approved in wage and hour class and representative actions in Northern California during 2021 at the following rates: \$800 per hour for Mr. Palau, \$700 per hour for Mr. Sutton, and \$600 per hour for Mr. Trabucco. (*Id.*) Further, Class Counsel's 2022 hourly rates are also supported by the hourly rates outlined in the Laffey Matrix (http://www.laffeymatrix.com/see.html), which courts have found is within the range of reasonable hourly rates for attorneys of comparable skill, experience and reputation litigating similar cases in the Bay Area. See Rivera v. Rivera, WL 3667486, at *2 (N.D. Cal., 2011); see also Theme Promotions, Inc. v. News America Marketing FSI, Inc., 731 F. Supp. 2d 937, 949 (N.D. Cal. 2010) (approving a 7 percent upward adjustment of Laffey Matrix rates to account for the pay differential between Washington D.C. and the Bay Area).

Courts are quite liberal in the evidence required to prove an attorney's hours. Detailed time records are not required, and an attorney's testimony alone may suffice: "Testimony of an attorney as to the number of hours worked on a particular case is sufficient evidence to support an award of attorney fees, even in the absence of detailed time records." *Martino v. Denevi*, 182 Cal. App. 3d 553, 559 (1986). Reasonable hours include, in addition to time spent during litigation, the time spent before the action is filed, including time spent interviewing the clients, investigating the facts and the law, and preparing the initial pleadings. *New York Gaslight Club, Inc. v. Carey*, 447 U.S. 54, 62 (1980). Further, the fee award should include fees incurred to establish and defend the attorneys' fee claim. *Serrano v. Unruh*, 32 Cal. 3d 621, 639 (1982).

Class Counsel have expended more than 218 hours on this matter, reflecting a \$156,540 lodestar, which constitutes the reasonable and necessary time spent litigating, settling, and seeking approval in this class action lawsuit. (Class Counsel Decl. at \P 10.) In addition, Class Counsel expects to log approximately 25 additional hours to bring this class action settlement to conclusion. (*Id.* at \P 9.) This additional time will be spent preparing the final approval motion, attending the final approval hearing, responding to questions and concerns of Class Members and

the Settlement Administrator during payout process, monitoring the distribution process, and submitting a filing for the Court's compliance hearing. Thus, Class Counsel requests that the court find that these hours were reasonable in this litigation.

Once the court establishes the lodestar amount, it may enhance the fee award by a multiplier in order to make an appropriate fee award. *Serrano*, 20 Cal. 3d 25, 48 (1977). In determining whether or not to enhance the lodestar, California courts take into account multiple factors, including: the time and labor required; the skill requisite to perform the legal services properly; the preclusion of other employment by the attorney due to the acceptance of the case; the contingent nature of the fee; the amount involved, and results obtained; the experience, reputation, and ability of the attorney; and awards in similar cases. *Ketchum v. Moses*, 24 Cal. 4th 1122, 1139 (2001). However, this list is not exhaustive, and courts can consider other factors it deems important in setting the multiplier. *Id*.

This settlement meets these and several other factors justifying an enhancement based on the percentage-of-the-benefit, including: no objections by Class Members; commendable conduct by Class Counsel; and significant recoveries by Class Members. *See Lealao*, 82 Cal. App. 4th at 51-53. As in *Lealao*, the Class was notified of the settlement and attorneys' fees request with no objections. The multiplier should also be enhanced given the contingent nature of Class Counsel's fee recovery. The risks in taking on a class action case are enormous, not the least of which is time and effort. Defendant maintained that there were significant obstacles and defenses to this action. Thus, not only was there significant risk taken by Class Counsel, but the ability to obtain the current settlement should be seen as commendable.

Here based upon Class Counsel's lodestar of \$156,540, Class Counsel seeks a negative multiplier .95, as the requested common fund award is actually less than the current lodestar.²

² Courts routinely award greater multipliers, enhancing lodestar amounts with multipliers that "range from 2 to 4 or even higher." *Wershba*, 91 Cal. App. 4th at 255; *see also Chavez*, 162 Cal. App. 4th at 66 [approving multiplier of 2.5]; *Vizcaino*, 290 F.3d at 1051 (approving multiplier of 3.65); *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 123 (2d Cir. 2005) (approving multiplier of 3.5); *Craft v. County of San Bernardino*, 624 F. Supp. 2d 1113, 1125 (C.D. Cal. 2006) (awarding multiplier of 5.2 and referring to other cases with cross-check multipliers ranging from 4.5 to 19.6).

Class Counsel risked not only a great deal of time, but also a great deal of expense to ensure the successful litigation of this action on behalf of all Class Members. In sum, the percentage-of-the-fund and lodestar analyses both support Class Counsel's request for attorneys' fees of one-third, or \$149,333.33, of the Gross Settlement Amount, which is fair, reasonable, and adequate given the circumstances and should thus be awarded in its entirety.

D. The Requested Litigation Reimbursement Costs Are Reasonable

Plaintiff requested preliminary approval for out-of-pocket litigation costs and expenses incurred by Class Counsel in the amount of up to \$10,000.00. The actual costs incurred to date is equal to \$6,850.30. (Class Counsel Decl. at ¶ 10.) However, Class Counsel will incur additional costs in filing the instant motion and any required supplemental filings, filing the motion for final approval of class settlement, and monitoring the distribution process. (*Id.*) Class Counsel will confirm their final costs information at the final approval hearing. (*Id.*)

Plaintiff is entitled to recover litigation costs and expenses reasonably incurred in the prosecution of his claims. *See* Lab. Code §§ 226(e)(1), 1194(a), 2699(g)(1); Civ. Code § 1021.5. Class Counsel seeks reimbursement for commonly reimbursed costs, including mediation fees, filing and process serving fees, court fees, and the like. (*Id.*) No Class Member has objected to these costs thus far, and Defendant does not oppose this request. Thus, the Court should approve Plaintiff's requested reimbursement of litigation costs and expenses in up to \$10,000 once Class Counsel confirms the total costs at the Final Approval Hearing.

III. <u>CONCLUSION</u>

For all the reasons set forth herein, Plaintiff respectfully request that the Court grant the requested attorneys' fees and reimbursement of litigation costs, and the Class Representative service award.

Respectfully Submitted,

Dated: April 20, 2022

ADVOCATES FOR WORKER RIGHTS LLP

Joseph D. Sutton Attorneys for Plaintiff 14
Memorandum ISO Motion for Attorneys' Fees & Costs and Plaintiffs' Service Award—Case No. CGC-20-586926

1 2 3 4	ADVOCATES FOR WORKER RIGHTS LLP MARCO A. PALAU (Bar No. 242340) marco@advocatesforworkers.com JOSEPH D. SUTTON (Bar No. 269951) jds@advocatesforworkers.com ERIC S. TRABUCCO (Bar No. 295473) est@advocatesforworkers.com 212 9th Street, Suite 314	FILED Superior Court of California, County of San Francisco 04/20/2022 Clerk of the Court
5	Oakland, California 94607	BY: SANDRA SCHIRO Deputy Clerk
6	Telephone: (510) 269-4200 Facsimile: (408) 657-4684	Doputy Grank
7	Attorneys for Plaintiff Benito Segura	
8		
9		
10	SUPERIOR COURT OF THI	E STATE OF CALIFORNIA
11	IN AND FOR THE COUN	TY OF SAN FRANCISCO
12		
	BENITO SEGURA, on behalf of himself and all	Case No. CGC-20-586926
13	other persons similarly situated,	Case 110. CGC-20-360920
1415	Plaintiff,	DECLARATION OF JOSEPH D. SUTTON IN SUPPORT OF MOTION FOR ATTORNEYS' FEES & COSTS AND
16	vs.	PLAINTIFF'S SERVICE AWARD
17	ALTIA TRANSPORTATION COMPANY,	Date: June 22, 2022
18	THOMAS GASPARINI, and DOES 1-10, inclusive,	Time: 9:00 a.m. Department 304
19	Defendants.	Before the Honorable Ethan P. Schulman
20		Before the Honorable Ethan 1. Senaman
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I, Joseph D. Sutton, declare the following:

- 1. I am an attorney at law licensed to practice before all courts of the State of California and am a founding member of Advocates for Worker Rights LLP. My firm and I represent Plaintiff in the above-entitled case. I am familiar with the above-captioned litigation and the dispute from which it arises. All statements made herein are on personal knowledge unless otherwise stated. If called as a witness, I could and would competently testify as to matters stated herein.
- 2. This declaration is in support of the Plaintiff's Motion for Attorneys' Fees & Costs and Plaintiff's Service Award, filed herewith.
- 3. On or about November 5, 2021, I submitted a declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action & PAGA Settlement ("Prelim. Decl."). My declaration detailed the initial investigation of this case, the procedural and litigation history, the informal discovery conducted, the settlement negotiations, the material terms of the Settlement, and the factors supporting preliminary approval of the Settlement. That declaration also addressed issues related to the Class Action Settlement Agreement & Release ("Settlement"), including regarding the fairness of the settlement, the process for providing notice to the Class, and the form and content of the Class Notice Packet ("Notice"), among others. I also filed supplemental declarations in support of Plaintiff's Motion for Preliminary Approval to address issues raised by the Court on January 6, 2022, February 10, 2022, and March 4, 2022. I will not repeat the information addressed in my previous declarations, and instead will focus all details pertinent to this Motion.

The Class Representative Service Award Is Reasonable and Should be Approved

4. Plaintiff Benito Segura has been and continues to be an adequate Class Representative. Plaintiff chose to sacrifice his individual claims and resolve this matter on a class wide basis to provide significant relief to fellow employees of Altia Transportation Company ("Altia" or "Defendant"). Plaintiff alleged those workers suffered the same labor violations he did, and in addition to the financial risks of being liable for Defendant's litigation costs if the action was not successful, Plaintiff also bore the risk of being blacklisted by potential employers

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for filing the suit. Despite these risks, Plaintiff chose to take the action that has now resulted in a significant recovery for the Class of workers affected by Defendant's alleged labor violations.

- 5. Plaintiff took his duties and responsibilities as Class Representative seriously and performed them well. Mr. Segura was actively involved at all stages of litigation, assisting me, and our firm with the investigation before filing the case, reviewing informal discovery requests, responses, and production of compensation and timekeeping data and policy, payroll, and other documents in preparation for mediation. Plaintiff provided the factual background for the class and representative claims and detailed to his attorneys what documents and other evidence Defendant had that would support the claims alleged. Throughout the lawsuit, he was in regular contact with counsel and their staff to assist in the investigation and litigation of the case, and he always made himself available to answer our firm's questions. Plaintiff also helped counsel prepare for the mediation with Justice Steven M. Vartabedian (ret.) on July 19, 2021, and participated in the full day mediation, where he was actively engaged in the negotiations and provided key background and context to the mediator. Importantly, Plaintiff sacrificed his individual claims in order to seek a fair and sizeable recovery for the Class. For these reasons, and those detailed in Plaintiff's declaration filed herewith, I believe that \$15,000 is a fair and reasonable service award for Plaintiff due to the personal and financial risks incurred in filing this action, his active and engaged participation in the matter, his work reviewing informal discovery, his assistance to Class Counsel prior to and during the full-day mediation, the fact that he put the claims of the Class on par with his own in order to achieve a sizeable recovery for the Class, and the comprehensive release he has agreed to provide to settle this case. See, generally, Declaration of Benito Segura in Support of Motion for Final Approval of Settlement ("Segura Decl.").
- 6. In addition to the underlying factors noted above that support the requested service awards, I also believe that the requested \$15,000 award—which totals approximately 3% of the gross settlement—is warranted as it falls within a reasonable range of service awards in similar matters. *See e.g., Carl v. Modern Custom Fabrication, Inc.*, No. 14CECG00658, 2016 WL 4611477, at *3 (Fresno Sup. Ct., Apr. 25, 2016), at *3 (approving \$10,000 service award that was 11.7% of the total \$85,000 wage and hour class action settlement); *Nwabueze v. AT&T Inc.*, 2013

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U.S. Dist. LEXIS 169270, at *39 (N.D. Cal. Nov. 27, 2013) (awarding service award which was approximately 5% of the total settlement amount). Thus, I believe a service award for Plaintiff in the amount of \$10,000 is fair and reasonable in this instance and should be approved.

The Reasonableness of the Requested Attorneys' Fees and Costs

- 7. Plaintiff seeks an attorneys' fees award of \$149,333.33 that is set forth in the Settlement, detailed in the Class Notice, and Defendant does not oppose Plaintiff's request. This common fund request represents one-third of the gross settlement amount of \$448,000.00. Courts commonly award one third of the gross settlement amount in common fund settlement class actions because it constitutes a fair charge to beneficiaries of this Settlement while encouraging qualified and competent counsel to diligently prosecute cases brought as contingency fee cases.
- 8. As set forth in the accompanying Memorandum of Points & Authorities filed herewith, the requested fee award of one-third of the gross Settlement amount is well justified under the common fund approach. The California Supreme Court has affirmed that a reasonable fee award in class action litigation can be calculated as a percentage of a recovered common fund. Laffitte v. Robert Half Int'l Inc., (2016) 1 Cal.5th 480, 488-490 (affirming trial court's attorney's fees decision under the common fund method for one-third of the settlement). Here, a common fund recovery of one-third is a reasonable fee award because (1) the Class has, thus far, uniformly responded positively to the requested fee award up to this point; (2) the monetary relief achieved is an excellent result for the Class; (3) Plaintiff faced numerous risks with continued litigation including the challenge of certifying highly contested claims with limited common proof, like the rest and meal period claims, and various legal defenses asserted by Defendant; (4) Class Counsel have displayed significant skill and high quality of work to reach this excellent, early settlement with the assistance of a skilled mediator; (5) Class Counsel carried the financial burden of litigating these class claims on a contingency-fee basis, which included the risk of no recovery if the case proved unsuccessful; and (6) this one-third of the Settlement fund award is consistent with fees in similar circumstances. The requested award also replicates the likely fee arrangement that the Class and Class Counsel would have negotiated (as evidenced by the Class Representative's one-third contingency fee arrangements with Class Counsel) and thus constitutes

a fair charge for the benefit enjoyed by all participating Class Members.

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The Lodestar Cross-Check Supports the Requested Departure From the Benchmark

9. In addition to the common fund approach, Plaintiff's requested common fund fee award is also justified under the lodestar approach. Class Counsel currently has expended more than 218 hours in this litigation as of April 19, 2022, for a current lodestar of \$156,540. This lodestar cross check supports the reasonableness of the common fund award of \$149,333.33 requested in this matter. Further, I expect that Class Counsel will incur approximately 25 additional hours of time to see this case through completion of the Settlement, including: preparing a motion for final approval; preparing for and appearing at the hearing on the final approval motion; monitoring the award distributions to the Class and responding to Class Member inquiries; preparing a final compliance report to the Court that distribution of settlement funds has been completed; attending the compliance hearing; and ensuring any uncashed checks mailed to participating Class Members are distributed to the designated cy pres recipient. Per the Settlement Agreement, Class Counsel is requesting a common fund award of thirty-three and 1/3 percent (33 & 1/3 %) of the gross settlement, or \$149,333.33.

Advocates maintains contemporaneous, detailed time records billed at 1/10 of an 10. hour increments. A summary of hours expended by Advocates for Worker Rights LLP is as follows:

Professional		Hours	Hourly Rate	Total Lodestar
Marco A. Palau	Attorney	22.3	\$850.00	\$18,955.00
Joseph Sutton	Attorney	164.1	\$750.00	\$123,075.00
Eric Trabucco	Attorney	16.8	\$650.00	\$10,920.00
Alan Jimenez	Law Clerk	9.4	\$250.00	\$2,350.00
Sarahi Ortiz Llanes	Law Clerk	6.2	\$200.00	\$1,240.00
Total		218.8		\$156,540.00

Advocates' Reasonable Hourly Rates

11. I am a co-founder of Advocates for Worker Rights LLP. My legal and professional
experience and credentials were detailed in my declaration submitted in support of Plaintiff's
Motion for Preliminary Approval of Class Settlement filed on November 5, 2021. I am familiar
with the hourly rates for partners and associates engaged in Plaintiffs-side wage and hour class
and representative action work in the San Francisco Bay Area. Fee awards for my work in the
wage and hour class and representative actions in California courts during 2021 have been
approved at \$700 an hour. See Moreno v. Capital Building Maintenance & Cleaning Services,
Inc., Case No. 4:19-cv-07087-DMR, 2021 WL 4133860, at 6 (N.D. Cal. Sept. 10, 2021);
Gonzalez-Rodriguez v. RJA Pollinating Company, et al., Imperial County Sup. Ct. Case No.
ECU001087, class action settlement approval granted February 25, 2021.) In addition, fee awards
for my work in similar class and representative matters during 2020 were approved at \$650 an
hour. (See Macias, et al. v. QLM, Inc., et al., Alameda County Sup. Ct. Case No. RG19005507,
class action settlement approval granted June 10, 2020; Ramirez v. Terona, et al., Santa Clara
Sup. Ct. Case No 19CV343622, approval of PAGA Settlement granted June 5, 2020; and
Mendoza v. Able Sheet Metal, Inc., Alameda Sup. Ct. Case No. RG19023873. I believe my
current rate of \$750 per hour for contingency fee representative and class action cases is fair and
reasonable given my experience level and success in this field, the contingent and risky nature of
the work, and the prevailing rates for attorneys of similar experience in the San Francisco Bay
Area. My 2022 hourly rate for this type of specialized work is also supported by the hourly rates
outlined in the Laffey Matrix (http://www.laffeymatrix.com/see.html), which courts in the San
Francisco Bay Area have found to be within the range of reasonable hourly rates for attorneys of
comparable skill, experience and reputation litigating similar cases in the Bay Area. See <i>Rivera v</i> .
Rivera, WL 3667486, at *2 (N.D. Cal., 2011); Theme Promotions, Inc. v. News America
Marketing FSI, Inc. 731 F.Supp.2d 937, 949 (N.D. Cal. 2010) (approving a 7 percent upward
adjustment of Laffey Matrix rates to account for the pay differential between Washington D.C.
and the Bay Area.

12. Marco A. Palau is a founding member of Advocates for Worker Rights LLP. His

Motion for Preliminary Approval of Class Settlement filed on November 5, 2021. I am familiar

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1	with the hourly rates for partners and associates engaged in Plaintiffs-side wage and hour class
2	and representative action work in the San Francisco Bay Area. Fee awards for Mr. Trabucco's
3	work in the wage and hour class and representative actions in California courts during 2021 have
4	been approved at \$600 an hour. See Moreno v. Capital Building Maintenance & Cleaning
5	Services, Inc., Case No. 4:19-cv-07087-DMR, 2021 WL 4133860, at 6 (N.D. Cal. Sept. 10, 2021);
6	Gonzalez-Rodriguez v. RJA Pollinating Company, et al., Imperial County Sup. Ct. Case No.
7	ECU001087, Class Action settlement approval granted February 25, 2021.) Further, fee awards
8	for Mr. Trabucco's work in similar class and representative cases during 2020 have been
9	approved at \$550 an hour. See Macias, et al. v. QLM, Inc., et al., Alameda County Sup. Ct. Case
10	No. RG19005507, class action settlement approval granted June 10, 2020; Ramirez v. Terona, et
11	al., Santa Clara Sup. Ct. Case No 19CV343622, approval of PAGA Settlement granted June 5,
12	2020; and Mendoza v. Able Sheet Metal, Inc., Alameda Sup. Ct. Case No. RG19023873, approval
13	of PAGA Settlement granted May 15, 2020. I believe Mr. Trabucco's current rate of \$650 per
14	hour for contingency fee representative and class action cases is fair and reasonable given his
15	experience level and success in this field, the contingent and risky nature of the work, and the
16	prevailing rates for attorneys of his experience in the San Francisco Bay Area. Mr. Trabucco's
17	2022 hourly rate is also supported by the hourly rates outlined in the Laffey Matrix
18	(http://www.laffeymatrix.com/see.html), which courts in the San Francisco Bay Area have found
19	has been found to be within the range of reasonable hourly rates for attorneys of comparable skill,
20	experience and reputation litigating similar cases in the Bay Area. See <i>Rivera v. Rivera</i> , WL
21	3667486, at *2 (N.D. Cal., 2011); Theme Promotions, Inc. v. News America Marketing FSI, Inc.
22	731 F.Supp.2d 937, 949 (N.D. Cal. 2010) (approving an 7 percent upward adjustment of Laffey
23	Matrix rates to account for the pay differential between Washington D.C. and the Bay Area.)
24	14. Mr. Alan Jimenez is a case clerk at Advocates. His 2022 rate is \$250 per hour. Ms.
25	Sarahi Ortiz Llanes is also a case clerk at Advocates, and her 2022 rate is \$200 per hour.

The Litigation Expenses Were Reasonably Incurred

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15. Class Counsel further requests that the Court approve payment of up to \$10,000 in costs, which is the maximum amount that was requested in the Motion for Preliminary Approval

and disclosed in the Class Notice. As of the date of this declaration, Class Counsel has incurred a total of \$6,850.30 in actual costs. The costs and expenses in this action are customary in such cases. For example, costs include, but are not limited to, the following: (1) \$1,770 for complaint filing and service costs; (2) \$2,058 for Plaintiff's portion of the mediation costs; and (3) \$2,062 for expert fees for damage analysis. All costs incurred here were necessary to the prosecution of this litigation and would normally have been billed to a client paying for the firm's services on a non-contingent basis. These costs are reasonable for a case in which such a substantial recovery has been achieved for the Class. Class Counsel will incur additional costs in filing the instant motion and any required supplemental filings, filing the motion for final approval of class settlement, and monitoring the distribution process. Class Counsel will confirm their final costs information at the final approval hearing.

- 16. I have reviewed the expense records described above and certify to the Court that the work was reasonably and necessarily performed and expenses reasonably and necessarily incurred in connection with the litigation of this matter.
- 17. Attached to this declaration as exhibit 1 is the most recent Weekly Report from Phoenix Class Action Administration Solutions detailing the lack of Class Members who have objected or opted out of the Settlement. Plaintiff will submit a full declaration from the Settlement administrator once the time-period for opting out and objecting has run and prior to the Final Approval Hearing.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct. Executed this 20th day of April, 2022, in Berkeley, California.

ADVOCATES FOR WORKER RIGHTS LLP

Joseph D. Sutton

Attorneys for Plaintiff

Marco A. Palau, Cal. Bar No. 242340 marco@advocatesforworkers.com **ELECTRONICALLY** Joseph D. Sutton, Cal. Bar No. 269951 ids@advocatesforworkers.com FILED Eric S. Trabucco, Cal. Bar No. 295473 Superior Court of California, County of San Francisco 3 est@advocatesforworkers.com 4 ADVOCATES FOR WORKER RIGHTS LLP 04/20/2022 **Clerk of the Court** 212 9th Street, Suite 314 BY: SANDRA SCHIRO 5 Oakland, California 94607 **Deputy Clerk** Telephone: (510) 269-4200 6 Facsimile: (408) 657-4684 7 Counsel for Plaintiff Benito Segura 8 9 SUPERIOR COURT OF CALIFORNIA 10 IN AND FOR THE COUNTY OF SAN FRAMCISCO 11 12 13 Case No. CGC-20-586926 BENITO SEGURA, an individual, on behalf of himself and all other similarly situated individuals, 14 **DECLARATION OF BENITO SEGURA IN** SUPPORT OF MOTION FOR 15 PLAINTIFF, **ATTORNEYS' FEES & COSTS AND** PLAINTIFF'S SERVICE AWARD 16 VS. 17 ALTIA TRANSPORTATION CORPORATION, a Date: June 22, 2022 Time: 9:00 a.m. California Corporation, THOMAS GASPARINI, 18 an individual, and DOES 1-20, inclusive. Department 304 19 Before the Honorable Ethan P. Schulman Defendants. 20 21 22 23 24 25 26 27 28

I, Benito Segura, declare the following:

- 1. I am the named plaintiff in the matter entitled *Segura v. Altia Transportation Corporation et al.*, Case No. CGC-20-586926. I am a resident of California over the age of 18. I have personal knowledge of all facts stated in this declaration, except those facts stated on information and belief, which I believe to be true.
- 2. I worked for Altia Transportation Corporation ("Altia") as a driver from approximately February 24, 2018 to December 21, 2019.
- 3. As a driver, I primarily delivered packages for Altia's principal customer, FedEx, in Northern California.
- 4. Altia had an unusual way of paying its drivers, including me. I decided to bring this case on behalf of myself and the class because I believed the compensation system did not comply with California law. Defendants' compensation system did not pay for overtime hours, or for all work activities, or for rest breaks.
- 5. Altia utilized a piece-rate system to compensate me, and I understand that compensation was based on the number of deliveries I made, with each delivery paid at about \$1.00. However, other work activities and time that I spent performing my duties were not paid. My rest breaks were also not paid.
- 6. Typically, I arrived at the loading depot in the mornings to load and organize the truck, and then I would set off on my route. The time spent loading the truck, organizing packages, and preparing my route was not paid. I was also not paid separately for rest breaks.
- 7. I have learned that Altia had a practice of paying a minimum daily rate when the piece rate was insufficient to meet the legal minimum wage. However, the daily rate did not always comply with the minimum wage. Sometimes I was not given many stops and my piece rate earnings were low, so the company would pay me a fixed amount, which was approximately \$200 per workday. However, after factoring the total hours worked those days, the daily minimum that Altia paid me did not meet the legal minimum wage.
 - 8. Another problem with Altia's compensation system is that it often did not include the

appropriate overtime pay. For example, the overtime calculation did not take into account a correct regular rate based upon my piece rate earnings. I often worked more than eight hours in a workday and I regularly did not receive the correct overtime compensation for those days.

- 9. Apart from being denied separate pay for rest breaks and for non-driving time, and regularly being denied the correct overtime pay, Altia also did not properly provide meal periods. I rarely, if ever, took a 30-minute uninterrupted meal period free of duty. Meal periods were never scheduled within the first five hours of work, nor were they recorded as required, and I was discouraged from taking meal periods in favor of making deliveries.
- 10. I was never paid a meal period premium for a denied meal period, or a rest period premium for a denied rest period. That was unheard of at this company.
- I had to use my own personal cell phone to perform my work as a driver. During the time I was employed, I never received a reimbursement. I learned through this lawsuit that Altia changed the policy to offer a small reimbursement of a few dollars each pay period for drivers' cell phone usage starting in April 2020. This policy was not in place when I was employed.
- 12. Additionally, my wage statements did not list my hours, or my hourly rates of pay, or the piece rates and corresponding units earned. Instead, they would have a line item indicating "salary," which was inaccurate because I did not earn a salary, and "bonus," which was also inaccurate because, although the amounts reflected piece-rate compensation, it did not list the actual piece rate or the number of units earned at that piece rate. I was never able to fully understand what I was being paid for.
- 13. I assisted my lawyers with the prosecution of the case from the outset. One of my first tasks was to contact fellow workers to assist my attorneys in the investigation of the case. I put my attorneys in contact with several current and former workers who were able to corroborate facts pertaining to company practices and working conditions. I estimate that I attempted to contact and/or contacted more than 5 employees who worked Altia. I spent quite a few hours during the course of the initial investigation and later during the litigation communicating with current and former Altia workers about the lawsuit and status of the litigation. My estimate of the total amount of time I spent speaking with other workers about the case is approximately 6 hours since first pursuing this matter.
 - 14. At my attorney's request, I spent time gathering the records in my possession and control

relating to my work at Altia. I estimate that I spent about 4 hours gathering records and conferencing with my attorneys at the beginning of the case.

- 15. Early on in the case, I assisted my attorney by helping them understand what documents, data, and other evidence Altia may have that would support the claims alleged. I understand that these discussions helped form the basis for the evidence my attorney requested from Altia in order to adequately assess liability and the damages in this case and to prepare the litigation. I was in regular contact with my attorney and their staff to assist in whatever way I could, and I was always available to answer my lawyer's questions. I estimate that I spent 9 hours receiving routine updates from my attorney and their staff about the status of the case, as well as answering questions asked of me from time to time about different issues relating to my work with Altia.
- 16. I helped my attorneys prepare for mediation and participated remotely at the mediation on July 19, 2021 with mediator Justice Steven Vartabedian (ret.). I believe I spent approximately 8.5 hours preparing for and participating in mediation with my lawyers and their staff.
- 17. Approximately two weeks after the July 19, 2021 mediation, Justice Vartabedian made a mediator's proposal. In consultation with my attorney, on or about August 6, 2021, I decided to accept the mediator's proposal. Since that time, I have been in communication with my attorneys regarding the approval process. I believe I have spent approximately 9 hours since the mediation discussing the settlement with my attorneys, and discussing the proposed settlement with other current and former Altia workers.
- 18. I brought this class and representative action for myself, the State of California, and other workers to recover wages and penalties because I believe Altia failed to pay me and other workers at the minimum wage and at lawful overtime rates for all hours worked; failed to provide proper rest and meal breaks or wages instead of breaks; failed to reimburse cell phone expenses; failed to issue accurate wage statements; and failed to timely pay all wages due. I understand the role of a class representative and chose to take on that role to make a positive impact beyond my own claims and interests. I believe that the result in this case is positive for other workers and for the company.
- 19. Although I had individual claims when this original lawsuit was filed, I have voluntarily chosen to pursue the claims I had on a class-wide basis in order to obtain the maximum recovery for

1	workers who suffered wage violations as I did. In so doing, I believe I put the interests of other Altia
2	drivers on par with mine, and arguably, at times, above my own interests. I did this because I believe
3	Altia was not complying with the law and it was important for me to stand up for myself and my fellow
4	workers.
5	20. I believe the settlement is fair and reasonable in light of the circumstances. The
6	settlement agreement does not provide me with consideration for the release of my individual claims,
7	nor have I received separate consideration not made as part of this settlement for the release of my
8	individual claims. I understand that if the proposed distribution of settlement funds is approved by the
9	Court, the average payment to participating Class Members will be approximately \$2,865 as a result of
10	this lawsuit. I believe this is a fair and reasonable result for the approximately 89 drivers included in the
11	settlement.
12	21. I respectfully request that the Court approve the class representative service award for me
13	in the amount of \$15,000 for the substantial risk I took in filing this case, the significant amount of time
14	(more than 36 hours) and energy I spent during the litigation, and what I believe to be a good result for
15	the Class.
16	
17	I declare, under penalty of perjury pursuant to the laws of the State of California, that the 04/20/2022
18	foregoing is true and correct. Executed on
19	
20	Rent A
21	Benito Segura
22	
23	
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27	
28	

1 2 3 4 5 6 7 8	ADVOCATES FOR WORKER RIGHTS LLP MARCO A. PALAU (Bar No. 242340) marco@advocatesforworkers.com JOSEPH D. SUTTON (Bar No. 269951) jds@advocatesforworkers.com ERIC S. TRABUCCO (Bar No. 295473) est@advocatesforworkers.com 212 9th Street, Suite 314 Oakland, California 94607 Telephone: (510) 269-4200 Facsimile: (408) 657-4684 Attorneys for Plaintiff BENITO SEGURA	ELECTRONICALLY FILED Superior Court of California, County of San Francisco 04/20/2022 Clerk of the Court BY: SANDRA SCHIRO Deputy Clerk
9	SUPERIOR COURT OF THI	E STATE OF CALIFORNIA
10	IN AND FOR THE COUN	
11		
12		
13	BENITO SEGURA, on behalf of himself and all	Case No. CGC-20-586926
14	other persons similarly situated,	EXHIBITS TO DECLARATION OF
15	Plaintiff,	JOSEPH D. SUTTON IN SUPPORT OF MOTION FOR ATTORNEYS' FEES &
16	vs.	COSTS AND PLAINTIFF'S SERVICE
17	ALTIA TRANSPORTATION COMPANY,	AWARD
18	THOMAS GASPARINI, and DOES 1-10, inclusive,	Date: June 22, 2022
19	Defendants.	Time: 9:00 a.m. Department 304
20	Defendants.	Before the Honorable Ethan P. Schulman
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 Class Size:
 107

 Class Period:
 9/16/16 - 3/7/22

 Claims Deadline:
 N/A

 Opt-Out Deadline:
 5/27/2022

 Final Approval Hearing:
 6/22/2022

Report Date:

Thursday, April 14, 2022

Weekly Report

Segura v. Altia Transportation Corporation and Thomas Gasparini

MAILINGS				
Notice Mailing Date:	3/28/2022	Total Notices Mailed:	107	_
Notices Returned: Notices Traced: Notices Forwarded:	0 0 0	Notices Requested: Notices Remailed: Notices Returned 2nd Time: Notices Undeliverable:	0 0 0 0	- - -
		OPT-OUTS		
Opt-Outs Received: Deficient: % of Class Submitted Opt-Out:	0 0 %		0 0 0	_ _ _
		Objections:	0	_

Thank you for choosing Phoenix Settlement Administrators (PSA) to work with you on this matter. Please feel free to contact us at 800-523-5773 with any questions.

Phoenix Settlement Administrators P.O. Box 7208, Orange, CA 92863 Phone: 800-523-5773 Fax: 949-209-2503 www.phoenixclassaction.com