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December 10, 2024
Clerk of the Court
Superior Court of CA
County of Santa Clara
23CV411346
By: rburciaga

Attorneys for Plaintiff Heather Cook

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA

HEATHER COOK, as an aggrieved employee
pursuant to the Private Attorneys General Act
("PAGA"), on behalf of the State of California
and other aggrieved employees,

Plaintiffs,

vs.

GOGRIIS CORPORATION, a California
corporation; GOGRIIS J424 CORPORATION, a
California corporation; GOGRIIS J4366
CORPORATION, a California corporation;
GOGRIIS J447 CORPORATION, a California
corporation; INDMEX CORPORATION, a
California corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No. 23CV411346

Assigned to the Hon. Theodore C. Zayner

**[AMENDED ~~PROPOSED~~] ORDER
APPROVING THE PARTIES' PAGA
SETTLEMENT AGREEMENT AND
JUDGMENT**

Date: November 20, 2024
Time: 1:30 p.m.
Place: Department 19

Complaint Filed: February 21, 2023
Trial Date: None Set

1 **I. Introduction**

2 This is a representative action arising from alleged wage and hour violations. On February 21,
3 2023, Plaintiff Heather Cook (“Plaintiff”) commenced this action by filing a Complaint, against
4 Defendants Gogris Corporation, Gogris J424 Corporation, Gogris J4366 Corporation, Gogris J447
5 Corporation, and Indmex Corporation (collectively, “Defendants”). Plaintiff’s still operative Complaint
6 sets forth a sole cause of action for civil penalties pursuant to the Private Attorneys General Act (“PAGA”),
7 Labor Code, section 2698, *et seq.*

8 The parties have reached a settlement. Now before the court is Plaintiff’s unopposed motion for
9 approval of the PAGA settlement.

10 **II. Legal Standard**

11 Under PAGA, an aggrieved employee may bring a civil action personally and on behalf of other
12 current or former employees to recover civil penalties for Labor Code violations. (*Iskanian v. CLS Transp.*
13 *Los Angeles, LLC* (2014) 59 Cal.4th 348, 380, overruled on other grounds by *Viking River Cruises, Inc. v.*
14 *Moriana* (2022) 596 U.S._____[2022 U.S. LEXIS 2940].) Seventy-five percent of any penalties
15 recovered go to the Labor and Workforce Development Agency (“LWDA”), leaving the remaining 25
16 percent for the employees. (*Ibid.*) PAGA is intended “to augment the limited enforcement capability of
17 [the LWDA] by empowering employees to enforce the Labor Code as representatives of the Agency.”
18 (*Id.* at p. 383.) A judgment in a PAGA action binds all those, including nonparty aggrieved employees,
19 who would be bound by a judgment in an action brought by the government. (*Id.* at p. 381.)

20 A superior court must review and approve any PAGA settlement. (Lab. Code, § 2699, subd.
21 (1)(2).) The court’s review “ensur[es] that any negotiated resolution is fair to those affected.” (*Williams v.*
22 *Superior Court* (2017) 3 Cal.5th 531, 549.) The proposed settlement must be submitted to the LWDA at
23 the same time it is submitted to the court. (*Ibid.*)

24 As discussed by one court:

25 PAGA does not establish a clear standard for evaluating PAGA settlements. ...
26 [¶] Accordingly, certain courts have been willing to approve PAGA settlements
27 only if (1) the statutory requirements set forth by PAGA have been satisfied, and
28 (2) the settlement agreement is fair, reasonable, and adequate in view of PAGA’s
 public policy goals.

(*Patel v. Nike Retail Services, Inc.* (N.D. Cal. 2019) 2019 WL 2029061, 2019 U.S. Dist. LEXIS 77988

(Patel), at *5.)

As part of this analysis, these courts have evaluated proposed PAGA settlements under the relevant factors from *Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1026. (*Patel, supra*, 2019 U.S. Dist. LEXIS 77988 at *5-6.) “Of the *Hanlon* factors, the following are relevant to evaluating [a] PAGA settlement: (1) the strength of the plaintiff’s case; (2) the risk, expense, complexity, and likely duration of further litigation; (3) the amount offered in settlement; (4) the extent of discovery completed and the stage of the proceedings; (5) the presence of government participation; and (6) the expertise and views of counsel.” (*Ibid.*)

Similar to its review of class action settlements, the Court must “determine independently whether a PAGA settlement is fair and reasonable,” to protect “the interests of the public and the LWDA in the enforcement of state labor laws.” (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76–77.) It must make this assessment “in view of PAGA’s purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws.” (*Id.* at p. 77; see also *Haralson, supra*, 383 F. Supp. 3d at p. 971 [“when a PAGA claim is settled, the relief provided for under the PAGA [should] be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public”], quoting LWDA guidance discussed in *O’Connor v. Uber Technologies, Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110 (*O’Connor*).)

“[W]hen a PAGA claim is settled, the relief provided ... [should] be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public” (*O’Connor, supra* at p. 1133.) The settlement must be reasonable in light of the potential verdict value. (*Id.* at 1135 [rejecting settlement of less than one percent of the potential verdict].) But a permissible settlement may be substantially discounted, given that courts often exercise their discretion to award PAGA penalties below the statutory maximum even where a claim succeeds at trial. (See *Viceral v. Mistras Group, Inc.* (N.D. Cal., Oct. 11, 2016, No. 15- CV-02198-EMC) 2016 WL 5907869, 2016 U.S. Dist. LEXIS 140759 at *8-9.)

III. Discussion

A. Provisions of the Settlement

This case has been settled on behalf Aggrieved Employees defined as follows:

1 [A]ll persons who were employed by Defendants in California as non-exempt,
2 hourly paid employees at any time from December 14, 2021 through April 28,
3 2024.

4 (Declaration of Raul Perez (“Perez Dec.”), Ex. 1 (“Agreement”), ¶ 2.)

5 According to the terms of the settlement, Defendant will pay a gross settlement amount of
6 \$600,000. (Agreement, ¶¶ 4, 12.) The gross settlement amount includes: attorney fees of up to \$200,000;
7 litigation costs not to exceed \$20,000; a service award of up to \$10,000; settlement administration expenses
8 not to exceed \$7,500; and a PAGA Penalties Fund (75 percent of which will be paid to the LWDA and 25
9 percent of which will be paid to PAGA Employees as individual PAGA payments). (*Id.* at ¶¶ 12-17.)
10 Individual payments from the PAGA Penalties Fund will be distributed to participating class members on
11 a pro rata basis according to the number of pay periods worked during the Settlement Period. (*Id.* at ¶ 13.)

12 In exchange for the settlement, Aggrieved Employees will be deemed to release Defendants, and
13 related entities and persons, from all claims PAGA civil penalties that were alleged based on facts pleaded
14 in the operative Complaint and the LWDA notice. (Agreement, ¶¶ 8, 10, 22.) Plaintiff also agrees to a
15 comprehensive general release. (*Id.* at ¶ 15.) The release provisions are appropriately tailored to the factual
16 allegations of the operative pleading. (See *Amaro v. Anaheim Arena Management, LLC* (2021) 69
17 Cal.App.5th 521, 538.)

18 **B. Fairness of the Settlement**

19 Plaintiff states that the settlement constitutes a fair, reasonable, and adequate compromise of the
20 claims at issue. (Perez Dec., ¶ 4.) Following the exchange of informal discovery, the Parties participated
21 in mediation with Hon. Carl J. West (Ret.), Esq., on February 28, 2024. (*Id.* at ¶ 3.) Prior to mediation,
22 Plaintiff’s counsel received and reviewed employee demographic data, a sample of time and pay records,
23 and Defendant’s labor policies and procedures manual. (*Id.* at ¶ 7.) Plaintiff’s counsel used this
24 information to perform a thorough investigation into the claims at issue, including by evaluating all of
25 Plaintiff’s potential representative claims, analyzing a sample of Aggrieved Employee’s time and wage
26 records, and estimating Defendant’s liability for purposes of settlement. (*Id.* at ¶ 8.)

27 Based on the information produced, Plaintiff’s counsel determined that there are approximately
28 631 Aggrieved Employees who worked a total of approximately 14,088 pay period during the Settlement
Period. (Perez Dec., ¶ 10.) Plaintiff provides an estimate of Defendants’ maximum exposure with respect

1 to each claim, amounting to a total of \$6,823,000. (*Id.* at ¶¶ 14-27.) Plaintiff also provides a detailed
2 explanation of the factors supporting a reduction in penalties for purposes of settlement, including the
3 anticipated trial result, the weight of the evidence, the clarity of controlling law, and Defendants' defenses.
4 (*Id.* at ¶¶ 28-57.) Based on this analysis with respect to each claim, Plaintiffs estimates that Defendants'
5 total realistic exposure at trial is \$728,570. (*Id.* at ¶ 57.)

6 The proposed gross settlement amount of \$600,000 represents approximately 8.8 percent of
7 Defendants' estimated total maximum exposure. This amount is within the general range of percentage
8 recoveries that California courts typically find to be reasonable. (See *Cavazos v. Salas Concrete, Inc.* (E.D.
9 Cal., Feb 18, 2022, No. 1:19-cv-00062-DAD-EPG) 2022 U.S.Dist. LEXIS 30201, at *41-42 [citing cases
10 approving settlements in the range of 5 to 35 percent of the maximum potential exposure].) The court also
11 observes that the settlement amount represents 82.4 percent of Defendants' estimated total realistic
12 exposure at trial, according to Plaintiff.

13 The court has reviewed Plaintiff's written submissions in support of the proposed settlement. The
14 settlement provides for some recovery for each class member and eliminates the risk and expense of
15 further litigation. Based on the circumstances of the case, including the relative strengths of Plaintiffs' case
16 and Defendant's arguments in defense, the court finds the terms of the settlement to be fair.

17 **C. Incentive Award, Fees and Costs**

18 Plaintiffs request enhancement awards in the total amount of \$10,000. Although service awards
19 are common in class actions, there is less authority regarding the propriety of service awards in PAGA
20 cases. Nevertheless, a PAGA case is a representative action like a class action, and courts have recognized
21 that an individual's willingness to act as a private attorney general may merit a service award. (See
22 *Rodriguez v. West Publishing Corp.* (9th Cir. 2009) 563 F.3d 948, 959.)

23 Plaintiff has filed a declaration describing her participation in this litigation. (Declaration of
24 Heather Cook.) She states that she decided to file this lawsuit because she had several grievances against
25 Defendants due to their labor policies. (*Id.* at ¶ 3.) Her participation has included conferences and phone
26 calls with her attorneys, reviewing the Complaint and the proposed settlement, and continuing to confer
27 with her attorneys regarding the case status and her duties as a PAGA plaintiff. (*Id.* at ¶¶ 4-11.) Plaintiff
28 estimates that she has spent between 25 and 35 hours participating in this litigation. (*Id.* at ¶ 12.)

1 While the court agrees that Plaintiff's participation merits a service award, the amount requested
2 in relation to the time spent is more than the court typically awards in such situations. Therefore, the court
3 approves a service award to Plaintiff in the amount of \$7,500.

4 Plaintiff's counsel seeks attorney fees of \$200,000 (1/3 of the maximum settlement amount).
5 Plaintiff's counsel provides a breakdown demonstrating a lodestar of \$96,775, based on 153.3 attorney
6 hours billed rates ranging from \$475 to \$950 per hour. (Perez Dec., ¶ 68.) This results in a modest
7 multiplier of 2.07. The court finds the requested fees to be reasonable as a percentage of the total recovery,
8 and the fees are approved in the in the amount of \$200,000.

9 Plaintiff's counsel also requests litigation costs in the total amount of \$14,474.20 and provides a
10 breakdown of costs incurred in that amount. (Perez Dec., ¶ 72.) Therefore, the court finds cost in the
11 amount of \$14,474.20 to be reasonable and approves that amount.

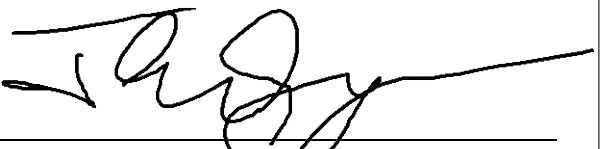
12 Plaintiff also asks for settlement administration costs in the amount of \$7,500, and provides a copy
13 of CPT Group's bid for a flat fee of \$7,500. (Perez Dec., Ex. 4.) Therefore, the court approves settlement
14 administration costs in the amount of \$7,500.

15 **IV. Conclusion**

16 The motion for approval of the PAGA settlement is GRANTED. The court sets a compliance
17 hearing for May 21, 2025, at 2:30 p.m. Department 19.

18 **IT IS SO ORDERED.**

19
20 Dated: December 9, 2024



21 HON. THEODORE C. ZAYNER
22 Santa Clara County Superior Court Judge
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PROOF OF SERVICE

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los Angeles, California 90067.

On **December 4, 2024**, I served the document described as: **[AMENDED PROPOSED] ORDER APPROVING THE PARTIES' PAGA SETTLEMENT AGREEMENT AND JUDGMENT** on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

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INDMEX CORPORATION

- ☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am "readily familiar" with this firm's practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.
- ☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.
- ☐ **BY PERSONAL SERVICE:** I delivered the document, enclosed in a sealed envelope, by hand to the counsel for Defendant.
- ☒ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).
- ☐ **BY OVERNIGHT DELIVERY:** I am "readily familiar" with this firm's practice of collection and processing correspondence for overnight delivery. Under that practice, overnight packages are enclosed in a sealed envelope with a packing slip attached thereto fully prepaid. The packages are picked up by the carrier at our offices or delivered by our office to a designated collection site.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **December 4, 2024**, at Los Angeles, California.

Xochitl Tapia

Type/Print Name


Signature