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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

ERIC SHADINGER, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

v.

WESCO DISTRIBUTION, INC., a California
corporation; and DOES 1 through 100,
inclusive;

Defendants.

Case No.: 34-2021-00298583-CU-OE-GDS

Assigned for All Purposes to:
Hon. Jill H. Talley
Dept. 25

CLASS ACTION

**PLAINTIFF'S NOTICE OF MOTION
AND MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT, CONDITIONAL
CERTIFICATION, APPROVAL OF
CLASS NOTICE, SETTING OF FINAL
APPROVAL HEARING DATE;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

[Reservation ID: 2666807]

[Declaration of Proposed Class Counsel
(Douglas Han); and [Proposed] Order filed
concurrently herewith]

Hearing Date: November 4, 2022
Hearing Time: 9:00 a.m.
Hearing Place: Department 25

Complaint Filed: April 12, 2021
Trial Date: None Set

1 **PLEASE TAKE NOTICE** that on November 4, 2022 at 9:00 a.m., or as soon as the matter
2 may be heard, before the Honorable Jill H. Talley in Department 25 of the Sacramento County
3 Superior Court (Gordon D. Schaber Courthouse), located at 720 Ninth Street, Sacramento,
4 California 95814, Plaintiff Eric Shadinger (“Plaintiff”) will and hereby does move for an order:

- 5 • Granting Preliminary Approval of the proposed class action settlement described
6 herein and as set forth in the Parties’ Joint Stipulation of Class Action Settlement
7 and Release (“Settlement Agreement,” “Settlement,” or “Agreement”), attached as
8 **Exhibit 3** to the declaration of Douglas Han, including, and not limited to, the
9 means of allocation and distribution of funds, the allocations for payments under
10 the Labor Code Private Attorneys General Act of 2004 (“PAGA”), Attorneys’ Fees,
11 Attorneys’ Costs, Class Representative Enhancement Payment, Claims
12 Administration Costs, and Plaintiff filing his First Amended Complaint;
- 13 • Conditionally certifying the proposed Class for settlement purposes only;
- 14 • Appointing Plaintiff as the Class Representative;
- 15 • Appointing Justice Law Corporation as Class Counsel;
- 16 • Approving the proposed Notice of Class Action Settlement (“Class Notice”)
17 attached as **Exhibit A** to the Agreement;
- 18 • Directing the mailing of the proposed Class Notice with a postage-paid return
19 envelope to the proposed Class;
- 20 • Approving the proposed deadlines for the settlement administration process;
- 21 • Approving Phoenix Class Action Administration Solutions as the Claims
22 Administrator; and
- 23 • Scheduling a hearing to consider whether to grant Final Approval of the Settlement
24 Agreement, at which time the Court will also consider whether to grant Final
25 Approval of the requests for the Attorneys’ Fees, Attorneys’ Costs, Class
26 Representative Enhancement Payment, Claims Administration Costs, and approval
27 of the allocation of the PAGA Payment.

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1 This motion is based upon the following memorandum of points and authorities;
2 Declaration of Proposed Class Counsel (Douglas Han); [Proposed] Order filed concurrently with
3 this motion; pleadings and other records on file with the Court in this matter; and such documentary
4 evidence and oral argument as may be presented at the hearing on this motion.

5
6 Dated: October 11, 2022

JUSTICE LAW CORPORATION

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8 By: 
9 Douglas Han
10 *Attorneys for Plaintiff*
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TABLE OF CONTENTS

I.	INTRODUCTION	10
II.	BACKGROUND	10
III.	INVESTIGATION/ LITIGATION HISTORY	10
a.	Discovery, Investigation, and the Parties' Staunchly Conflicting Positions	10
b.	The Parties Were Able to Reach an Agreement on Settlement of the Action	11
i.	The Parties Attended Mediation Which Led to the Settlement	11
ii.	The Settlement Was Reached as a Result of Arm's-Length Negotiations	11
iii.	The Settlement Is the Result of Thorough Investigation and Discovery	12
c.	Terms of the Proposed Settlement	12
i.	Deductions from the Settlement.....	12
ii.	Calculating Individual Settlement Shares	12
iii.	Notice to the Class	13
iv.	Distribution of Funds	13
v.	Release of Claims	13
d.	Counsel for Both Parties Are Experienced in Similar Litigation	14
IV.	ARGUMENT	15
a.	Class Action Settlements Are Subject to Court Review	15
b.	The Proposed Settlement Is a Reasonable Compromise of Claims	15
i.	The Settlement Amount of \$1,390,000 Is Fair and Reasonable	16
ii.	The PAGA Payment of \$100,000 Is Reasonable.....	17
c.	Discount Analysis Justifies the Settlement	18
d.	Conditional Certification of the Class Is Appropriate	19
i.	The Proposed Class Is Ascertainable and Sufficiently Numerous.....	20
ii.	The Class Members Share a Well-defined Community of Interest	20
1.	Common Issues Predominate.....	20

2.	Plaintiff’s Claims Are Typical of the Class Claims.....	21
3.	Plaintiff Is Adequate to Represent the Class.....	21
4.	Class Action is Superior for the Fair and Efficient Adjudication of this Controversy	22
e.	The Settlement Is Fair, Reasonable, and Adequate	22
f.	Notice to Class Members Complies with California Rules of Court, Rule 3.769(f).....	22
V.	CONCLUSION.....	23

TABLE OF AUTHORITIES

Cases

Aguilar v. Cintas Corp. No. 2

(2006) 144 Cal.App.4th 121 17

Amaro v. Anaheim Arena Management, LLC

(2021) 69 Cal.App.5th 521 14

Bartold v. Glendale Federal Bank

(2000) 81 Cal.App.4th 816 20

In re Beef Industry Antitrust Litigation

(5th Cir. 1979) 607 F.2d 167 15

Boyd v. Bechtel Corp.

(N.D.Cal. 1979) 485 F.Supp. 610 12

Brinker Restaurant Corporation v. Superior Court

(2012) 53 Cal.4th 1024 21

Capitol People First v. Department of Developmental Services

(2007) 155 Cal.App.4th 676 20

Carrington v. Starbucks Corp.

(2018) 30 Cal.App.5th 504 17

City of Detroit v. Grinnell Corporation

(2d Cir. 1974) 495 F.2d 448..... 19

Classen v. Weller

(1983) 145 Cal.App.3d 27 21

Dunbar v. Albertson's Inc.

(2006) 141 Cal.App.4th 1422 17

Dunk v. Ford Motor Co.

(1996) 48 Cal.App.4th 1794 14, 22

Espinoza v. Galardi South Enters.

(S.D.Fla. Jan. 11, 2016, No. 14-21244-CIV-GOODMAN) 2016 U.S.Dist.LEXIS..... 21

1	<i>Ghazaryan v. Diva Limousine, Ltd.</i>	
2	(2008) 169 Cal.App.4th 1524	20
3	<i>Green v. Obledo</i>	
4	(1981) 29 Cal.3d 126	15
5	<i>Harris v. Superior Court</i>	
6	(2007) 154 Cal.App.4th 164	17
7	<i>Hicks v. Kaufman & Broad Home Corp.</i>	
8	(2001) 89 Cal.App.4th 908	20
9	<i>Hopson v. Hanesbrands Inc.</i>	
10	(N.D.Cal. Apr. 3, 2009, No. CV-08-00844 EDL) 2009 U.S.Dist.LEXIS 33900	18
11	<i>Iowa Beef Processors, Inc. v. Meat Price Investigators Ass’n</i>	
12	(1981) 452 U.S. 905	15
13	<i>Jones v. JGC Dallas LLC</i>	
14	(N.D.Tex. Nov. 29, 2012, Civil Action No. 3:11-CV-2743-O) 2012 U.S.Dist.LEXIS	
15	185042	21
16	<i>Kullar v. Foot Locker Retail, Inc.</i>	
17	(2008) 168 Cal.App.4th 116	15, 16
18	<i>Linder v. Thrifty Oil Co.</i>	
19	(2000) 23 Cal.4th 429	20
20	<i>Linney v. Cellular Alaska Partnership</i>	
21	(9th Cir. 1998) 151 F.3d 1234	19
22	<i>Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles</i>	
23	(2010) 186 Cal.App.4th 399	15, 16
24	<i>Nordstrom Com. Cases</i>	
25	(2010) 186 Cal.App.4th 576	18
26	<i>Sav-On Drug Stores, Inc. v. Superior Court</i>	
27	(2004) 34 Cal.4th 319	16, 19, 20
28	///	

In re Tableware Antitrust Litig.

(N.D.Cal. 2007) 484 F.Supp.2d 1059 19

Thurman v. Bayshore Transit Mgmt.

(2012) 203 Cal.App.4th 1112 17

Vasquez v. Superior Court

(1971) 4 Cal.3d 800 15

Walsh v. IKON Solutions, Inc.

(2007) 148 Cal.App.4th 1440 17

Rules

Federal Rule 23 15

Rule 3.769 15

Rule 3.769 (f) 22

Rule 3.769 (g) 15

Statutes

Business & Professions Code § 17200 16

Code of Civil Procedure § 382..... 19, 22

Code of Civil Procedure § 877.6..... 16

Code of Civil Procedure § 1542..... 14

Labor Code § 201..... 17

Labor Code § 202..... 17

Labor Code § 203..... 17

Labor Code § 204..... 17

Labor Code § 210..... 17

Labor Code § 218.5..... 17

Labor Code § 221..... 17

Labor Code § 226 (a) 17

Labor Code § 226.3..... 17

Labor Code § 226.7..... 17

1	Labor Code § 246.....	17
2	Labor Code § 510.....	17
3	Labor Code § 512.....	17
4	Labor Code § 558.....	17
5	Labor Code § 1174.....	17
6	Labor Code § 1194.....	17
7	Labor Code § 1197.....	17
8	Labor Code § 1197.1.....	17
9	Labor Code § 1198.....	17
10	Labor Code § 1199.....	17
11	Labor Code § 2698.....	17
12	Labor Code § 2800.....	17
13	Labor Code § 2802.....	17

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1 **I. INTRODUCTION**

2 This motion seeks preliminary approval of a non-reversionary \$1,390,000 proposed wage-
3 and-hour class action settlement by Plaintiff on behalf of himself and all individuals who have
4 previously been or currently are employed by Defendant Wesco Distribution (“Defendant”) as a
5 non-exempt employee within the State of California at any time during the time period from April
6 12, 2017 through July 8, 2022 (“Class,” “Class Members,” and “Class Period”). At the time of this
7 filing, the number of Class Members is estimated to be four hundred thirty-two (432). (Declaration
8 of Douglas Han In Support of Plaintiff’s Motion for Preliminary Approval of Class Action
9 Settlement (“Han Decl.”), ¶¶ 9-10.)

10 **II. BACKGROUND**

11 On April 12, 2021, Plaintiff, a former employee of Defendant, filed a wage-and-hour class
12 action lawsuit in the Superior Court of California, County of Sacramento, alleging eight (8) causes
13 of action. (Han Decl., *supra*, at ¶ 11.)

14 The Parties remotely attended mediation with the mediator Jeffery A. Ross on March 28,
15 2022. (Han Decl., *supra*, at ¶ 13.) While the Parties did not initially settle at mediation, under the
16 auspices of the mediator, the Parties later reached a settlement via a mediator’s proposal. (*Ibid.*)

17 In line with the settlement, Plaintiff provided written notice to the Labor and Workforce
18 Development Agency (“LWDA”) and Defendant on April 19, 2022. (Han Decl., *supra*, at ¶ 14.)
19 Subsequently the Parties stipulated to amend the complaint to include a PAGA cause of action
20 pursuant to the Mediator’s proposal. (*Id.* at ¶ 15; **Exhibit 2.**)

21 **III. INVESTIGATION/ LITIGATION HISTORY**

22 **a. Discovery, Investigation, and the Parties’ Staunchly Conflicting Positions**

23 After Plaintiff initiated this lawsuit, Plaintiff engaged in discovery. (Han Decl., *supra*, at
24 ¶ 17.) Plaintiff propounded one (1) set of form interrogatories, one (1) set of special interrogatories,
25 one (1) set of requests for admissions, and one (1) set of requests for production of documents.
26 (*Ibid.*) Defendant responded to Plaintiff’s discovery. (*Ibid.*) Thereafter, the Parties met and
27 conferred prior to Plaintiff’s Motion to Remand and agreed to early mediation in which the Parties
28 would engage in an informal exchange of information. (*Ibid.* at ¶ 18.)

1 Prior to mediation, the Parties conducted significant investigation and discovery of the facts
2 and law both before and after this case was filed. (Han Decl., *supra*, at ¶ 19.) Specifically,
3 Defendant produced documents relating to its policies, practices, and procedures. (*Ibid.*) As part
4 of Defendant’s production, Plaintiff also reviewed time records, pay records, and information
5 relating to the size and scope of the Class. (*Ibid.*) Plaintiff also interviewed Class Members who
6 worked for Defendant throughout the Class Period. (*Ibid.*)

7 Based upon the information provided by Defendant and interviews Class Counsel had with
8 Class Members, Plaintiff contends – and Defendant denies – Defendant: (1) failed to provide
9 employees with legally mandated meal and rest breaks; (2) failed to pay employees for all hours
10 worked; (3) failed to include various remunerations in employees’ regular rate of pay for purposes
11 of overtime compensation and premium wages; (4) failed to reimburse employees for necessary
12 business expenses; (5) issued noncompliant wage statements; and (6) is liable for waiting time
13 penalties. (Han Decl., *supra*, at ¶¶ 21-27.)

14 **b. The Parties Were Able to Reach an Agreement on Settlement of the Action**

15 **i. The Parties Attended Mediation Which Led to the Settlement**

16 The Parties remotely attended mediation with the mediator, Jeffery A. Ross, on March 28,
17 2022. (Han Decl., *supra*, at ¶ 29.) While the Parties did not settle at mediation, under the continued
18 assistance of the mediator, the Parties eventually reached a settlement via a mediator’s proposal,
19 the terms of which were memorialized in the Settlement Agreement the Parties now seek
20 Preliminary Approval of. (*Id.* at ¶ 29; **Exhibit 3.**)

21 **ii. The Settlement Was Reached as a Result of Arm’s-Length Negotiations**

22 The Settlement Agreement was reached because of arm’s-length negotiations. (Han Decl.,
23 *supra*, at ¶ 41.) Though cordial and professional, the settlement negotiations have always been
24 adversarial and non-collusive in nature. (*Ibid.*) At the mediation, both Parties’ counsel conducted
25 extensive arm’s-length settlement negotiations until an agreement was reached. (*Ibid.*)

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1 Plaintiff and Class Counsel recognize the expense and length of continued proceedings
2 necessary to continue the litigation against Defendant. (Han Decl., *supra*, at ¶ 42.) Plaintiff and
3 Class Counsel also considered the uncertainty and risk of further litigation, potential outcome,
4 existing arbitration agreements, and difficulties and delays inherent in such litigation as well as
5 Defendant’s past and current financial condition. (*Ibid.*) Based on the foregoing, Plaintiff and
6 Class Counsel believe the Settlement Agreement is a fair, adequate, and reasonable settlement,
7 and is in the best interests of the Class Members. (*Ibid.*)

8 **iii. The Settlement Is the Result of Thorough Investigation and Discovery**

9 The Parties thoroughly investigated and evaluated the factual strengths and weaknesses of
10 the Parties’ claims and defenses before reaching the Settlement and engaged in sufficient
11 investigation, research, and discovery. (Han Decl., *supra*, at ¶ 43.) The Settlement was only
12 possible following significant investigation and evaluation of Defendant’s relevant policies and
13 procedures, as well as the data produced. (*Ibid.*) Furthermore, this case has reached the stage
14 where “the Parties certainly have a clear view of the strengths and weaknesses of their cases”
15 sufficient to support the Settlement’s reasonableness, adequacy, and fairness. (*Ibid.*; *Boyd v.*
16 *Bechtel Corp.* (N.D.Cal. 1979) 485 F.Supp. 610, 617.)

17 **c. Terms of the Proposed Settlement**

18 **i. Deductions from the Settlement**

19 The Parties agreed (contingent upon the Court’s approval) this action be settled and
20 compromised for the non-reversionary total sum of \$1,390,000 (“Maximum Settlement Amount”)
21 which includes: (1) Attorneys’ Fees of \$486,500; (2) Attorneys’ Costs not to exceed \$20,000; (3)
22 Class Representative Enhancement Payment not to exceed \$10,000; (4) Claims Administration
23 Costs not to exceed \$10,000; and (5) PAGA Payment of \$100,000. (Han Decl., *supra*, at ¶ 30.)

24 **ii. Calculating Individual Settlement Shares**

25 After all Court-approved deductions from the Maximum Settlement Amount, it is
26 estimated \$763,500 (“Net Settlement Amount”) will be distributed to Claimants – with an *average*
27 gross Individual Settlement Share estimated at \$1,767.36. (Han Decl., *supra*, at ¶ 31.)

28 ///

1 Claimants will receive a proportionate share of the Net Settlement Amount using the
2 formula set forth in the Settlement Agreement. (Han Decl., *supra*, at ¶ 32.) Individual Settlement
3 Share will be apportioned twenty percent (20%) as wages and eighty percent (80%) as penalties
4 and interests. (*Ibid.*) The PAGA Payment that is paid to each PAGA Aggrieved Employee shall
5 be determined using the formula set forth in the Settlement Agreement. (*Id.* at ¶ 33.) PAGA
6 Aggrieved Employees' portion of the PAGA Payment will be allocated as one hundred percent
7 (100%) penalties. (*Ibid.*)

8 **iii. Notice to the Class**

9 Within twenty (20) calendar days after entry of the Preliminary Approval Order, Defendant
10 shall deliver to the Claims Administrator the Class List. (Han Decl., *supra*, at ¶ 35.) The Claims
11 Administrator shall mail the Class Notice to the Class Members via first-class regular U.S. Mail
12 within fifteen (15) calendar days after the receipt of the Class List. (*Ibid.*) No portion of the
13 Maximum Settlement Amount will revert to Defendant for any reason. (*Id.* at ¶ 34.)

14 **iv. Distribution of Funds**

15 The Settlement will be funded pursuant to the timeline and manner set forth in the
16 Settlement. (Han Decl., *supra*, at ¶ 36.) Uncashed settlement checks will be mailed to the State of
17 California Controller's Office. (*Ibid.*)

18 **v. Release of Claims**

19 Upon Defendant's fulfillment of its payment obligations, Claimants waive, release,
20 promise never to assert in any forum, remise and forever discharge the Released Parties from the
21 Released Claims during the Class Period. (Han Decl., *supra*, at ¶ 37.)

22 Upon Defendant's fulfillment of its payment obligations, the LWDA and any other
23 representative, proxy, or agent thereof, including, but not limited to, Plaintiff and any and all
24 PAGA Aggrieved Employees during the PAGA Period, will be barred from and will be deemed
25 and considered to have released and waived the ability to seek and/or pursue any action for civil
26 penalties under PAGA against Defendant and/or the Released Parties based on or arising out of
27 alleged violations of Labor Code sections and/or wage and hour laws alleged in Plaintiff's letter
28 to the LWDA and the operative complaints. (Han Decl., *supra*, at ¶ 38.)

1 Upon Defendant’s fulfillment of its payment obligations, and in exchange for the Class
2 Representative Enhancement Payment, in recognition of his work and efforts in obtaining the
3 benefits for the Class and undertaking the risk for the payment of costs if this matter had not
4 resolved, Plaintiff provides a general release of claims for himself and his respective spouse, heirs,
5 successors and assigns. (Han Decl., *supra*, at ¶ 39.) Plaintiff also stipulates and agrees, as of the
6 Effective Final Settlement Date, Plaintiff shall be deemed to have expressly waived and
7 relinquished the provisions, rights, and benefits of section 1542 of the Civil Code. (*Ibid.*)

8 With regards to class action releases, “[A] court may release not only those claims alleged
9 in the complaint and before the court, but also claims which ‘could have been alleged by reason of
10 or in connection with any matter or fact set forth or referred to in’ the complaint.”” (*Amaro v.*
11 *Anaheim Arena Management, LLC* (2021) 69 Cal.App.5th 521, 537.) The scopes of the releases in
12 this case are acceptable because they are limited to the scope of the allegations in the operative
13 complaints. Moreover, the released claims are ““based on *the identical factual predicate* as that
14 underlying the claims in the settled class action.”” (*Ibid.*) In other words, the released claims do
15 not ““go beyond the scope of the allegations in the operative complaint”” (*Ibid.*)

16 **d. Counsel for Both Parties Are Experienced in Similar Litigation**

17 Both Parties’ counsel are experienced in wage-and-hour employment law and class actions.
18 (Han Decl., *supra*, at ¶¶ 2-8; **Exhibit 1.**) Class Counsel have prosecuted numerous cases on behalf
19 of employees for Labor Code violations and are experienced and qualified to evaluate the class
20 claims, settlement versus trial on a fully informed basis, and viability of the defenses. (*Ibid.*) This
21 experience instructed Class Counsel on the risks and uncertainties of further litigation and guided
22 their determination to endorse the Settlement.¹ (*Ibid.*)

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26 ¹ The final factor mentioned in *Dunk* – the number of objectors – is not determinable until
27 the Class Notice has been provided to the Class, and they have had an opportunity to respond. This
28 information will be provided to the Court in conjunction with the Motion for Final Approval of
Class Action Settlement.

1 **IV. ARGUMENT**

2 **a. Class Action Settlements Are Subject to Court Review**

3 California Rules of Court, rule 3.769 requires court approval for class action settlements.²
4 “Before final approval, the court must conduct an inquiry into the fairness of the proposed
5 settlement.” (Cal. Rules of Court, rule 3.769(g).) Rule 3.769 further requires a noticed motion for
6 preliminary approval of class settlements:

- 7 (a) A settlement or compromise of an entire class action, or a cause of action in
8 a class action, or as to a party, requires the approval of the court after
9 hearing.
10 . . .
11 (c) Any party to a settlement agreement may serve and file a written notice of
12 motion for preliminary approval of the settlement. The settlement
13 agreement and proposed notice to class members must be filed with the
14 motion, and the proposed order must be lodged with the motion.

15 Courts have discretion to approve settlements that are fair, not collusive, and consider “all
16 the normal perils of litigation as well as the additional uncertainties inherent in complex class
17 actions.” (*In re Beef Industry Antitrust Litigation* (5th Cir. 1979) 607 F.2d 167, 179, cert. den. *sub*
18 *nom. Iowa Beef Processors, Inc. v. Meat Price Investigators Ass’n* (1981) 452 U.S. 905.)

19 **b. The Proposed Settlement Is a Reasonable Compromise of Claims**

20 An understanding of the amount in controversy is an important factor in whether the
21 settlement “of the class members’ claims is reasonable in light of the strengths and weaknesses of
22 the claims and the risks of the particular litigation.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168
23 Cal.App.4th 116, 129; see also *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186
24 Cal.App.4th 399, 409.) The most important factor in this regard is “the strength of the case for
25 plaintiffs on the merits, balanced against the amount offered in settlement.” (*Kullar*, at p. 129; see
26 also *Munoz*, at p. 409.)

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28 ² The California Supreme Court has also authorized California’s trial courts to use Federal Rule 23 and cases applying it for guidance in considering class issues. (See *Vasquez v. Superior Court* (1971) 4 Cal.3d 800, 821; see *Green v. Obledo* (1981) 29 Cal.3d 126, 145-146.) Where appropriate, Plaintiff cites Federal Rule 23 and federal case law in addition to California law.

1 In weighing the strength of the plaintiff's case, *Kullar* instructs the court is not to "decide
2 the merits of the case or to substitute its evaluation of the most appropriate settlement for that of
3 the attorneys." (*Kullar v. Foot Locker Retail, Inc., supra*, 168 Cal.App.4th at p. 133.) Finally,
4 *Kullar* does not require an explicit statement of the maximum amount the class could recover if
5 the plaintiff prevailed on all his claims, provided there is a record that allows "an understanding
6 of the amount that is in controversy and the realistic range of outcomes of the litigation." (*Munoz*
7 *v. BCI Coca-Cola Bottling Co. of Los Angeles, supra*, 186 Cal.App.4th at p. 409.) Put differently,
8 "as the court does when it approves a settlement as in good faith under Code of Civil Procedure §
9 877.6, the court must at least satisfy itself that the class settlement is within the 'ballpark' of
10 reasonableness." (*Kullar*, at p. 133.)

11 **i. The Settlement Amount of \$1,390,000 Is Fair and Reasonable**

12 The Settlement was possible following significant investigation and evaluation of
13 Defendant's relevant policies and procedures, as well as the data Defendant produced for the Class,
14 as referenced in Section III above, permitting Class Counsel to engage in a comprehensive analysis
15 of liability and potential damages. (Han Decl., *supra*, at ¶ 43.)

16 Plaintiff's claims are predicated on Defendant's purported: (a) failure to properly calculate
17 and pay overtime wages; (b) failure to pay minimum wages; (c) failure to provide meal and rest
18 breaks and pay applicable premium wages; (d) failure to timely pay wages; (e) failure to issue
19 compliant wage statements; (f) failure to reimburse business expenses; (g) violation of PAGA; and
20 (h) violation of Business & Professions Code sections 17200, *et seq.* (Han Decl., *supra*, at ¶ 41.)
21 Defendant denies Plaintiff's theories of liability. (*Id.* at ¶ 44.)

22 Although Plaintiff believes the case is suitable for certification, uncertainties with respect
23 to certification are always present. (Han Decl., *supra*, at ¶ 46.) As the California Supreme Court
24 ruled in *Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, class certification is
25 always a matter of the trial court's sound discretion. (*Ibid.*) Decisions following *Sav-On Drug*
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1 *Stores, Inc.* have reached different conclusions concerning certification of wage-and-hour claims.³
2 (Han Decl., *supra*, at ¶ 46.) This led Plaintiff to discount the calculations for potential damages.

3 **ii. The PAGA Payment of \$100,000 Is Reasonable**

4 The provisions of the Labor Code potentially triggering PAGA penalties in this case
5 include, but are not limited to, Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a),
6 226.3, 226.7, 246, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2698 *et seq.*, 2800, and
7 2802. (Han Decl., *supra*, at ¶ 55.) Defendant asserted, regardless of the results of the underlying
8 causes of action, PAGA penalties are not mandatory but permissive and discretionary. (*Ibid.*)
9 Defendant also maintained, in addition to its strong arguments against the underlying claims, it
10 had a strong argument it would be unjust to award maximum PAGA penalties given the law's
11 unsettled state. (*Ibid.*; *Thurman v. Bayshore Transit Mgmt.* (2012) 203 Cal.App.4th 1112
12 [reducing penalties by 30% under this authority].) Defendant argued without stacking and limited
13 to the initial violation, the PAGA penalties would be limited to **\$31,900** (319 employees x \$100
14 initial violations) on the low end and **\$287,100** (319 employees x \$100 x 9 theories of recovery)
15 on the high end. (Han Decl., *supra*, at ¶¶ 57-58.)

16 Plaintiff also recognized the risk any PAGA award could be significantly reduced. (Han
17 Decl., *supra*, at ¶ 60.) Many of the causes of action brought were duplicative of the statutory
18 claims, such as violations of Labor Code sections 201, 202, 203, 226, 226.7, 510, 512(a), 1194,
19 1197, 1198, 2800, and 2802. (*Ibid.*) Thus, allocating \$100,000 to PAGA civil penalties was
20 reasonable based on a rate of **\$4.06** per pay period [$\$100,000 \div 24,622$ pay periods in PAGA date
21 range = **\$4.06**], given Defendant is also paying an additional \$1,290,000 in the class settlement.⁴

22 ³ (See, e.g., *Harris v. Superior Court* (2007) 154 Cal.App.4th 164 [reversing decertification
23 of class claiming misclassification and ordering summary adjudication in favor of employees],
24 review granted Nov. 28, 2007, (2007) 171 P.3d 545 [not cited as precedent, but rather for
25 illustrative purposes only]; *Walsh v. IKON Solutions, Inc.* (2007) 148 Cal.App.4th 1440 [affirming
26 decertification of class claiming misclassification]; *Aguilar v. Cintas Corp. No. 2* (2006) 144
Cal.App.4th 121 [reversing denial of certification]; *Dunbar v. Albertson's Inc.* (2006) 141
Cal.App.4th 1422 [affirming denial of certification].)

27 ⁴ (See *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 529 [affirming a rate of \$5
28 per violation and a total PAGA penalty of \$150,000 while the plaintiff requested a rate of \$25 to
\$75 per violation and a total PAGA penalty of \$70,000,000].)

(Han Decl., *supra*, at ¶ 60.) When PAGA penalties are negotiated in good faith and “there is no indication that [the] amount was the result of self-interest at the expense of other Class Members,” such amounts are generally considered reasonable.⁵ (*Ibid.*)

Considering Defendant’s defenses, its supporting evidence, and its position the case is not suitable for class treatment, the Settlement of \$1,390,000 is reasonable, adequate, and fair.

c. Discount Analysis Justifies the Settlement

Excluding the civil penalties, which could be completely discretionary, the total estimated potential exposure, assuming certification and prevailing at trial, would be about **\$7,587,733.15** on the low end and **\$8,188,003.15** on the high end. (Han Decl., *supra*, at ¶ 61.)

Category	Potential Exposure	Certification Risk	Merits Risk	Realistic Exposure
Rest Break Premiums	\$2,910,081.25	70%	60%	\$349,209.75
Meal Break Premiums	\$364,183.90	60%	60%	\$58,269.42
Overtime/Minimum Wage: Off-the-Clock Work	\$1,201,075.00 to \$1,801,345.00	40%	30%	\$504,451.50 to \$756,564.90
Overtime/Minimum Wage: Regular Rate	\$33,909.00	40%	40%	\$12,207.24
Unreimbursed Business Expenses	\$428,544.00	30%	40%	\$179,988.48
Wage Statement Penalty	\$1,276,000.00	60%	60%	\$204,160.00
Waiting Time Penalty	\$1,373,940.00	60%	60%	\$219,830.40
MAXIMUM TOTAL EXPOSURE	\$7,587,733.15 to \$8,188,003.15			\$1,178,907.04 to \$1,431,020.44

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⁵ (*Hopson v. Hanesbrands Inc.* (N.D.Cal. Apr. 3, 2009, No. CV-08-00844 EDL) 2009 U.S.Dist.LEXIS 33900, at *24; see, e.g., *Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 579, “[T]rial court did not abuse its discretion in approving a settlement which does not allocate any damages to the PAGA claims”.)

1 Based on this analysis, the realistic recovery for this case is **\$1,178,907.04** on the low end
2 and **\$1,431,020.44** on the high end. (Han Decl., *supra*, at ¶ 69.) The Maximum Settlement Amount
3 of \$1,390,000 is about sixteen percent (16.97%) of the maximum potential exposure and
4 approximately ninety-seven percent (97.13%) of the maximum realistic exposure at trial. (*Ibid.*)

5 The only question at preliminary approval is whether the settlement is within the range of
6 possible approval. (*In re Tableware Antitrust Litig.* (N.D.Cal. 2007) 484 F.Supp.2d 1059, 1079.)
7 “The fact that a proposed settlement may only amount to a fraction of the potential recovery does
8 not, in and of itself, mean that the proposed settlement is grossly inadequate and should be
9 disapproved.” (*City of Detroit v. Grinnell Corporation* (2d Cir. 1974) 495 F.2d 448, 455; see also
10 *Linney v. Ceullar Alaska Partnership* (9th Cir. 1998) 151 F.3d 1234, 1242, “[I]t is the very
11 uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce
12 consensual settlements. The proposed settlement is not to be judged against a hypothetical or
13 speculative measure of what might have been achieved by the negotiators”).) Nevertheless, this
14 settlement is in line with the realistic exposure had Plaintiff prevailed at trial and provides a
15 significant recovery for the Class Members.

16 **d. Conditional Certification of the Class Is Appropriate**

17 Code of Civil Procedure section 382 “authorizes class actions ‘when the question is one of
18 a common or general interest, of many persons, or when the parties are numerous, and it is
19 impracticable to bring them all before the court.’” (*Sav-On Drug Stores, Inc. v. Superior Court*,
20 *supra*, 34 Cal.4th at p. 326.) California courts certify class actions where the plaintiff identifies
21 “both [1] an ascertainable class and [2] a well-defined community of interest among class
22 members.” (*Ibid.*)

23 The proposed Class is ascertainable and numerous as to make it impracticable to join all
24 Class Members, and there are common questions of law and fact that predominate over any
25 questions affecting any individual Class Member. (Han Decl., *supra*, at ¶ 70.) Plaintiff contends
26 as a former hourly-paid, non-exempt employee of Defendant, his claims are typical of the claims
27 of the Class, and Class Counsel will fairly and adequately protect the interests of the Class. (*Ibid.*)
28 Also, Plaintiff asserts the prosecution of separate actions by individual Class Members would

1 create the risk of inconsistent or varying adjudications. (Han Decl., *supra*, at ¶ 70.)

2 **i. The Proposed Class Is Ascertainable and Sufficiently Numerous**

3 “Ascertainability is required in order to give notice to putative class members as to whom
4 the judgment in the action will be res judicata.” (*Hicks v. Kaufman & Broad Home Corp.* (2001)
5 89 Cal.App.4th 908, 914.) “A class is ascertainable if it identifies a group of unnamed plaintiffs
6 by describing a set of common characteristics sufficient to allow a member of that group to identify
7 himself or herself as having a right to recover based on the description.” (*Bartold v. Glendale*
8 *Federal Bank* (2000) 81 Cal.App.4th 816, 828.) The proposed class must also be sufficiently
9 numerous. (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.)

10 This case involves about four hundred thirty-two (432) Class Members. (Han Decl., *supra*,
11 at ¶ 71.) Thus, the Class is sufficiently numerous. (*Ibid.*; *Ghazaryan v. Diva Limousine, Ltd.* (2008)
12 169 Cal.App.4th 1524, 1531, n.5 [finding that a proposed class of “as many as 190 current and
13 former employees” is sufficiently numerous].)

14 **ii. The Class Members Share a Well-defined Community of Interest**

15 The community of interest requirement “embodies three factors: (1) predominant common
16 questions of law or fact; (2) class representatives with claims or defenses typical of the class; and
17 (3) class representatives who can adequately represent the class.” (*Sav-On Drug Stores, Inc. v.*
18 *Superior Court*, *supra*, 34 Cal.4th at p. 326.) “[T]he community of interest requirement for
19 certification *does not mandate that class members have uniform or identical claims.*” (*Capitol*
20 *People First v. Department of Developmental Services* (2007) 155 Cal.App.4th 676, 692 (emphasis
21 in original).) Rather, courts focus on the defendant’s internal policies and “pattern and practice . .
22 . in order to assess whether that common behavior toward similarly situated plaintiffs renders class
23 certification appropriate.” (*Ibid.*) The application of each of these factors is discussed below.

24 **1. Common Issues Predominate**

25 The “common issues” requirement “involves analysis of whether the proponent’s ‘theory
26 of recovery’ is likely to prove compatible with class treatment.” (*Capitol People First v.*
27 *Department of Developmental Services*, *supra*, 155 Cal.App.4th at p. 690 (emphasis added).) In
28 other words, courts determine whether the elements necessary to establish liability are susceptible

1 to common proof, even if the class members must individually prove their damages. (*Brinker*
2 *Restaurant Corporation v. Superior Court* (2012) 53 Cal.4th 1024). These types of claims are
3 regularly granted class certification when the plaintiff can present evidence of common policies.
4 (See, e.g., *Jones v. JGC Dallas LLC* (N.D.Tex. Nov. 29, 2012, Civil Action No. 3:11-CV-2743-
5 O) 2012 U.S.Dist.LEXIS 185042 [certified collective action involving 190 dancers]; *Espinoza v.*
6 *Galardi South Enters.* (S.D.Fla. Jan. 11, 2016, No. 14-21244-CIV-GOODMAN) 2016
7 U.S.Dist.LEXIS [court certified class of dancers on state law claims].)

8 Plaintiff asserts common issues of fact and law predominate as to each of the claims
9 alleged. (Han Decl., *supra*, at ¶ 72.) Plaintiff contends all Class Members were subject to the same
10 or similar employment practices, policies, and procedures described in detail above. (*Ibid.*)

11 **2. Plaintiff's Claims Are Typical of the Class Claims**

12 Typical claims rely on legal theories and facts that are substantially like those of other class
13 members. (*Classen v. Weller* (1983) 145 Cal.App.3d 27, 46.) Plaintiff is a former employee of
14 Defendant and alleges he and the Class Members were employed by the same company and injured
15 by Defendant's common policies and practices related to the claims described above. (Han Decl.,
16 *supra*, at ¶ 73.) Plaintiff seeks relief for these claims and derivative claims on behalf of all Class
17 Members. (*Ibid.*) Thus, Plaintiff's claims arise from the same employment practices and are based
18 on the same legal theories as those applicable to the Class. (*Ibid.*)

19 **3. Plaintiff Is Adequate to Represent the Class**

20 Plaintiff has proven to be an adequate Class Representative. (Han Decl., *supra*, at ¶ 74.)
21 Plaintiff conducted himself diligently and responsibly in representing the Class in this litigation,
22 understands his fiduciary obligations, and actively participated in the prosecution of this case.
23 (*Ibid.*) Plaintiff spent time in meetings and conferences with Class Counsel to provide them with
24 a complete understanding of his work environment and requirements. (*Ibid.*) Plaintiff has no
25 interest averse to the interests of the other Class Members. (*Ibid.*)

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1 **4. Class Action Is Superior for the Fair and Efficient Adjudication**
2 **of this Controversy**

3 A class action is superior to other available means for the fair and efficient adjudication of
4 this controversy. Plaintiff contends the joinder of all Class Members is impractical and that class
5 treatment will permit many similarly situated persons to prosecute their common claims for
6 settlement purposes simultaneously in a single forum without the duplication of effort and expense
7 that numerous individual actions would necessitate. Because several Class Members are also
8 current employees, Plaintiff believes fear of retaliation further supports the superiority of class-
9 wide relief as this fear often discourages current employees from seeking legal redress.

10 **e. The Settlement Is Fair, Reasonable, and Adequate**

11 In deciding whether to approve a proposed class action settlement under Code of Civil
12 Procedure section 382, the Court must find a proposed settlement is “fair, adequate and
13 reasonable.” (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) A proposed class action
14 settlement is presumed fair under the following circumstances: (1) the parties reached settlement
15 after arm’s-length negotiations; (2) investigation and discovery were sufficient to allow counsel
16 and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the
17 percentage of objectors is small. (*Id.* at p. 1802.) All these elements are present here.

18 **f. Notice to Class Members Complies with California Rules of Court, Rule 3.769(f)**

19 California Rules of Court, rule 3.769(f), provides:

20 If the court has certified the action as a class action, notice of the final approval
21 hearing must be given to class members in the manner specified by the court. The
22 notice must contain an explanation of the proposed settlement and procedures for
23 class members to follow in filing written objections to it and in arranging to appear
at the settlement hearing and state any objections to the proposed settlement.

24 The proposed Class Notice meets all these requirements. The proposed Class Notice
25 advises the Class Members of their right to participate in the Settlement, how and when to object
26 to or request exclusion from the Settlement, and the date, time, and location of the Final Approval
27 hearing. (See Han Decl., *supra*; Exhibit A to Exhibit 3.)

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1 **V. CONCLUSION**

2 Plaintiff submits the Settlement is in the Class's best interests. Under the applicable class
3 action criteria and guidelines, the Settlement should be preliminarily approved by the Court, Class
4 should be conditionally certified for settlement purposes, and Class Notice should be approved.
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6 Dated: October 11, 2022

JUSTICE LAW CORPORATION

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9 Douglas Han
10 *Attorneys for Plaintiff*
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