

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Kristina Bui Carlson, Esq. [CSB No. 294924]
kristina@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel.: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiffs, on a representative basis and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

ANTHONY VARGAS, individually, and
KENNETH SLINGLUFF, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiffs,

vs.

ELEMENTIS SPECIALTIES, INC., a
Delaware Corporation; and DOES 1 through
20, inclusive;

Defendants.

Case No.: CIVSB2224689
*[Assigned to the Hon. Jessica Morgan, Dept.
S26, for all purposes]*

**NOTICE OF MOTION AND MOTION
FOR FINAL APPROVAL OF CLASS
ACTION SETTLEMENT;
DECLARATIONS IN SUPPORT
THEREOF; AND [PROPOSED] FINAL
ORDER AND JUDGMENT**

Hearing:

Date: July 11, 2024

Time: 8:30 a.m.

Dept.: 26

Complaint Filed: November 3, 2022

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on July 11, 2024, at 8:30 a.m., or as soon thereafter as this
matter may be heard by the Honorable Jessica Morgan in Department S26 of the San Bernardino
County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, Plaintiffs
Anthony Vargas and Kenneth Slingluff, individually and on behalf of all others similarly

1 situated, will move this Court for an Order granting final approval of the class action settlement
2 between Plaintiffs and Defendant Elementis Specialties, Inc., which was preliminarily approved
3 by the Court. This Motion seeks final approval and entry of judgment of a \$290,000 settlement
4 on behalf of the Class Members, and is unopposed by Defendant.

5 Specifically, Plaintiffs will and hereby do move the Court to grant final approval of the
6 Class Action Settlement Agreement and Release of Claims ("Settlement Agreement"), and enter
7 the proposed order and final judgment filed concurrently herewith:

8 1. Finally certifying the Class, as defined in the Settlement Agreement and the
9 Court's Order Granting Preliminary Approval of the Settlement;

10 2. Finally appointing Plaintiffs as the Class Representatives for purposes of
11 settlement;

12 3. Finally appointing Brian Mankin and Kristina Carlson as Class Counsel;

13 4. Finding that the Class Notice was properly provided to the Class in accordance
14 with the Court's Order granting Preliminary Approval;

15 5. Finally approving the settlement as fair, adequate, and reasonable, based upon the
16 terms set forth in the Settlement Agreement;

17 6. Binding participating Class Members to the terms of the Settlement Agreement,
18 including the Release specified therein; and

19 7. Retaining jurisdiction to enforce the Settlement Agreement.

20 This Motion will be based upon this notice; the attached memorandum of points and
21 authorities; the Declarations of the Settlement Administrator (Nathalie Beltran of ILYM Group),
22 Class Counsel (Brian Mankin and Kristina Carlson) and Plaintiffs filed concurrently herewith;
23 the records and files in this action; and any other further evidence or argument that the Court
24 may receive at or before the hearing.

25 Dated: June 17, 2024

LAUBY, MANKIN & LAUBY LLP

26
27 BY:



Brian J. Mankin, Esq.

Attorneys for Plaintiffs and the Class

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1 The Settlement includes 52 Participating Class Members. The following is a
2 breakdown reflecting how the funds are allocated under the Settlement Agreement (Declaration
3 of Administrator, Nathalie Beltran (“Beltran Decl.”), ¶ 14):

Gross Settlement Amount	\$ 290,000.00
Attorneys’ Fees (1/3)	\$ 96,666.67
Litigation Costs	\$ 16,937.91
Administrator Costs	\$ 5,450.00
PAGA Penalties	\$ 30,000.00
Class Representative Service Awards	\$ 20,000.00
Net Settlement Amount	\$ 120,945.42

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9 The Participating Class Members were deemed to participate and did not need to submit a
10 Claim Form to receive payment. (Settlement Agreement or “S.A.” ¶ 39, 75). Each Participating
11 Class Member will receive a pro rata share of the Net Settlement Amount according to the
12 percentage of Workweeks worked during the Class Period, such that the amount actually
13 distributed to Participating Class Members will equal 100% of the Net Settlement Amount.

14 The 52 Participating Class Members collectively worked 7,274 Workweeks during the
15 Class Period, resulting in a net value of approximately \$16.63/Workweek. (Beltran Decl. ¶ 13).
16 Assuming all of the amounts in the Settlement are approved by the Court, the *average* Individual
17 Class Payment is estimated to be \$2,325.87, and the *highest* individual settlement payment is
18 approximately \$4,456.06. (Beltran Decl. ¶ 14).

19 In addition, 45 Aggrieved Employees collectively worked 3,192 Workweeks during the
20 PAGA Period, and will each receive an Individual PAGA Payment based on their share of the
21 \$7,500 in PAGA Penalties (25% of the total \$30,000 PAGA allocation), calculated pro-rata
22 based on the number of Weeks Worked during the PAGA Period. (S.A. ¶ 59(g)). The average
23 payment to the Aggrieved Employees is \$144.23. (Beltran Decl. ¶ 15).

24 The Parties agree that 33.33% of the Individual Class Payments will be allocated as
25 wages subject to withholding of all applicable local, state and federal taxes and the remaining
26 66.67% will be allocated for interest and penalties (pursuant to, *e.g.*, California Labor Code §§
27 203, 210, 226, 2699 etc.) from which no taxes will be withheld. (S.A. ¶ 59(c)). The Individual
28 PAGA Payments will be classified entirely as civil penalties and shall be reported as required on

an IRS Form 1099. (S.A. ¶¶ 59(g)). Defendant will separately pay its respective share of employer payroll taxes on the sum allocated to wages. (S.A. ¶ 59(a)).

Pursuant to the terms of the Settlement Agreement, Defendant is required to fund the Settlement Amount, plus Defendant's share of payroll taxes owed on the Individual Class Payments, within 30 days of the Effective Date. (S.A. ¶ 79). Within 10 days after receiving the funds, the Administrator shall issue payments to cover all court-approved payments. (S.A. ¶ 80).

Class Members will have 180 days to cash the settlement check. If a Class Member fails to cash a check by the deadline, the Administrator shall issue unclaimed funds to the California State Controller in the name of the Class Member/Aggrieved Employee (S.A. ¶ 81).

III. THE NOTICE PROCESS

A. Notice to the Class Members

Pursuant to the Court's Order and the Settlement Agreement, the Parties directed the Settlement Administrator to review and update the Class Members' addresses, mail the Court-approved Notice Packet, and process their responses. The Administrator also posted the relevant documents on its website for the Class Members to access.

Prior to mailing the Class Notice, the Settlement Administrator performed a National Change of Address search on all Class Members to determine if any had moved. (Beltran Decl., ¶ 6). On April 5, 2024, the Class Notice was sent via first-class mail to 52 Class Members. (Beltran Decl., ¶ 7). Initially, 6 Notices were returned as undeliverable, but the Administrator was able to successfully locate an updated address and remail 3 of the Notices. Ultimately, only 3 Class Notices were undelivered, resulting in a 94% success rate in mailing the Notice Packet. (Beltran Decl., ¶ 8-10).

In accordance with California Rules of Court, rules 3.766 (d) and 3.769 (f), the Notice provided Class Members with (1) a brief explanation of the case; (2) an explanation of each Class Member's right to opt out of the settlement class; (3) an explanation of the process (and relevant deadlines) through which a Class Member could opt out of the settlement class; (4) notice about the binding nature of the Judgment for Class Members who do not opt out; (5) an explanation of each Class Member's right to appear through counsel; (6) an explanation of each

1 Class Member's right to appear at the fairness hearing and express views on the settlement, i.e.,
2 object or otherwise respond; and (7) an explanation of each Class Member's right to participate
3 in the Settlement and receive payment accordingly. (See **Exhibit A** to the Beltran Decl.)

4 **B. There are Zero Objections and Zero Opt-Outs Thus Far, Resulting In An**
5 **Impressive 100% of the Class Participating in the Settlement**

6 California law makes clear that the percentage of objectors and opt-outs is an important
7 factor in the Court's consideration of a proposed class action settlement. (See *Dunk v. Ford*
8 *Motor Co.* (1186) 48 Cal.App.4th 1794 at 1802.) Indeed, the Ninth Circuit and other federal
9 courts recognize that in the final fairness analysis, the number or percentage of class members
10 who object to the settlement is a significant factor. (See *Mandujano v. Basic Vegetable Prods.,*
11 *Inc.*, (9th Cir. 1976) 541 F.2d 672, 677; *In re American Bank Note Holographics, Inc.* (SDNY
12 2001) 127 F.Supp.2d 418, 425 ["[i]t is well settled that the reaction of the class to the settlement
13 is perhaps the most significant factor to be weighed in considering its adequacy."])

14 In this case, there are zero objections and zero opt-outs to the Settlement -- meaning that
15 100% of the Class Members are currently participating in the Settlement. (Beltran Decl., ¶ 11-
16 12).

17 **V. EVALUATION OF THE SETTLEMENT**

18 It is axiomatic that California law strongly favors and encourages settlements. (See
19 *Stambaugh v. Super. Ct.* (1976) 62 Cal.App.3d 231, 236.) This presumption in favor of
20 settlement applies with particular force in the context of class actions. (See *Ferguson v. Lieff,*
21 *Cabraser, Heimann & Bernstein* (2003) 30 Cal.4th 1037 ["[p]ublic policy favoring settlement is
22 especially weighty for class actions"]; *Bell v. Am. Title Ins. Co.* (1991) 226 Cal.App.3d 1589,
23 1607-1608 [affirming the trial court's approval of a class settlement and implicitly endorsing its
24 citation of federal precedent for the notion that there is a "strong public policy in favor of
25 settlement of class actions"]; see also *Franklin v. Kaypro Corp.* (9th Cir. 11869) 884 F.2d 1222,
26 1229, quoting *Van Bronkhorst v. Safeco Corp.* (9th Cir. 1976) 529 F.2d 943, 950 ["it hardly
27 seems necessary to point out that there is an overriding public interest in settling and quieting
28 litigation. This is particularly true in class action suits"].)

1 When entertaining a request for final approval of a class action settlement, a court's
2 fundamental consideration is whether the settlement is fair, adequate and reasonable. (See *Dunk*,
3 *supra*, 48 Cal.App.4th at 1801, fn. 7 [noting that state courts look to federal authority concerning
4 the approval of class settlements]; California Rules of Court, rule 3.769(g).)

5 Fairness is presumed when: (1) the settlement is reached through arm's-length
6 bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act
7 intelligently; (3) counsel is experienced in similar litigation; (4) the percentage of objectors and
8 opt outs is small, and (5) the range of reasonableness of the settlement fund to a possible
9 recovery in light of all attendant risks of litigation." (*Dunk, supra*, 48 Cal.App.4th at 1802.) All
10 five of these factors are present here and discussed in detail below.

11 **A. The Settlement Was Reached Through Informed Arms-Length Negotiation**

12 Courts presume the absence of fraud or collusion in the negotiation of a settlement,
13 unless evidence to the contrary is offered. Thus, there is a presumption here that the negotiations
14 were conducted in good faith. (See, 3 Alba Conte & Newberg, *supra*, at § 11.51.) And it was.
15 The proposed settlement here was the product of arm's-length negotiation before a highly
16 experienced and reputable class action mediator, which was finally consummated in the months
17 after mediation.

18 Here, Plaintiffs and Class Counsel have diligently investigated the claims raised in this
19 litigation and, after taking into account the disputed factual and legal issues involved in this
20 action, the risks attending further prosecution, and the benefits to be received pursuant to the
21 compromise and settlement of the action as set forth in the Settlement, concluded that the
22 settlement terms are fair, reasonable, and in the best interest of the Class.

23 As the Settlement Agreement itself reveals, there is no preferential treatment for any
24 segment of the class, as the Settlement is designed to compensate all Class Members fairly and
25 adequately. And pursuant to California Rules of Court Rule 3.769(b), the parties have disclosed
26 the agreed upon and proposed attorney fee award, which is well within the range of
27 reasonableness for matters of this nature.

28 ///

1 **B. Plaintiffs' Investigation Was Sufficient**

2 As set forth at the time of preliminary approval, Class Counsel's investigation into the
3 facts and merits of the wage and hour claims alleged included substantial written discovery,
4 analyzing substantial amounts of information, correspondence, documents, policies and
5 procedures, pay data and timekeeping records, and evidence relating to the class size and the
6 commonality of the claims. During this process, Plaintiffs and Class Counsel conducted
7 investigations into the potential claims of the similarly situated employees, as well as researching
8 and investigating Defendant's defenses. Finally, Class Counsel synthesized and analyzed
9 information provided by Defendant as to the total Class Members, the number of current and
10 former employees, the number of employees who worked during various time periods, and
11 prepared comprehensive damages calculations regarding the claims at issue.

12 **C. Class Counsel Are Experienced in Similar Litigation and Endorse the**
13 **Settlement**

14 Class Counsel are experienced in this type of litigation, and they have represented (and
15 hereby do represent) that this Settlement is fair and reasonable. (Mankin Decl., ¶¶ 13, 35;
16 Carlson Decl., ¶¶ 2-6; see *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85
17 Cal.App.4th 1135, 1152 [Final approval of settlement affirmed where counsel were all
18 experienced litigators with class-action experience and had recommended settlement based on
19 the negotiated terms].)

20 **D. Reasonable Estimate of the Nature and Amount of Recovery**

21 Plaintiffs' Motion for Preliminary Approval contained a comprehensive *Kullar* analysis
22 (which sufficiently provided the Court with "basic information about the nature and magnitude
23 of the claims in question and the basis for concluding that the consideration being paid for the
24 release of those claims represents a reasonable compromise." (*Kullar v. Foot Locker Retail,*
25 *Inc.* (2008) 168 Cal.App.4th 116, 133.) Of course, a settlement is not judged against what
26 might have been recovered had a Plaintiffs prevailed at trial, nor does the settlement have to
27 provide 100% of the damages sought to be fair and reasonable. (*Wershba v. Apple Computers,*
28 *Inc.* (2001) 91 Cal.App.4th 246, 250.) ("Compromise is inherent and necessary in the settlement

1 process ... even if the relief afforded by the proposed settlement is substantially narrower than it
2 would be if the suits were to be successfully litigated, this is no bar to a class settlement because
3 the public interest may indeed be served by a voluntary settlement in which each side gives
4 ground in the interest of avoiding litigation.”)

5 In light of the uncertainties of protracted litigation, this negotiated settlement reflects the
6 best practicable recovery for the Class. While the total settlement amount is, of course, a
7 compromise figure, the potential risks and opportunities of both parties were effectively weighed
8 and considered by the parties, resulting in a fair and equitable settlement. Based upon detailed
9 data obtained through discovery and information exchanges, and factoring in claim certification
10 probabilities and liability probabilities, Class Counsel formulated detailed damages models to
11 evaluate the claims in preparation for mediation and in order to reach a realistic and reasonable
12 resolution.

13 Of course, Defendant denies liability, denies that any damages should be assessed, and
14 denies all of the value assessed by Plaintiffs. Notwithstanding these arguments, the Settlement
15 commits Defendant to pay \$290,000 to settle the litigation.

16 **VI. THE REQUESTED ATTORNEYS’ FEES ARE FAIR AND REASONABLE**

17 For their efforts in creating a common fund for the benefit of the Class, the Settlement
18 Agreement provided that Class Counsel may seek reasonable fees of \$96,666.67 (one-third of the
19 Settlement Amount), which is substantially less than its lodestar. This amount will be paid from
20 the settlement amount. These fees are warranted under the law and within the range of fees
21 commonly awarded in similar cases.

22 As shown herein, the requested percentage of one-third of the settlement fund as payment
23 for attorneys’ fees should be granted for several reasons. First, one-third is the standard
24 benchmark in California for class action settlements. *See, e.g., Chavez v. Netflix, Inc.* (2008) 162
25 Cal.App.4th 43, 66 n. 11 (“Empirical studies show that, regardless whether the percentage
26 method or the lodestar method is used, fee awards in class actions average around one-third of
27 the recovery”). Second, the California Supreme Court upheld that the percentage of the fund
28 method survives in California class action cases. *See Laffitte v. Robert Half International, Inc.*

(2016) 1 Cal.5th 480. Third, the requested amount is eminently reasonable through the prism of a lodestar cross-check. Accordingly, this request should receive final approval.

A. Plaintiffs are Entitled to Recover Reasonable Attorney’s Fees Under the Labor Code

Plaintiffs and the Class in this action are entitled to recover reasonable attorneys’ fees, expenses and costs under section 218.5 of the California Labor Code, which provides that, “[i]n any action brought for the nonpayment of wages ... the Court shall award reasonable attorneys’ fees and costs to the prevailing party.” In addition, Plaintiffs and the Class are entitled to recover reasonable attorneys’ fees pursuant to section 1194.2 of the Labor Code, which provides that, “... any employee receiving less than the legal minimum wage ... applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage... including ... reasonable attorney’s fees, and costs of suit.” Plaintiffs are also entitled to fees and costs under section 226(e) of the Labor Code (employee who prevails on claim for itemized wage statement violation “is entitled to an award of costs and reasonable attorneys’ fees”), under PAGA (Labor Code § 2699(g), which provides “Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs, including any filing fee paid”), and, potentially, section 1021.5 of the California Code of Civil Procedure.

B. Class Counsel’s Request for Fees Is Reasonable and Properly Calculated as a Percentage of the Common Fund

Under the “common fund” doctrine, the request for attorneys’ fees in the amount of 1/3 of the common fund is reasonable and appropriate, because (1) it is within the approved range for percentages awarded as attorneys’ fees in similar cases; (2) it is supported by the high quality of Class Counsel’s work on this case and the results obtained for the Class; (3) the Class had sufficient notice of the fee request; (4) it is supported by the fact that this case was handled on a contingency basis and was undertaken despite various risks and expenses; and (5) the lodestar cross-check supports the fee request.

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1 **1. *The Attorneys’ Fees Requested Here Fall Within the Reasonable***
2 ***Range Awarded in Similar Cases Under the Well-established***
3 ***Common Fund Method***

4 The California Supreme Court approved trial courts’ usage of the common fund method
5 of awarding attorneys’ fees in wage and hour class actions, like this one, and upheld a fee
6 awarded of 1/3 of the total settlement amount obtained for the class. *See Laffitte, supra*, 1 Cal.5th
7 at 506; *see also*, 4 Newberg on Class Actions, § 14:6 at 552 (“fee awards in class actions average
8 around one-third of the recovery”). Specifically, in *Laffitte*, the Court wrote: “[w]e join the
9 overwhelming majority of federal and state courts in holding that when class action litigation
10 establishes a monetary fund for the benefit of the class members, and the trial court in its
11 equitable powers awards class counsel a fee out of that fund, the court may determine the amount
12 of a reasonable fee by choosing an appropriate percentage of the fund created”). *Id.* at 506. The
13 California Supreme Court also noted that trial courts have the discretion to award fees as a
14 percentage of the common fund, with or without the necessity to conduct a lodestar cross-check.
15 *Id.* (“...[Courts] ... retain the discretion to forgo a lodestar cross-check and use other means to
16 evaluate the reasonableness of a requested percentage fee.”).

17 The California Supreme Court’s *Laffitte* decision was consistent with its prior rulings
18 recognizing that “when a number of persons are entitled in common to a specific fund, and an
19 action brought by ... plaintiffs for the benefit of all results in the creation or preservation of that
20 fund, such ... plaintiffs may be awarded attorneys’ fees out of the fund.” *Serrano III v. Priest*
21 (1977) 20 Cal.3d 25, 34; *Boeing Co. v. Van Gemert* (1980) 444 U.S. 472, 478 (“[A] lawyer who
22 recovers a common fund . . . is entitled to reasonable attorneys’ fees from the fund as a whole”).
23 Notably, when fees are calculated as a percentage of the common fund, they should be calculated
24 based on the amount that was available to be claimed, rather than as a percentage of the actual
25 amount claimed. *See Boeing Co.*, 444 U.S. at 475-6, 480-1 (the SCOTUS held that attorneys for
26 a successful class may recover a fee based on the fund created for the class, even if some class
27 members make no claims against the fund, so that money remains in it that will be returned to
28 the defendant, explaining: “[t]heir [class members’] right to share the harvest of the lawsuit upon

1 proof of their identity, whether or not they exercise it, is a benefit in the fund created by the
2 efforts of the class representatives and their counsel.” *See also Williams v. MGM-Pathe*
3 *Communs. Co.* (9th Cir. 1997) 129 F.3d 1026, 1027 (trial court “abused its discretion by basing
4 the fee on the class members’ claims against the fund rather than on a percentage of the entire
5 fund or on the lodestar”).

6 **2. The High Quality of Work and Excellent Result Obtained Support**
7 **the Award**

8 In addition to the fact that a Class benefit was created with a \$290,000 non-reversionary
9 common fund settlement, the fairness of the requested fee award of 1/3 of the Settlement
10 Amount is supported by the high quality of work performed by Class Counsel and the positive
11 result obtained for the Class. This result occurred because Class Counsel diligently, efficiently,
12 and creatively pursued this case and reached a successful settlement for the benefit of the entire
13 Class. ***In fact, some Class Member will receive \$4,456.06 each, which is an excellent result.***
14 Moreover, the fact that the settlement was embraced and supported by the Class, as evidenced by
15 a 100% participation rate, demonstrates that Class Counsel obtained a favorable result for the
16 Class.

17 **3. Class Members Had Sufficient Notice of the Requested Fees**

18 Rule 3.769 of the California Rules of Court requires that the Class Members be given
19 notice of any agreement regarding an application for attorneys’ fees. Here, the Notice
20 preliminarily approved by the Court and distributed to the Class Members apprised them of the
21 requested attorney’s fees, which was consistent with the Notice.

22 The Class Notice also advised the Class Members of the procedures for objecting to the
23 proposed settlement and appearing at the settlement hearing, where they could present their
24 objections to any aspect of the settlement, including the amount of attorneys’ fees to be awarded
25 to class counsel. (*Litwin v. iRenew Bio Energy Solutions, LLC* (2014) 226 Cal.App.4th 877, 883
26 [“[p]rocedural due process requires that affected parties be provided with ‘the right to be heard at
27 a meaningful time and in a meaningful manner’”].) In accordance with the foregoing, it is
28 respectfully submitted that the instant notice Complied with Rule 3.769 and, as a result, the Class

Members' due process rights were fulfilled.

4. The Contingent Nature of Class Counsel's Representation of Plaintiffs and the Class Further Supports the Fee Award at 1/3 of the Common Fund

An additional factor militating in favor of the granting of the requested fee award is the fact that this case was both legally and financially risky for Class Counsel. *See Vizcaino v. Microsoft Corp* (9th Cir. 2002) 290 F.3d 1043, 1048-49. Class Counsel have been representing the Class in this matter on a strictly contingency basis, and as such, incurred the risk of non-recovery after a substantial investment of time, money, and resources, and have done so since the inception of this case without any payment or compensation. Specifically, there was the prospect of enormous cost inherent in class action litigation; the risk that Defendant could prevail on its argument that the class should not be certified; and the risk that Defendant could prevail on the merits of some or all of the claims.

If Plaintiffs had lost this case, Class Counsel would have recovered nothing, and would have lost its out-of-pocket costs. This is not an easy burden for Plaintiffs' Counsel, which is a small firm. (Mankin Decl. ¶ 20). Here, the one-third fee award results in a substantial negative multiplier, but nevertheless, the contingent nature of this case supports a fee of one-third of the common fund.

5. A Lodestar Cross-Check Confirms the Reasonableness of the Fee Award

Despite recognized limitations of the so-called lodestar method, some California and federal courts acknowledge the utility of a lodestar "cross-check."¹ (*Lealao, supra*, 82 Cal.App.4th at 46-47.) Under the "lodestar multiplier" method of cross-checking the reasonableness of attorneys' fees in class actions, the court ascertains Class counsel's total "lodestar" amount by multiplying the number of hours reasonably expended by each attorney or

¹ In practice, the lodestar method is difficult to apply, time-consuming to administer, inconsistent in result, and capable of manipulation. In addition, the lodestar creates inherent incentive to prolong the litigation until sufficient hours have been expended. Herr, David F., *Manual for Complex Litigation*, § 14.121 (1988); *See also In re Activision* (N.D. Cal 1989) 723 F.Supp 1373.

1 legal staff member by their hourly rates, and then enhances or reduces this lodestar figure by a
2 “multiplier” to account for a range of factors, such as the novelty or difficulty of the case, its
3 contingent nature, and the degree of success achieved. *PLCM Group, Inc. v. Drexler* (2000) 22
4 Cal.4th 1084, 1095-96; *Press v. Lucky Stores, Inc.* (1983) 34 Cal.3d 311, 322; *Lealao, supra*, 82
5 Cal.App.4th at 43 [court has discretion to use a multiplier to ensure that the “fee awarded is
6 within the range of fees freely negotiated in the legal marketplace in comparable litigation”].)

7 The actual aggregated lodestar between the Plaintiffs’ attorneys that worked on this case
8 is approximately \$160,665. This results in a negative multiplier, as summarized in the following
9 table, and in the submitted declaration of Plaintiffs’ counsel:

Attorney/Timekeeper	Role	Yrs Experience	Rate	Hours	Fee
Brian J. Mankin (Partner)	Trial Counsel	23	\$775	77 ²	\$59,675
Kristina Carlson	Handling Attorney	10	\$600	168.3	\$100,980
Grand Total					\$160,665

15
16 (See Mankin Decl., ¶ 25; Carlson Decl. ¶ 5).

17 The hourly rates above are comparable to those of other attorneys with equal or similar
18 experience, if not somewhat lower (*i.e.*, the Laffey Matrix at www.laffeymatrix.com indicates that
19 the benchmark rates are: \$676/hour for an 8–10-year attorney, \$764/hour for a 11-19 year
20 attorney, and \$919/hour for a 20+ year attorney). Moreover, the Wolters Kluwer 2017 Real Rate
21 Report (“Real Rate Report”) provides directly applicable information in this regard. The Real
22 Rate Report is based on an enormous and statistically significant compilation of data: 25.8
23 million billing entries and 23.9 million hours billed by over 112,100 individual timekeepers from
24 4,620 law firms, totaling \$9.02 billion in fees billed. (See Wolters Kluwer’s ELM Solutions, Inc.,
25 2017 Real Rate Report). The Real Rate Report then compiles and analyzes this data to provide
26 the hourly rates for partners and associates in major metropolitan areas. For the southern
27 California area, which is based on billing entries for 1,125 partners and 1,566 associates, the

28
² Includes an estimated 30 hours that will be expended in finalizing the motion, attending the hearing, working with the parties and administrator regarding the notice and payment process, and filing any post judgment paperwork.

1 Real Rate Report states that: (a) the rates for partners in Los Angeles is between \$640 and
2 \$869.75 per hour for the middle and upper quartiles, and (b) the rates for associates in Los
3 Angeles is between \$478.74 and \$638.97 for the median and upper quartiles. And, perhaps most
4 importantly, the information provided in the Real Rate Report is not based on self-reported
5 numbers, surveys, sampling, or reviews or other publications – instead, the Real Rate Report is
6 based on the actual hours and fees billed by law firms. (Mankin Decl., ¶ 24.)

7 Class Counsel are also highly experienced in Class/PAGA litigation, including having
8 been named by the LA Times as one “Southern California Leading Lawyers” in the May 2023
9 issue of Consumer Attorney’s of Southern California (a recognition given to 17
10 employment/labor law attorneys in 2023), having been selected as “Super Lawyer” in
11 employment litigation over the last 5 consecutive years, having achieved large settlements,
12 having prevailed at trial in PAGA-only actions and Class Action jury trials. (Mankin Decl. ¶¶ 2-
13 6). Indeed, Class Counsel’s rates are typical of the rates charged by defense counsel with similar
14 experience doing similar employment law work in this region.

15 Thus, Plaintiffs’ Counsel’s rates reasonable and typical, and the attorneys’ fees requested
16 confirm that the fee request is fair and reasonable under the lodestar multiplier cross-check.

17 **VII. THE REQUESTED COSTS AND SERVICE AWARDS ARE REASONABLE**

18 **A. The Requested Costs Are Reasonable and Merit Approval**

19 The Settlement Agreement authorized litigation expenses up to \$20,000. However,
20 Class Counsel’s actual costs through the final approval hearing are estimated to be \$16,937.91.
21 (Mankin Decl. ¶ 27.) Since Class Counsel’s actual costs were less than the amount allocated,
22 the saving will be placed in the Net Settlement Amount. These costs include mediation fees,
23 filing fees, CourtCall charges, expert fees, court filing fees, and process server fees.

24 **B. The Requested Service Awards are Reasonable and Merit Approval**

25 A named plaintiff is an essential ingredient of any class action and an incentive award
26 is appropriate to induce individuals to step forward and assume the burdens and obligations of
27 representing the Class. Courts regularly approve service payments to compensate named
28 Plaintiffs for their service to the class and the risks they incurred during the course of the

1 litigation. (*See, e.g. Bell v. Farmers Insurance Exchange* (2004) 115 Cal.App.4th 715, 726
2 (upholding “service payments” to named Plaintiff for their efforts in bringing class action);
3 *Rodriguez v. West Publishing* (9th Cir. 2009) 563 F.3d 948, 959 (stating that incentive awards
4 are “intended to compensate class representatives for work done on behalf of the class, to make
5 up for financial or reputational risk undertaken in bringing the action, and, sometimes, to
6 recognize their willingness to act as a private attorney general.”))

7 Under the Settlement, Defendant agreed to pay a Service Award to Plaintiffs Anthony
8 Vargas and Kenneth Slingluff in the amount of \$10,000 each in recognition of their
9 contribution as the Class Representatives and the fact that they agreed to a general release of
10 all claims. In addition, Plaintiffs also undertook significant risks, including the risk of being
11 blackballed in the industry and the risk that they could have been liable for Defendant’s costs if
12 they lost. This factor is a significant one for a wage earner, and the potential risk is very real.
13 (*See Whiteway v. FedEx Kinkos Office & Print Svcs., Inc.* (N.D. Cal. Dec. 17, 2007) No. C 05-
14 2320 SBA, 2007 WL 4531783, at *3 (“the few courts to consider this ‘class representatives’
15 dilemma’ have not found it inequitable to assess costs upon the lead or named plaintiff in a
16 class action.”))

17 Plaintiffs also committed a significant number of hours to assist with the
18 litigation/settlement processes of this case. Finally, they entered into a general release of all
19 claims against Defendant, whereas the Class Members only released the claims alleged. The
20 requested Service Payment is reasonable, particularly in light of the substantial benefits
21 Plaintiffs generated for the Class Members, the risks they undertook, and in exchange for
22 executing a general release against Defendant while giving up the right to pursue separate
23 individual claims. (See Plaintiffs Declarations ¶¶ 3-9.)

24 The Notice sent to each Class Member detailed the proposed service award. No Class
25 Member has objected to the proposed payment to Plaintiffs. Thus, Plaintiffs’ request for a
26 Service Award is both reasonable and appropriate, and should be approved.

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28 ///

1 **VIII. OTHERS MATTERS RE: FINAL APPROVAL**

2 **A. Settlement Administration Costs**

3 The parties agreed that the Administrator, ILYM Group, would be compensated for
4 services performed. The Administrator's flat fee is \$5,450.00. (Beltran Decl., ¶ 16.)

5 **B. Notice of Final Judgment to the Class**

6 The Proposed Final Approval Order directs the Settlement Administrator to give notice
7 of entry of judgment by including a postcard to the Class Members at the same time the checks
8 are mailed.

9 **C. Uncashed Checks**

10 The Settlement Agreement provides that unclaimed funds will be submitted to the
11 California State Controller's Unclaimed Property Fund in the name of the Class Member or
12 PAGA Member, thereby leaving no "unpaid residue" subject to the requirements of California
13 Code of Civil Procedure Section 384, subd. (b). (S.A. ¶ 81).

14 **D. Final Report**

15 Defendant's payment is due 15 days after the Effective Date, which will occur on the
16 date that the final order is entered since there were no objections. The Administrator then has
17 10 days thereafter process the funds and issue checks to the Class Members, who will then
18 have 180 days to cash their checks. Accordingly, the Parties project that the check cashing
19 deadline will occur on approximately February 1, 2025. Thus, the Parties propose submitting a
20 final report in the form of a declaration from the Administrator approximately March 3, 2025
21 and then holding a disbursement hearing thereafter at the Court's convenience.

22 **E. Submission to the LWDA**

23 As set forth in the Mankin Declaration at ¶ 29, the Settlement Agreement and this
24 motion are concurrently being submitted to the LWDA in accordance with Labor Code §
25 2699(1)(2). The LWDA has not commented on the Settlement to date.

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1 **IX. CONCLUSION**

2 Plaintiffs respectfully submit that the Settlement is fair, adequate, and reasonable, and
3 merits final approval.

4 Dated: June 17, 2024

LAUBY, MANKIN & LAUBY LLP

5
6 BY: 
7 Brian J. Mankin, Esq.
8 Attorneys for Plaintiffs and the Class
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PROOF OF SERVICE
(Pursuant to CCP §§ 1013(a)(1) and 2015.5)

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I am employed in the County of Riverside, State of California. I am over the age of 18 and not a party to the within action; my business address is 5198 Arlington Avenue, PMB 513, Riverside, CA 92504.

On June 17, 2024, I caused to be served the foregoing document(s) described as follows:

NOTICE OF MOTION AND MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT; DECLARATIONS IN SUPPORT THEREOF; AND [PROPOSED] FINAL ORDER AND JUDGMENT

I declare that I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. It is deposited with the U.S. postal service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

☐ **By Mail** I deposited such envelope in the mail at Riverside, California. The envelope was mailed with postage thereon fully prepaid.

☐ **By Facsimile** I sent this document via fax to all parties as listed on attached service list, on

☐ **By Overnight Service** I deposited such envelope in a facility regularly maintained by the United Parcel Service for receipt of items for overnight delivery, with overnight delivery expenses prepaid, addressed to the person to be served.

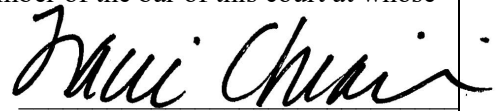
☒ **By Email or Electronic Transmission:** Pursuant to CCP § 1010.6 or an agreement of the parties to accept service by email or electronic transmission, I caused the document(s) to be sent from email address tracie@lmlfirm.com to the persons at the electronic notification address listed in the service list. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was not successful.

☐ **By Certified Mail-Return Receipt Requested** I caused such envelope with postage fully prepaid thereon, to be placed in the United States mail at Riverside, California

☐ **By Personal Service** I caused said document(s) to be personally served by hand on the parties listed on the attached service list.

☒ **State** I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on June 17, 2024, Riverside, California.

☐ **Federal** I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.



Tracie Chiarito, Declarant

SERVICE LIST

Ryan J. Krueger, Esq.
Hilary Habib, Esq.
Dimiana Saad, Esq.
SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
333 S. Hope Street, 43rd Floor
Los Angeles, CA 90071-1422
213-620-1780
213-620-1398-fax
rkrueger@sheppardmullin.com
hhabib@sheppardmullin.com
dsaad@sheppardmullin.com
Attorneys for Defendant ELEMENTIS SPECIALTIES, INC.