1 HAMMONDLAW, P.C. Julian Hammond (SBN 268489) **ELECTRONICALLY FILED** ihammond@hammondlawpc.com Superior Court of California, Adrian Barnes (SBN 253131) abarnes@hammondlawpc.com County of Alameda Polina Brandler (SBN 269086) pbrandler@hammondlawpc.com 08/03/2023 at 12:42:04 PM Ari Cherniak (SBN 290071) By: Anita Dhir. acherniak@hammondlawpc.com Deputy Clerk 1201 Pacific Avenue, Suite 600 Tacoma, WA 98402 (310) 601-6766 (310) 295-2385 (Fax) 8 Attorneys for Plaintiff and the Settlement Class 9 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA **COUNTY OF ALAMEDA** 11 12 **CHRISTOPHER BRANDMEIR**, individually Case No. 22CV013638 13 and on behalf of all others similarly situated, MEMORANDUM OF POINTS AND 14 Plaintiff. **AUTHORITIES IN SUPPORT OF** PLAINTIFF'S MOTION FOR FINAL 15 VS. APPROVAL OF CLASS ACTION **SETTLEMENT** 16 COLUMBIA SOUTHERN UNIVERSITY, 17 INC., an Alabama Corporation, Date: August 25, 2023 Time: 9:30 a.m. 18 Dept 23; Hon. Brad Seligman Reservation No.: A-13638-002 Defendant. 19 20 21 22 23 24 25 26 27 28

TABLE OF CONTENTS

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| 5 | |

| 7 | |
|---|--|
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| 1. | INTRODUCTION | | |
|---|--|--|--|
| $\ $ II. | OVERVIEW OF THE SETTLEMENT | | |
| III. | OVERVIEW OF NOTICE ADMINISTRATION | | |
| | A. The Class Received Adequate Notice of the Settlement | | |
| B. No Class Members Objected, and No Class Member Opted Out | | No Class Members Objected, and No Class Member Opted Out | |
| | C. There Were No Challenges to Pay Period Calculations | | |
| IV. | IV. THE COURT SHOUND GRANT FINAL APPROVAL OF THE SETTLEMEN | | |
| | A. | Legal Standard for Granting Final Approval | |
| | B. | The Settlement Terms Are Presumptively Fair | |
| | C. | The Settlement Terms Provide Benefits to the Class That Are Demonstrably Fair, Reasonable and Adequate in Relation to the Potential Benefits and Risks of Further Litigation | |
| | D. | The Proposed Cy Pres Distribution of Uncashed Check is Fair and Reasonable | |
| V. | CONCLUSION | | |

TABLE OF AUTHORITIES

| CASES |
|---|
| 7-Eleven Owners for Fair Franchising v. Southland Corp., 85 Cal. App. 4th 1135 (2000) |
| Clark v. Am. Residential Services, LLC, 175 Cal. App. 4th 785 (2009) |
| Dunk v. Ford Motor Co., 48 Cal. App. 4th 1794 (1996) |
| In re Omnivision Technologies, Inc., 559 F. Supp. 2d 1036 (N.D. Cal. 2008) |
| Kullar v. Foot Locker Retail, Inc., 168 Cal. App. 4th 116 (2008) |
| Lealao v. Beneficial Cal., Inc., 82 Cal. App. 4th 19 (2000) |
| Nat'l Rural Telecomm. Cooperative v. DIRECTV, Inc., 221 F.R.D. 523 (C.D. Cal. 2004)8 |
| Neary v. Regents of Univ. of Cal., 3 Cal. 4th 273 (1992) |
| Officers for Justice v. Civil Serv. Comm'n. of the City & Cnty. of S.F., 688 F.2d 615 (9th Cir. 1982) |
| Rodriguez v. W. Publ'g Corp., 563 F.3d 948 (9th Cir. 2009) |
| Wershba v. Apple Computer, Inc., 91 Cal. App. 4th 224 (2001) |
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I. INTRODUCTION

Plaintiff Christopher Brandmeir ("Plaintiff") seeks final approval of a non-reversionary \$320,000 wage and hour class action settlement¹ on behalf of 51 full and part-time faculty members ("Class Members" or CMs") employed in California by Columbia Southern University ("CSU" or "Defendant") from June 30, 2018 through April 25, 2023 ("Class Period").

On May 22, 2023, the Court entered an order preliminarily approving the settlement, concluding that the settlement was within the range of reasonableness and was the product of good faith, arm's-length negotiations. The Court ordered dissemination of a Court-approved notice of the settlement to the Class Members, which was mailed on June 22, 2023. The Class's response has been uniformly positive to date, with no objections or opt outs. *See* Declaration of Taylor Mitzner with Respect to Notification and Settlement Administration ("Mitzner Decl."), ¶¶ 8-9.² Plaintiff will file a Supplemental Declaration with the complete results of the Notice Administration following the August 7, 2023 Response Deadline and prior to the Final Approval Hearing.

The uniformly positive reaction of the Class Members supports the Court's earlier finding that that the settlement is fair, adequate, and reasonable. Accordingly, Plaintiff respectfully requests that the Court grant final approval of the proposed settlement.

II. OVERVIEW OF THE SETTLEMENT

The Settlement Agreement ("SA") resolves all claims of the Plaintiff and the proposed Class. A summary of the settlement terms is as follows:

- 1. <u>Gross Settlement Amount ("GSA")</u> CSU will pay a non-reversionary sum of \$320,000 to settle this case. SA §§ 1.21, 3.1; Mitzner Decl. ¶ 14. CSU will also pay the employer's share of payroll taxes separately from the GSA. *Id.* § 3.1; Mitzner Decl. ¶ 18.
- 2. <u>Class Definition and Class Period</u> The Class consists of all full and part-time faculty and instructors who worked for Defendant in California during the Class Period, which is defined as June 30, 2018, to April 25, 2023. SA §§ 1.6, 1.12.

The Settlement Agreement is attached as **Exhibit 1** to the Proposed Order filed herewith.

² The deadline to object/opt out of the settlement is August 7, 2023. Plaintiff will file an updated declaration of the Settlement Administrator after that date and prior to the hearing on this Motion.

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- 3. Attorneys' Fees, Costs, and Named Plaintiff's Service Award - Class Counsel seeks attorneys' fees of up to \$106,666.67 (1/3 of the GSA) and \$5,828.61 in out-of-pocket litigation costs. SA § 3.3.2. The Settlement Agreement also provides for payment of \$7,500 to Plaintiff as his Class Representative Service Payment, subject to Court approval. SA § 3.3.1.
- 4. PAGA Payment – The Settlement allocates \$10,000 of the GSA to PAGA penalties, of which 75% (\$7,500) will be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% (\$2,500) will be paid to the members of the Class who worked during the PAGA Period. SA §§ 1.29, 1.29.1, 1.29.2, 1.31, 3.3.7, 3.3.8.
- 5. <u>Settlement Administration Costs</u> - The Parties designated Phoenix Settlement Administrators ("Phoenix") as the Settlement Administrator. SA §§ 1.2, 8.1. Phoenix's expenses are \$4,950. Mitzner Decl. ¶ 19; SA § 3.3.3.
- Net Settlement Amount ("NSA") The NSA will total approximately \$185,054.72. 6. Mitzner Decl. ¶ 14. This is the amount remaining after subtracting attorneys' fees, costs, the service award, settlement administration costs, and PAGA penalties from the GSA, subject to Court approval. The average net payment to each Class Member (i.e., average share of the NSA) is \$3,628.52 and the highest estimated net payment is \$6,162.97. *Id.* ¶ 15.
- 7. Release and Final Judgment – The release contemplated by the proposed Settlement Agreement corresponds to the claims made against CSU in the Second Amended Complaint or that could have been alleged based on the facts asserted therein on their behalf and includes all claims under Labor Code §§ 201-203, 226(a), (e), 226.2, 226.7, 510, 1194, 2802, 2699 et seq., and IWC Wage Order No. 4-2001, §§ 3, 4, 12, and Business & Professions Code §§ 17200 et seq. SA §§ 5.1, 5.2. Plaintiff will also give an additional general release against Defendant as consideration for his service award. SA § 5.3.

III. OVERVIEW OF NOTICE ADMINISTRATION

The Class Received Adequate Notice of the Settlement Α.

Following the Court's order granting preliminary approval of the proposed settlement, the Settlement Administrator mailed the Class Notice to 51 Class Members contained in the Class List provided by Defendant. Mitzner Decl. ¶ 6. Before mailing the Court-approved Notice, the Settlement Administrator updated addresses for the Class Members using the National Change of Address database.

as set forth in the contemporaneously filed Mitzner Declaration.

No Class Members Objected, and No Class Member (

B. No Class Members Objected, and No Class Member Opted Out

The Class Notice provided Class Members with the option of opting out or objecting to the settlement. See Mitzner Decl. Ex. A and B. The deadline to file an objection or opt out is August 7, 2023.

Mitzner Decl. ¶¶ 8-9. As of the filing of this Motion, which is four days prior the response deadline, no objections to the settlement were filed and no requests for exclusion were submitted. Id. As stated above, Phoenix will provide an updated declaration after the objection/opt deadline and prior to the hearing.

C. There Were No Challenges to Pay Period Calculations

The Notice provided Class Members with directions for how to dispute the pay periods included in their Notice and that formed the basis for their settlement shares. See Mitzner Decl., Ex. A and B. The Settlement Administrator received no disputes. *Id.* ¶ 10.

from the settlement, an explanation of how their pay periods were calculated, and an explanation of how

each share would be calculated. Id. After the initial mailing, no Class Notices were returned as

undeliverable, which means that 100% of the Notices were successfully mailed to the Class Members.

Mitzner Decl. ¶ 7. The Settlement Administrator has provided the Court with a full report of its activities

IV. THE COURT SHOUND GRANT FINAL APPROVAL OF THE SETTLEMENT

A. Legal Standard for Granting Final Approval

Court approval is required for the settlement of a class action. *See* Cal. Rule of Court 3.769. In reviewing a proposed class settlement for approval, the Court has broad discretion, and the Court's decision may be reversed only upon a strong showing of clear abuse of discretion. *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 234-35 (2001); *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 127-28 (2008).

Plaintiff now requests this Court to make a final determination that the proposed settlement is fair, reasonable, and adequate. *See Officers for Justice v. Civil Serv. Comm'n. of the City & Cnty. of S.F.*, 688 F.2d 615, 625 (9th Cir. 1982). The law favors settlement, particularly in class actions where substantial resources can be conserved by avoiding the time, cost, and rigors of formal litigation. *See*, *e.g.*, 7-Eleven Owners for Fair Franchising v. Southland Corp., 85 Cal. App. 4th 1135, 1151 (2000) ("7-11"); Neary v. Regents of Univ. of Cal., 3 Cal. 4th 273, 277-281 (1992); Lealao v. Beneficial Cal., Inc., 82 Cal. App. 4th 19, 52 (2000).

In analyzing whether a settlement is fair and reasonable, courts consider a number of factors, including: (1) the amount offered in settlement; (2) the risk, expense, complexity, and likely duration of further class action litigation; (3) the extent of discovery completed and the stage of the proceedings; (4) the experience and view of counsel, and (5) the reaction of the Class to the proposed settlement. *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996); *Kullar*, 168 Cal. App. 4th at 133 (court must be provided with information about nature and magnitude of claims and the basis for concluding that consideration being paid represents reasonable compromise); *Clark v. Am. Residential Services, LLC*, 175 Cal. App. 4th 785, 790, 802-03 (2009).

The Court's role is limited to making a reasoned judgment that the proposed class settlement agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement as a whole is fair, reasonable, and adequate to the Class. "[T]he settlement or fairness hearing is not to be turned into a trial or rehearsal for trial on the merits." 7-11, 85 Cal. App. 4th at 1145 (citation omitted). "Due regard should be given to what is otherwise a private consensual agreement between the parties." *Dunk*, 48 Cal. App. 4th at 1801.

B. The Settlement Terms Are Presumptively Fair

A settlement agreement is presumptively fair when it is (1) the product of arm's-length bargaining; (2) supported by sufficient investigation or discovery to allow assessment of plaintiff's claims; (3) supported by experienced counsel; and (4) subject to only a small percentage of objections. *See Dunk*, 48 Cal. App. 4th at 1802; 7-11, 85 Cal. App. 4th at 1146. As described in detail in the preliminary approval papers filed on May 1, 2023, this settlement satisfies these factors. The settlement, therefore, is presumptively fair and reasonable.

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First, the settlement was reached after an arm's length negotiation between the parties. See Declaration of Julian Hammond ISO Pls.' Mot. for Prelim. App. of Class Action Settlement ("Hammond Prelim Decl."), filed on May 1, 2023, ¶ 28. Second, Class Counsel conducted thorough and extensive investigation of Plaintiff's claims, and analyzed substantial documents and data obtained from Defendant for purposes of settlement negotiations prior to engaging in settlement negotiations. *Id.* ¶¶ 18-27. Third, Class Counsel is highly skilled and experienced in similar cases and has extensive class action litigation experience. Id. ¶ 29. Hammond Law has been appointed class counsel in numerous class actions and has represented thousands of adjunct instructors in similar unpaid wage cases since 2016 including 29 cases that have received final approval, and having recently litigated one such case successfully all the way through a trial and appeal. See Declaration of Julian Hammond ISO Pls.' Mot. for Final Approval of Class Action Settlement and Mot. for Approval of Attorneys' Fees etc. ("Hammond Final Decl.") ¶ 13(a)(d) (Gola v. University of San Francisco, 90 Cal. App. 5th 548 (2023), pet'n denied July 14, 2023). Fourth, as stated above, to date, not one of the 51 Class Members objected to the settlement and not one has opted out. Mitzner Decl. ¶¶ 8-9. Further, the fact that the Class here consists of sophisticated university-level faculty members and instructors makes the "the magnitude of the favorable response...particularly impressive." 7-11, 85 Cal. App. 4th at 1152-53.

The settlement is thus presumptively fair, reasonable, and adequate, and should be finally approved.

C. The Settlement Terms Provide Benefits to the Class That Are Demonstrably Fair, Reasonable and Adequate in Relation to the Potential Benefits and Risks of Further Litigation

The Court should also grant final approval of the settlement based on the following factors which evince the fairness, reasonableness, and adequacy of the settlement: (1) the value of the settlement; (2) the risks inherent in continued litigation; (3) the extent of discovery completed and the stage of the proceedings when settlement was reached; (4) the complexity, expense, and likely duration of the litigation in the absence of settlement; (5) the experience and views of class counsel; and (6) the reaction of the class members. *See Wershba*, 91 Cal. App. 4th at 244-45; *Dunk*, 48 Cal. App. 4th at 1801.

1. The Value of the Settlement Favors Final Approval When Considered Against the Risk, Expense, and Complexity of Continued Litigation

The first two elements for determining whether a settlement is fair, reasonable, and adequate are the amount offered in the settlement and the risk, expense, complexity, and likely duration of further class action litigation. Both of these factors support approving the settlement.

The \$320,000 Gross Settlement Amount, of which approximately \$185,054.72 will be distributed to the Class (Mitzner Decl. ¶ 14), provides Class Members with very meaningful financial relief. 100% of the Class Members will participate in this settlement, with an average net payment of \$3,628.52 and the highest net payment of \$6,162.97. Mitzner Decl. ¶ 15. This is an excellent result considering that the Gross Settlement Amount provides 60% recovery for the Class of the realistic exposure on all claims. Hammond Prelim. Decl. ¶ 70. In addition, Class Members who worked during the PAGA Period will also receive their share of the \$2,500 allocated to PAGA Penalties. Mitzner Decl. ¶ 16.

The financial relief provided by the settlement is commensurate with the risks posed by continued litigation and is based on substantial damages calculations and evidence. Plaintiff calculated the maximum total amount that Class Members could recover as \$986,799. Hammond Prelim. Decl. ¶ 62, 70. As discussed in detail in the preliminary approval submission, Plaintiff's Counsel believes that the realistic recovery in this case was \$529,223 based on the fact that Plaintiff faced risks that included (a) CSU's defense that only the initial § 226(e) \$50 penalty applied to each violation because CSU did not receive notice that its wage statements were non-compliant, (b) CSU's defense that it acted in good faith and thus did not knowingly and intentionally violate § 226(a) and was therefore not liable for any § 226(e) penalties, (c) CSU's defense that any overtime worked was minimal, (d) CSU's defense that the rest break claim on the piece rate theory would not be certified, and that Class Members were not paid a piece rate, (e) CSU's argument that there was no discharge for those Class Members who were not formally terminated and that it had a good faith belief that no wages were owed, and finally (f) CSU's argument that Plaintiff would not certify the expense reimbursement claims and, if Plaintiff did certify the claim, its assumption of \$150/month in unreimbursed expenses was inflated. Hammond Prelim. Decl. ¶¶ 33-62.

Therefore, the Gross Settlement Amount, which is 32% of the maximum recovery on all claims and 60% of the Class's realistic recovery, falls well within the range of reasonableness. This percentage of recovery is consistent with other settlements that other courts have approved as reasonable. *See, e.g., In re Omnivision Technologies, Inc.*, 559 F. Supp. 2d 1036, 1042 (N.D. Cal. 2008) (approving settlement that constituted 9% of the maximum potential damages); *Rodriguez v. W. Publ'g Corp.*, 563 F.3d 948, 965 (9th Cir. 2009) (approving settlement amounting to 30% of the damages estimated by the class expert; court noted that even if the plaintiffs were entitled to treble damages that settlement would be approximately 10% of the estimated damages).

2. Plaintiff Conducted Thorough Investigation and Discovery

Plaintiff conducted thorough investigation, and reviewed and analyzed highly relevant class data and documents provided by Defendant as part of informal discovery, and gathered additional documents and information available online including academic calendars, and faculty job descriptions. *See* Hammond Prelim. Decl. ¶¶ 18-19. Based on the information obtained, Plaintiff was able to calculate the class size, the number of weeks and pay periods worked by the Class, the number of courses taught by the Class Members during the Class Period, and the amount Class Members were paid during each pay period including their average hourly rate for purposes of calculating unpaid rest breaks and unpaid overtime. *Id.* ¶¶ 22-27. Plaintiff prepared a detailed damages analysis to identify the range of settlement figures for the claims alleged. Hammond Final Decl. ¶ 21(b). Thus, Plaintiff was adequately informed to make the decision to settle this case on the proposed terms. Further, the settlement was reached through arm's-length settlement negotiations by highly skilled counsel with extensive experience in the particular claims alleged by the Plaintiff. Hammond Prelim Decl. ¶¶ 29, 69; Hammond Final Decl. ¶ 13(a)(d).

3. Class Counsel's Experience and Views Favor Final Approval

As discussed above, Class Counsel is highly experienced and has a successful track record in handling wage and hour class actions and those on behalf of university professors and instructors in particular. Hammond Prelim Decl. ¶¶ 29, 69; Hammond Final Decl. ¶¶ 13. Class Counsel believes the settlement is fair, reasonable, and adequate, and in the best interests of the Class. Hammond Prelim. Decl. ¶ 28; Hammond Final Decl. ¶¶ 7-12. The endorsement of qualified and well-informed counsel regarding the settlement as fair is entitled to significant weight in the final approval process. *See Dunk*,

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27 28 48 Cal. App. 4th at 1802. Accordingly, Class Counsel's opinion that the settlement is fair, reasonable, and adequate; that it is in the best interests of the Class; and that, as set forth in additional detail in the preliminary approval papers, the result is an excellent one for the Class, weighs in favor of final approval.

4. Class Members' Uniformly Positive Reaction to the Settlement Favors Settlement

The final element of a fair, reasonable, and adequate settlement is a positive reaction by the Class to the settlement's terms. The Class's uniformly positive response to the settlement here strongly favors final approval. As discussed above, to date, none of the 51 class members has objected and none has opted out. Mitzner Decl. ¶¶ 8-9. See, e.g., 7-11, 85 Cal. App. 4th at 1152-53 (1.5% opt-out rate and 0.1% objection rate supported final approval); Nat'l Rural Telecomm. Coop. v. DIRECTV, Inc., 221 F.R.D. 523, 529 (C.D. Cal. 2004) ("[T]he absence of a large number of objections to a proposed class action settlement raises a strong presumption that the terms of a proposed class action settlement are favorable to the class members."). The positive response in this case indicates universal acceptance of the settlement's terms by the Class and supports approval of the settlement.

The Proposed Cy Pres Distribution of Uncashed Check is Fair and Reasonable D.

Pursuant to California Civil Procedure Code § 384(b), an appropriate cy pres designee includes a "nonprofit organization[]" that "support[s] projects that will benefit the class or similarly situated persons." Here, any amount remaining from uncashed settlement checks will be distributed, subject to Court approval, to Bet Tzedek. See SA § 4.2. Bet Tzedek is a non-profit organization that provides free legal services to low-income residents of Southern California, including representation in unpaid wage cases. See Hammond Prelim Decl. ¶ 81 and https://bettzedek.org/. This mission satisfies the statutory requirement of benefiting "the class or similarly situated workers." Class Counsel certify that they do not have any connection that could reasonably create the appearance of impropriety as between the selection of the recipient of the money or thing of value and the interests of the class. *Id.* ¶ 82. Plaintiff requests that the proposed cy pres distribution be approved.

V. **CONCLUSION**

Because the settlement provides benefits that are demonstrably fair in relation to the potential risk and benefits of continued litigation, is supported by a robust evidentiary record, is endorsed by counsel with extensive experience in wage and hour litigation, and is overwhelmingly supported by the Class,

| 1 | Plaintif | f respectfully requests that the Court | grant final approval of the settlement as fair, reasonable, and |
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| 4 | Dated: | August 3, 2023 | Respectfully submitted, |
| 5 | | | P. Brandler |
| 6 | | | Julian Hammond |
| 7 | | | Polina Brandler |
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