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15 **UNITED STATES DISTRICT COURT**
16 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**
17 **SOUTHERN DIVISION**

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19 MELISSA LILLEHAGEN, *et*
20 *al.*, on behalf of themselves and
21 all those similarly situated,
22 Plaintiffs,
23 v.
24 ALORICA, INC.,
25 Defendant.

Case No. 8:13-cv-00092-DOC(JPRx)

**ORDER GRANTING FINAL
APPROVAL OF SETTLEMENT [264]**

District Judge: Hon. David O. Carter
Magistrate Judge: Hon. Jean Rosenbluth

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1 On December 5, 2016, a hearing was held on Plaintiffs’ and Class Counsel’s
2 unopposed motion for final approval of the class settlement; and on the separate
3 motion of Plaintiffs and Class Counsel for Attorneys’ Fees, Costs, and Class
4 Representative Service Awards.

5 The Parties have submitted their Class Action Settlement Agreement (“the
6 Settlement”), which this Court preliminarily approved on May 31, 2016 (the
7 “Preliminary Approval Order”) (Dkt. 262.). In accordance with the Preliminary
8 Approval Order, Class Members have been given notice of the terms of the
9 Settlement and the opportunity to object to the settlement and/or opt out. In
10 addition, pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715
11 (“CAFA”), Alorica has given the Attorney General of the United States and the
12 appropriate state officials in the states in which the Class Members reside sufficient
13 notice and opportunity to be heard concerning the Settlement. The Court is
14 therefore empowered under CAFA to finally approve the Settlement.

15 Having received and considered the Settlement, the supporting papers filed
16 by the Parties, and the evidence and argument received by the Court at the final
17 approval hearing on December 5, 2016, by means of this order (the “Final Approval
18 Order”) the Court grants final approval to the Settlement, and **HEREBY ORDERS**
19 and **MAKES DETERMINATIONS** as follows:

20 **Definitions**

21 1. Except as otherwise specified herein, the Court, for purposes of this
22 Final Approval Order, adopts all defined terms set forth in the Settlement.

23 **Jurisdiction**

24 2. This Court has jurisdiction over the subject matter of this litigation and
25 all related matters and all state and federal claims raised in this action and released
26 in the Settlement, and personal jurisdiction over Alorica and all Class Members
27 (except for those who timely filed opt out requests). Specifically, this Court has
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1 federal question jurisdiction over this action pursuant to 28 U.S.C. section 1331 and
2 section 16(b) of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 216(b).

3 3. This Court also has supplemental jurisdiction over all state-law claims
4 asserted by Plaintiffs because the state-law claims derive from a common nucleus
5 of operative fact and form part of the same case or controversy as those claims over
6 which the Court has primary jurisdiction. *See* 28 U.S.C. § 1367 (providing for
7 supplemental jurisdiction over related state-law claims that “form part of the same
8 case or controversy”); *United Mine Workers v. Gibbs*, 383 U.S. 715, 726 (1996)
9 (holding that federal courts have supplemental jurisdiction over state law claims
10 that arise from the same “common nucleus of operative fact” such that the parties
11 “would ordinarily be expected to try them all in one judicial proceeding”).

12 4. This Court also has jurisdiction to approve the Settlement’s release of
13 claims by Class Members over which the Court has jurisdiction, even if the Court
14 would not independently have jurisdiction over those released claims. *See Reyn’s*
15 *Pasta Bella, LLC v. Visa USA, Inc.*, 442 F.3d 741, 748 (9th Cir. 2006) (quoting
16 *Class Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1287-88 (9th Cir. 1992) (“[A]
17 federal court may release not only claims alleged in the complaint, but also state
18 claims arising from the same nucleus of operative facts over which the court would
19 not have jurisdictional competence.”).

20 **Dissemination of Notice to Class Members**

21 5. Pursuant to the Preliminary Approval Order, notice was sent to each
22 Class Member by first-class mail. The notice was clear and organized, following
23 the model forms provided by the Federal Judicial Center at www.fjc.gov. The
24 notice materials informed Class Members of the terms of the Settlement, how their
25 settlement share would be calculated, how to receive their settlement share, how to
26 challenge the pre-printed data provided by Alorica that would be used to calculate
27 their settlement share, their right to comment on (including object to) the Settlement
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1 or opt out of the Settlement to pursue their claims individually, and their right to
2 appear in person or by counsel at the final approval hearing and be heard regarding
3 approval of the Settlement. Adequate periods of time were provided by each of
4 these procedures.

5 6. The Court finds and determines that this notice procedure afforded
6 adequate protections to Class Members and provides the basis for the Court to
7 make an informed decision regarding approval of the Settlement based on the
8 responses of Class Members. Notice was accomplished in the manner prescribed
9 by the Settlement. The Court finds and determines that the notice provided in this
10 case was the best notice practicable, which satisfied the requirements of law and
11 due process.

12 **Notice to Attorneys General Pursuant to CAFA**

13 7. On September 6, 2016, Alorica served upon the Attorney General of
14 the United States and the appropriate state officials of the states in which the Class
15 Members reside a notice of the Settlement consisting of: a copy of the complaints in
16 this action; the Preliminary Order certifying Settlement Classes, appointing Class
17 Representatives and Class Counsel, granting preliminary approval of the proposed
18 Settlement, appointing the Settlement Administrator and dissemination of Notice,
19 and setting the Fairness Hearing and related dates; copies of the Settlement; the
20 Class Notice; and the names of Class Members and their estimated proportionate
21 share of the entire Settlement. The Notice of Settlement also invited comment on
22 the Settlement. This Final Approval Order is being entered at least 90 days after
23 the later of the dates on which the appropriate federal and state officials were
24 served with the notice of proposed settlement. None of the federal or state officials
25 who were served have asserted objections or requests for hearings during this time
26 period.

27 8. The Court finds and determines that the substance of CAFA's notice
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1 requirements have been satisfied. *See In re Processed Egg Prod. Antitrust Litig.*,
2 284 F.R.D. 249, 258 (E.D. Pa. 2012); *Kirven v. Cent. States Health & Life Co. of*
3 *Omaha*, No. 11 Civ. 2149, 2015 WL 1314086, at *10 (D.S.C. Mar. 23, 2015); *Kay*
4 *Co. v. Equitable Prod. Co.*, No. 06 Civ. 00612, 2010 WL 173486, at *4 (S.D.W.Va.
5 Apr. 28, 2010). Accordingly, 28 U.S.C. section 1715(e) is inapplicable. *See*
6 *Adoma v. Univ. of Phoenix, Inc.*, 913 F. Supp. 2d 964, 972–73 (E.D. Cal. 2012)
7 (class members could not refuse to be bound by settlement agreement in FLSA
8 class action simply because employer was late in providing notice, where employer
9 served proper notice under CAFA and more than 90 days had passed since date
10 notice was served).

11 **Certification Under Fed. R. Civ. P. 23 and the FLSA**

12 9. For the reasons stated in the Preliminary Approval Order, this Court
13 finds and determines that the proposed Settlement Class, as defined in the
14 definitions section of the Settlement and in section II of its Preliminary Approval
15 Order, meets all of the legal requirements for class certification under Federal Rule
16 of Civil Procedure 23 (“Rule 23”) (a) and (b)(3), and it is hereby ordered that the
17 Settlement Class is finally approved and certified as a Class for purposes of
18 settlement of this action.

19 10. For the reasons stated in the Preliminary Approval Order, this Court
20 finds and determines that the action meets all of the legal requirements for
21 certification as a collective action under section 16(b) of the FLSA, 29 U.S.C. §
22 216(b), for the three-year period preceding the filing of Plaintiffs’ complaint, and it
23 is hereby ordered that the action is certified as a collective action for purposes of
24 settlement of this action.

25 **Fairness**

26 11. Pursuant to Rule 23(e), the Court further finds and determines that the
27 terms of the Settlement are fair, reasonable and adequate to the Class and to each
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1 Class Member and that the Class Members who have not opted out will be bound
2 by the Settlement, that the Settlement is ordered finally approved, and that all terms
3 and provisions of the Settlement should be and hereby are ordered to be
4 consummated. The Court specifically finds that the Settlement is rationally related
5 to the strength of Plaintiffs' claims given the risk, expense, complexity, and
6 duration of further litigation. The Court also finds that the Settlement is the result
7 of arms-length negotiations between experienced counsel representing the interests
8 of the Class Members and Alorica, under the supervision of an independent third-
9 party mediator, after thorough factual and legal investigation. *Staton v. Boeing*, 327
10 F.3d 938, 960 (9th Cir. 2003); *Class Plaintiffs*, 955 F.2d at 1291.

11 12. The Court finds and determines that the payments to be made to the
12 Class Members as provided for in the Settlement are fair and reasonable. The
13 proposed plan of allocation bases each Class Member's recovery on: (a) the number
14 of weeks during the Covered Period worked by the Class Member, and (b) whether
15 the Class Member worked in California or another state. The plan of allocation is
16 rational. The Court hereby gives final approval to and orders the payment of those
17 amounts be made to Class Members out of the [REDACTED] Settlement fund in
18 accordance with the terms of the Settlement.

19 **Class Member Response**

20 13. The Court further finds that the response of the Class Members to the
21 Settlement supports settlement approval. Of the approximately 156,000 Class
22 Members, only 16 timely opted out of the Settlement. Only two Class Members
23 objected to the Settlement. The first objection is overruled because it criticizes the
24 Settlement for not including claims or grievances that are outside the scope of the
25 case and does not provide sufficient detailed factual assertions or any legal
26 argument to support its position, and it was submitted anonymously, precluding the
27 parties and the Court from seeking clarification from the objector[s]; the second
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1 objection is also overruled because it merely states that, in the class member’s view,
2 he was properly paid, and therefore does not challenge the fairness, reasonableness,
3 or adequacy of the Settlement.

4 **Appointment of Class Representatives and Approval of Class**

5 **Representative Awards**

6 14. The Court confirms as final the appointment of Melissa Lillehagen,
7 Sharon Shaw, Janna Carlile, Shanai Whitmore, Ignacio Pizana, Brenda Luper,
8 Barbara Beckerley, Dianne Maddox, Dawn Fulmore, Ancelle Parker, Raymorn
9 Edden, Janelle Ayers, Cynthia Fuerte, Chelsea Ramirez, and Timothy King as Class
10 Representatives of the FLSA Collective; Barbara Beckerley and Michael Irvin as
11 Class Representatives of the California Rule 23 Class; Dianne Maddox as Class
12 Representative of the Florida Rule 23 Class; Raymorn Edden as Representative of
13 the Georgia Rule 23 Class; Cassandra Allen and Sharon Shaw as Class
14 Representative of the Oklahoma Rule 23 Class; Dawn Fulmore as Class
15 Representative of the Pennsylvania Rule 23 Class; Vanessa Gomez as Class
16 Representative of the Texas Rule 23 Class; Ancelle Parker as Class Representative
17 of the Virginia Rule 23 Class; Janelle Ayers as Class Representative of the Iowa
18 Rule 23 Class; Cynthia Fuerte as Class Representative of the North Carolina Rule
19 23 Class; Chelsea Ramirez as the Class Representative of the Kansas Rule 23 Class,
20 and Timothy King as the Class Representative of the Colorado Class. In its Order
21 Granting Motion for Award of Attorneys’ Fees, Costs, and Class Representative
22 Service Awards entered on December 5, 2016 (“Fee Order”), the Court has already
23 approved the requested Class Representative Awards.

24 **Appointment of Class Counsel; Approval of Attorneys’ Fees and Costs**

25 15. The Court confirms as final the appointment of the following law firms
26 and attorneys as class counsel (“Class Counsel”) for the Rule 23 and FLSA Classes:
27 Allen R. Vaught of Baron & Budd P.C., Jahan C. Sagafi and Katrina L. Eiland of
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1 Outten & Golden LLP and Robert P. Kondras of Hunt, Hassler, & Lorenz LLP. In
2 its December 5, 2016 Fee Order, the Court approved Class Counsel’s requested fees
3 and costs.

4 **Release**

5 16. By operation of the entry of this Final Approval Order and pursuant to
6 the Settlement, all Participating Class Members are permanently barred from
7 prosecuting against Alorica any Participating Class Member Released Claim as set
8 forth in section VII of the Settlement. The Court has reviewed the release in
9 section VII of the Settlement and finds it to be fair, reasonable, and enforceable
10 under Rule 23, the FLSA, and all other applicable law.

11 **Costs of Administration**

12 17. Class Administrators, Garden City Group, LLC, have indicated that
13 the costs of administering the settlement likely will greatly exceed the [REDACTED]
14 estimate this Court was presented with in the Motion for Preliminary Approval. *See*
15 Declaration of Loree Kovach of Garden City Group, LLC (Dkt. 272). Payments
16 out of the class members’ recovery for the costs of administering the settlement are
17 capped at [REDACTED]. Payments beyond [REDACTED] made to Garden City Group or any
18 other administrator in connection with administering this settlement will be made
19 by class counsel out of their fee award.

20 **Final Judgment and Dismissal**

21 18. By means of this Final Approval Order, this Court hereby enters final
22 judgment in this action, as defined in Federal Rule of Procedure 58(a)(1).

23 19. Without affecting the finality of the Court’s judgment in any way, the
24 Court retains jurisdiction over this matter for purposes of resolving issues relating
25 to the interpretation, administration, implementation, effectuation and enforcement
26 of the Settlement. Nothing in this Final Approval Order will preclude any action to
27 enforce the Parties’ obligations under the Settlement or under this order, including
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the requirement that Alorica make the Settlement Payment in accordance with the terms of the Settlement.

20. The Parties are hereby ordered to comply with the terms of the Settlement.

21. This action is dismissed with prejudice, each side to bear its own costs and attorneys' fees except as provided by the Settlement and the Court's orders.

Dated: December 5, 2016



The Honorable David O. Carter
United States District Judge