

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

Rene C. Davidson Courthouse

Veronica Cruz
Plaintiff/Petitioner(s)
VS.
KNIGHTSBRIDGE PLASTICS,
INC.
Defendant/Respondent
(s)

No. 23CV028294
Date: 07/11/2024
Time: 10:00 AM
Dept: 23
Judge: Michael Markman

ORDER re: Hearing on Motion -
Other MOTION FOR
PRELIMINARY APPROVAL;
Initial Case Management
Conference filed by
Veronica Cruz (Plaintiff)
on 05/03/2024

The Motion for Preliminary Approval of Settlement filed by Veronica Cruz on 05/03/2024 is Granted.

Hearing on Motion for Final Approval of Settlement is scheduled for 12/05/2024 at 10:00 AM in Department 23 at Rene C. Davidson Courthouse.

BACKGROUND FACTS

This is a wage-and-hour class action and PAGA representative action. Plaintiff Veronica Cruz and Defendant Knightsbridge Plastics, Inc. have agreed to settle the class claims for a gross settlement amount of \$700,000.00, which includes up to \$233,333.33 in attorney's fees; up to \$25,000.00 in litigation costs and expenses incurred by counsel; a service award of \$5,000.00 for plaintiff; settlement administration costs of up to \$9,000.00, and \$60,000.00 in PAGA civil penalties (75% of penalties go to California Labor and Workforce Development Agency (LWDA) and 25% to aggrieved employees). (Moon Supp. Decl., Ex. 1 [Settlement Agreement], § 3.2.) The remaining amount is to be distributed among participating class members in proportion to the number of pay periods worked by each. (*Id.*, §§ 1.23, 1.24, 1.28, 3.24.)

LEGAL STANDARD

To prevent "fraud, collusion or unfairness to the class, the settlement or dismissal of a class action requires court approval." (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794,

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1800.) The Court “must determine the settlement is fair, adequate, and reasonable.” (*Id.* at p. 1801.) “The well-recognized factors that the trial court should consider in evaluating the reasonableness of a class action settlement agreement include ‘the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.’” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128 [quoting *Dunk, supra*, at p. 1801].) The court gives “considerable weight to the competency and integrity of counsel and the involvement of a neutral mediator in assuring itself that a settlement agreement represents an arm’s length transaction entered without self-dealing or other potential misconduct.” (*Kullar, supra*, 168 Cal.App.4th at p. 129.)

Similarly, a “trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA’s purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws.” (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77 [noting overlap of factors in class action analysis, “including the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount”].)

PRELIMINARY APPROVAL

The court requested additional information on the Kullar analysis and a modification to the PAGA release, which Plaintiff provided. (See Moon Supp. Decl., ¶¶ 3–6.) The terms of the settlement and notice procedures appear fair, reasonable and adequate.

SERVICE AWARD, FEES, & COSTS

The court will not rule on a service award for the representative plaintiff, fees, or costs until final approval but provides the following preliminary guidance:

The requested service award is within this court’s generally accepted range, but any incentive award must be supported with “quantification of time and effort expended on the litigation, and in the form of reasoned explanation of financial or other risks incurred by the named plaintiffs.” (*Clark v. Am. Residential Servs. LLC* (2009) 175 Cal.App.4th 785, 807.)

The settlement agreement authorizes counsel to seek fees of up to one-third of the gross settlement amount. This court’s benchmark for the percentage of recovery approach is 30%. (See *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 495; *Schulz v. Jeppesen Sanderson, Inc.* (2018) 27 Cal.App.5th 1167, 1175; *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557 fn 13; *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 fn 11.) A “court approving a settlement that includes a negotiated fee [] is required to decide if the fee negotiated by the parties closely approximates the value of the attorneys’ work.” (*Robbins v. Alibrandi*, 127 Cal.App.4th 438, 452.) Counsel must address the value of the attorneys’ work, as well as the justification for any deviation from this court’s benchmark, in the fee application.

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Ten percent of the attorney's fee award must be kept in the administrator's trust fund until the completion of the distribution process and court approval of a final accounting.

The settlement agreement authorizes reimbursement of litigation costs incurred by class counsel. Counsel must provide evidentiary support for the actual costs incurred at the time of final approval.

The court's preference is for Plaintiffs to move for final approval, for attorneys' fees and costs, and for plaintiff's enhancement payment in a single motion.

ORDER

Plaintiffs' motion is GRANTED. The court will enter the proposed order and set a final approval hearing for December 5, 2024, at 10:00 a.m. in Department 23.

The Initial Case Management Conference scheduled for 07/11/2024 is continued to 12/05/2024 at 10:00 AM in Department 23 at Rene C. Davidson Courthouse .

The CMC is continued to coincide with the law and motion matter.

The Court orders counsel to obtain a copy of this order from the eCourt portal.

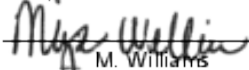
Dated : 07/11/2024



Michael Markman / Judge

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

Rene C. Davidson Courthouse

SUPERIOR COURT OF CALIFORNIA COUNTY OF ALAMEDA	Reserved for Clerk's File Stamp
COURTHOUSE ADDRESS: Rene C. Davidson Courthouse 1225 Fallon Street, Oakland, CA 94612	FILED Superior Court of California County of Alameda 07/12/2024
PLAINTIFF/PETITIONER: Veronica Cruz	Chad Finke, Executive Officer / Clerk of the Court By:  Deputy M. Williams
DEFENDANT/RESPONDENT: KNIGHTSBRIDGE PLASTICS, INC.	
CERTIFICATE OF ELECTRONIC SERVICE CODE OF CIVIL PROCEDURE 1010.6	CASE NUMBER: 23CV028294

I, the below named Executive Officer/Clerk of Court of the above-entitled court, do hereby certify that I am not a party to the cause herein, and that on this date I served one copy of the Order re: Hearing on Motion - Other MOTION FOR PRELIMINARY APPROVAL; Initial Case Management Conference filed by Veronica Cruz (Plaintiff) on 05/03/2024 entered herein upon each party or counsel of record in the above entitled action, by electronically serving the document(s) from my place of business, in accordance with standard court practices.

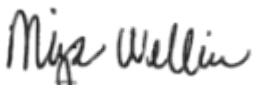
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Dated: 07/12/2024

Chad Finke, Executive Officer / Clerk of the Court

By:


M. Williams, Deputy Clerk