HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Fletcher W. Schmidt (SBN 286462)
fschmidt@haineslawgroup.com
Andrew J. Rowbotham (SBN 301367)
arowbotham@haineslawgroup.com
Susan J. Perez (SBN 329044)
sperez@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355
Attorneys for Plaintiff

ROBINSON DI LANDO, APLC
Michael C. Robinson (SBN 120308)
mrobinson@rdwlaw.com
Orion S. Robinson (SBN 293796)
orobinson@rdwlaw.com
801 South Grand Ave., Ste. 500
Los Angeles, CA 90017
Telephone: (213) 229-0100
Facsimile: (213) 229-0114

Attorneys for Plaintiff
Sara Moreno

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

MIRANDA MARAVILLA, BETSY CASTELLANOS, and SARA MORENO as individuals and on behalf of all others similarly situated, Plaintiffs, vs. LOUIS VUITTON U.S. MANUFACTURING, INC., a Delaware corporation; and DOES 1 through 100, Defendants.	CASE NO. 23STCV19872 [*Case assigned for all purposes to the Hon. David S. Cunningham III, Dept. SS-11*] **PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND PAGA ACTION SETTLEMENT** Date: November 25, 2025 Time: 10:00 a.m. Dept.: SS-11 Action Filed: August 18, 2023 Trial Date: None Set

PLEASE TAKE NOTICE that, pursuant to Rule 3.769 of the California Rules of Court, on November 25, 2025, at 10:00 a.m., or as soon thereafter as the matter may be heard, in Department 11 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, Plaintiffs Miranda Maravilla, Betsy Castellanos, and Sara Moreno (collectively, "Plaintiffs"), as individuals and on behalf of a class of similarly situated individuals, will and hereby do move this Court for:

1. Preliminary approval of the proposed Class Action and PAGA Settlement Agreement and Class Notice ("Settlement Agreement") in this lawsuit, entered into between Plaintiffs and Defendant Louis Vuitton U.S. Manufacturing, Inc. ("Defendant");
2. Pursuant to California Code of Civil Procedure § 382, and for settlement purposes only, provisional certification of the following Settlement Class: "All of Defendant's current and former non-exempt employees who worked for Defendant in California at any time between August 18, 2019, and July 1, 2025."
3. Preliminary appointment of Miranda Maravilla, Betsy Castellanos, and Sara Moreno as the Class Representatives;
4. Preliminary appointment of Paul K. Haines, Fletcher W. Schmidt, Andrew J. Rowbotham, and Susan J. Perez of Haines Law Group, APC, and Orion Robinson of Robinson Di Lando, A Professional Law Corporation, as Class Counsel;
5. The scheduling of a hearing to consider whether the Settlement Agreement should be finally approved and to award amounts for the Class Representative Service Payments, settlement administration costs, payment to the Labor and Workforce Development Agency for its share of civil penalties under the Private Attorneys General Act, and Class Counsel's attorneys' fees and costs;
6. Appointment of Apex Class Action Administration as the third-party settlement administrator; and
7. Approval of the proposed Court Approved Notice of Class Action and PAGA Settlement and Hearing Date for Final Court Approval ("Notice Packet"), and entry of the proposed

Order instructing the Notice Packet to be disseminated to the proposed Settlement Class in English and Spanish, as provided in the Settlement Agreement.

This motion is based on this notice of motion, the attached memorandum of points and authorities, the declarations of Paul K. Haines, Fletcher W. Schmidt, Andrew J. Rowbotham, Susan J. Perez, Orion Robinson, Plaintiffs Miranda Maravilla, Betsy Castellanos, and Sara Moreno, Sean Hartranft of Apex Class Action Administration, and the exhibits attached thereto, the pleadings and other papers filed in this action, and any further oral or documentary evidence or argument presented at the time of hearing.

Dated: August 7, 2025

Respectfully Submitted,
HAINES LAW GROUP, APC

By: ____________________
Andrew J. Rowbotham
Attorneys for Plaintiffs

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiffs Miranda Maravilla ("Maravilla"), Betsy Castellanos ("Castellanos"), and Sara Moreno ("Moreno") (collectively, "Plaintiffs") as individuals and on behalf of the proposed Settlement Class, respectfully request that the Court preliminarily approve the proposed Class Action and PAGA Settlement Agreement and Class Notice ("Settlement Agreement" or "Settlement")[1] entered into by Plaintiffs and Defendant Louis Vuitton U.S. Manufacturing, Inc. ("Defendant") (collectively, the "Parties"). This non-reversionary $1,800,000.00 Settlement is reached on behalf of approximately 1,084 Settlement Class members defined as: "All of Defendant's current and former non-exempt employees who worked for Defendant in California at any time between August 18, 2019, and July 1, 2025 (the "Class Period")."

After Court-approved deductions for the Class Representative Service Payments, settlement administrator costs, civil penalties to the Labor and Workforce Development Agency ("LWDA") and Aggrieved Employees under the Private Attorneys General Act, Labor Code § 2698 *et seq*. ("PAGA"), and attorneys' fees and costs awarded to Class Counsel, the remaining Net Settlement Amount ("NSA") is estimated to be no less than $1,050,510.00. This results in an average Individual Class Payment of approximately $969.11, with estimated payments ranging from $5.81 (for a Class Member who worked only one workweek during the Class Period) to $1,777.73 (for a Class Member who worked every workweek during the Class Period). Approximately 657 Aggrieved Employees, defined as "All of Defendant's current and former non-exempt employees who worked for Defendant in California at any time between August 18, 2022, and July 1, 2025 (the "PAGA Period"), will receive an average Individual PAGA Payment of $38.05, with estimated payments ranging from $0.67 to $50.07. Class Members who are also Aggrieved Employees will receive both payments, for a combined average recovery of $1,007.16.

Significantly, Class Members are not required to file a claim form to receive an Individual

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[1] The Settlement Agreement and Court Approved Notice of Class Action and PAGA Settlement and Hearing Date for Final Court Approval ("Notice Packet") are attached as Exhibit 1 to the Declaration of Andrew J. Rowbotham ("Rowbotham Decl."), filed concurrently herewith.

Class Payment, and all Class Members who do not opt out will automatically receive their share of the Settlement. Class Members will release only those claims actually asserted in the operative Second Amended Class and Representative Action Complaint ("SAC"), or that could have been asserted based on the facts alleged therein. Aggrieved Employees, regardless of whether they opt out of the Settlement, will receive their share of PAGA civil penalties and will release all PAGA claims based on the Labor Code violations pled in the operative SAC or in Plaintiffs' letters to the LWDA dated August 18, 2023, March 11, 2024, and April 25, 2025, or that could have been asserted based on the facts alleged therein.[2]

This proposed Settlement falls well within the range of possible approval given the significant legal and factual obstacles Plaintiffs faced, the risks and costs of continued litigation, and the monetary benefit to Class Members. For the reasons discussed herein, Plaintiffs respectfully request that the Court grant preliminary approval of the Settlement.

II. SUMMARY OF THE LITIGATION

A. Factual and Procedural Background

Defendant operates luxury handbag manufacturing facilities in California and Texas. Rowbotham Decl., ¶ 12. Defendant employed Plaintiffs as non-exempt "Artisans" creating handbags at its San Dimas, California manufacturing facility. *Id*.; Declaration of Maravilla ("Maravilla Decl."), ¶ 2; Declaration of Castellanos ("Castellanos Decl."), ¶ 2; Declaration of Moreno ("Moreno Decl."), ¶ 2. Like all Class Members, Plaintiffs were subject to Defendant's allegedly unlawful wage and hour policies and practices. Rowbotham Decl., ¶ 12.

On August 18, 2023, Maravilla filed this wage-and-hour class action (the "Action") against Defendant. Rowbotham Decl., ¶ 13. On October 24, 2023, Maravilla filed the First Amended Class and Representative Action Complaint adding a cause of action for civil penalties under PAGA. *Id*. After Defendant's counsel provided Maravilla's signed arbitration agreement containing a class action waiver, Maravilla agreed to dismiss her class and individual claims without prejudice. *Id*. On November 10, 2023, Maravilla submitted a Demand for Arbitration

[2] Plaintiffs' LWDA letters are attached to the Rowbotham Decl. as Exhibit 2.

against Defendant to pursue her individual claims (the "Maravilla Arbitration"). *Id.* On December 5, 2023, the Court granted Maravilla's request for dismissal of individual and class claims without prejudice and stayed the representative PAGA portion of the Action pending the outcome of the Maravilla Arbitration. *Id.*

On April 22, 2024, Moreno filed a class action complaint against Defendant titled Sara Moreno, et al. v. Louis Vuitton U.S. Manufacturing, Inc., Los Angeles Superior Court Case No. 24STCV10019 (the "Moreno Action"), based on the same or similar factual allegations as those pled in this Action.[3] Rowbotham Decl., ¶ 14. On May 15, 2024, Moreno amended the complaint to include a representative PAGA claim. *Id.* The Moreno Action was later removed to federal court and stayed. *Id.* On April 29, 2024, Castellanos submitted a Demand for Arbitration against Defendant to pursue her individual claims (the "Castellanos Arbitration"), based on the same or similar factual allegations as those in this Action. *Id.*

On February 24, 2025, the Parties participated in private mediation with Steven J. Rottman, Esq., a respected and experienced wage-and-hour mediator. Rowbotham Decl., ¶15. In anticipation of mediation, Defendant provided Plaintiffs with a sampling of timekeeping and payroll records for non-exempt employees who worked in California during the Class Period, as well as the relevant employee handbook. *Id.* Plaintiffs' counsel then conducted a comprehensive, classwide analysis of the data to estimate Defendant's maximum potential exposure on all claims at issue. *Id.* During mediation, the Parties debated the legal bases for their claims and defenses, as well as their respective data analyses. *Id.* With the significant help of Mr. Rottman, the Parties reached a classwide resolution of all claims at issue. *Id.* Over the following months, the Parties negotiated and executed the long-form Settlement Agreement now before the Court for preliminary approval.[4] *Id*.

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[3] Like Maravilla, Moreno and Castellanos also signed arbitration agreements containing a class action waiver during their employment. Rowbotham Decl., ¶ 16.

[4] On August 4, 2025, Maravilla filed a Stipulation to File a Second Amended Complaint in this Action to add Castellanos and Moreno as named plaintiffs, along with the factual allegations contained in the Maravilla Arbitration, the Moreno Action, and the Castellanos Arbitration. Rowbotham Decl., ¶ 17.

B. Plaintiffs' Claims and Defendant's Defenses

1. Unpaid Wages – Donning PPE and Regular Rate Miscalculation

Plaintiffs allege that Defendant failed to pay all wages owed to non-exempt employees during the Class Period due to two related wage violations: (1) unpaid pre-shift work and (2) miscalculation of the regular rate of pay. Rowbotham Decl., ¶ 18.

First, Plaintiffs assert that Defendant failed to maintain accurate records of the hours actually worked by Class Members because employees were required to spend approximately 4 to 5 minutes before each scheduled shift donning personal protective equipment ("PPE"), including smocks and steel toe boots, before clocking in. Rowbotham Decl., ¶ 18. Plaintiffs contend that this pre-shift preparation time constituted compensable work for which they were not paid. *Id*.; *see also* Labor Code §§ 1197 and 1182.12 (establishing the right to be paid minimum wages for all hours worked). Second, Plaintiffs allege that Defendant paid employees non-discretionary attendance bonuses and shift differentials, but failed to include the value of these additional forms of compensation when calculating employees' regular rates of pay. Rowbotham Decl., 18; *see also* 29 U.S.C. §§ 207(a)(1) and (e); 29 C.F.R. §778.211(c) ("Bonuses which are announced to employees to induce them to work more steadily or more rapidly … are regarded as part of the regular rate of pay. Most attendance bonuses, individual or group production bonuses, bonuses for quality and accuracy of work … must be included in the regular rate of pay.") As a result, Plaintiffs allege that employees were not accurately paid overtime wages, sick pay, or meal and rest period premiums in pay periods when such compensation was earned. Rowbotham Decl., ¶ 18.

Defendant contends that it accurately recorded all hours worked and paid all wages owed to Class Members. Rowbotham Decl., ¶ 19. Defendant maintains that it does not employ any policy or practice requiring employees to don PPE before clocking in and argues that most employees typically arrived at the worksite already wearing such equipment. *Id*. Even assuming donning occurred pre-shift, Defendant argues that any unpaid time would be de minimis. *Id*. With respect to both claims, Defendant asserts that class certification is improper because resolution would require individualized inquiries into whether employees performed off-the-clock work on any given day, how much time was allegedly worked, whether bonuses were discretionary or non-discretionary, how each bonus was described to employees, and whether eligibility criteria were uniformly applied. *Id.* According to Defendant, these fact-specific determinations preclude the use of common proof and would necessitate a series of mini-trials, rendering the claims unmanageable for classwide adjudication. *Id*.

2. <u>Meal Period Violations</u>

Plaintiffs further assert that Defendant failed to provide employees with all timely, duty-free, uninterrupted 30-minute meal periods to which they were entitled. Rowbotham Decl., ¶ 20; *see* Labor Code § 512(a); *see also Brinker v. Superior Court* (2012) 53 Cal.4th 1004, 1041 ("We conclude that, absent waiver, section 512 requires a first meal period no later than the end of an employee's fifth hour of work…") Specifically, Plaintiffs claim Defendant imposed strict manufacturing quotas that required employees to delay their meal periods until after the fifth and tenth hour of work or to skip meal periods entirely. *Id.*; *see also Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 77 ("If time records show missed, short, or delayed meal periods with no indication of proper compensation, then a rebuttable presumption [of a meal violation] occurs.") Plaintiffs further allege that Defendant maintained a bell schedule to signal the start and end of meal periods but, in practice, failed to provide at least 30 minutes of net rest in a suitable resting area, as required by Section 12(A) of the Wage Order. According to Plaintiffs, Defendant's bell schedule was timed to provide exactly 30 minutes for a meal period, without accounting for travel time between workstations and the breakroom, resulting in shortened meal periods. *Id*. Plaintiffs also allege that, during a portion of the Class Period, Defendant deducted 30-minute meal periods from time records regardless of whether a legally compliant meal period had actually been provided. *Id.*

Defendant contends that it maintained lawful meal period policies and practices throughout the Class Period. Rowbotham Decl., ¶ 21. Specifically, Defendant argues that under *Brinker*, it is only required to "provide" the opportunity to take meal periods, not to "ensure" that they are actually taken, which Defendant contends it has always done. *Id.*; *see Brinker*, *supra*, 53 Cal.4th at 1038 (rejecting "ensure" standard). Defendant asserts that if employees did not take timely or duty-free first or second meal periods, it was solely due to employee choice and not reflective of Defendant's policies or practices. Rowbotham Decl., ¶ 21. Defendant further asserts that Plaintiffs' "net" rest theory fails because employees are not required to limit their meal periods to exactly 30 minutes and any employee who returned to their workstation before the bell signaled the end of the meal period did so by personal choice. *Id.* Defendant contends that Plaintiffs' meal period claim is not suitable for class certification because it would require individualized inquiries into whether an employee chose not to take a provided meal period, whether that meal was waived, and whether an employee voluntarily returned to their workstation before the bell signaled the end of the meal period. *Id.* According to Defendant, these individualized issues would result in an unmanageable series of mini-trials. *Id.*

3. <u>Rest Period Violations</u>

Plaintiffs allege that Defendant failed to authorize and permit employees to take all lawful rest periods to which they were entitled. Rowbotham Decl., ¶ 22. Specifically, as with meal periods, Plaintiffs allege that Defendant pressured employees to forgo rest periods in order to meet strict manufacturing quotas. *Id.* Plaintiffs further allege that Defendant failed to authorize and permit a 10-minute "net" rest period beginning when the employee reached a rest area away from the workstation. *Id.*; *see* DLSE Manual § 45.3.3; *Vaquero v. Stoneledge Furniture LLC* (2017) 9 Cal.App.5th 98, 111-112 (citing DLSE Manual § 45.3.3 for the proposition that "the rest period begins when the employee reaches an area away from the work station that is appropriate for rest"); *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 260 ("[D]uring required rest periods, employers must relieve their employees of all duties and relinquish any control over how employees spend their break time.") Plaintiffs allege that Defendant only authorized exactly 10-minute rest periods beginning when an employee left their workstation and ending upon return, without accounting for the time needed to walk to and from the designated breakroom. Rowbotham Decl., ¶ 22. Plaintiffs also allege that Defendant prohibited employees from leaving the premises during rest breaks, in violation of *Augustus*. *Id.*; *see Augustus, supra,* 2 Cal.5th 257 at 260 (requiring employers to "relinquish any control over how employees spend their break time").

Defendant maintains that it authorized and permitted legally compliant rest periods throughout the Class Period. Rowbotham Decl., ¶ 23. Defendant asserts that if employees skipped rest periods, it was solely the result of employee choice and not reflective of Defendant's policies or practices. *Id*. Defendant also argues that employees were authorized to take a full 10-minute rest period away from their workstations, and that it did not consider travel time to or from the breakroom as part of the rest period. *Id*. Defendant further asserts that, in practice, employees were permitted to leave the premises during rest periods. *Id*. Defendant argues that the rest period claim is unmanageable and not suitable for class certification because it would require individualized inquiries into why employees skipped rest periods on any given day. According to Defendant, Plaintiffs will be unable to substantiate these questions with any common documentary evidence, as employers are not required to record rest periods. *Id.*

4. <u>Derivative Wage Statement, Waiting Time, and PAGA Penalties</u>

As a result of Defendant's alleged failure to pay all overtime wages, minimum wages, and meal and rest period premiums, Plaintiffs assert that Defendant also failed to issue accurate, itemized wage statements and failed to timely pay all final wages at the time of separation. Rowbotham Decl., ¶ 24; *see also* Labor Code §§ 203(a), 226(a). Plaintiffs also seek PAGA civil penalties on behalf of all aggrieved employees. Rowbotham Decl., ¶ 24.

Defendant maintains at the outset that Plaintiffs' class claims are not viable in court because Plaintiffs and the putative class members signed arbitration agreements containing class action waivers. Rowbotham Decl., ¶ 25. Absent settlement, Defendant contends that this matter would proceed in court solely as a PAGA action, and only if Plaintiffs were able to establish their standing as aggrieved employees in their individual arbitration. *Id.* Beyond that, Defendant argues that Plaintiffs' underlying claims will fail and, as a result, the derivative wage statement, waiting time, and PAGA claims will also fail. *Id.*; *see Price v. Starbucks Corp*. (2011) 192 Cal.App.4th 1136, 1147 ("Because the underlying causes of action fail, the derivative UCL and PAGA claims also fail.") Defendant also maintains that Plaintiffs cannot show the wage statement violations were "knowing and intentional," or that employees "suffer[ed] injury" as a result of the alleged violations, as required by Labor Code § 226(e) for the imposition of penalties. Rowbotham Decl.,

¶ 25. Defendant further maintains that its good faith defenses to Plaintiffs' underlying claims would preclude recovery of waiting time penalties, which are only available for the "willful" failure to pay wages, and that the Court would exercise its discretion to substantially reduce any PAGA penalties awarded. Rowbotham Decl., ¶ 25; *see also* 8 Cal. Code Regs. § 13520 ("[A] good faith dispute that any wages are due will preclude imposition of waiting time penalties under Section 203."); *Naranjo v. Spectrum Security Services, Inc.* (2023) 88 Cal.App.5th 937, 948 ("The trial court, therefore, properly denied waiting time penalties under section 203 based on its finding that Spectrum did not "willfully" fail to pay timely wages."); Labor Code § 2699(e)(2) ("[A] court may award a lesser amount than the maximum civil penalty amount specified by this part … if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.")

III. THE PROPOSED SETTLEMENT

A. Essential Terms Of The Settlement

Defendant will pay a non-reversionary Gross Settlement Amount ("GSA") of $1,800,000.00. Settlement, ¶ 1.22. Class Members will automatically receive Individual Class Payments unless they submit valid and timely opt-out requests. *Id.*, ¶ 3.1. The monetary terms of the Settlement are as follows:

Gross Settlement Amount:	**$1,800,000.00**
Minus Court-approved attorneys' fees (1/3):	$600,000.00
Minus Court-approved attorneys' costs (up to):	$40,000.00
Minus Court-approved Service Payments:	$22,500.00
Minus settlement administrator costs (up to):	$11,990.00
Minus amounts set aside for PAGA:	$75,000.00
Net Settlement Amount:	**$1,050,510.00**

1. The Settlement Provides for Reasonable Monetary Payments

After deducting Court-approved attorneys' fees and costs, the Class Representative Service Payment, settlement administration costs, and the amounts set aside for PAGA civil penalties, the Settlement provides an estimated NSA of no less than $1,050,510.00. *See* Settlement, ¶ 1.28. Individual Class Payments will be calculated based on each participating

Settlement Class Member's proportionate number of workweeks during the Class Period. *Id*., ¶ 3.2.4. $25,000.00 (representing 25% of the $100,000.00 allocated to PAGA) will be paid to Aggrieved Employees based on the proportionate number of pay periods worked during the PAGA Period. *Id*., ¶ 3.2.5.1. For tax purposes, each Individual Class Payment will be allocated as 1/3 wages (subject to applicable withholdings), and 2/3 interest and penalties (not subject to withholdings). *Id*., ¶ 3.2.4.1. Individual PAGA Payments will be allocated as 100% penalties. *Id*. Defendant will pay the employer's share of payroll taxes separately from, and in addition to, the GSA. *Id*., ¶ 4.2.

According to Defendant's records, there are approximately 1,084 potential Class Members. Rowbotham Decl., ¶ 26. Based on the estimated NSA, the average Individual Class Payment is projected to be approximately $969.11. *Id.* The average Individual PAGA Payment is projected to be approximately $38.05. *Id.* Potential Class Members will have 60 calendar days from the date of the initial mailing of the Notice Packet to opt-out or object to the Settlement, thereby providing ample time for review without unduly delaying the Settlement. *See* Settlement, ¶ 7.5.1. Class Members who do not opt out of the Settlement will be bound by its terms and will release all claims against Defendant as detailed in the Settlement. *Id*., ¶ 5.2. Class Members will have 180 days from the date the Individual Class Payments are mailed to cash their checks. *Id*., ¶ 4.3.1. If any checks remain uncashed after 180 day, any remaining funds will be transferred to the Legal Aid Foundation of Los Angeles, the Parties' agreed-upon *cy pres* designee. *Id*., ¶ 4.3.3. This distribution method ensures that no portion of the GSA will be "unpaid…unclaimed or abandoned," as required for California Code of Civil Procedure § 384 to apply.

2. <u>Attorney's Fees, Costs, and Class Representative Service Payments</u>

At the time of seeking final settlement approval, Plaintiffs will apply for Class Representative Service Payments of $7,500.00 each ($22,500.00 total) in recognition of their service to the Settlement Class. Rowbotham Decl., ¶ 27; *see* Settlement ¶ 3.2.1. These payments are intended to recognize the significant time and effort that Plaintiffs expended on behalf of the Settlement Class, including collecting and producing relevant documents, providing factual information to counsel, participating in calls to discuss the claims and Defendant's policies and practices, preparing for and responding to discovery, assisting with mediation preparation, being available to entire day of mediation, reviewing and commenting on settlement documents, and otherwise supporting counsel in moving the case toward resolution. Rowbotham Decl., ¶ 27; Maravilla Decl., ¶ 7; Castellanos Decl., ¶ 7; Moreno Decl., ¶ 7.

Class Counsel will also apply for an attorneys' fee award of up to one third of the GSA (currently estimated at $600,000.00), and up to $40,000.00 in reimbursement for actual litigation costs. Rowbotham Decl., ¶ 28; *see* Settlement, ¶ 3.2.2. Plaintiffs submit that the requested fee fairly compensates Class Counsel for undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent basis. Class Counsel has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing Plaintiffs' claims, conducting legal research and analysis, engaging in substantial formal discovery in the related individual arbitrations, reviewing class documents and data produced by Defendant, extensively analyzing the produced timekeeping and payroll records to build a comprehensive damages model, preparing for and attending mediation, negotiating and drafting the Memorandum of Understanding, Settlement Agreement, and Notice Packet, preparing this motion for preliminary approval, and otherwise litigating the case. Rowbotham Decl., ¶ 28. Class Counsel will also expend future attorney time attending the hearing on this Motion, overseeing the Notice process, drafting the Final Approval Motion and supporting documents, attending the Final Approval hearing, and completing other tasks, such as fielding questions from Class Members. *Id*.

Both California and federal courts have recognized that an appropriate method for awarding attorneys' fees in class actions is to award a percentage of the "common fund" created as a result of the settlement. *See Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480, 506; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 254. Historically, courts have awarded percentage fees in the range of 20% to 50%. *See* 4 Newberg on Class Actions § 14.6 (4th Ed. 2013). Class Counsel submits that the request for attorneys' fees is reasonable when viewed as an overall percentage of the Settlement in light of the risks and work undertaken, the positive results obtained for the class, and the efficiency with which the Parties have conducted the litigation. Class Counsel will seek an award of attorneys' fees when seeking final approval.

IV. ARGUMENT

A. Preliminary Approval Is Warranted

California Rule of Court 3.769 conditions the settlement of a class action on court approval, which is generally evaluated under the federal standards applicable under Rule 23 of the Federal Rules of Civil Procedure. *See Reed v. United Teachers Los Angeles* (2012) 208 Cal.App.4th 322, 337 (stating that Rule 3.769 requires the trial court to determine "that the settlement is fair, reasonable and adequate to all concerned"); *Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1026 (stating that Rule 23(e) requires the trial court to determine "whether a proposed settlement is fundamentally fair, adequate, and reasonable"). Settlement is the preferred means of dispute resolution, particularly in complex class action litigation. *In re Syncor ERISA Litigation*, 516 F.3d 1095, 1101(9th Cir. 2008). The Court's role in evaluating a proposed settlement is limited to ensuring that the agreement taken as a whole is fair and is not the product of fraud or collusion between the negotiating parties. *See e.g.*, *Hanlon*, *supra*, 150 F.3d at 1027. There is an initial presumption of fairness when the settlement agreement was negotiated at arm's length by class counsel. *See Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.

1. Standard for Preliminary Approval

The Court should consider the following factors when making a fairness determination: "the strength of Plaintiff's 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 the stage of the proceedings, [and] the experience and views of counsel." *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801. "[T]he court is free to engage in a balancing and weighing of factors depending on the circumstances of each case." *Wershba*, *supra*, 91 Cal.App.4th at 245. As discussed below, the proposed Settlement is fair, adequate, and reasonable in light of the overall balance of factors.

a. The Strength of Plaintiff's Case

Class Counsel carefully vetted the claims at issue, reviewed extensive timekeeping and payroll records spanning the entire Class Period, reviewed relevant policy documents, and created a comprehensive damages model for Defendant's alleged liability. Rowbotham Decl., ¶ 29.

Although Plaintiffs steadfastly maintain that these claims are meritorious, they acknowledge that the presence of arbitration agreements with class action waivers signed by Plaintiffs and the putative class members presented a significant barrier to pursuing the claims on a classwide basis in court. As explained in Section II.B., *supra*, Defendant consistently maintained that individual arbitration was the only proper forum for adjudicating Plaintiffs' claims and presented numerous defenses on the merits and with respect to class certification. Although Plaintiffs were prepared to litigate through their individual arbitrations and continue pursuing the PAGA claims in court, it was far from certain that Plaintiffs would be able to obtain classwide relief or recover a greater amount through continued litigation. Accordingly, this factor supports preliminary approval.

b. <u>Risk, Expense, Complexity, and Duration of Further Litigation</u>

Although the Parties engaged in substantial informal discovery and information exchange prior to mediation, they had not yet completed their discovery efforts. Rowbotham Decl., ¶ 29. Absent settlement, the Parties would be required to expend substantial time and resources litigating the individual arbitrations then the representative PAGA claims in court. *Id*. Even if Plaintiffs were to prevail in proving their aggrieved employee status, continued litigation would likely involve significant formal discovery, motion practice, and post-trial appeals. *Id*. This Settlement avoids these substantial costs, risks, and the burden of continued litigation. Accordingly, this factor supports preliminary approval.

c. <u>Risk of Maintaining Class Action Status</u>

Given the prevalence of arbitration agreements containing class action waivers signed by the putative class members, there was substantial risk that this matter could not proceed as a class action absent settlement. Accordingly, this factor supports preliminary approval.

d. <u>Amount Offered in Settlement Given Realistic Value of Claims</u>

This proposed Settlement provides a fair and reasonable recovery for the Settlement Class in the face of disputed claims. After analyzing Defendant's produced data, Class Counsel created a classwide exposure analysis, forecasting the total expect recovery as follows:

<u>Unpaid Wages</u>: **$23,306**

Plaintiffs' data analysis determined that Class Members worked an aggregate total of

179,267 workweeks during the Class Period. Rowbotham Decl., ¶ 30. Plaintiffs conservatively estimate that Class Members were required to spend approximately 2 minutes per day (10 minutes per workweek, or 0.167 hours) donning PPE off-the-clock. *Id*. Accordingly, Plaintiffs calculated Defendant's maximum potential exposure for off-the-clock wage violations at approximately $621,504.00 (179,267 workweeks * 0.167 hours * $20.76 approximate average hourly rate of pay).[5] *Id*.

Defendant maintains that its timekeeping policies and practices comply with California law, and that it properly compensated Class Members for all hours worked, considering that employees had the opportunity to clock in before donning their PPE. Rowbotham Decl., ¶ 32. Defendant also asserts that this claim is not suitable for class treatment, as it requires individualized inquiries into whether an employee donned PPE before or after clocking in and precisely how much time each employee allegedly spent off the clock on any given day. *Id*. Plaintiff discounted the maximum exposure by 95% for the risk of non-certification (accounting for arbitration agreements), and by an additional 25% for the risk of losing on the merits, resulting in an estimated exposure of $23,306. *Id*.

<u>Meal Period Violations</u>: **$191,721**

Plaintiffs' data analysis determined that Class Members worked an aggregate total of 123,135 workweeks during the portion of the Class Period when Defendant's bell schedule was in use. Rowbotham Decl., ¶ 33. Because Plaintiffs contend that this schedule prevented employees from receiving 30 minutes of "net" rest, they calculated at least one meal period premium per day per workweek during that time. *Id*. Accordingly, Plaintiffs calculated Defendant's maximum potential liability for this claim at $12,781,413 (123,135 workweeks * 5 violations per week * $20.76 average meal premium). *Id*.

Defendant asserts that it maintained lawful meal period policies and practices during the

[5] Plaintiffs' complaint also includes an allegation that Defendants failed to include certain bonuses in the regular rate of pay for overtime purposes. However, after a review of the payroll records Plaintiffs concede that these bonuses were both sporadic and minimal. As a result, any additional underpayment would be negligible. Plaintiffs accordingly assigned nominal value to the claim for settlement purposes. Rowbotham Decl., ¶ 31.

Class Period, and that any failure by an employee to take a compliant meal period was the result of employee choice rather than company policy. Rowbotham Decl., ¶ 34. Defendant further asserts that Plaintiffs' "net" rest theory is not suitable for class certification, as individual inquiries would be required to assess the amount of time it took each employee to walk between their workstation and the breakroom, resulting in an unmanageable series of mini-trials. *Id*. Plaintiff discounted the maximum exposure by 95% for the risk of non-certification (accounting for arbitration agreements), and by an additional 60% for the risk of losing on the merits, resulting in an estimated exposure of $191,721. *Id*.

<u>Rest Period Violations</u>: **$279,119**

As mentioned above, Class Members worked an aggregate total of 179,267 workweeks during the Class Period. Rowbotham Decl., ¶ 35. Given that employees rarely worked shifts under 3.5 hours, Plaintiffs attribute five rest period violations per workweek to Defendant's unlawful bell schedule which failed to authorize 10 "net" minutes of rest. *Id*. Accordingly, Plaintiffs calculated Defendant's maximum potential liability for this claim at $18,607,915 (179,267 workweeks * 5 violations per week* $20.76 average rest premium). *Id*.

Defendant argues that it has always authorized and permitted rest periods in accordance with California law and disputes Plaintiffs' allegation that rest periods began only once employees left their workstations. Rowbotham Decl., ¶ 36. Defendant further asserts that some employees may have chosen to take rest periods in locations other than the designated breakroom, and that the duration and location of each rest period would vary by individual and shift. *Id.* Plaintiff discounted the maximum exposure by 95% for the risk of non-certification (accounting for arbitration agreements), and by an additional 70% for the risk of losing on the merits, resulting in an estimated exposure of $279,119. *Id*.

<u>Wage Statement Penalties</u>: **$98,550**

Defendant issued approximately 37,195 wage statements to 657 Class Members during the period relevant to wage statement penalties. Rowbotham Decl., ¶ 37. Given the $4,000 statutory maximum per employee, Plaintiffs calculated Defendant's maximum potential wage statement exposure at $2,628,000 (657 employees * $4,000 maximum penalty). *Id*.

Defendant claims that any wage statement violations were inadvertent rather than "knowing and intentional," and that Plaintiffs could not establish that Class Members "suffer[ed] injury" as a result of the alleged violations. Rowbotham Decl., ¶ 38. Plaintiff discounted the maximum exposure by 95% for the risk of non-certification (accounting for arbitration agreements), and by an additional 25% for the risk of losing on the merits, resulting in an estimated exposure of $98,550. *Id*.

<u>Waiting Time Penalties</u>: **$76,044**

Plaintiffs' analysis determined that 407 employees separated from their employment with Defendant within three years of the filing of the complaint. Rowbotham Decl., ¶ 39. As a result of Defendant's alleged failure to pay all wages owed, Plaintiffs assert that each of these employees was owed wages that remained unpaid at the time of separation. *Id*. Accordingly, Plaintiffs calculated Defendant's maximum potential liability for this claim at $2,027,837 (407 former employees * $20.76 average hourly rate * 8 hours * 30 days). *Id*.

Defendant maintains that waiting time penalties are not appropriate given its good-faith defenses which will prevent Plaintiffs from establishing a willful failure to pay all final wages. Rowbotham Decl., ¶ 40. Plaintiff discounted the maximum exposure by 95% for the risk of non-certification (accounting for arbitration agreements), and by an additional 25% for the risk of losing on the merits, resulting in an estimated exposure of $76,044. *Id*.

<u>PAGA Penalties</u>: **$1,487,800**

Plaintiffs allege that the underlying Labor Code violations occurred on a daily basis and contend that PAGA penalties are recoverable for each of the 37,195 pay periods worked by Aggrieved Employees during the PAGA Period. Rowbotham Decl., ¶ 41. Plaintiffs therefore calculate Defendant's maximum PAGA exposure at $3,719,500 (37,195 pay periods * $100 "initial" violation). *Id*.

However, these penalties are entirely derivative of the underlying violations, which Defendant vigorously disputes. Rowbotham Decl., ¶ 42. Plaintiffs also acknowledge that the Court retains discretion to substantially reduce any PAGA award. *Id*. Plaintiffs applied a 60%

discount to the maximum exposure based on the risk of losing on the merits and the likelihood that the Court would reduce the penalties, resulting in an expected exposure of $1,487,800. *Id.*

Based on these estimates, Plaintiffs calculated the potential classwide recovery at approximately $2,156,540. Rowbotham Decl., ¶ 43. Thus, the proposed $1,800,000 recovery represents 83.47% of Plaintiffs' reasonably forecasted classwide recovery, an amount well within the range courts have approved as fair, reasonable, and adequate, while also providing a meaningful recovery for Class Members who would likely be foreclosed from pursuing claims on a classwide basis in court due to arbitration agreements containing class action waivers. *Id.*; *see, e.g.*, *Altamirano v. Shaw Industries, Inc*, 2015 WL 4512372, *9 (N.D. Cal. 2015) ("Although 15% represents a modest fraction of the hypothetical maximum recovery estimated by Plaintiff, that figure is sufficient for the Court to grant preliminary approval..."); *In re Mego Financial Corp. Securities Litigation*, 213 F.3d 454, 459 (9th Cir. 2000) (approving settlement of "roughly one-sixth of the potential recovery").

e. <u>The Experience and Views of Counsel</u>

"Parties represented by competent counsel are better positioned than courts to produce a settlement that fairly reflects each party's expected outcome in litigation." *In re Pacific Enterprises Securities Litigation*, 47 F.3d 373, 378 (9th Cir. 1995). Here, Plaintiffs are represented by competent and experienced counsel who possesses extensive experience litigating wage and hour class actions from both the Plaintiff and defense side, and who have been appointed as class counsel in numerous cases alleging similar claims. Rowbotham Decl., ¶¶ 2-8; Declaration of Paul K. Haines ("Haines Decl."), ¶¶ 2-11; Declaration of Fletcher W. Schmidt ("Schmidt Decl."), ¶¶ 2-9; Declaration of Susan J. Perez ("Perez Decl."), ¶¶ 2-6; and Declaration of Michael C. Robinson ("Robinson Decl."), ¶¶ 3-6. Class Counsel conducted an extensive review and analysis of Defendant's produced timekeeping and payroll records and drew on their extensive experience in similar cases to assess the strengths and weaknesses of Plaintiffs' case. Rowbotham Decl., ¶ 44. It was only after the completion of this work that the Parties attended mediation and ultimately accepted a mediator's proposal for a classwide settlement of all claims at issue. *Id*. Thus, this factor supports preliminary approval.

2. The Preliminary Approval Standard is Met

At this stage, the Court can grant preliminary approval of the Settlement and direct that the Notice Packet be given if the proposed Settlement: (1) falls within the range of possible approval; (2) appears to be the product of serious, informed, and non-collusive negotiations; and (3) has no obvious deficiencies. *See* Manual for Complex Litigation § 30.41 (3rd Ed. 1995); 4 Newberg on Class Actions § 11:24-25 (4th Ed. 2013).

a. Settlement is Within the Range of Possible Approval

The proposed Settlement reflects a fair and reasonable recovery for the Class Members in light of the significant risks of litigation. The proposed Settlement will provide compensation for contested claims, while only releasing the claims actually at issue in this litigation. Further, the average payment of $1,007.16 exceeds average payments achieved in other wage and hour class action settlements that have been approved. Thus, the proposed Settlement is within the range of possible approval such that notice should be provided to the Class Members to consider the Settlement. The Court will have the opportunity to again assess the reasonableness of the Settlement after the Class Members have had the opportunity to opt-out or object.

b. Settlement Resulted from Informed and Non-Collusive Negotiations

This proposed Settlement is entitled to an initial presumption of fairness since it is the result of the exchange of pertinent information, including relevant policies and employee timekeeping and payroll records, arm's-length negotiations by counsel, mediation before an experienced wage and hour class action mediator, and continued negotiations until the long-form Settlement was finalized. Rowbotham Decl., ¶ 44; *see also Kullar*, *supra*, 168 Cal.App.4th at 130. Thus, this factor supports preliminary approval.

c. Settlement is Devoid of Obvious Deficiencies

The Settlement will provide tangible monetary relief to the Class Members. Moreover, the amounts proposed for the Class Representative Service Payments, settlement administration costs, attorneys' fees and costs to Class Counsel, and PAGA civil penalties are all reasonable and appropriate. Because the Settlement is devoid of obvious deficiencies, this final factor supports preliminary approval.

B. The Court Should Certify the Settlement Class for Settlement Purposes

The proposed Settlement Class satisfies the criteria for certification of a settlement class under California law because: (1) the individuals in the Settlement Class are so numerous that joinder would be impractical; (2) common questions of law and fact predominate over individual questions such that class certification is the most efficient and desirable way to maintain this litigation; (3) Plaintiffs' claims are typical of the claims of the absent Class Members; and (4) Plaintiffs and Plaintiffs' counsel will fairly and adequately represent the interests of the absent Class Members. *See* California Code of Civil Procedure § 382.

1. The Proposed Class is Ascertainable and Numerous

A class is "ascertainable" where the members "may be readily identified without unreasonable expense or time by reference to official [or business] records." *See Sevidal v. Target Corp.* (2010) 189 Cal.App.4th 905, 919 (alterations in original). Here, the proposed Settlement Class is defined as all of Defendant's current and former non-exempt employees who worked for Defendant in California at any time between August 18, 2019, and July 1, 2025. Settlement, ¶ 1.5. Class Members can be easily identified using Defendant's employment and payroll records. Rowbotham Decl., ¶ 26. Based on the information provided by Defendant, the Settlement Class consists of approximately 1,084 individuals, rendering it impracticable to bring all Class Members before the Court. *Id*. Thus, the proposed Settlement Class satisfies numerosity. *See Collins v. Rocha* (1972) 7 Cal.3d 232, 234.

2. Common Issues of Law and Fact Predominate

The focus in a certification dispute is not on the merits of the case, but rather on what types of questions, "common or individual," are likely to arise in the action. *See Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 327. Here, Plaintiffs' claims are predicated on Defendant's uniform company policies, primarily concerning its timekeeping and meal and rest period policies and practices. Courts commonly hold that such claims are proper for class certification. *See, e.g., Brinker*, *supra*, Cal.4th at 1033 ("The theory of liability—that Brinker has a uniform policy, and that that policy…allegedly violates the law—is by its nature a common question eminently suited for class treatment.").

3. <u>The Claims of the Named Plaintiffs are Typical</u>

The typicality requirement is satisfied where class representatives have claims that are typical of those of the rest of the class. *B.W.I. Custom Kitchen v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347. Here, like other Class Members, Plaintiffs were employed by Defendant as non-exempt employees in California and were subject to Defendant's allegedly unlawful wage and hour policies/practices during the Class Period. Maravilla Decl., ¶¶ 2-5; Castellanos Decl., ¶¶ 2-5; Moreno Decl., ¶¶ 2-4. Plaintiffs were therefore impacted by the same challenged policies that allegedly injured the Settlement Class as a whole and were subjected to the same defenses forwarded by Defendant as to the Settlement Class, and are therefore typical.

4. <u>Plaintiffs and Class Counsel are Adequate to Represent the Class</u>

The adequacy of representation requirement examines conflicts of interest between named parties and the class(es) they seek to represent. *See Capitol People First v. Department of Developmental Services* (2007) 155 Cal.App.4th 676, 697. Here, Plaintiffs and Class Counsel will adequately represent the Class Members as there are no conflicts between them, and Plaintiffs possess claims that are in line with those of the Class Members. *See McGhee v. Bank of America* (1976) 60 Cal.App.3d 442, 450 (finding adequacy satisfied where there was no indication that the Plaintiff's counsel were not qualified and the Plaintiff had no interests antagonistic to those of the class). Class Counsel also has extensive experience in wage and hour class action litigation. *See* Rowbotham Decl., ¶¶ 2-8; Haines Decl., ¶¶ 2-14; Schmidt Decl., ¶¶ 2-9; Perez Decl., ¶¶ 2-6; Robinson Decl., ¶¶ 3-6.

C. <u>The Court Should Order Distribution Of The Proposed Notice Packet</u>

This Court should order distribution of the proposed Notice Packet in English and Spanish to Class Members by first-class mail, postage prepaid, using the last-known mailing address information provided by Defendant. This manner of giving notice is the "best notice practicable" under the circumstances because it provides "individual notice to all members who can be identified through reasonable effort." *See Eisen v. Carlisle and Jacquelin* (1974) 417 U.S. 156, 173. The Parties propose that the Settlement be administered by Apex Class Action Administration ("Apex"), an experienced class action settlement administrator. *See* Declaration of Sean Hartranft. Defendant will provide all Class Members' names, last-known mailing addresses, phone numbers, Social Security numbers, and workweek and pay period data to Apex within ten (10) business days after the Court signs an order preliminarily approving the Settlement. Apex will run Class Members' addresses through the National Change of Address database and/or conduct skip traces to obtain current address information. *Id.*, ¶ 4.3.1.

The content of the proposed Notice Packet satisfies California Rule of Court 3.766(d) because it advises Class Members of the nature of the claims, the basic contentions and denials of the Parties, the key terms of the Settlement, the uniform 60-day deadline to opt out of or object to the Settlement and the procedures for doing so, explains the recovery formula and expected recovery amount for each Class Member, and advises them that they will be bound by the Settlement's terms if they do not request exclusion. *See* Rowbotham Decl., Exhibit 1. The proposed Notice Packet will also notify the Settlement Class of the Final Approval Hearing date, provide Class Counsel's contact information, and advise Class Members that they may appear through counsel if they wish. *Id.* This manner of giving notice satisfies California Rule of Court 3.766(e) as the most reliable and cost-effective method for reaching Class Members. Additionally, because the proposed Settlement includes resolution of the representative PAGA claim, notice has been submitted to the LWDA. *See* Rowbotham Decl., Exhibit 3.

D. **The Court Should Set A Final Approval Hearing**

Finally, this Court should set a final approval hearing on a date after the deadline for Class Members to object to or opt out of the Settlement. *See* California Rule of Court 3.769.

V. **CONCLUSION**

For the foregoing reasons, Plaintiffs respectfully request that the Court preliminarily approve the proposed Settlement, provisionally certify the Settlement Class, and enter the [Proposed] Order submitted concurrently herewith.

Dated: August 7, 2025

Respectfully Submitted,
HAINES LAW GROUP, APC

By: ______________________
Andrew J. Rowbotham
Attorneys for Plaintiffs