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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

RUIQI YE and YOLIN HAN, individually
and on behalf of all other similarly-situated
individuals,

Plaintiffs,

v.

SEPHORA USA, INC.,

Defendant.

Case No.: 3:14-cv-05237-EMC

**PLAINTIFFS' MOTION FOR
APPROVAL OF CLASS COUNSEL'S
FEES AND EXPENSES AND SERVICE
AWARDS TO NAMED PLAINTIFFS**

Date: May 25, 2017

Time: 1:30 p.m.

Courtroom: 5, 17th Floor

Judge: Hon. Edward M. Chen

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NOTICE OF MOTION

1
2 Plaintiffs Ruiqi Ye and Yolin Han hereby give notice that on May 25, 2017 at 1:30p.m.,
3 or as soon thereafter as the matter may be heard, in the courtroom of the Honorable Edward M.
4 Chen, United States District Judge for the Northern District of California, 450 Golden Gate
5 Avenue, 17th Floor, Courtroom 5, San Francisco, California, Plaintiffs and Class Counsel in the
6 above captioned action will and hereby do move this Court for an Order (a) awarding Class
7 Counsel attorneys' fees in the amount of \$418,560, plus reimbursement of litigation expenses in
8 the amount of \$90,000; and (b) awarding Plaintiffs service awards in the amount of \$5,000 each
9 for their commitment and efforts on behalf of the Class, with all such attorneys' fees, expenses
10 and service awards to be paid out of the \$950,000 Settlement Fund in this action.
11

12
13 As discussed in the accompanying memorandum, the amounts requested are fair,
14 reasonable and appropriate under applicable law, and are well-justified under the circumstances
15 of this matter.

16
17 This motion is based upon this notice of motion and motion; the accompanying
18 memorandum of points and authorities; the declaration of Jeanne M. Christensen filed in support,
19 the exhibits attached hereto; the proposed Class Settlement Agreement previously filed with the
20 Court and all papers filed in support thereof; the pleadings and papers on file in this action; any
21 matters of which the Court may or must take judicial notice; and on such additional papers and
22 arguments as may be presented at or before the hearing of this matter.
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MEMORANDUM OF POINTS AND AUTHORITIES

1
2 Plaintiffs Ruiqi Ye and Yolin Han (“Plaintiffs”) hereby submit this Memorandum of
3 Points and Authorities in support of their motion for an award of attorneys’ fees and expenses, as
4 well as service awards, in connection with final approval of the Settlement of this Action and
5 entry of the Proposed Final Order and Judgment (“Judgment”) to be submitted on April 20,
6 2017.¹
7

8 **I. INTRODUCTION**

9 The Settlement in this matter establishes a \$950,000 common fund, where Class Counsel
10 was instrumental in not only procuring the common fund, but in establishing the notice, claim
11 and distribution protocol that will result in the entire fund, net of administrative costs, attorneys’
12 fees and expenses, and service awards, being distributed to at least 15 percent (or even more) of
13 the Class. Class Counsel, having vigorously and effectively represented the Class, respectfully
14 move the Court for an award of reasonable attorneys’ fees of \$418,560 and reimbursement of
15 \$90,000 in litigation expenses reasonably incurred in prosecuting and settling this matter. As set
16 forth herein, the requested fee is fair, reasonable and appropriate under applicable law.²
17
18

19 Moreover, the requested fee is well-justified under the circumstances of this litigation,
20 including given the substantial monetary benefits that Class Counsel’s efforts have generated for
21 Class Members, the challenges and risks that Class Counsel assumed in pursuing this matter on a
22 contingency basis, and the substantial time and resources that Class Counsel have expended.
23 The relief achieved here represents a strong result for Class Members. Pursuant to the terms of
24

25
26 ¹ Unless otherwise defined herein, this Memorandum of Points and Authorities
27 incorporates by reference the defined terms set forth in the Settlement Agreement filed on
28 December 9, 2016, and all such terms shall have the same meaning herein.

² All exhibits and paragraphs are referred to herein as “Ex. ___” and “¶ __,” respectively,
and attached to the Declaration of Jeanne M. Christensen (“Christensen Decl.”).

1 the Settlement, Sephora has agreed to establish a \$950,000 non-reversionary Settlement Fund
2 from which Class Members who submit valid claims (“Authorized Claimants”) will be sent cash
3 payments or electronic gift cards. The Settlement also provides for a substantial, multi-pronged
4 notice program which has been implemented as approved by the Court, and which was well-
5 designed to provide notice to Class Members of their rights and how to submit claims. Nearly
6 1,300 valid claims have already been submitted, with three weeks remaining until the end of the
7 claims period.³ And given the number of claims submitted to date, it is expected that the *full*
8 amount of the net settlement funds will be distributed to Class Members, with at least 15 percent
9 (and likely close to 30 percent) of Class Members receiving payments. *Id.* at ¶ 30. Notably, the
10 reaction from the Class has been very positive thus far. The deadline for Class Members to
11 exclude themselves or object is April 5, 2017. As of March 10, 2017, only two individuals have
12 asked to be excluded and no objections have been submitted.⁴ *Id.* at ¶ 32.

15 This strong result for the Class would not have been possible but for the hard work and
16 dedication of Class Counsel. Class Counsel have already devoted 1,620.2 hours to the
17 investigation, discovery, prosecution, and settlement of this litigation, for a total combined
18 lodestar to date of \$745,306.50, with significant work still to be done in connection with
19 obtaining final settlement approval and implementing the Settlement, should the Court approve
20 it. *Id.* at ¶¶ 69, 72. For the foregoing reasons and the others detailed below, Class Counsel
21 respectfully request that the Court grant their motion for attorneys’ fees and expenses and grant
22
23

24
25 ³ Claims have come in at a rate of roughly 600 per week since the notice period began so
26 we anticipate at least another 600-1800 claims to be made. Christensen Decl. at ¶ 31. Some
27 claims have been deficient and will need to be re-submitted. *Id.*

28 ⁴ The final numbers of timely claims, opt-outs and objections will be reported to the Court
in advance of the May 25, 2017 Fairness Hearing. Plaintiffs and Class Counsel will address any
timely objections that may be submitted before the April 5, 2017 objection deadline in their Final
Approval motion papers.

1 service awards in the amount of \$5,000 each for Plaintiffs, to compensate them for their
2 commitment and efforts on behalf of the Class.

3 The lodestar methodology is the most appropriate means for determining a reasonable fee
4 in a civil rights case like this one. After making substantial reductions for billing judgment, and
5 a further across-the-board reduction to account for any unnecessary duplication and to put the
6 requested amount in line with the amount agreed to in the Settlement Agreement, Class Counsel
7 now seek \$418,560 in attorneys' fees and \$90,000 in costs and expenses.⁵

9 **II. BACKGROUND**

10 **A. Class Counsel Achieved a Strong Result for the Class**

11 **1. The Settlement Fund and Payments to the Class**

12 In conjunction with the Settlement, Sephora has agreed to establish a \$950,000 non-
13 reversionary Settlement Fund that will be used for: (a) providing cash payments and electronic
14 gift cards to Class Members; (b) payment of administrative costs;⁶ (c) service awards to
15 Plaintiffs; and (d) attorneys' fees and costs to Class Counsel. See Christensen Decl. at ¶ 22.
16 Class Counsel was instrumental not only in procuring the Settlement, but also in negotiating and
17 establishing the notice, claim, and distribution protocol that will result in the *full* net settlement
18 proceeds (*i.e.*, the \$950,000 fund, minus administrative costs, attorneys' fees and expenses, and
19 service awards) being paid out to at least 15 percent (and likely closer to 30 percent) of the Class.
20 Pursuant to the Settlement, payments will be sent by mailed check or emailed electronic gift card
21
22
23

24
25 ⁵ The parties met and conferred as required by Civil Local Rule 54-5(b)(1). See
Christensen Decl. at ¶ 4.

26 ⁶ The Claims Administrator estimates that the total administrative costs will be
27 approximately \$25,663. *Id.* at ¶ 23. The estimate increased subsequent to the preliminary
28 approval hearing primarily because the Claims Administrator did not initially estimate the cost of
sending notice by mail to Authorized Claimants, or that some Authorized Claimants would only
have addresses outside of the U.S. *Id.*

1 to all Authorized Claimants, which includes all Class Members who submit timely and valid
2 claims. *See* Ex. 4 at §§ 1.2, 3.2. The specific payment amounts for Authorized Claimants will
3 depend on the number of timely, valid claims that are submitted, and whether the Authorized
4 Claimant elects to receive cash or an electronic gift card (which would be twice the amount of
5 the cash payment). *Id.* at § 3.1.3.

6
7 There have already been nearly 1,300 valid claims submitted to date, with half the Claim
8 Period remaining. *See* Christensen Decl. at ¶ 29. Moreover, given the number of claims
9 submitted to date, it is expected that the *entire* amount of the Net Settlement Fund will be sent
10 out to Authorized Claimants, with the possibility of 30 percent (or even more) of the Class
11 Members receiving payments.⁷ *Id.* at ¶ 30. A 30% claim rate is suggested because, as noted
12 *infra*, that is the projected claims rate based on the number of claims submitted to date. To the
13 extent residual funds remain one year after the distribution (*e.g.*, due to the caps on the amounts
14 and/or the expiration of the electronic gift cards), the Settlement provides for a *cy pres*
15 distribution to the National Asian Pacific American Women's Forum. None of the Settlement
16 Fund will revert to Defendant. *See* Ex. 4 at § 3.1.4.

17
18 Based on Class Counsel's communications with other potential Class Members, counsel
19 believed that, on average, customers with email addresses associated with email service
20 providers based in China that use Chinese as the default language: @qq.com; @126.com; and
21 @163.com (the "Chinese Domains") would have spent between \$100-\$800 during the November
22 2014 sale (the "Sale"), thereby receiving 20% discounts in the range of \$20 to \$150. *See*
23 Christensen Decl. at ¶ 34. The recovery of \$125 to \$250 represents a substantial increase over
24 this average range. *Id.* at ¶ 35. Further, on average, these individuals had between 100-1500
25
26

27
28 ⁷ With half the claims period remaining, it is highly likely that additional Class Members
will continue to file claims forms. *Id.* at ¶ 29.

1 redeemable points, with most falling on the lower end. *Id.* at ¶ 36. Based on calculations from
2 the promotions that were running in November 2014, a 100-point reward was worth
3 approximately \$10 or less. *Id.* at ¶ 37. By definition, Class Members are individuals who made
4 the effort to sign up for the Beauty Insider rewards program, track purchases and points in order
5 to receive promotional coupons worth between \$5-\$25. *Id.* at ¶ 38. This makes it unlikely that
6 such consumers were spending thousands of dollars as part of a single online order, and
7 demonstrates the exceptional result here of \$150 to \$250 for Class Members. *Id.*

9 Also, as context for the success of the recovery, in order to receive a 20% discount worth
10 \$250, a customer would have attempted to spend at least \$1,250 during the Sale. *Id.* at ¶ 39.
11 Class Counsel's review of data and information from affected customers suggests that such an
12 amount was atypical and average consumers spent substantially less. *Id.* at ¶ 40. The value of
13 the damages awards in the amount of \$150 to \$250 is apparent when analyzed with the purchase
14 experiences of the class representatives. For example, Plaintiff Ye had approximately 365 points
15 available to redeem at the time of the Sale, and had never spent more than \$82.62 in one online
16 purchase in the months prior to the Sale. Plaintiff Han attempted to make purchases that totaled
17 \$142.00, thus potentially providing her a 20% discount of \$28.40. As such, the recovery here is
18 a greater amount than the projected discount savings for them during the Sale. *Id.* at ¶ 41.

21 **2. Robust Notice Program and User-Friendly Claim Process**

22 Class Counsel were instrumental in establishing a multi-pronged notice program that is
23 well-designed to give notice of the Settlement to the Class and provide easy-to-follow guidance
24 on how to submit claims. *Id.* at ¶ 26. The robust notice program, which was approved by the
25 Court and is being implemented by the Claims Administrator and the parties, includes:

- 27 • Direct mail and email notice to Class Members for whom Sephora has
28 contact information;

- A Settlement Website where Class Members can submit online claims, obtain additional information, and view key documents;
- A toll-free telephone number where Class Members can obtain additional information; and
- Notice posted on Sephora’s Facebook page.

Id. at ¶ 27.

The Settlement also provides for a straightforward claim form and a simplified claim process that are designed to make claim submission convenient. *Id.* at ¶ 28. Class Members have the option of submitting claims electronically via the Settlement Website or by mail. *Id.*

B. Class Counsel Expended Considerable Time and Resources in Achieving the Strong Results Here

Class Counsel worked very hard to achieve the strong results delivered under the proposed Settlement. This action was filed in November 2014, alleging that during the Sale for Very Important Beauty Insider (“VIB”) members that Sephora held from November 6-10, 2014, Sephora deactivated accounts of customers using email addresses with the Chinese Domains, thus preventing them from accessing the Sale. *Id.* at ¶ 6. Plaintiffs allege that Sephora deactivated the accounts using Chinese Domains because of the discriminatory belief that Chinese customers abuse discount sales to resell products.⁸ *Id.* at ¶ 7; *see also* Ex. 5. Before filing suit, Class Counsel conducted a thorough factual investigation, including tracking and analyzing Sephora’s public statements regarding the deactivation of accounts, reviewing Sephora’s purported terms of service and the methods by which such terms were communicated to consumers, and speaking with numerous customers about their experiences with the Sale as well as reviewing documentation from those customers. *See* Christensen Decl. at ¶ 8. Class Counsel also conducted considerable legal research regarding the legal issues raised, and

⁸ Additional details are available in the Memorandum of Points and Authorities in Support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement. *See* Dkt. No. 146.

1 expected to be raised, in the litigation. *Id.* at ¶ 9.

2 Class Counsel's investigative efforts continued after the Complaint was filed, including
3 through significant formal discovery. *Id.* at ¶ 11. Among other things, Class Counsel deposed
4 two senior Sephora executives, propounded written discovery, reviewed and analyzed thousands
5 of documents produced by Defendant (including, but not limited to, internal correspondence and
6 documents regarding the events that precipitated the mass deactivation of accounts), reviewed
7 and analyzed technical data in conjunction with technology consultants, and reviewed and
8 analyzed pertinent customer data to evaluate potential class damages. Class Counsel engaged in
9 multiple meet and confer conference calls with Defendant's counsel regarding the appropriate
10 scope of discovery and Defendant's search for and production of responsive materials. *Id.*
11 Moreover, Class Counsel continued to speak with potential Class Members about their
12 experiences during the Sale. *Id.* at ¶ 12.

13
14
15 There was significant litigation activity as well, requiring Class Counsel to research and
16 address important issues. There were a number of substantial discovery disputes that required
17 Plaintiffs to research and file motions to compel. *See* Dkt. Nos. 65, 84. Moreover, in filing
18 Plaintiffs' motion for class certification, Plaintiffs were required to conduct legal research and
19 closely analyze the substantive issues, including Sephora's defenses, both for purposes of making
20 their motion, and also to be in a position to advance the case and address those arguments at both
21 mediations, including the settlement conference before Judge Corley. *See* Christensen Decl. at ¶
22 13.
23

24
25 Moreover, the proposed Settlement is the product of extensive, hard-fought settlement
26 negotiations and related efforts by Class Counsel. *Id.* at ¶ 14. In October 2015, the parties
27 participated in a mediation session with the Hon. Edward A. Infante (ret.), an experienced
28

1 mediator and former U.S. Magistrate Judge in this District. The parties continued negotiations
2 through Judge Infante, but negotiations stalled. *Id.* at ¶ 15. Thereafter, Plaintiffs filed a motion
3 to compel discovery on April 29, 2016. *See* Dkt. No. 84. The parties appeared before The Hon.
4 Laurel Beeler to address discovery disputes on May 12, 2016. *See* Dkt. No. 94. Following
5 further discovery and depositions, Plaintiffs' motion for class certification was fully briefed by
6 August 25, 2016 and scheduled for oral argument on September 8, 2016. *See* Dkt. Nos. 114-123,
7 126-129. At the same time, the parties agreed to engage in further mediation. *Id.* at ¶ 18.

9 The parties engaged in an all-day settlement conference before The Hon. Jacqueline S.
10 Corley on August 24, 2016. With Judge Corley's assistance, the parties reached a settlement and
11 drafted terms. *Id.* at ¶ 19. After the parties reached agreement in principle on the merits they
12 were able to reach an agreement, with Judge Corley's assistance, regarding Class Counsel's
13 request for attorneys' fees and expenses. *Id.* at ¶ 20.

15 Following the mediation, Class Counsel worked hard on negotiating and finalizing the
16 written settlement agreement, forms of notice, claim form, exclusion form and other exhibits to
17 the settlement agreement, and have devoted substantial time and resources to ensuring that the
18 funds procured will go to Class Members, including working closely with the Claims
19 Administrator on the design and implementation of the notice program and claims process.
20 Class Counsel have also continued to speak with Class Members and worked on drafting
21 settlement approval papers. *Id.* at ¶ 21.

23 **III. THE REQUEST FOR PAYMENT OF ATTORNEYS' FEES AND OUT-OF-**
24 **POCKET EXPENSES IS APPROPRIATE**

25 An excellent result has been achieved in this Action: Sephora has agreed to pay up to
26 \$125 in cash or \$250 in electronic gift cards to VIB members affected by the mass deactivations
27
28

1 in November 2014.⁹ *Id.* at ¶ 22. Moreover, the accounts that had been deactivated were
2 reactivated shortly after this action was filed. Absent this litigation, the likelihood of these
3 accounts being reactivated was extremely low. *Id.* at ¶ 10. In addition, subject to court approval,
4 Class Counsel will seek fees of \$418,560 and reimbursement of expenses of \$90,000; Defendant
5 has agreed not to oppose any motion by Class Counsel for an award of fees up to and including
6 \$325,000 and expenses up to and including \$90,000 expended in this litigation.¹⁰ Ex. 4 at § 5.1.
7

8 Class Counsel have devoted 1,620.2 hours, with a combined lodestar value of
9 \$745,306.50, and have incurred \$96,023.78 in unreimbursed expenses¹¹ to achieve the excellent
10 result here; they have done so with no assurance of success and no assurance of payment for
11 their work. *See* Christensen Decl. at ¶¶ 60, 69, 95. Plaintiffs, as well, devoted many hours to the
12 successful prosecution of this Action. *Id.* at ¶ 61.
13

14 The attorneys' fees Class Counsel seek represent a negative multiplier of 0.44 times their
15 collective lodestar. *Id.* at ¶ 94. Plaintiffs seek service awards of \$5,000 each. The results
16 achieved, Defendant's vigorous defense of this case, and Plaintiffs' and Class Counsel's efforts in
17 the litigation, easily support these requests.
18

19 The fee requested here is reasonable, appropriate, and well justified under applicable law
20 and the circumstances of this matter.
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25 ⁹ The Settlement is described at length in the Memorandum of Points and Authorities in
26 Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. *See* Dkt.
27 No. 146.

28 ¹⁰ Class Counsel are aware that their "request for attorney's fees should not result in a
second major litigation. *Ideally, of course, litigants will settle the amount of a fee.*" *Hensley v.*
Eckerhart, 461 U.S. 424, 437 (1983) (emphasis added).

¹¹ Class Counsel is only seeking reimbursement of \$90,000 in expenses incurred.

1 **A. Class Counsel are Entitled to Their Lodestar in Attorneys' Fees**

2 As a prevailing party, Plaintiffs are statutorily entitled to an award of attorneys' fees. *See*
 3 42 U.S.C. § 1988(b).¹² Because the lodestar method for calculating fees is appropriate here, and
 4 because Class Counsel's lodestar is reasonable, the Court should grant Class Counsel's motion
 5 for attorneys' fees.

6 **B. Plaintiffs Meet the "Prevailing Party" Standard**

7 In this circuit, "a plaintiff who obtains a legally enforceable settlement agreement
 8 qualifies as a 'prevailing party,' at least when the district court retains jurisdiction to enforce the
 9 agreement." *Prison Legal News v. Schwarzenegger*, 608 F.3d 446, 451 (9th Cir. 2010); *see also*
 10 *Gonzalez v. City of Maywood*, 729 F.3d 1196, 1202 (9th Cir. 2013). Here, the parties have
 11 entered into an enforceable settlement agreement that expressly allows Plaintiffs to seek
 12 attorneys' fees, and the Court retains jurisdiction over the enforcement of this agreement. *See*
 13 Christensen Decl. at ¶ 62. Plaintiffs are therefore entitled to a reasonable award of attorneys'
 14 fees. *See* 42 U.S.C. § 1988(b).

15 **C. The Lodestar Method of Calculating Fees is Appropriate in this Case**

16 The Court should calculate fees using the lodestar method. Under the lodestar method,
 17 attorneys' fees are calculated by "multiplying the number of hours the prevailing party
 18 reasonably expended on the litigation by a reasonable hourly rate." *Staton v. Boeing Co.*, 327
 19 F.3d 938, 965 (9th Cir. 2003) (internal quotation marks omitted). The Ninth Circuit has adopted
 20 this method as "the 'guiding light' of its fee-shifting jurisprudence, a standard that is the
 21 fundamental starting point in determining a reasonable attorney's fee." *Van Skike v. Dir., Office*
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27 ¹² "In any action or proceeding to enforce a provision of section[] 1981 . . . the court, in its
 28 discretion, may allow the prevailing party, other than the United States, a reasonable attorney's
 fee as part of the costs." 42 U.S.C. § 1988(b).

1 of Workers' Comp. Programs, 557 F.3d 1041, 1048 (9th Cir. 2009) (quoting *City of Burlington*
 2 *v. Dague*, 505 U.S. 557, 562 (1992)). The lodestar method is particularly appropriate "in class
 3 actions brought under fee-shifting statutes . . . where the relief sought—and obtained—is often
 4 primarily injunctive in nature and thus not easily monetized, but where the legislature has
 5 authorized the award of fees to ensure compensation for counsel undertaking socially beneficial
 6 litigation." *In re Bluetooth Headset Products Liab. Litig.*, 654 F.3d 935, 941 (9th Cir. 2011); *see*
 7 *also Staton*, 327 F.3d at 938 ("Under a fee-shifting statute, the court "must calculate awards for
 8 attorneys' fees using the 'lodestar' method[.]"); *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1029
 9 (9th Cir. 1998) ("In employment, civil rights and other injunctive relief class actions, courts
 10 often use a lodestar calculation because there is no way to gauge the net value of the settlement
 11 or any percentage thereof."); *Lealao v. Beneficial California, Inc.*, 82 Cal. App. 4th 19, 26 (2000)
 12 ("the primary method for establishing the amount of 'reasonable' attorney fees [in fee shifting
 13 cases] is the lodestar method"); *Meister v. Regents of Univ. of California*, 67 Cal. App. 4th 437,
 14 448-49 (1998) ("the California Supreme Court intended its lodestar method to apply to a
 15 statutory attorney's fee award unless the statutory authorization for the award provided for
 16 another method of calculation").

17 Here, the relief that Class Counsel have obtained, including the reactivation of accounts
 18 after the litigation was filed and the public focus on Sephora's actions, is "socially beneficial,"
 19 but "not easily monetized." *In re Bluetooth Headset Products Liab. Litig.*, 654 F.3d at 941. The
 20 lodestar method is therefore the appropriate means by which to calculate fees.¹³ There is a
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 26 ¹³ The alternative method for calculating fees, awarding a "percentage of the fund," serves
 27 as a good cross check of the lodestar method, but would not be appropriate given the size of the
 28 class and the substantial relief that is being awarded to individual class members. Moreover, as
 the Ninth Circuit has held, it is not *per se* unreasonable for the prevailing party in a civil rights
 case to be awarded an amount of attorneys' fees that exceeds the amount of money recovered by

1 strong presumption that the lodestar figure represents a reasonable fee. *See Jordan v.*
 2 *Multnomah County*, 815 F.2d 1258, 1262 (9th Cir. 1987); *see also Morales v. City of San Rafael*,
 3 96 F.3d 359, 363 (9th Cir. 1996). The Court may then enhance or reduce the lodestar by
 4 applying a multiplier to take into account the contingent nature and risk associated with the
 5 action, as well as other factors, such as the degree of skill required and the ultimate success
 6 achieved. *Id.*

7
 8 **D. The Adjusted Lodestar that Class Counsel Requests is Reasonable**

9 Class Counsel invested 1,620.2 hours prosecuting Plaintiffs’ claims and have a lodestar of
 10 \$745,306.50, as detailed in the Christensen Declaration. In evaluating Class Counsel’s lodestar,
 11 the Court should verify that both the time spent and the hourly rates reported are reasonable. In
 12 line with the agreed-upon amount in the Settlement Agreement and in spite of the lodestar
 13 amount, Class Counsel seek \$418,560 in attorneys’ fees. *See* Ex. 4 at § 5.1. The following chart
 14 reflects the hours that Class Counsel reasonably expended on the litigation. Even with a 15%
 15 reduction in rates to account for any potential difference in rates from the Southern District of
 16 New York (where Class Counsel is located, and for which Class Counsel has had rates approved)
 17 and the Northern District of California, the requested amount is exceedingly reasonable in light
 18 of the lodestar.
 19
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Hours Worked	S.D.N.Y. Value of Hours Worked	15% Reduction in Hourly Rates for N.D. Cal.	Amount Requested
1,620.20	\$745,306.50	\$633,510.53	\$418,560.00

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 23

24 It is well established that in moving for fees, counsel is “not required to record in great
 25 detail how each minute of his time was expended.” *Hensley*, 461 U.S. at 437 n.12. Instead,
 26

27
 28 their clients as civil rights claims confer benefits on others throughout society, such as “ending institutional civil rights abuses.” *Gonzalez*, 729 F.3d at 1209-10.

1 counsel need only “identify the general subject matter of his time expenditures.” *Id.*; *Fischer v.*
2 *SJB-P.D. Inc.*, 214 F.3d 1115, 1121 (9th Cir. 2000) (“a summary of the time spent on a broad
3 category of tasks such as pleadings and pretrial motions” met “basic requirement” of
4 documentation). The court can accept declarations of counsel setting forth the hours worked and
5 tasks performed. *See In re Sutter Health Uninsured Pricing Cases*, 171 Cal App. 4th 495, 511-12
6 (2009) (“We see no reason why [the court] could not accept the declarations of counsel attesting
7 to the hours worked, particularly as he was in the best position to verify those claims by
8 reference to the various proceedings in the case.”); *Wershba v. Apple Computer, Inc.*, 91 Cal.
9 App. 4th 224, 254-55 (2001) (permitting fee awards in the absence of detailed time sheets).

10
11 To assist the Court in evaluating the reasonableness of the time spent on this case, Class
12 Counsel have presented sworn summaries of their work.¹⁴ *See Winterrowd v. Am. Gen. Annuity*
13 *Ins. Co.*, 556 F.3d 815, 827 (9th Cir. 2009) (internal citation and quotations omitted) (when
14 awarding fees under a California fee-shifting statute, “[t]estimony of an attorney as to the
15 number of hours worked on a particular case is sufficient evidence to support an award of
16 attorney fees”). Counsel have also submitted schedules of current hourly rates, as well as
17 evidence of other courts approving those same or similar rates in past cases. *See McIntosh v.*
18 *McAfee, Inc.*, No. 06 Civ. 7694 (JW), 2009 WL 673976, at * 2 (N.D. Cal. Mar. 13, 2009)
19 (“Courts may find hourly rates reasonable based on evidence of other courts approving similar
20 rates or other attorneys who are engaged in similar litigation charging similar rates.”).

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27 ¹⁴ At the Court’s request, Class Counsel will submit *ex parte in camera*, under Civ. L.R. 54-
28 5(b)(2), a true and correct copy of detailed billing records of time spent litigating this case,
including detailed billing records of time spent preparing this motion.

1 **1. The Number of Hours Class Counsel Spent Litigating This Case is**
 2 **Reasonable**

3 In order to obtain significant relief for the classes, Class Counsel devoted 1,620.2 hours,
 4 over a period of two and a half years, to litigating this case. *See* Christensen Decl. at ¶ 60. The
 5 number of hours that Class Counsel spent working on the case is reasonable, given the excellent
 6 results that Class Counsel achieved, the duration of the litigation, and the complexity of the
 7 issues, including that modern case law on 42 U.S.C. § 1981 (“Section 1981”) is largely focused
 8 on employment discrimination, not on discrimination in the consumer context, even though both
 9 disputes are predicated on contracts.
 10

11 **a. Class Counsel Exercised Billing Judgment Regarding the**
 12 **Number of Hours Worked**

13 In calculating their hours worked, Class Counsel exercised sound billing judgment. First,
 14 Class Counsel eliminated any hours billed by attorneys and paralegals who worked on the case
 15 for less than ten hours. Second, Class Counsel is only seeking the amount agreed upon in the
 16 Settlement Agreement, \$418,560, which is but 56.2% of Class Counsel’s total lodestar amount.
 17 *Id.* at ¶ 67.
 18

19 **b. The Hourly Rates that Class Counsel Seek are Reasonable**

20 The hourly rates that Class Counsel seek are reasonable. An attorney’s hourly rate is
 21 reasonable if it is in line with those of attorneys who (1) have “comparable skill, experience and
 22 reputation,” and (2) practice law in the same legal community, here, the Northern District of
 23 California. *Blum v. Stenson*, 465 U.S. 866, 895 n.11 (1984); *see also Nat’l Fed’n of the Blind v.*
 24 *Target Corp.*, No. 06 Civ. 1802 (MHP), 2009 WL 2390261, at *3 (N.D. Cal. Aug. 3, 2009).
 25

26 Class Counsel have established that their hourly rates are reasonable by submitting (1)
 27 “affidavits [from themselves] and other attorneys regarding prevailing fees in the community,”
 28

1 and (2) evidence of rate determinations in other cases, especially cases where Class Counsel
2 themselves were assigned a reasonable hourly rate. *United Steelworkers of Am. v. Phelps Dodge*
3 *Corp.*, 896 F.2d 403, 407 (9th Cir. 1990). Courts in comparable districts have recently awarded
4 Class Counsel fees that are the same or comparable to the pre-reduction rates they are seeking in
5 this case. *See* Christensen Decl. at ¶ 57. To account for the potential discrepancy in rates
6 between the Northern District of California and the Southern District of New York, Class
7 Counsel is voluntarily agreeing to discount their overall lodestar amount. *Id.* at ¶ 58. Based on
8 this evidence, Class Counsel have established that their hourly rates are reasonable. *See, e.g.,*
9 *San Francisco Baykeeper v. West Bay Sanitary Dist.*, No. 09 Civ. 5676 (EMC), 2011 WL
10 6012936, at *8 (N.D. Cal. Dec. 1, 2011); *Nat’l Fed’n of the Blind*, 2009 WL 2390261, at *3.

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13 **E. Plaintiffs’ Request for Reimbursement of Expenses**

14 Class Counsel are also entitled to recover their costs. *See* 42 U.S.C. § 1988(b); *see also*
15 Rule 23(h) (permitting the Court to “award . . . nontaxable costs that are authorized by law or by
16 the parties’ agreement.”). Section 5.1 of the Settlement Agreement permits Class Counsel to
17 seek reimbursement of their reasonable expenses, up to \$90,000. *See* Ex. 4 at § 5.1.

18
19 Attorneys who create benefit for a class are entitled to be reimbursed for their out-of-
20 pocket expenses incurred in creating the fund or benefit, so long as the submitted expenses are
21 reasonable, necessary, and directly related to the prosecution of the action. *See Roberti v. OSI*
22 *Sys.*, No. 13 Civ. 9174 (MWF)(MRW), 2015 WL 8329916, at *7 (C.D. Cal. Dec. 8, 2015) (citing
23 *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994)) (class counsel may recover reasonable
24 expenses typically billed to paying clients in non-contingent litigation); *In re Am. Apparel*
25 *S’holder Litig.*, No. 10 Civ. 6352, 2014 WL 10212865, at *88 (C.D. Cal. July 28, 2014); *In re*
26 *OmniVision Techs., Inc.*, 559 F. Supp. 2d 1036, 1048 (N.D. Cal. 2007) (“Attorneys may recover
27
28

1 their reasonable expenses that would typically be billed to paying clients in noncontingency
 2 matters.”); *In re Media Vision Tech. Sec. Litig.*, 913 F. Supp. 1362, 1366 (N.D. Cal. 1995)
 3 (same).

4 Class Counsel have incurred expenses in the prosecution of this Action in the total
 5 amount of \$96,023.78.¹⁵ Importantly, these expenses were reasonable, necessary, and directly
 6 related to the prosecution of the action. Further, the expenses represent less than 13% of the
 7 lodestar of Class Counsel and cover the costs of attorney and witness travel, mediation services,
 8 transcripts, postage, copying and printing, delivery and messenger services, access to online legal
 9 databases and research materials, telecommunication costs, filing fees, and more. All the
 10 expenses are described in the accompanying declaration of Class Counsel. *See* Christensen Decl.
 11 at ¶¶ 95-96.
 12

13
 14 Travel. Class Counsel had to travel throughout the United States in order to take and
 15 defend depositions and attend Court Conferences. Their travel costs included reasonable
 16 expenses for hotels, meals, and airfare. *Id.* at ¶ 96(i). The Ninth Circuit has approved the
 17 reimbursement of travel costs, and courts in this district have routinely granted such costs. *See*,
 18 *e.g.*, *Grove v. Wells Fargo Financial California, Inc.*, 606 F.3d 577, 580-81 (9th Cir. 2010);
 19 *Pierce v. Rosetta Stone, Ltd.*, No. 11 Civ. 1283 (SBA), 2013 WL 5402120, at *6 (N.D. Cal. Sept.
 20 26, 2013).
 21

22 Class Counsel also seek reimbursement for the travel costs of Plaintiffs who were
 23 deposed by Sephora. Such costs are recoverable under statute and local rule. *See* 28 U.S.C. §
 24 1920(3); Civ. L.R. 54-3(e); *see also, e.g.*, *ASIS Internet Servs. v. Optin Global, Inc.*, No. 05 Civ.
 25 5124 (JCS), 2008 WL 5245931, at *3-4 (N.D. Cal. Dec. 17, 2008), *aff'd sub nom. ASIS Internet*
 26

27
 28 ¹⁵ Per the Settlement Agreement, Class Counsel are only seeking reimbursement of \$90,000
 of the costs they have incurred.

1 *Servs. v. Azoogole.com, Inc.*, 357 F. App'x 112 (9th Cir. 2009).

2 Mediation Services. Class Counsel incurred costs in mediation services. *See* Christensen
3 Decl. at ¶ 96(j). Such costs were necessary to resolve the lawsuit and are recoverable. *See In re*
4 *Immune Response Secs. Litig.*, 497 F. Supp. 2d 1166, 1178 (S.D. Cal. 2007) (concluding that
5 “mediation expenses . . . [were] both reasonable and necessary,” since the case “involved
6 protracted litigation, which would not have come to an end prior to trial without the assistance of
7 a mediator”); *see also, e.g., Vedachalam v. Tata Consultancy Servs., Ltd.*, No. 06 Civ. 0963 (CW),
8 2013 WL 3941319, at *3 (N.D. Cal. July 18, 2013).

9 Hearing and Deposition Transcripts. Class Counsel paid for transcripts of court
10 proceedings and depositions. *See* Christensen Decl. at ¶ 96(g). These costs are allowed by
11 statute. *See* 28 U.S.C. § 1920(2).

12 Postage. Class Counsel incurred postage costs, including communicating with the class.
13 *See* Christensen Decl. at ¶ 96(c). Such costs were necessary to the litigation and are routinely
14 reimbursed. *See, e.g., Pierce*, 2013 WL 5402120, at *6.

15 Copying and Printing. Class Counsel incurred costs on copying and printing. *See*
16 Christensen Decl. at ¶ 96(b). “The costs of reproducing pleadings, motions and exhibits are
17 typically billed by attorneys to their fee paying clients.” *Ashker v. Sayre*, No. 05 Civ. 3759
18 (CW), 2011 WL 825713 (N.D. Cal. Mar. 7, 2011). They are therefore reimbursable under a fee-
19 shifting statute such as Section 1981.

20 Delivery and Messenger Services. Class Counsel incurred delivery and messenger costs.
21 *See* Christensen Decl. at ¶ 96(c). These fees are a recoverable expense. *See, e.g., Harris*, 24
22 F.3d at 19; *Pension Trust Fund for Operating Eng'rs v. Joco Geospatial Cos., Inc.*, No. 11 Civ.
23 2482 (EMC), 2011 WL 6303404, at *6 (N.D. Cal. Dec. 16, 2011).

1 Online Legal Databases and Research Materials. Class Counsel seek costs for access to
2 Westlaw and PACER. See Christensen Decl. at ¶ 96(h). Such costs are necessary to the
3 litigation, are recoverable, and have been consistently awarded by courts in this district. *Trs. of*
4 *Constr. Indus. & Laborers Health & Welfare Trust v. Redland Ins. Co.*, 460 F.3d 1253, 1258-59
5 (9th Cir. 2006); see also, e.g., *Pension Trust Fund for Operating Eng'rs*, 2011 WL 6303404, at
6 *6; *Mahach-Watkins v. Depee*, No. 05 Civ. 1143 (SI), 2009 WL 3401281, at *2 (N.D. Cal. Oct.
7 20, 2009).

9 Telecommunication Costs. Class Counsel incurred phone and fax costs, as well as costs
10 associated with maintaining a case website. See Christensen Decl. at ¶ 96(a). These costs were
11 necessary for Class Counsel to communicate with class members, opposing counsel, and the
12 court, and are recoverable. See, e.g., *Woods v. Carey*, 722 F.3d 1177, 1179 n.1 (9th Cir. 2013);
13 *Mahach-Watkins*, 2009 WL 3401281, at *2.

15 Filing and Service Fees. Class Counsel incurred filing and service fees. See Christensen
16 Decl. at ¶ 96(d). Such fees are a necessary expense of litigation, and are therefore recoverable.
17 See Civ. L.R. 54-3(a); see also, e.g., *Autodesk, Inc. v. Flores*, No. 10 Civ. 1917 (LHK), 2011 WL
18 1884694, at *3 (N.D. Cal. May 18, 2011).

20 Electronic Database. Class Counsel incurred costs from operating an electronic database
21 to review documents and tag them for use. See Christensen Decl. at ¶ 96(e). Such costs are
22 recoverable. See, e.g., *In re Ricoh Co., Ltd. Patent Litig.*, No. 03 Civ. 2289 (JW), 2010 WL
23 8961328, at *8 (N.D. Cal. Sept. 29, 2010).

25 Technology Consultants. Class Counsel incurred costs from hiring technology
26 consultants to analyze the complex issues relating to the website crash and database
27 management. See Christensen Decl. at ¶ 96(f). Such costs are recoverable. See *Destefano v.*
28

1 Zynga, Inc., No. 12 Civ. 04007 (JSC), 2016 WL 537946, at *22 (N.D. Cal. Feb. 11, 2016);
2 *Rieckborn v. Velti PLC*, No. 13 Civ. 03889 (WHO), 2015 WL 468329, at *22 (N.D. Cal. Feb. 3,
3 2015).

4 From the beginning of the case, Class Counsel were aware they might not recover any of
5 their expenses, and, at the very least, would not recover anything until the Action was
6 successfully resolved. *See* Christensen Decl. at ¶ 60. Class Counsel also understood that, even
7 assuming that the Action was ultimately successful, reimbursement for expenses would not
8 compensate them for the lost use of the funds advanced to prosecute the Action.
9

10 **F. The Service Awards Are Reasonable and Should Be Approved**

11 Upon the conclusion of a successful class action case, the Court has discretion to award
12 the representative plaintiff a service award as compensation for the work done on behalf of the
13 class. *See Rodriguez v. West Publ'g Corp.*, 563 F.3d 948, 958 (9th Cir. 2009) (“Incentive awards
14 are fairly typical in class action cases.”).

15 Here, Plaintiffs seek service awards in the amount of \$5,000 each. Such compensation is
16 regularly (if not routinely) granted in the exercise of discretion by courts in this Circuit in similar
17 class and representative litigation. *See, e.g., Staton*, 327 F.3d at 977; *In re Heritage Bond Litig.*,
18 No. 02 MDL 1475 (DT), 2005 WL 1594403, at *3-4 (C.D. Cal. June 10, 2005); *Wren v. RGIS*
19 *Inventory Specialists*, No. 06 Civ. 5778 (JCS), 2011 WL 1230826, at *38 (N.D. Cal. April 1,
20 2011); *Hopson v. Hanesbrands Inc.*, No. 08 Civ. 0844 (EDL), 2009 WL 928133, at *10 (N.D.
21 Cal. Apr. 3, 2009) (“In general, courts have found that \$5,000 incentive payments are
22 reasonable.”); *Carter v. Anderson Merchandisers, LP*, Nos. 08 Civ. 0025 (VAP), 09 Civ. 0216
23 (VAP), 2010 WL 1946757, at *4 (C.D. Cal. May 11, 2010) (“Given the relatively small size of
24 the proposed [\$5,000] recognition payments, the Court thus approves the recognition payments
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1 requested for both Carter and Lanasa”); *In re Mego Fin. Corp. Sec. Litig.*, 213 F.3d 454, 457,
2 463 (9th Cir. 2000) (approving incentive award of \$5,000); *In re Ins. Brokerage Antitrust Litig.*,
3 579 F.3d 241, 253 (D.N.J. 2009) (approving incentive award of \$10,000); “Such awards are
4 intended to ‘compensate class representatives for work done on behalf of the class, to make up
5 for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize
6 their willingness to act as a private attorney general.’” *Rodriguez*, 563 F.3d at 958-959 (quoting
7 *In re Mego Financial Corp. Sec. Litig.*, 213 F.3d at 463). The amount of the requested service
8 awards reflects a realistic assessment of the effort expended by Plaintiffs.
9

10 Plaintiff Ye invested time in the litigation as described in her declaration. *See* Declaration
11 of Ruiqi Ye. She took personal time to speak with her attorneys, search for relevant evidence,
12 review and approve the Complaint for filing, and keep abreast of the litigation for over two
13 years. *Id.* at ¶¶ 8-9. She also was subjected to a daylong deposition. *Id.* at ¶ 8. To attend this
14 deposition, Plaintiff Ye took time off from work and traveled from Florida to New York. This
15 commitment of her personal time to support a case in which she had a modest personal interest,
16 but that has provided benefits to thousands of Class Members and the general public nationwide,
17 warrants the Court’s approval of the requested service payment.
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20 Plaintiff Han also invested substantial time in the litigation as described in her
21 declaration. *See* Declaration of Yolin Han. She took personal time to speak with Class Counsel,
22 search for relevant evidence, review and approve the Complaint for filing, and keep abreast of
23 the litigation for over two years. *Id.* at ¶¶ 9-10. She also was subjected to a daylong deposition.
24 *Id.* at ¶ 9. Plaintiff Han also attended both the mediation with Judge Infante and the settlement
25 conference with Judge Corley. *Id.* This commitment of her personal time to support a case in
26 which she too had a modest personal interest, but that has provided benefits to thousands of
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1 Class Members and the general public nationwide, warrants the Court's approval of the requested
2 service payment.

3 For these reasons, given their contributions to the successful prosecution of this Action
4 and taking on burdens to challenge one of the largest cosmetic manufacturers/distributors in the
5 world, Plaintiffs should be granted service awards in the amount of \$5,000 each.

6
7 **G. Class Counsel's Lodestar Easily Justifies the Fee Request**

8 Using the "lodestar" approach as a check on the reasonableness of the agreed-upon fee
9 and expense amounts demonstrates it is well within the range commonly awarded in consumer,
10 and other types of complex actions. Here, hard-working attorneys and paralegals spent 1,620.2
11 hours in performance of their services on behalf of Plaintiffs and the Class. Under the lodestar
12 approach, the fee requested by Class Counsel reflects a *negative lodestar multiplier of 0.44*,
13 which is eminently reasonable. *See* Christensen Decl. at ¶ 67.

14
15 As discussed above, and as the Court is aware, Class Counsel conducted a thorough
16 factual investigation regarding the alleged discrimination that occurred when Sephora
17 deactivated accounts from the Chinese Domains and publicly declared all such accountholders to
18 be resellers, as well extensive legal research of the claims asserted in the Action. The Settlement
19 was achieved after two years of litigation, after the exchange of discovery, an unsuccessful
20 mediation, highly litigated discovery disputes, and a full briefing of class certification prior to a
21 successful settlement conference. *Id.* at ¶¶ 15-17, 19, 60. In addition, the Settlement could not
22 have been achieved absent the key role that Judge Corley played as a highly skilled mediator.

23
24 The work required to bring this Action to a successful conclusion was demanding, and
25 none of it was or could have been completed without the considerable efforts by the attorneys
26 and paralegals of Class Counsel. The successful prosecution of this Action reflects two years of
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1 their hard work – always at risk of non-payment and, at times, against long odds. *Id.* at ¶ 60.

2 In lodestar/multiplier jurisprudence involving complex class actions, ““multipliers of
3 between 3 and 4.5 have been common.””¹⁶ *Rabin v. Concord Assets Group, Inc.*, No. 89 Civ.
4 6130 (LBS), 1991 WL 275757, at *2 (S.D.N.Y. Dec. 19, 1991) (citation omitted) (emphasis
5 added). *See also Johnson v. Brennan*, No. 10 Civ. 4712 (CM), 2011 WL 4357376, at *20
6 (S.D.N.Y. Sept. 16, 2011) (“Courts regularly award lodestar multipliers from *two to six* times
7 lodestar.”) (emphasis added); *Maley v. Dale Global Techs. Corp.*, 186 F. Supp. 2d 358, 371
8 (S.D.N.Y. 2002) (4.65 multiplier); *Rievman v. Burlington N.R.R. Co.*, 118 F.R.D. 29, 35
9 (S.D.N.Y. 1987); *Keith v. Volpe*, 501 F. Supp. 403, 414 (C.D. Cal. 1980) (3.5 multiplier); *Mun.*
10 *Auth. of Town of Bloomsburg v. Commonwealth of Pennsylvania*, 527 F. Supp. 982, 999-1000
11 (M.D. Pa. 1981) (4.5 multiplier); *In re Cenco, Inc. Sec. Litig.*, 519 F. Supp. 322, 326-28 (N.D. Ill.
12 1981) (4 multiplier); *Arenson v. Bd. of Trade of City of Chicago*, 372 F. Supp. 1349, 1358 (N.D.
13 Ill. 1974) (multiplier of 4 awarded).

14 Therefore, in an especially difficult case such as this one, a **negative** multiplier of 0.44 is
15 more than reasonable.

16 Under the lodestar method – taking into account the considerable relief obtained in the
17 Settlement and the hundreds of hours of work expended by Class Counsel over the course of the
18 litigation – the requested attorneys’ fee of \$418,560, representing a **negative** multiplier of 0.44 on
19 their combined lodestar, is eminently reasonable and should be granted without reservation.
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25 ¹⁶ In order to ensure adequate compensation to counsel under the unique circumstances of
26 each case, courts often apply multipliers that reflect counsel’s skill and results, and eschew any
27 “arbitrary ceiling on multipliers.” *In re Superior Beverage/Glass Container Consol. Pretrial*,
28 133 F.R.D. 119, 131 (N.D. Ill. 1990). Thus, in *Boston & Maine Corp. v. Sheehan, Phinney, Bass
& Green, P.A.*, 778 F.2d 890, 894 (1st Cir. 1985), the First Circuit reversed a fee award based on
a multiplier of almost 2.5 and remanded with instructions to award a fee equal to six times the
lodestar.

1 **H. The Reaction of the Class Also Favors Final Approval**

2 To date no Class Member has objected to the request for attorneys’ fees and expenses or
3 for the Service Awards to Plaintiffs. *See* Christensen Decl. at ¶ 32. In addition, none of the State
4 Attorneys General have opposed either request. *Id.* at ¶ 33. These facts also speak strongly in
5 favor of the reasonableness of both requests.


6 **IV. CONCLUSION**

7 For the foregoing reasons, Plaintiffs and Class Counsel respectfully request that the
8 Court enter an Order: (a) awarding Class Counsel attorneys’ fees in the amount of \$418,560, plus
9 reimbursement of litigation expenses in the amount of \$90,000; and (b) awarding Plaintiffs
10 service awards in the amount of \$5,000 each for their efforts and commitment on behalf of the
11 Class.
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1 Dated: March 15, 2017
2 New York, New York

Respectfully submitted,

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11 Attorneys for Plaintiffs,
12 **RUIQI YE, YOLIN HAN**

13 **UNITED STATES DISTRICT COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA**

15 RUIQI YE and YOLIN HAN, individually
16 and on behalf of all other similarly-situated
individuals,

17 Plaintiffs,

18 v.

19 SEPHORA USA, INC.,

20 Defendant.
21

Case No.: 3:14-cv-05237-EMC

22 **[PROPOSED] ORDER GRANTING**
23 **PLAINTIFFS' MOTION FOR**
24 **APPROVAL OF CLASS COUNSEL'S**
25 **FEES AND EXPENSES AND SERVICE**
26 **AWARDS TO NAMED PLAINTIFFS**

27 This matter came before the Court on Plaintiffs' Motion for Approval of Class Counsel's Fees
28 and Expenses and Service Awards to Named Plaintiffs (the "Attorneys' Fees Motion"). Defendant
agreed, for settlement purposes only, not to oppose the Attorneys' Fees Motion.

Based upon the Court's review of Plaintiffs' Attorneys' Fees Motion, including the
Declaration of Jeanne M. Christensen, Esq. ("Christensen Decl."), and all other papers submitted in
connection with Plaintiffs' Final Approval Motion, as well as the discussion held between the Court

1 and the parties on the record at the May 25, 2017, Final Approval Hearing, the Court finds and
2 concludes as follows:

3 1. Notice of the requested award of attorneys' fees and costs was directed to Class
4 Members in a reasonable manner, and complied with Rule 23(h)(1) of the Federal Rules of Civil
5 Procedure.

6 2. Class Members and any party from whom payment is sought have been given the
7 opportunity to object in compliance with Fed. R. Civ. P. 23(h)(2).
8

9 3. No class member has objected to the requested fees and expenses.

10 4. Plaintiffs are a "prevailing party" for purposes of awarding attorneys' fees pursuant to
11 42 U.S.C. § 2000e-5(k). *See Prison Legal News v. Schwarzenegger*, 608 F.3d 446, 451 (9th Cir.
12 2010).
13

14 5. The lodestar method is the appropriate means of calculating attorneys' fees in this
15 case, where a major part of the relief sought and obtained was injunctive. *See In re Bluetooth*
16 *Headset Products Liab. Litig.*, 654 F.3d 935, 941 (9th Cir. 2011).
17

18 6. The number of hours that Class Counsel spent on this case was reasonable in light of
19 the length and complexity of the litigation and the excellent result obtained. Class Counsel have
20 reasonably accounted for and eliminated unnecessary or duplicative hours.

21 7. The rates used by Class Counsel are reasonable, and are in line with attorneys of
22 comparable skill, experience, and reputation who practice in the Northern District of California.
23 This conclusion is supported by the Christensen Declaration.
24

25 8. The use of current rates is appropriate here because of the very significant delay in
26 payment. *See Missouri v. Jenkins by Agyei*, 491 U.S. 274, 284 (1989).
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28 9. The attorneys' fees requested, which is fifty-six (56%) percent less than the full
lodestar, is reasonable. No further reduction of the lodestar is necessary.

