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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

RONA KOMINS, on behalf of herself, her children, B.K. and M.K, and all others similarly situated, Plaintiff, v. DAVE YONAMINE, JOHN LIBBY, MOBILITYWARE, LLC; DOES 1-100, inclusive, and ROES Software Development Kit Business Entities 1-100, inclusive, Defendants.	Case No. 19STCV24865 **<u>CLASS ACTION</u>** **PLAINTIFF'S NOTICE OF MOTION FOR ATTORNEYS' FEES, COSTS, AND INCENTIVE AWARD** Date: September 18, 2024 Time: 11:00 a.m. Dept.: 14 Judge: Hon. Kenneth R. Freeman

PLEASE TAKE NOTICE that on September 18, 2024 at 11:00 a.m., or as soon thereafter as the matter may be heard, in Department 14 of the Superior Court of the State of California for the County of Los Angeles, in the Spring Street Courthouse located at 312 North Spring Street Los Angeles, CA 90012, before the Honorable Kenneth R. Freeman, presiding, Plaintiff Rona Komins ("Plaintiff") will and hereby does move this Court for an Order granting Motion for Attorneys' Fees, Costs, and an Incentive Award.

The motion is based upon this Notice of Motion, the accompanying Memorandum of Points and Authorities in support of the Motion, the Declaration of Ronald A. Marron in Support of the Motion and Exhibits A-C attached thereto, the Declaration of Rona Komins in Support of the Motion, all prior pleadings and proceedings in this matter, and all other evidence and written and oral argument that will be submitted in support of the Motion.

Dated: August 5, 2024

Respectfully Submitted,

/s/ Ronald A. Marron

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
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RONA KOMINS, on behalf of herself, her children, B.K. and M.K, and all others similarly situated, Plaintiff, v. DAVE YONAMINE, JOHN LIBBY, MOBILITYWARE, LLC; DOES 1-100, inclusive, and ROES Software Development Kit Business Entities 1-100, inclusive, Defendants.	Case No: 19STCV24865 **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR ATTORNEYS' FEES, COSTS, AND INCENTIVE AWARD** Date: September 18, 2024 Time: 11:00 a.m. Dept.: 14 Judge: Hon. Kenneth R. Freeman

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I. INTRODUCTION

Plaintiff and Class Representative Rona Komins ("Plaintiff"), by and through her undersigned counsel of record ("Class Counsel"), hereby respectfully moves this Court for entry of an Order granting an award of attorneys' fees to Class Counsel in the amount of $729,116.64. Class Counsel's fee request is fair, reasonable, and supported by California law. The Settlement in this action provides for valuable injunctive relief and a *cy pres* distribution to two non-profit organizations that champion user privacy and are committed to secure the fundamental right to privacy in the digital age for all people. *See* Settlement Agreement ¶ 7. Class Counsel have expended 1,531.7 total hours prosecuting this action and obtaining the relief provided for by the Settlement. *See* Declaration of Ronald A. Marron in Support of Plaintiff's Motion for Attorneys' Fees, Costs, and Incentive Award filed concurrently herewith ("Marron Decl."), ¶¶ 13, 15. With a lodestar of $857,526.00 (Marron Decl., ¶ 13), the requested fee award of $729,116.64 results in a negative multiplier of .85. Marron Decl., ¶ 14. In addition to attorneys' fees, Class Counsel is requesting that the Court award their costs reasonably incurred in this action in the amount of $34,868.36 plus Notice Administration costs of $28,515. Marron Decl., ¶¶ 16. Thus, Class Counsel is seeking a total fee and expense award of $792,500.00. Furthermore, Plaintiff seeks an incentive award in the amount of $7,500 for her efforts in representing the Settlement Class in this action. Marron Decl., ¶¶ 10-11.

In light of the excellent results achieved in this litigation, including valuable injunctive and *cy pres* relief that achieved the goal of this lawsuit, Plaintiff's Motion for Attorneys' Fees, Costs, and Incentive Award should be granted.

II. CLASS COUNSEL ARE ENTITLED TO ATTORNEYS' FEES AND COSTS UNDER CALIFORNIA LAW

A. The Private Attorney General Statute Entitles Class Counsel to Fees Here

California Civil Procedure Code "section 1021.5 authorizes an award of attorney fees to a 'private attorney general,' that is, a party who secures a significant benefit for many people by enforcing an important right affecting the public interest." *Serrano v. Stefan Merli Plastering Co.*, 52 Cal. 4th 1018, 1020 (2011). Consistent with the policies underlying the statute, the entitlement belongs to both the litigant and his counsel. *Lindelli v. Town of San Anselmo*, 139 Cal. App. 4th 1499, 1509

(2006); *see also Serrano v. Priest*, 20 Cal. 3d 25, 44 (1977) (purpose of fee-shifting statutes is to "award . . . substantial attorney fees to those public-interest litigants and their attorneys . . . who are successful in such cases" and thereby incentivize "representation of interests of similar character in future litigation"); *accord Moreno v. City of Sacramento*, 534 F.3d 1106, 1111 (9th Cir. 2008).

"Although the section 'is phrased in permissive terms . . . the discretion to deny fees to a party that meets its terms is quite limited,' and generally requires a full fee award unless special circumstances would render such an award unjust." *Fitzgerald v. City of Los Angeles*, 2009 U.S. Dist. LEXIS 34803, at *9-10 (C.D. Cal. Apr. 7, 2009) (quoting *Lyons v. Chinese Hosp. Ass'n*, 136 Cal. App. 4th 1331, 1344 (2006)). Fees are awarded when: (1) the action "has resulted in the enforcement of an important right affecting the public interest," (2) "a significant benefit, whether pecuniary or non-pecuniary, has been conferred on the general public or a large class of persons . . .", and (3) "the necessity and financial burden of private enforcement . . . are such as to make the award appropriate . . . ." *Stefan*, 52 Cal. 4th at 1026 (quoting Cal. Code Civ. Proc. § 1021.5, and citing *Woodland Hills Residents Assn., Inc. v. City Council*, 23 Cal. 3d 917, 935 (1979)).

Here, the MobilityWare apps are available at no cost to app users, so class members could not possibly have a stake adequate to litigate. Further, added disclosures to each of the MobilityWare apps, and a *cy pres* distribution to non-profit organizations that champion user privacy confer a benefit on both class members and the public at large. Thus, Plaintiff has acted as a true attorney general and is the successful party in this action.

B. The Settlement Agreement Provides for Attorneys' Fees, Costs, and an Incentive Award

"A request for attorney's fees should not result in a second major litigation. Ideally . . . litigants will settle the amount of a fee." *Hensley v. Eckerhart*, 461 U.S. 424, 437 (1983). That is what the parties have done in the Settlement Agreement. Defendants agreed to pay Plaintiff her attorneys' fees and costs, subject to this Court's approval. Settlement Agreement at § 8.1. Defendants also agreed to pay an incentive award of $7,500 to Plaintiff Rona Komins. *Id*. Settlements such as these "are highly favored," in part because they promote efficient resolution of disputes, and therefore interpretation ought to be made in favor of enforcement wherever possible. *Neary v. Regents of Univ. of Cal.*, 3 Cal. 4th 273, 277-78 (1992); *Nicholson v. Barab*, 233 Cal. App. 3d 1671, 1683 (1991); *Victoria v. Super*.

Ct., 40 Cal. 3d 734, 753, n.8 (1985). Here, the parties are in agreement as to Class Counsel's entitlement to compensation for Class Counsel's efforts in obtaining the relief.

III. CLASS COUNSEL'S REQUESTED FEES ARE FAIR AND REASONABLE

There are two primary methods for calculating attorney fees in class actions: (1) the lodestar/multiplier method; and (2) the percentage of recovery method. *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 254 (2001). Under California law, "a court assessing attorney fees begins with a touchstone or lodestar figure, based on the careful compilation of the time spent and reasonable hourly compensation of each attorney . . . involved in the presentation of the case." *Ketchum v. Moses*, 24 Cal. 4th 1122, 1131-32 (2001) (quoting *Priest*, 20 Cal. 3d at 48); *see also Hensley*, 461 U.S. at 433 ("The most useful starting point for determining the amount of a reasonable fee is the number of hours reasonably expended on the litigation multiplied by a reasonable hourly rate."); *Perdue v. Kenny A.*, 130 S. Ct. 1662, 1673 (2010) (lodestar method is usually preferable). "[T]he 'lodestar method' is appropriate in class actions brought under fee-shifting statutes . . . where the legislature has authorized the award of fees to ensure compensation for counsel undertaking socially beneficial litigation." *In re Bluetooth*, 654 F.3d at 941; MANUAL FOR COMPLEX LITIG. (4th ed.) § 21.7 ("Statutory awards are generally calculated using the lodestar method.").

Here, the settlement provides for injunctive and *cy pres* relief and Class Counsel are seeking attorneys' fees pursuant to the fee shifting statutes and the settlement agreement. Accordingly, the Court should apply the lodestar method. "[T]he 'lodestar method' is appropriate in class actions brought under fee-shifting statutes . . . where the legislature has authorized the award of fees to ensure compensation for counsel undertaking socially beneficial litigation." *In re Bluetooth Headset Prod. Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 941; *see also Manual for Complex Litig., Fourth*, § 21.7 at p. 334-35 ("Statutory awards are generally calculated using the lodestar method.").

Under the lodestar method, courts may consider several factors in determining the appropriate fee award, including:

(1) the time and labor required of the attorneys;

(2) the contingent nature of the fee agreement, both from the point of view of eventual victory on the merits and the point of view of establishing eligibility for an award;

(3) the extent to which the nature of the litigation precluded other employment by the class counsel;

(4) the novelty or difficulty of the questions involved, and the skill displayed in presenting them;

(5) the experience, reputation, and ability of the attorneys who performed the services;

(6) the amount involved and the results obtained; and

(7) the informed consent of the clients to the fee agreement.

See, e.g., Priest, 20 Cal. 3d at 49; *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1810 n.21 (1996). No rigid formula is available, and each factor should be considered only if appropriate. *See Dep't of Transp. v. Yuki*, 31 Cal. App. 4th 1754, 1771 (1995). These factors support Class Counsel's fee request.

A. The Claims Against Defendants Required Substantial Time and Labor

Prosecuting and settling these claims demanded considerable time and labor, making this fee request reasonable. Class Counsel devoted 1,531.7 hours to litigating this action. Marron Decl., ¶ 15. This Settlement was reached after Plaintiff had successfully opposed Defendants' Motion to Compel Arbitration, Demurrer, Motion to Strike, Motion to Transfer, and Motion to Dismiss. *Id*., ¶ 5. The organization of Class Counsel ensured that the work was coordinated to maximize efficiency and minimize duplication of effort. *Id*., ¶ 6. Class Counsel devoted substantial time to investigating the claims against Defendants. *Id*., ¶ 7. Class Counsel also expended resources researching and developing the legal claims at issue. *Id*. Substantial time and resources were also dedicated to serving and responding to written discovery, preparing for, attending, and taking depositions, third party discovery, and to discovery disputes. *Id*.

Settlement negotiations consumed further time and resources. Marron Decl., ¶ 8. Specifically, the Parties' mediation required substantial preparation facing experienced defense counsel and a seasoned mediator. *Id.* A significant amount of time was devoted to negotiating and drafting the Settlement Agreement, the preliminary approval process, and to all actions required thereafter pursuant to the preliminary approval orders. *Id*. Each of the above-described efforts was essential to achieving the Settlement before the Court. *Id*. Thus, the time and resources devoted to this action readily justify the requested fee.

B. The Issues Involved Were Novel and Difficult, and Required the Skills of Highly Talented Attorneys

This was not a simple case. The quality of Class Counsel's legal work conferred a substantial benefit on the Settlement Class in the face of significant litigation obstacles. Defendants filed a Motion to Compel Arbitration, Demurrer, Motion to Strike, Motion to Transfer, and Motion to Dismiss. Although Plaintiff prevailed against Defendants' Motions, if Plaintiff would have rejected the Settlement and continued to litigate this action through trial and appeal, there would have been a significant risk that no injunctive relief would have been obtained. While acknowledging the strengths and weakness of the parties' respective positions, the Settlement has reached a difficult but fair accord.

In any given case, the skill of legal counsel should be commensurate with the novelty and complexity of the issues, as well as the skill of the opposing counsel. Class Counsel has extensive experience handling complex consumer class actions. Marron Decl., ¶ 3 & Ex. A. Class Counsel has already devoted 1,531.7 attorney hours, plus costs, to litigating this action (Marron Decl., ¶¶ 13-16), and are committed to overseeing the Settlement and this litigation through to its successful conclusion. Litigation of this action required counsel trained in class action law and procedure as well as the acquisition and analysis of a significant amount of factual and legal information. Class Counsel possess these attributes, and their participation added value to the representation of this Settlement Class. The record demonstrates that the action involved complex and novel challenges, which Class Counsel met at every juncture.

In evaluating the quality of representation by Class Counsel, the Court should also consider opposing counsel. Plaintiff respectfully suggests that opposing counsel's track record in this case, as well as past cases, demonstrates their skill. Throughout the litigation, Defendants were represented by extremely capable counsel who litigated this case vigorously. Indeed, Defendants believed that they had meritorious substantive defenses to Plaintiff's claims but recognized that these endpoints are achievable only after considerable further expense. Litigation of this magnitude has been and would continue to be very costly for both parties and the outcome uncertain. "[A]voiding a trial and inevitable appeals in this complex . . . suit strongly weigh in support of approval of the Settlement, rather than prolonged and uncertain litigation." *Rodriguez v. West Publ'g Corp.*, 2007 U.S. Dist. LEXIS 74767, at

*27 28 (C.D. Cal. Sept. 10, 2007).

C. Class Counsel Achieved a Successful Result

Given the significant litigation risks Class Counsel faced, the Settlement represents a successful result. Rather than facing additional years of costly and uncertain continuing litigation, the injunctive and *cy pres* relief obtained on behalf of the Settlement Class is reasonable and achieved the goals of this lawsuit. Under the terms of the Settlement, Defendants have agreed to provide added disclosures relating to the collection and use of personal information by the MobilityWare apps. Agreement § 7.2. Defendants have also agreed to implement certain business practices in order to better ensure that children do not have their data collected by the MobilityWare apps. *Id*. Specifically, MobilityWare will update each of the MobilityWare Gaming Apps to include a permanent, clear, and conspicuous pop-up notification that: (i) informs app users of MobilityWare's privacy policy and collection of personal information, and of app users' ability to opt out of selling of their personal information as applicable based on their regional privacy laws; (ii) informs app users that MobilityWare will delete personal information collected by app users upon request; and (iii) asks users to confirm that they are at least 18 years of age. *Id*. MobilityWare will not collect, share, or sell personal information from new app users whose device settings indicate that they are in the United States unless and until the app users have (i) scrolled through the entirety of the notification, (ii) confirmed that they have read the notification, and (iii) confirmed that they are at least 18 years of age. Agreement § 7.2. Further, Defendants have agreed to make a $100,000.00 *cy pres* payment, split equally between the Electronic Frontier Foundation, a non-profit digital rights group that champions user privacy (*see* https://www.eff.org/about), and the Electronic Privacy Information Center, a public interest non-profit research and advocacy organization established to "secure the fundamental right to privacy in the digital age for all people…" *See* https://epic.org/about/. Agreement § 7.3.

This is an excellent recovery for the Settlement Class. *See, e.g., McDonald v. Kiloo A/S* (N.D. Cal. Sept. 24, 2020) Nos. 17-cv-04344-JD, 17-cv-04419-JD, 17-cv-04492-JD, 2020 WL 5702113, at *5 (granting preliminary approval of injunctive-relief-only settlement and noting that "any damage award" for claims of intrusion upon seclusion and violations of the California constitutional right to privacy, the UCL, and various consumer protection statutes "was uncertain and likely to have been nominal for most class members"); *Campbell v. Facebook Inc.* (N.D. Cal. Aug. 18, 2017) No. 13-CV-05996-PJH, 2017 WL 3581179, at *5 (granting final approval of injunctive-relief-only settlement where Defendants agreed to make additional disclosures to users about its policies regarding use of data), *aff'd*, 951 F.3d 1106 (9th Cir. 2020); *see also In re Netflix Privacy Litig*. (N.D. Cal. 2013) No. 5:11–CV–00379, 2013 WL 1120801, at *11 (approving settlement for injunctive relief and *cy pres*-only relief, finding *cy pres* distribution "has been found to be an appropriate relief mechanism" in online privacy cases); *Lane v. Facebook, Inc*. (9th Cir. 2012) 696 F.3d 811, 821 (*cy pres* distribution appropriate where "the proof of individual claims would be burdensome or distribution of damages costly."). Class Counsel achieved a successful result on behalf of the Settlement Class.

D. The Claims Presented Serious Risk

The Settlement is particularly noteworthy given the combined litigation risks. Defendants raised substantial and meritorious defenses, including that the MobilityWare apps were available to app users free of charge, and that MobilityWare did not actually collect, use, or disclose certain data. Success under these circumstances represents a genuine milestone.

The settlement is substantial, given the complexity of the litigation and the significant risks and barriers that loomed in the absence of Settlement. Any of these risks could easily have impeded, if not altogether derailed, this action if it were not for Plaintiff's and Class Counsel's successful prosecution of these claims. The recovery achieved by this Settlement must be measured against the fact that any recovery by Plaintiff and Settlement Class Members through continued litigation could only have been achieved if: (i) Plaintiff was able to certify a class and establish liability and damages at trial; and (ii) the final judgment was affirmed on appeal. The Settlement is an extremely fair and reasonable recovery for the Settlement Class in light of Defendants's defenses and the challenging and unpredictable path of litigation that Plaintiff and the class would have faced absent the Settlement. Marron Decl., ¶ 9.

E. Class Counsel Assumed Considerable Risk to Pursue this Action on a Pure Contingency Basis

In undertaking to prosecute this case on a contingent fee basis, Class Counsel assumed a significant risk of nonpayment or underpayment. Marron Decl., ¶ 12. That risk warrants an appropriate fee. Devoting more than five years and costs to this action necessarily precluded Class Counsel from taking on other employment. And, there was significant risk that Class Counsel, despite committing these resources, would not have received any compensation for their services. Class Counsel's ability to collect compensation was entirely contingent upon prevailing. The substantial risk of non-recovery inherent in class action litigation is well-documented.

When attorneys undertake litigation on a contingent basis, a fee that is limited to the hourly fee that would have been paid by a fee-paying client, win or lose, is not a reasonable fee by market standards. *Greene v. Dillingham Constr. NA., Inc.*, 101 Cal. App. 4th 418, 428-29 (2002).

> A contingent fee must be higher than a fee for the same legal services paid as they are performed. The contingent fee compensates the lawyer not only for the legal services he renders but for the loan of those services. The implicit interest rate on such a loan is higher because the risk of default (the loss of the case, which cancels the debt of the client to the lawyer) is much higher than that of conventional loans.

Ketchum, 24 Cal. 4th at 1132-1133 (quoting the Hon. Richard Posner's Economic Analysis of Law (4th ed. 1992)); *see also Rader v. Thrasher*, 57 Cal. 2d 244, 253 (1962).

From the outset of litigation to the present, Class Counsel litigated this matter on a contingent basis and placed their own resources at risk to do so. Marron Decl., ¶ 12. Additionally, public policy concerns – in particular, ensuring the continued availability of experienced and capable counsel to represent classes of injured plaintiffs holding small individual claims – support the requested fee. The progress of the action to date shows the inherent risk faced by Class Counsel in accepting and prosecuting the action on a contingency fee basis. Despite Class Counsel's effort in litigating this action, Class Counsel remains completely uncompensated for the time invested in the action, in addition to the substantial expenses that were advanced. Marron Decl., ¶ 12. There can be no dispute that this case entailed substantial risk of nonpayment for Class Counsel.

IV. CLASS COUNSEL'S RATES AND HOURS EXPENDED ARE FAIR AND REASONABLE

Under the lodestar method, the court calculates the fee award by multiplying the number of hours reasonably spent by a reasonable hourly rate and then enhancing that figure, if necessary, to account for the risks associated with representation. *Lealao v. Beneficial California, Inc.,* 82 Cal.App.4th 19, 26 (2000). Class Counsel has calculated a lodestar of $857,526.00. Marron Decl., ¶

13. This lodestar is based on 1,531.7 total hours of work. *Id*. Given that Class Counsel is only requesting $729,116.64 in fees, Class Counsel is requesting a negative multiplier of .85. Marron Decl., ¶ 14. Class Counsel also made significant cuts to their lodestar by removing time for support staff. Marron Decl., ¶ 18. Accordingly, the lodestar amount only includes time from the attorneys who litigated this action. *Id*., at ¶ 13. Class Counsel's lodestar also does not include post-application work for tasks such as drafting, finalizing, and filing the final approval papers, preparing for and appearing at the hearing on the final approval motion, and responding to any potential objector(s), if necessary. *Id.,* at ¶ 18. Class Counsel's lodestar is supported by fair and reasonable rates, approved by other Courts. Marron Decl., ¶¶ 18-23.

A. Class Counsel's Hourly Rates Are Reasonable and Have Been Approved by Numerous State and Federal Courts

Courts look to prevailing market rates in the community in which the court sits. *Schwarz v. Sec'y of Health & Human Servs.*, 73 F.3d 895, 906 (9th Cir. 1995); *see also Camancho v. Bridgeport Fin., Inc.*, 523 F.3d 973, 979 (9th Cir. 2008); MANUAL FOR COMPLEX LITIGATION, FOURTH, § 14.122 ("The rate should reflect what the attorney would normally command in the relevant marketplace."). Class Counsel's rates are reasonable because they are in line with hourly rates charged by attorneys of comparable experience, reputation and ability for similar complex consumer protection class action litigation. *See Ketchum*, 24 Cal. 4th at 1133; *see also Blum v. Stenson*, 465 U.S. 886, 895 (1984) (to assist the court in calculating the lodestar, plaintiff must submit "satisfactory evidence . . . that the requested rates are in line with those prevailing in the community for similar services by lawyers of reasonable comparable skill, experience and reputation."). Moreover, calculating the lodestar using Class Counsel's current billing rates is appropriate given the deferred nature of counsel's compensation. *See Fischel v.Equitable Life Assur. Soc'y of the United States*, 307 F.3d 997, 1010 (9th Cir. 2002) (attorneys must be compensated for delay in payment); *In re Washington Pub. Power Supply Sys. Sec. Litig.*, 19 F.3d 1291, 1305 (9th Cir. 1994) (explaining the court may compensate for a delayed payment "by applying the attorneys' current rates to all hours billed during the course of the litigation.").

Class Counsel's experience in prosecuting class actions is submitted in the declaration of

Ronald A. Marron, filed concurrently herewith. Marron Decl., ¶ 3 & Ex. A. Additionally, Class Counsel's requested rates and hours are listed in lodestar charts showing work by timekeeper. *See id.*, ¶¶ 13-15 & Tables 1-2. These rates are in line with the prevailing market rates for attorneys and support staff of similar experience, skill, and reputation. Marron Decl., ¶¶ 19-23 & Exs. B-C

Class counsel's requested rates and hours expended are as follows:[1]

Timekeeper	**Position**	**Rate Requested**	**Total Hours**	**Total Amount**
Ronald Marron	Partner	$845	153.4	$129,623.00
Kas Gallucci	Senior Associate	$605	58.7	$35,513.50
Michael Houchin	Senior Associate	$570	261.2	$148,941.00
Lilach Halperin	Associate	$515	1,036.7	$533,900.50
Elisa Pineda	Associate	$440	21.7	$9,548.00
		TOTALS:	**1,531.7**	**$857,526.00**

Class Counsel's hourly rates have been approved by numerous state and federal courts, as detailed in the Marron Declaration attached hereto. Marron Decl., ¶ 23.

Class Counsel is entitled to be compensated for reasonable time spent at all points in the litigation. Courts should avoid engaging in an "*ex post facto* determination of whether attorney hours were necessary to the relief obtained." *Grant v. Martinez*, 973 F.2d 96, 99 (2d Cir. 1992). The issue "is not whether hindsight vindicates an attorney's time expenditures, but whether at the time the work was performed, a reasonable attorney would have engaged in similar time expenditures." *Id*. Here, Class Counsel expended a total of 1,531.7 hours to date, excluding the extra time that will be expended drafting the final approval motion and preparing for and attending the final approval hearing. This includes, among other tasks, time billed for client communications, discovery, drafting the complaint and amended complaints, motion practice, settlement negotiations, drafting the settlement agreement

[1] Counsel need only submit summaries of their hours incurred; submission of billing records are not required. *See Lobatz v. U.S. W. Cellular of Cal., Inc.*, 222 F.3d 1142, 1148-49 (9th Cir. 2000) (the court may rely on summaries of the total number of hours spent by counsel); *Wershba*, 91 Cal. App. at 255 (counsel's declarations sufficient to evidence "the reasonable hourly rate for their services and establishing the number of hours spent working on the case … California law permits fee awards in the absence of detailed time sheets"); *Dunk*, 48 Cal. App. 4th at 1810 ("lodestar calculation could be based on a counsel's estimate of time spent"). At the Court's request, Class Counsel can submit itemized time

and amended settlement agreements, drafting the motion for preliminary approval, and case management related tasks. Class Counsel has summarized the hours spent on each of the tasks in the chart shown below, which were crucial to achieving the settlement on behalf of the Class. Marron Decl., ¶ 16.

Tasks Performed	**Hours Expended**
Complaints and Client Communications	80.6
Discovery	599.6
Law and Motion	481.5
Settlement Negotiations, Settlement Agreements; Settlement Administration	216.9
Stipulations; Status Conferences; Continuances; Scheduling	37.4
Case Management	115.7
TOTAL	1,531.7

Counsel should be compensated for all hours claimed, which are documented and based on contemporaneous time records. *See* Marron Decl., ¶ 18; *Hensley*, 461 U.S. at 435 (Prevailing plaintiff's counsel "should recover a fully compensatory fee. Normally this will encompass all hours reasonably expended on the litigation" and "should not be reduced simply because the plaintiff failed to prevail on every contention raised in the lawsuit."); *Ketchum*, 24 Cal. 4th at 1133 (fees "should be fully compensatory" and, absent "circumstances rendering the award unjust, . . . include compensation for all the hours reasonably spent").

V. THE REQUESTED COSTS ARE FAIR AND REASONABLE

Under California Code of Civil Procedure §§ 1033.5 (a)(1), (3), (4), and (7), the Court must award costs for court fees; deposition costs for transcribing, recording and travel; service of process fees; and witness fees. In addition, § 1033.5(c) provides discretion to award reimbursement of other costs if they are "reasonably necessary to the conduct of the litigation, rather than merely convenient or beneficial to its preparation." *See also Parkinson v. Hyundai Motor Am.,* 796 F. Supp. 2d 1160, 1176 (C.D. Cal. 2010) (quoting *Sci. App. Int'l Corp. v. Super. Ct.*, 39 Cal. App. 4th 1095, 1103 (1995)); *Morris v. Affinity Health Plan, Inc.*, 859 F. Supp. 2d 611, 624 (S.D.N.Y. 2012) (noting that courts universally accept that "telephone charges, postage, transportation, working meals, photocopies, and

sheets for *in camera* inspection.

electronic research, are reasonable and were incidental and necessary to the representation of the Class"). California's Private Attorney General Statute also provides for the recovery of reasonable costs. *See* Cal. Civ. Proc. Code § 1033.5.

Here, out-of-pocket expenses for the litigation that the undersigned Class Counsel actually incurred is $34,868.36 plus Notice Administration costs of $28,515, as set forth below:

Category	**Amount**
Expert Fees	$8,000
Filing; Appearance; Document Access Fees	$5,933.07
Process Servers/ Delivery Fees	$1,320.00
Court Reporters and Transcripts	$4,411.52
Travel Expenses	$63.37
Mediation Fees	$12,450.00
Calendaring Software	$635.00
Belaire West Notice	$2,055.40
Notice to the Class (RG/2 Claims Administration)	$28,515
TOTAL:	**$63,383.36**

Marron Decl., ¶ 16 & Table 3. All of these expenses are either statutorily allowed, or reasonable and necessary for the successful prosecution of this case. Accordingly, the Court should grant Class Counsel's request for reimbursement of their costs in the amount of $63,383.36. *See* Cal. Civ. Proc. Code § 1033.5.

VI. THE REQUESTED INCENTIVE AWARD IS FAIR AND REASONABLE

Finally, Plaintiff respectfully requests an incentive award for her efforts in prosecuting this action. Incentive awards "are fairly typical in class action cases," *Rodriguez*, 563 F.3d at 958, and "serve an important function in promoting class action settlements." *Sheppard v. Consol. Edison Co. of N.Y., Inc.*, 2002 WL 2003206, at *5 (E.D. N.Y. Aug. 1, 2002). Incentive awards for class representatives are routinely provided to encourage individuals to undertake the responsibilities of representing the class and recognize the time and effort spent in the case. *See In re Lorazapam & Clorazepate Antitrust Litig.*, 205 F.R.D. 369, 369 (D. D.C. Feb. 1, 2002).

Such awards "are intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." *Rodriguez*, 563 F.3d at 958-959. Incentive awards are committed to the sound discretion of the trial court and should be awarded based upon the court's consideration of: (1) the actions the class representatives took to protect the interests of the class; (2) the degree to which the class benefited from those actions; and (3) the amount of time and effort the class representatives expended in pursuing the litigation. *See, e.g., Cook v. Niedert*, 142 F.3d 1004, 1016 (7th Cir. 1998). These factors, as applied to this action, demonstrate the reasonableness of the requested incentive award to Plaintiff.

Plaintiff provided substantial assistance for the past five years that enabled Class Counsel to successfully prosecute this action including locating and forwarding responsive documents and information; reviewing material filings; preparing for and attending a deposition; approving the Settlement Agreements; being on standby during mediation; continuous communications with Class Counsel throughout the litigation; providing a declaration in support of preliminary approval, and being committed to secure substantive relief on behalf of the Class. Marron Decl., ¶ 10; *see also* Declaration of Rona Komins filed concurrently herewith at ¶¶ 2-9. In so doing, Plaintiff was integral to forming the theory of the case, and litigating it through settlement. Marron Decl., ¶¶ 10-11.

The Court should find that a $7,500 incentive award to Plaintiff Komins is reasonable and comparable to those approved by other courts in California. *See Cellphone Termination Fee Cases*, 186 Cal. App. 4th 1380 (June 28, 2010) ($10,000 incentive award to each class representative); *Bellinghausen v. Tractor Supply Company*, 306 F.R.D. 245, 267 (N.D. Cal. 2015) (awarding a $10,000 incentive award to the named plaintiff); *Edwards v. First American Corp.*, 2016 WL 8999934 (C.D. Cal. Oct. 4, 2016) (awarding a $10,000 incentive award); *Carter v. XPO Logistics, Inc.*, 2019 WL 5295125, at *4 (N.D. Cal. Oct. 18, 2019) (awarding $20,000 incentive awards to each named plaintiff).

VII. CONCLUSION

For the foregoing reasons, Class Counsel respectfully requests that the Court award (1) $729,116.64 in attorneys' fees; (2) $63,383.36 in attorneys' costs; and (3) $7,500 to Plaintiff Rona Komins as an incentive award for her efforts in this action.

Dated: August 5, 2024

/s/ Ronald A. Marron
Ronald A. Marron

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

RONA KOMINS, on behalf of herself, her children, B.K. and M.K, and all others similarly situated,

Plaintiff,

v.

DAVE YONAMINE, JOHN LIBBY, MOBILITYWARE, LLC; DOES 1-100, inclusive, and ROES Software Development Kit Business Entities 1-100, inclusive,

Defendants.

Case No: 19STCV24865

DECLARATION OF RONALD A. MARRON IN SUPPORT OF PLAINTIFF'S MOTION FOR ATTORNEYS' FEES, COSTS, AND INCENTIVE AWARD

Date: September 18, 2024
Time: 11:00 a.m.
Dept.: 14
Judge: Hon. Kenneth R. Freeman

I, Ronald A. Marron, hereby declare as follows:

1. I am a member in good standing of the State Bar of California and I represent Plaintiff Rona Komins in the above-captioned action. I submit this Declaration in Support of Plaintiff's Motion for Attorneys' Fees, Costs, and an Incentive Award. I make this Declaration based on my personal knowledge and if called to testify, I could and would competently testify to the matters contained herein.

2. My firm, the Law Offices of Ronald A. Marron, APLC, currently employs four full-time attorneys. My firm has an in-depth knowledge of litigating consumer class action cases. The attorneys at my firm have years of experience litigating class action cases, and are well-versed, in particular, in the respective merits and risks of consumer class action cases.

3. I have practiced civil litigation for over 25 years. My work experience and education began in 1984 when I enlisted in the United States Marine Corps (Active Duty 1984- 1988, Reserves 1988-1990) and thereafter received my Bachelor of Science in Finance from the University of Southern California (1991). While attending Southwestern University School of Law (1992-1994), I also studied Biology and Chemistry at the University of Southern California and interned at the California Department of Corporations with emphasis in consumer complaints and fraud investigations. I was admitted to the State Bar of California in January of 1995 and have been a member in good standing since that time. In 1996, I started my own law firm with an emphasis in consumer fraud. A copy of my firm's current resume is attached hereto as **Exhibit A**.

4. Over the years, I have acquired extensive experience in class actions and other complex litigation and have obtained large settlements as lead counsel. In recent years, I have devoted almost all of my practice to the area of consumer fraud.

5. Prosecuting and settling the claims in this Action demanded considerable time and labor. This Settlement was reached after Plaintiff had successfully opposed Defendants' Motion to Compel Arbitration, Demurrer, Motion to Strike, Motion to Transfer, and Motion to Dismiss.

6. The organization of Class Counsel ensured that the work was coordinated to maximize efficiency and minimize duplication of effort.

7. My firm devoted substantial time to investigating the claims against Defendants. My firm also expended resources researching and developing the legal claims at issue. Substantial time and

resources were also dedicated to serving and responding to written discovery, preparing for, attending, and taking depositions, third party discovery, and to discovery disputes.

8. Settlement negotiations consumed further time and resources. A significant amount of time was devoted to negotiating and drafting of the Agreement and the preliminary approval process, and to all actions required thereafter pursuant to the preliminary approval order. Each of the above-described efforts was essential to achieving the Settlement before the Court.

9. In my opinion, the Settlement is an extremely fair and reasonable recovery for the Settlement Class in light of Defendants' defenses, and the challenging and unpredictable path of litigation that Plaintiff and the class would have faced absent the Settlement.

10. Class Counsel also negotiated an agreement that, subject to Court approval, Defendant would pay an incentive award to Plaintiff Komins in the amount of $7,500. This agreement was obtained after the material terms for class-wide relief in the Settlement were agreed upon. Plaintiff provided substantial assistance that enabled Class Counsel to successfully prosecute the action including locating and forwarding responsive documents and information; reviewing material filings; preparing for and attending a deposition; approving the Settlement Agreements; being on standby during mediation; continuous communications with Class Counsel throughout the litigation; providing a declaration in support of preliminary approval, and being committed to secure substantive relief on behalf of the Class. In so doing, Plaintiff was integral to forming the theory of the case and litigating it through settlement.

11. In my opinion, Plaintiff's request for an incentive award in the amount of $7,500 is sufficient and reasonable when taking into account the time and effort Plaintiff contributed to vindicate the rights of the Class.

12. In undertaking to prosecute this case on a contingent fee basis, my firm assumed a significant risk of nonpayment or underpayment. From the outset of litigation to the present, my firm litigated this matter on a contingent basis and placed its own resources at risk to do so. Despite Class Counsel's effort in litigating this Action, Class Counsel remains completely uncompensated for the time invested in the Action, in addition to the substantial expenses that were advanced.

13. My firm's total lodestar in this action is $857,526.00. This lodestar is based on 1,531.7 attorney hours of work. My firm's requested rates are summarized in Table 1 below:

TABLE 1

Timekeeper	Position	Rate Requested	Total Hours	Total Amount
Ronald Marron	Partner	$845	153.4	$129,623.00
Kas Gallucci	Senior Associate	$605	58.7	$35,513.50
Michael Houchin	Senior Associate	$570	261.2	$148,941.00
Lilach Halperin	Associate	$515	1,036.7	$533,900.50
Elisa Pineda	Associate	$440	21.7	$9,548.00
			TOTALS:	**$857,526.00**

14. Class Counsel is seeking a fee award of $729,116.64, which results in a negative multiplier of .85.

15. A summarization of categories for hours expended by Class Counsel is summarized in Table 2 below:

TABLE 2

Tasks Performed	Hours Expended
Complaints and Client Communications	80.6
Discovery	599.6
Law and Motion	481.5
Settlement Negotiations, Settlement Agreements; Settlement Administration	216.9
Stipulations; Status Conferences; Continuances; Scheduling	37.4
Case Management	115.7
TOTAL	1,531.7

16. My firm also incurred $63,383.36 in costs that were reasonably necessary for the prosecution of this litigation and would normally have been billed to a client paying for counsel's services on a regular basis. The costs incurred by my firm are summarized in Table 3 below:

TABLE 3

Category	**Amount**
Expert Fees	$8,000
Filing, Appearance, Document Access Fees	$5,933.07
Process Servers/ Delivery Fees	$1,320.00
Court Reporters and Transcripts	$4,411.52

Travel Expenses	$63.37
Mediation Fees	$12,450.00
Calendaring Software	$635.00
Belaire West Notice	$2,055.40
Notice to the Class (RG/2 Claims Administration)	$28,515
TOTAL:	**$63,383.36**

17. My firm's practice is to keep contemporaneous records for each timekeeper and to regularly record time records in the normal course of business. My firm kept time records in this case consistent with that practice. Moreover, my firm's practice is to bill in 6-minute (tenth-of-an-hour) increments. My firm's detailed billing records are voluminous and contain information that is protected from disclosure by the attorney-client privilege and the attorney work-product doctrine. However, my firm will make its detailed billing records available to the Court for in camera review upon the Court's request.

18. Prior to finalizing my firm's lodestar, we carefully reviewed our hours and made cuts for time entry errors, duplications, and instances where we determined the hours should be reduced or not billed. My firm's lodestar does not include any hours of work from support staff, and does not include post-application work for tasks such as drafting, finalizing, and filing the final approval papers, preparing for and appearing at the hearing on the final approval motion, and responding to any potential objector(s), if necessary.

19. My firm's requested rates are consistent with the prevailing rates for attorneys and support staff of similar experience, skill, and reputation. For example, survey data confirms the reasonableness of such rates. A 2010 survey by the National Law Journal (NJL) shows rates of firms in Los Angeles for $495-$820 for partners and $270-$620 for associates. A 2011 survey by the NLJ shows partner rates of $275-$860 in the Southern California area, with a range of $205-$635 for associates in the same geographic region. Copies of the NLJ surveys are in my firm's possession but are not being filed due to their volume. As this evidence shows, my firm's requested attorney rates fall within the average prevailing market rates within the community.

20. A summary chart of the NLJ surveys from 2010-2012 is attached hereto as **Exhibit B**.

21. Attached hereto as **Exhibit C** is a true and correct copy of the 2014 Report on the State

of the Legal Market put out by The Center for the Study of the Legal Profession at the Georgetown University Law Center and Thomson Reuters Peer Monitor (Peer Monitor Report). The Peer Monitor report shows that "from the third quarter of 2010 through November 2013 . . . firms increased their standard rates by 11 percent[,] from an average of $429 per hour to $476 per hour." This average rate from 2014, see id., supports my firm's current hourly rates.

22. My firm's requested rates fall within the average/mean range of the typical rates of a San Diego law firm that practices complex litigation. *See generally Catala v. Resurgent Capital Servs., L.P.*, 2010 U.S. Dist. LEXIS 63501, at *19 n.3 (S.D. Cal. June 22, 2010).

23. Courts have also recognized that my law firm's attorney's hourly rates are reasonable. For example:

a) On May 17, 2024, the Marron Firm's hourly rates of $845 for Ronald A. Marron, $605 for Kas L. Gallucci, $570 for Michael Houchin, and $515 for Lilach Halperin were approved in the matter of *Marin v. Cheeky Scientist, LLC, et al.*, Case No. 37-2022-00043918-CU-CO-CTL in the San Diego Superior Court before the Honorable Carolyn Caietti.

b) On November 21, 2023, the Marron Firm's hourly rate of $605 for Kas Gallucci was approved in the matter of *In Re UKG Cybersecurity Litigation*, Case No. 3:22-cv-00346-SI in the Southern District of California before the Honorable Judge Susan Illston.

c) On August 2, 2023, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $570 for Michael Houchin, and $500 for Lilach Halperin were approved in the matter of *Mirzoyan et al. v. The Hershey Company*, Case No. CGC-20-583659 in the Superior Court of California for the County of San Francisco before the Honorable Samuel K. Feng presiding.

d) On July 21, 2023, the Marron Firm's hourly rates of $845 for Ronald A. Marron, $605 for Kas Gallucci, $570 for Michael Houchin, and $500 for Lilach Halperin were approved in the matter of *Robbins et al v. Plushcare, Inc. et al*, Case No. 3:21-cv-03444-MMC in the Northern District of California before the Honorable Maxine M. Chesney.

e) On December 14, 2022, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Sanchez v. Allianz Life Insurance Company*, Case No. BC594715 in the Superior Court of California for the County of Los Angeles before the Honorable Maren E. Nelson presiding.

f) On February 14, 2022, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Clark v. S.C. Johnson & Son, Inc.*, Case No. RG20067897 in the Superior Court of California for the County of Alameda before the Honorable Michael M. Markman presiding.

g) On October 8, 2021, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Young v. Neurobrands, LLC*, Case No. 4:18-cv-05907-JSW in the United States District Court for the Northern District of California before the Honorable Jeffrey S. White. *See* Dkt. No. 91-2 (declaration in support of fee motion) & Dkt. No. 95 (Order Granting Motion for Attorneys' Fees).

h) On July 4, 2021, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin and $490 for Lilach Halperin, were approved in the matter of *Randolph v. Amazon.com LLC*, Case No. 37-2017-00011078-CU-OE-CTL in the California Superior Court for the County of San Diego before the Honorable Keri Katz. *See* Dkt. No. 200 (declaration in support of fee motion) & Dkt. No. 210 (Order Granting Final Approval).

i) On March 4, 2021, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin and $490 for Lilach Halperin were approved in the matter of *Fox, et al. v. Iowa Health System dba UnityPoint Health*, Case No. 3:18-cv-00327-jdp in the United States District Court for the Western District of Wisconsin before the Honorable James D. Peterson (Dkt. No. 115 (Order Granting Final Approval) & Dkt. No. 98 (declaration in support of fee motion)).

j) On November 25, 2020, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Daniel McSwain v. Axos Bank*, Case No. 37-2019-00015784-CU-BC-CTL in the California Superior Court for the County of San Diego before the Honorable Judge Joel Wohfiel (Dkt. No. 71 (declaration in support of fee motion) & Dkt. No. 79 (Order Granting Final Approval)).

k) On November 19, 2020, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin and $490 for Lilach Halperin were approved in the matter of *Romero v. Securus Technologies, Inc.*, Case No. 3:16-cv-01283-JM-MDD in the United States District Court for the Southern District of California before the Honorable Judge Jeffrey T. Miller (Dkt. No. 181-2 (declaration in support of fee motion) & Dkt. No. 184 (Order Granting Final Approval)).

l) On August 3, 2020, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, $490 for Lilach Halperin, and $215 for paralegals and legal assistants were approved in the matter of *Hilsley v. Ocean Spray Cranberries, Inc.*, Case No. 3:17-cv-02335-GPC-MDD in the United States District Court for the Southern District of California before the Honorable Gonzalo P. Curiel (Dkt. No. 245-2 (declaration in support of fee motion) & Dkt. No. 259 (Order Granting Final Approval)).

m) On February 24, 2020, the Marron Firm's hourly rates of $785 for Ronald A. Marron, $495 for Michael Houchin, $440 for Lilach Halperin, and $215 for paralegals and legal assistants were approved in the matter of *Graves v. United Industries, Inc.*, Case No. :17-cv-06983-CAS-SK in the United States District Court for the Central District of California before the Honorable Christina A. Snyder (Dkt. No. 78-2 (declaration in support of fee motion) & Dkt. No. 87 (Order Granting Final Approval)).

n) On January 20, 2020, the Marron Firm's hourly rates of $785 for Ronald A. Marron and $215 for paralegals and legal assistants were approved in the matter of *Esparza v. Smartpay Leasing, Inc.*, Case No. 3:12-cv-03421-WHA in the United States District Court for the Northern District of California before the Honorable William H. Alsup (Dkt. No. 110).

o) On October 11, 2019, the Marron Firm's hourly rates of $785 for Ronald A. Marron and $215 for paralegals and law clerks were submitted to the Court and approved in *Busch v. Bluestem Brands, Inc.*, No. 16-cv-0644 (WMW/HB), which received final approval, with costs and fees approved in full, on October 11, 2019. *See* Dkt. No. 106.

p) On October 7, 2019, the Marron Firm's hourly rates of $785 for Ronald Marron, $495 for Michael Houchin, $440 for Lilach Halperin and other associate attorneys, and $215 for paralegals were approved in the matter of *Woodard v. Labrada*, Case No. 5:16-cv-00189-JGB-SP pending in the United States District Court for the Central District of California before the Honorable Jesus G. Bernal. (Dkt. No. 295-2 (declaration in support of fee motion) & Dkt. No. 321 (final approval order)).

q) On September 12, 2019, the Honorable Jose E. Martinez of the Southern District of Florida approved an hourly rate for Ronald A. Marron of $785 in *Medina v. Enhanced Recovery*

Company, LLC, No. 15-cv-14342 (S.D. Fla.).

r) On June 17, 2019, the Marron Firm's hourly rates of $785 for Ronald A. Marron, $495 for Michael Houchin, $440 for Lilach Halperin and other associate attorneys, and $215 for paralegals were approved in the matter of *Littlejohn v. Ferrara Candy Company*, Case No. 3:18-cv-00658-AJB-WVG that was pending in the United States District Court for the Southern District of California. (Dkt. No. 30-2 (declaration in support of fee motion) & Dkt. No. 47 (final approval order)). During the final approval hearing, the Honorable Anthony J. Battaglia stated that the Marron Firm's rates "appear to the Court to be typical for the community and counsel that are handling a class action, consumer-type litigation, in particular, I find them fair, reasonable and will approve those." (Dkt. No. 51 [June 14, 2019 Hr.'g Tr. at 11:3-9]).

s) On January 15, 2019, the Marron Firm's hourly rates of $785 for Ronald A. Marron and $495 for Michael Houchin and other associate attorneys, and $350 for post-bar law clerks were approved in the matter of *William Jackson, et al. v. Lang Pharma Nutrition, Inc.*, et al., Case No. 37-2017-00028196-CU-BC-CTL that was pending in the California Superior Court for the County of San Diego. (Dkt. No. 86 (declaration in support of fee motion) & Dkt. No. 112 (final approval order)). In his Final Approval Order, the Honorable Joel R. Wohlfeil stated that my firm had "adequately represented the Class" and that the "value of the settlement is fair, represents a reasonable compromise after five years of litigation, and is adequate for the Class." (Dkt. No. 112).

t) On October 19, 2018, the Honorable William T. Lawrence of the Southern District of Indiana approved an hourly rate for Ronald A. Marron of $745 in the case *Simms v. ExactTarget, LLC*, No. 1-14-cv-737-WTL-DKL (S.D. Ind.).

u) On June 20, 2018, the Honorable Andrea R. Wood of the Northern District of Illinois approved an hourly rate for Ronald A. Marron of $745 in the case *Elaine Mason v. M3 Financial Services*, Inc., No. 15-cv-4194 (N.D. Cal.).

v) On August 14, 2018, the Marron Firm's hourly rates of $785 for Ronald A. Marron, $495 for Michael Houchin and other associate attorneys, and $245 for law clerks were approved in *Mollicone v. Universal Handicraft, Inc.*, Case No. 1:17-cv-21468-RNS (S.D. Fla.) (Dkt. No. 122-1 (declaration in support of fee motion) & Dkt. No. 134 (Final Approval Order)). In his Final Approval

Order, the Honorable Robert N. Scola, Jr. awarded 31.9% of the total Settlement Fund and stated that "[t]he requested percentage from the Settlement Fund is reasonable, considering the results obtained, the nature of the case, and Class Counsel's significant work in this case and experience in litigating class actions." (Dkt. No. 134).

w) On May 4, 2018, the Marron Firm's hourly rates of $745 for Ronald A. Marron, $440 for Michael Houchin and other associate attorneys, and $245 for law clerks were approved in *In re Tommie Copper Products Consumer Litigation*, Case No. 7:15-cv-03183-AT (S.D.N.Y.) (Dkt. No. 127 (declaration in support of fee motion) & Dkt. No. 129 (Final Approval Order)). In her Final Approval Order, the Honorable Analisa Torres found that the settlement was "entered into by experienced counsel and only after extensive, arms-length negotiations conducted in good faith and with the assistance" of a mediator. (Dkt. No. 129).

x) On March 26, 2018, the Honorable Marilyn Huff of the Southern District of California approved an hourly rate for Ronald A. Marron of $745 in the case *Gutierrez-Rodrigues v. R.M. Galicia, Inc.*, No 16-CV-0182-H-BLM.

y) On October 31, 2017, the Honorable Thomas R. Allen of the Circuit Court of Cook County, Illinois, approved an hourly rate for Ronald Marron of $745 in the case of *Thornton v. NCO Financial Systems, Inc.*, Case No. 16 CH 5780.

z) On September 5, 2017, the Marron Firm's hourly rates of $745 for Ronald A. Marron, $440 for Michael Houchin and other associate attorneys, and $245 for law clerks were also approved in a class action captioned *Elkind et al. v. Revlon Consumer Products Corporation*, Case No. 2:14-cv-02484-AKT (E.D. N.Y) (Dkt. No. 125-2 (Declaration is Support of Fee Motion) & Dkt. No. 131 (Final Approval Order)). In her Final Approval Order dated September 5, 2017, the Honorable Judge Tomlinson stated that the settlement was "negotiated by highly capable and experienced counsel with full knowledge of the facts, the law and the risks inherent in litigating the Action and was the product of vigorously fought litigation." (Dkt. No. 131).

aa) On November 16, 2015, the Honorable Maxine M. Chesney, Senior District Court Judge for the Northern District of California, approved the following hourly rates (Ronald Marron at $745, associate attorneys at $475, law clerks at $245, and legal assistants/paralegals at $215), in the case of

Johnson v. Triple Leaf, Inc., Case No. 3:14-cv-01570-MMC. The Court found that the fee requested was "reasonable when judged by the standards in this circuit," and also that my firm's attorney, law clerk and staff rates were "reasonable in light of the complexity of this litigation, the work performed, Class Counsel's reputation, experience, competence, and the prevailing billing rates for comparably complex work by comparably-qualified counsel in the relevant market." Dkt. No. 65.

bb) On August 6, 2015, the Honorable Kenneth R. Freeman of the Superior Court of California, County of Los Angeles, approved the following hourly rates for Class Counsel: Ronald Marron at $745, associate attorneys at $475, and law clerks at $290 in the case of *Perry v. Truong Giang Corp.,* No. BC58568.

cc) On August 7, 2015, the Honorable Brendan Linehan Shannon of the United States Bankruptcy Court for the District of Delaware approved the following hourly rates for Class Counsel: Ronald Marron at $745, associate attorneys at $475, and law clerks at $290 in the case of *In re: LEAF123, INC. (f/k/a NATROL, INC.), et al.*, No. 14-11446 (BLS).

I declare under penalty of perjury of the laws of the California that the foregoing is true and correct.

Executed on this 5th day of August, 2024 at San Diego, California.

Ronald A. Marron

EXHIBIT A

LAW OFFICES OF RONALD A. MARRON, APLC

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Firm Resume

FIRM OVERVIEW

The Law Offices of Ronald A. Marron is a recognized class action and complex litigation firm based out of San Diego, California, representing clients across the nation. Founded in 1996 with an emphasis in consumer and securities fraud, the firm has expanded its practice to include complex cases such as electronic privacy, banking regulations, antitrust, automatic renewals, Telephone Consumer Protection Act and Government Environmental Law Litigation. The firm has skillfully litigated hundreds of lawsuits and arbitrations against investment advisors and stockbrokers, such as Morgan Stanley, LPL Financial, Merrill Lynch, Banc of America Securities, and Citigroup, who placed clients into unsuitable investments, failed to diversify, and who violated the Securities Act of 1933 and/or 1934. Aptly and competently prepared to represent its clients, the firm has taken on cases against the likes of Shell Oil, Citigroup, Wells Fargo, Union Bank of California, American Express Advisors, Morgan Stanley and Merrill Lynch. Since 2004, the firm has devoted most of its practice to the area of false and misleading labeling of consumer products and food, drug and over-the-counter products, as well as seeking to protect consumers from unauthorized and unsolicited telephone calls, SMS or text messages to cellular phones from corporations under the Telephone Consumer Protection Act, and prosecuting data breach and privacy cases. The firm employs four attorneys, whose qualifications are discussed in brief below.

THE MARRON FIRM'S ATTORNEYS:

Ronald A. Marron, Founder
As the founder of the Law Offices of Ronald A. Marron, APLC, Mr. Marron has been practicing law for 26 years. He was a member of the United States Marine Corps from 1984 to 1990 (Active Duty 1984-1988, Reserves 1988-1990) and thereafter received a B.S. in Finance from the University of Southern California (USC) in 1991. While attending Southwestern University School of Law (1992-1994), he interned at the California Department of Corporations with emphasis in consumer complaints and fraud investigations; and studied Bio-Chemistry at the University of Southern California and was a member of the Trojan Chemistry Club. Mr. Marron has extensive experience in class actions and other complex litigation and has obtained hundreds of millions of dollars on behalf of consumers as lead counsel. Mr. Marron has represented plaintiffs victimized in TCPA cases, Consumer Fraud, Antitrust, Broker-Dealer Liability, Ponzi schemes, shareholder derivative suits, and securities fraud cases.

Mr. Marron has assisted two United States Senate Subcommittees and their staff in investigations of financial fraud, plus the Senate Subcommittee on Aging relating to annuity sales practices by agents using proceeds from reverse mortgages. Mr. Marron's clients have testified before the United States Senate Subcommittee on Investigations relating to abusive sales practices alleged in a complaint he filed against All-Tech Investment Group. The hearings resulted in federal legislation that: (a) raised the minimum capital requirements, and (b) required written risk disclosure signed by consumer. The civil action resulted in return of client funds and attorneys' fees pursuant to the private attorney general statute and/or Consumers Legal Remedies Act. Mr. Marron conducted the legal research and co-wrote the brief that resulted in the largest punitive damages award (500%) in NASD history for aggrieved investors against Dean Witter Reynolds in securities arbitration. Mr. Marron's opinion on deferred annuity sales practices targeting the elderly has often been sought by major financial news organizations and publications such as Forbes, the Wall Street Journal, the Kiplinger's Retirement Report, CNN, and FOX News affiliates. In addition, he has devoted significant energy and time educating seniors and senior citizen service providers, legislators, and various non-profits (including Elder Law & Advocacy) about deferred annuity sales practices targeting the elderly. Mr. Marron had numerous speaking engagements at FAST (Fiduciary Abuse Specialist Team), which is an organization devoted to the detection of, prevention, and prosecution of elder financial abuse; Adult Protective Services; and Elder Law & Advocacy, a non-profit dedicated to assisting seniors who have been the victims of financial fraud. He has litigated hundreds of lawsuits and arbitrations against major corporations, such as Shell Oil, Citigroup, Wells Fargo, Morgan Stanley, and Merrill Lynch. In recent years, Mr. Marron has devoted almost all of his practice to the area of TCPA and Privacy Violations, false and misleading labeling of food, dietary supplements, and over-the-counter products. He is a member in good standing of the State Bar of California; the United States District Courts for the Eastern, Southern and Northern Districts of New York; the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California; the United States District Court for the Eastern District of Michigan; the United States District Court for the Eastern and Western Districts of Wisconsin; the United States District Court of Colorado; the United States District Court for the Eastern District of Arkansas; the United States Court of Appeals for the Ninth Circuit; and the Supreme Court of the United States.

Alexis M. Wood, Senior Associate

Ms. Wood graduated *cum laude* from California Western School of Law in 2009, where she was the recipient of the Dean's Merit Scholarship for Ethnic & Cultural Diversity and also Creative Problem Solving Scholarships. In addition, during law school, Ms. Wood was the President of the Elder, Child, and Family Law Society, and participated in the study abroad program on international and comparative human rights law in Galway, Ireland. Ms. Wood interned for the Alternate Public Defender during law school, and also held a judicial externship with the San Diego Superior Court. Upon graduation, Ms. Wood obtained her Nevada Bar license and worked at the law firm Alverson Taylor Mortensen & Sanders in Las Vegas, Nevada where she specialized in medical malpractice. Ms. Wood then obtained her license to practice law in California in 2010 and worked at the bankruptcy firm Pite Duncan, LLP in San Diego, California, in which she represented financial institutions in bankruptcy proceedings. She additionally worked for the national law firm Gordon & Rees, LLP as an associate attorney in the professional liability defense and tort & product liability practice groups. From 2016 to 2019, Ms. Wood was also selected to the California Super Lawyers Rising Star list (general category)—a research-driven, peer influenced rating service of outstanding lawyers who have attained a high degree of peer recognition and professional achievement. No more than 2.5% of the lawyers in the state were selected for the Rising Stars list. Ms. Wood joined the Law Office of Ronald Marron in September of 2012 and has dedicated her practice to consumer advocacy. Ms. Wood is also a foster youth advocate with Voices for Children. She is a member in good standing of the State Bar of California; the State Bar of Nevada; the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California; the United States District Court of Nevada; the United States District Court for the Eastern and Western Districts of

Wisconsin; the United States District Court of Colorado; the United States Court for the Eastern District of Arkansas; and the United States Court of Appeals for the Ninth Circuit.

Kas L. Gallucci, Senior Associate

Ms. Gallucci graduated *cum laude* from California Western School of Law in 2012, where she ranked in the top 12% of her graduating class and was listed on the Dean's Honor List for four terms. During law school, Ms. Gallucci received the highest grade in her Legal Skills and Advanced Legal Research classes. She also participated in the Capitals of Europe Summer Study Abroad Program, where the Honorable Samuel A. Alito, Jr. was a Distinguished Guest Jurist. Ms. Gallucci has worked for the firm since 2009 and has over 10 years of experience in consumer fraud cases, including prosecuting violations of the Telephone Consumer Protection Act and data breach/privacy cases. Ms. Gallucci also regularly assists with the firm's food, drug, and cosmetic cases. She is a member in good standing of the State Bar of California; the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California; the United States District Court for the Eastern District of Michigan; the United States District Court for the Eastern and Western Districts of Wisconsin; the United States District Court for New Mexico; the United States District Court of Colorado; the United States Court for the Eastern District of Arkansas; and the United States Court of Appeals for the Ninth Circuit.

Lilach Halperin, Associate

Ms. Halperin graduated *cum laude* from the University of San Diego School of Law in 2018. During law school, Ms. Halperin held a judicial externship with the San Diego Superior Court and volunteered for numerous pro bono clinics, including the USD Entrepreneurship Clinic, the USD State Sales and Use Tax Clinic, and the San Diego Clean Slate Clinic. In addition, Ms. Halperin was the Chair of the USD Pro Bono Legal Advocates Consumer Affairs Clinic, where she worked with the Legal Aid Society of San Diego to assist indigent clients with lawsuits in consumer protection law. Ms. Halperin has worked for the Law Offices of Ronald A. Marron since 2018 and primarily handles consumer fraud cases for the firm, including the areas of false and misleading labeling of consumer products. She is a member of good standing of the State Bar of California; the United States District Courts for the Central, Eastern, Northern and Southern Districts of California; and the Western District of Wisconsin.

Support Staff

The Marron Firm also employs a number of knowledgeable and experienced support staff, including paralegals and legal assistants.

EXAMPLES OF MARRON FIRM'S SUCCESSES ON BEHALF OF CONSUMERS

Komins v. Yonamine, et al., Case No. 19STCV24865 (Los Angeles Sup. Ct.)

On June 11, 2024, the Honorable Kenneth Freeman granted preliminary approval of a class-wide injunctive relief and *cy pres* settlement. The Court appointed the Law Offices of Ronald A. Marron as class counsel.

Capaci, et al. v. Sports Research Corporation, Case No. 19-cv-3440-FMO (PDx) (C.D. Cal.)

On April 14, 2022, the Honorable Fernando M. Olguin granted class certification of a nationwide Rule 23(b)(3) class, appointing the Marron Firm as class counsel. On June 10, 2024, the Court granted preliminary approval of a $1,600,000 settlement providing for monetary and injunctive relief. The Court appointed the Law Offices of Ronald A. Marron as class counsel for settlement purposes.

Hall v. Marriott International, Inc., Case No. 3:19-cv-01715-JO-AHG (S.D. Cal.)
On May 17, 2024, the Honorable Jinsook Ohta granted preliminary approval of a class-wide settlement providing for changes to Marriott's business practices. The Court confirmed its March 30, 2023 certification of a Fed. R. Civ. P. 23(c)(4) issue class.

Marin v. Cheeky Scientist, LLC, et al., Case No. 37-2022-00043918-CU-CO-CTL (San Diego Super. Ct.)
On December 20, 2023, the Honorable Carolyn Caietti granted preliminary approval of a $775,000 class action settlement, which provided full refunds to all persons who purchased Cheeky Scientist's employment counseling services during the class period. The Court granted final approval of the settlement on May 17, 2024.

In Re UKG Cybersecurity Litigation, Case No. 3:22-cv-00346-SI (N.D. Cal)
On June 2, 2023, the Honorable Susan Illston granted preliminary approval to a class action settlement which included a Nationwide class of approximately 7 million employees whose data was stored on UKG, Inc's KPC environment during a December 2021 cyberattack. The settlement conferred $7,000,000 in benefits to the class, including a non-reversionary cash fund of $5,500,000, and security hardening measures which cost $1,500,000. Final Approval was granted on November 22, 2023.

Mirzoyan et al. v. The Hershey Company, Case No. CGC-20-583659 (San Francisco Sup. Ct.)
On March 30, 2023, the Honorable Andrew Y.S. Cheng granted class certification of a California injunctive relief class, appointing the Law Offices of Ronald A. Marron as class counsel. On August 2, 2023, the Honorable Samuel K. Feng granted final approval of a class settlement for injunctive relief.

Robbins et al v. Plushcare, Inc. et al, Case No. 3:21-cv-03444-MMC (N.D. Cal)
On July 21, 2023, the Honorable Maxine M. Chesney granted final approval to a class action settlement of $3,700,000.00 for all persons who enrolled in an automatically renewing monthly subscription with PlushCare during the Class Period. The settlement provided approximately 3.5 months of renewal subscription fees to approximately 332,547 class members with a 9.4% claims rate. Alexis M. Wood and Kas L. Gallucci were appointed as class counsel.

Sanchez v. Allianze Life Insurance Company of North America, Case No. BC594715 (Los Angeles Sup. Ct.)
On December 14, 2022, the Honorable Maren E. Nelson granted final approval to a class action settlement for breach of contract and declaratory relief with respect to annuities sold to the plaintiffs by defendants in which the Law Offices of Ronald A. Marron was appointed as co-lead class counsel along with Gianelli & Morris.

In Re: T-Mobile Customer Data Security Breach Litigation, Case No. 4:21-MD-03019-BCW (W.D. MO.)
On July 26, 2022, the Honorable Brian C. Wimes of the United States District Court for the Western District of Missouri granted preliminary approval of one of the largest data breach class actions

which consisted of a Settlement Class of 76.6 million U.S. residents to which a $350 million non-reversion settlement fund was created for the benefit of the class in addition to at least $150 million for data security and related technology. The court appointed Alexis Wood of the Law Offices of Ronald A Marron as Liaison Counsel in this litigation. Final approval was granted on June 29, 2023.

Fox v. Iowa Health System, No. 3:18-cv-00327-JDP (W.D. Wiscon.)
On March 4, 2021, the Honorable James D. Pederson granted final approval to a class action settlement regarding two data breaches of a healthcare system's patient and employees personal and private information. The Settlement provided for substantial monetary and injunctive relief. *Fox v. Iowa Health Sys.*, No. 3:18-CV-00327-JDP, 2021 WL 826741 (W.D. Wis. Mar. 4, 2021).

Young v. Neurobrands, LLC, No. 4:18-cv-05907-JSW (N.D. Cal.)
Plaintiffs alleged that certain Neurobrands products falsely state "no artificial [] flavors" when they in fact contain the artificial flavoring agent, malic acid. On October 15, 2020, the Honorable Jeffrey S. White granted class certification of a California Rule 23(b)(2) class, appointing the Marron Firm as class counsel. *Young v. Neurobrands, LLC*, No. 4:18-cv-05907-JSW, 2020 WL 11762212 (N.D. Cal. Oct. 15, 2020). On October 8, 2021, the Court granted final approval of the settlement. Dkt. *Young v. Neurobrands, LLC*, No. 4:18-CV-05907-JSW, 2021 WL 4784252 (N.D. Cal. Oct. 8, 2021).

Randolph v. Amazon.com LLC, No. 37-2017-00011078-CU-OE-CTL (San Diego Sup. Ct.)
Plaintiffs alleged that Defendants Amazon Logistics, Inc. and Amazon.com failed to comply with wage and hour laws with respect to persons who delivered packages to Amazon customers in California. On October 5, 2020, the Honorable Ronald L. Styn preliminarily approved the settlement to which the Law Offices of Ronald A. Marron served as co-lead class counsel. ROA 184. On July 4, 2021, the Honorable Keri Katz granted final approval of class action and PAGA representative action settlement which settled for $3,200,000.00. ROA 210.

McSwain v. Axos Bank, No. 37-2019-00015784-CU-BC-CTL (San Diego Sup. Ct.)
Plaintiff alleged that Axos Bank failed to pay a minimum of 2% simple interest on homeowners' impound escrow accounts as required by California law. Axos filed a demurrer arguing that Plaintiff's state law claims are preempted under the federal Homeowners' Loan Act, 12 U.S.C. §§ 1461, *et seq*. and the Law Offices of Ronald A. Marron successfully opposed the demurrer. ROA 36. On July 22, 2020, a class action settlement was preliminarily approved by the Court (ROA 58), and on November 25, 2020 the court granted final approval of the Settlement (ROA 81).

Romero v. Securus Technologies, Inc. No. 3:16-cv-01283 (JM) (S.D. Cal.)
Plaintiffs alleged that Securus Technologies illegally recorded telephone conversations between inmates and their counsel. On November 21, 2018, the Honorable Jeffrey Miller granted class certification in part, appointing the Law Offices of Ronald A. Marron as co-lead class counsel. Dkt. No. 141. On June 16, 2020, the class action settlement was preliminary approved by the Court, and on November 19, 2020, the Court granted final approval of the Settlement. Dkt. No. 184.

Hilsley v. Ocean Spray Cranberries, Inc., No. 3:17-cv-02335(GPC) (S.D. Cal.)
A nationwide class of consumers brought this suit against Ocean Spray Cranberries, Inc. and Arnold Worldwide LLC for violations of California's Consumer Legal Remedies Act. Plaintiff alleges that certain Ocean Spray products falsely state "no artificial flavors" when they in fact contain the artificial flavoring agent, malic acid. On November 29, 2018, the Honorable Gonzalo P. Curiel

granted class certification, appointing Ronald A. Marron, Michael Houchin, and Lilach Halperin of the Marron Firm as class counsel. Dkt. No. 83. On July 3, 2019, Judge Curiel denied Defendant's Motion for Summary Judgment (Dkt. No. 193) and on July 10, 2019 denied Defendant's Motion to Decertify the Class (Dkt. No. 196). On January 31, 2020, the Honorable Judge Gonzalo P. Curiel granted Plaintiff's Motion for Preliminary Approval of Class Action Settlement, and on August 3, 2020 the Court granted final approval of the settlement. Dkt. No. 259.

Graves v. United Industries Corp., No. 2:17-cv-06983-CAS-SK (C.D. Cal.)
On February 24, 2020, the Honorable Christiana A. Snyder granted final approval a nation-wide class action settlement concerning United Industries Corporation's Spectracide® Weed and Grass Killer Concentrate Products. Dkt. No. 87. The Plaintiffs alleged that the Spectracide® Concentrate Products were labeled as making more solution than the products were capable of making when mixed for certain weed control purposes. The Law Offices of Ronald A. Marron served as Class Counsel. The settlement created a $2.5 million dollar common fund in addition to injunctive relief in the form of labeling changes. Judge Snyder noted that the Law Offices of Ronald A. Marron had "vigorously represented the Class" and has "extensive experience in consumer class action litigation." *Graves v. United Indus. Corp.*, No. 2:17-cv-06983-CAS-SK, 2020 WL 953210, at *5, (C.D. Cal. Feb. 24, 2020).

Esparza v. Smartpay Leasing, Inc., No. 3:17-cv-03421-WHA (N.D. Cal.)
On January 28, 2020, the Honorable William Alsup granted final approval a nation-wide certified class action settlement. The class included individuals who were texted on behalf of the defendant, using its vendor Twilio, Inc.'s platform after texting the word "STOP", between September 29, 2015 to June 13, 2017. Ronald A. Marron, Alexis M. Wood and Kas L. Gallucci of the Law Offices of Ronald A. Marron served as class counsel. The settlement created a $8.67 million dollar common fund. *See Esparza v. Smartpay Leasing, Inc.*, No. 3:17-cv-03421-WHA, 2020 WL 465865, at *2 (N.D. Cal. Jan. 28, 2020), judgment entered, 2020 WL 465863 (N.D. Cal.).

Busch v. Bluestem Brands, Inc., No. 16-cv-0644(WMW/HB) (D. Minn.)
On October 11, 2019, the Honorable Judge Wilhelmina M. Wright granted final approval of a nationwide TCPA class action settlement where Ronald A. Marron, Alexis M. Wood and Kas L. Gallucci served as co-lead class counsel. The settlement created a $5.25 million common fund. *See Busch v. Bluestem Brands, Inc.,* No. 0:16-cv-00644-WMW-HB, 2019 WL 5092952, at *1 (D. Minn. Oct. 11, 2019).

Woodard, et al. v. Labrada, et al., Case No. 5:16-cv-00189-JGB-SP (C.D. Cal.)
On October 7, 2019, the Honorable Jesus G. Bernal granted final approval of a settlement between Plaintiffs and Defendant Naturex, Inc. for monetary and injunctive relief and the Law Offices of Ronald A. Marron served as co-lead class counsel. *See* Dkt. No. 321.

Medina v. Enhanced Recovery Company, LLC, No. 15-CV-14342-MARTINEZ-MAYNARD (S.D. Fla.)
On September 12, 2019, the Honorable Judge Jose E. Martinez granted final approval of a nationwide TCPA class action settlement and the Law Offices of Ronald A. Marron served as co-lead class counsel. Dkt. No. 131. The settlement created a $1.45 million common fund.

Littlejohn v. Ferrara Candy Company, No. 3:18-cv-0658-AJB-WVG (S.D. Cal.)

On June 17, 2019, the Honorable Anthony J. Battaglia granted final approval of a nationwide CLRA class action settlement stating "Class Counsel has fully and competently prosecuted all causes of action, claims, theories of liability, and remedies reasonably available to the Class Members." *Littlejohn v. Ferrara Candy Co.,* No. 3:18-cv-0658-AJB-WVG, 2019 WL 2514720, at *3 (S.D. Cal. June 17, 2019).

Rwomwijhu v. SMX, LLC, No. BC634518 (L.A. Supr. Ct.)
On January 11, 2019, the Honorable Carolyn B. Kuhl granted final approval of case brought pursuant to under California's Private Attorneys General Act where the Law Offices of Ronald A. Marron served as co-lead class counsel.

Jackson v. Lang Pharma Nutrition, Inc., No. 37-2017-00028196-CU-BC-CTL (S.D. Supr. Ct.)
On December 20, 2018, the Honorable Joel R. Wohlfeil of the California Superior Court granted final approval to a nationwide labeling case settlement involving Co-q10 dietary supplements where the Law Offices of Ronald A. Marron served as class counsel. The settlement created a fund in the amount of $1,306,000 for which class members could elect to obtain cash or product vouchers.

Simms v. ExactTarget, LLC, No. 1-14-cv-00737-WTL-DKL (S.D. Ind.)
On October 19, 2018, the Honorable William T. Lawrence granted final approval of a nationwide TCPA class action settlement where the Law Offices of Ronald A. Marron served as class counsel. Dkt. No. 178. The settlement created a $6.25 million common fund.

Mancini v. The Western and Southern Life Insurance Company, et al., No. 16-cv-2830-LAB (WVG) (S.D. Cal)
On September 18, 2018, the Honorable Larry Alan Burns granted final approval of settlement in the amount of $477,500 to resolve claims under California's Private Attorneys General Act. Dkt. No. 51.

***Gonzales v. Starside Security & Investigation**,* No. 37-2015-00036423-CU-OE-CTL (S.D. Supr. Ct.)
On September 7, 2018, the Honorable Gregory W. Pollack granted final approval of a wage and hour class action settlement and where the Law Offices of Ronald A. Marron served as class counsel. ROA 303.

Mollicone v. Universal Handicraft, No. 1:17-cv-21468-RNS (S.D. Fla.)
On August 10, 2018, the Honorable Robert N. Scola, Jr. granted final approval of class action settlement regarding false advertising claims of Adore cosmetics products marketed as containing a plant stem cell formula where in which the Law Offices of Ronald A. Marron served as class counsel. Dkt. No. 131. In his Preliminary Approval Order, Judge Scola stated that the Marron Firm is "experienced and competent in the prosecution of complex class action litigation." Dkt. No. 120.

Mason v. M3 Financial Services, Inc., No. 1:15-cv-04194 (N.D. Ill.)
On June 29, 2018, the Honorable Andrea R. Wood granted final approval of a nationwide TCPA class action settlement in the amount of $600,000 in which the Law Offices of Ronald A. Marron served as co-lead class counsel. Dkt. No. 71.

Potzner v. Tommie Copper, Inc., No. 7:15-cv-03183-AT-LMS (S.D. N.Y.)

On May 4, 2018, the Honorable Analisa Torres granted final approval of a false advertising class settlement in the amount $700,000. Dkt. No. 129. This case involves allegations of false and deceptive advertising and endorser liability for copper fabric compression clothing. On January 4, 2016, the Honorable Analisa Torres appointed the Marron firm as Interim Lead Class Counsel over the opposition and challenge of other plaintiffs' counsel, noting that the Marron firm's "detailed" complaint was "more specifically pleaded, . . . assert[ing] a more comprehensive set of theories . . . [and was] more factually developed." *Potzner v. Tommie Copper Inc.*, No. 7:15-cv-03183-AT-LMS, 2016 WL 304746, at *1 (S.D.N.Y. Jan. 4, 2016). Judge Torres also noted that Mr. Marron and his firm's attorneys had "substantial experience litigating complex consumer class actions, are familiar with the applicable law, and have the resources necessary to represent the class." *Id*.

***Gutierrez-Rodriguez v. R.M. Galicia, Inc.**,* No. 3:16-cv-00182-H-BLM (S.D. Cal.)
On March 26, 2018, the Honorable Marilyn Huff granted final approval of a nationwide TCPA class action settlement which provided monetary relief in the amount of $1,500,000, in addition to significant injunctive relief. Dkt. 67. The Law Offices of Ronald A. Marron served as class counsel. *Gutierrez-Rodriguez v. R.M. Galicia, Inc.,* No. 16-CV-00182-H-BLM, 2018 WL 1470198, at *2 (S.D. Cal. Mar. 26, 2018).

***Thornton v. NCO Financial Systems**,* No. 16-CH-5780 (Cook County, Ill)
On October 31, 2017, the Honorable Tomas R. Allen of the Circuit Court of Cook County, Illinois, granted final approval to a nationwide TCPA class which created a common fund in the amount of $8,000,000 and also provided for injunctive relief. The Law Offices of Ronald A. Marron served as co-lead class counsel.

Allen v. Similasan Corp., No. 12-cv-376 BAS (JLB) (S.D. Cal.)
A California class of consumers alleging false and deceptive advertising of six homeopathic drugs was certified by the Honorable Cynthia A. Bashant on March 30, 2015, with the Court noting that the firm was experienced and competent to prosecute the matter on behalf of the Class. Judge Bashant denied summary judgment on the class' claims that the drug products were not effective, as advertised, and certified claims under California's Consumers Legal Remedies Act, Unfair Competition Law, False Advertising Law, breach of express and implied warranty, and violation of the federal Magnuson-Moss Warranty Act. Dkt. No. 143. On August 17, 2017, final approval was granted.

***Elkind v. Revlon Consumer Products Corporation**,* No. 14-cv-2484(JS)(AKT) (E.D.N.Y.)
On September 5, 2017, the Honorable A. Kathleen Tomlinson granted final approval of a nationwide false advertising class action settlement which challenged Revlon's advertising of its "Age Defying with DNA Advantage" line of cosmetics in the amount of $900,000, and significant injunctive relief. Dkt. No. 131. The Law Offices of Ronald A. Marron served as co-lead class counsel. Dkt. No. 120.

***Sanders v. R.B.S. Citizen, N.A.**,* No. 3:13-cv-03136-BAS-RBB (S.D. Cal.)
On January 27, 2017 the Honorable Cynthia A. Bashant granted final approval of a nationwide TCPA class action settlement in the amount of $4,551,267.50. *Sanders v. R.B.S. Citizen, N.A.,* No. 13-CV-03136-BAS (RBB), 2017 WL 406165 (S.D. Cal. Jan. 25, 2017). On July 1, 2016, the Honorable Cynthia A. Bashant certified a nationwide class, for settlement purposes, of over one million persons receiving cell phone calls from Citizens made with an alleged automatic telephone dialing system. Dkt. No. 107. The Court appointed the Law Offices of Ronald A. Marron as class

counsel, noting they have "significant experience in handling class actions." *Id.*

In re Leaf123 (Augustine v. Natrol), No. 14-114466 (U.S. Bankr. Ct. for the Dist. of Del.)
This action involved allegations of false and deceptive advertising of Senna Leaf tea products as dietary aids. Plaintiff alleged Senna Leaf is nothing more than a stimulant laxative which does not aid diets but hinders them. After a strong showing in the district court, and pursuant to other actions against the defendant manufacturer, the defendant filed for bankruptcy. The Marron Firm followed defendant to the federal bankruptcy court and retained bankruptcy counsel to assist. After a full day mediation before a retired federal jurist, and months of follow up negotiations, a settlement was reached. On August 7, 2015, in In re Leaf123 (adversary proceeding of *Augustine v. Natrol*), the Honorable Brendan L. Shannon approved an injunctive relief-only settlement, finding it "fair, reasonable and adequate."

Johnson v. Triple Leaf Tea, Inc., No. 3:14-cv-01570-MMC (N.D. Cal.)
An injunctive relief class action settlement, requiring manufacturer of senna leaf diet teas to re-label their products and remove ingredients based on alleged consumer confusion and harm, was filed in April 2014. The Marron firmed served as class counsel and the Honorable Maxine M. Chesney, Senior U.S. District Court Judge granted final approval to a classwide settlement on November 16, 2015. *Johnson v. Triple Leaf Tea Inc.*, No. 3:14-CV-01570-MMC, 2015 WL 8943150, at *3, *5 (N.D. Cal. Nov. 16, 2015) ("Class Counsel has fully and competently prosecuted all causes of action, claims, theories of liability, and remedies reasonably available to the Class Members. The Court hereby affirms its appointment of the Law Offices of Ronald A. Marron, APLC as Class Counsel . . . . Class Counsel and Defendant's counsel are highly experienced civil litigation attorneys with specialized knowledge in food and drug labeling issues, and complex class action litigation generally.").

Perry v. Truong Giang Corp., Case No. BC58568 (L.A. Supr. Ct.)
Plaintiff alleged defendant's Senna Leaf teas, advertised as diet aids, were falsely or misleadingly advertised to consumers. After an all-day mediation, a class wide settlement was reached. In granting final approval to the settlement on August 5, 2015, the Honorable Kenneth Freeman noted that class counsel's hourly rates were "reasonable" and stated the Marron Firm's lawyers used skill in securing the positive results achieved on behalf of the class. The court also noted "this case involved difficult legal issues because federal and state laws governing dietary supplements are a gray area, . . . the attorneys displayed skill in researching and settling this case, which provides a benefit not only to Class Members but to the public at large . . . ."

Carr v. Tadin, Inc., No. 3:12-cv-03040-JLS-JMA (S.D. Cal.)
An injunctive relief class action settlement, requiring manufacturer of diet teas and other health supplements to re-label their products to avoid alleged consumer confusion, was filed in January 2014 before the Honorable Janis L. Sammartino. The Marron Firm was appointed as class counsel. *Carr v. Tadin, Inc.*, No. 12-CV-3040 JLS JMA, 2014 WL 7497152 (S.D. Cal. Apr. 18, 2014), *amended in part,* No. 12-CV-3040 JLS JMA, 2014 WL 7499453 (S.D. Cal. May 2, 2014). The classwide settlement was granted final approval on December 5, 2014. *Carr v. Tadin, Inc.*, 51 F. Supp. 3d 970 (S.D. Cal. 2014).

Gallucci v. Boiron, Inc., No. 3:11-cv-2039-JAH (S.D. Cal.)
The firm was class counsel for consumers of homeopathic drug products in an action against

Boiron, Inc., the largest foreign manufacturer of homeopathic products in the United States, involving allegations that Boiron's labeling and advertising were false and misleading. We obtained a nationwide settlement for the class which provided injunctive relief and restitution from a common fund of $5 million. *Gallucci v. Boiron, Inc.*, No. 11CV2039 JAH NLS, 2012 WL 5359485 (S.D. Cal. Oct. 31, 2012), *aff'd sub nom. Gallucci v. Gonzales*, 603 F. App'x 533 (9th Cir. 2015). The settlement was upheld by the Ninth Circuit on February 21, 2015. The case also set an industry standard for homeopathic drug labeling. *See* www.homeopathicpharmacy.org/pdf/press/AAHP_Advertising_Guidelines.pdf.

Red v. Kraft Foods Global, Inc., No. 2:10-1028-GW (C.D. Cal)
The firm represented consumers in a class action against one of the world's largest food companies and was appointed lead counsel in a consolidated putative class action. The action has resulted in a permanent injunction barring the use of deceptive health claims on Nabisco packaged foods containing artificial trans fat. Dkt. No. 260. The Court has also granted an interim award of attorneys' fees. Dkt. No. 301.

Mason v. Heel, Inc., No. 3:12-cv-3056-GPC-KSC (S.D. Cal.)
Plaintiff alleged false and deceptive advertising of over-the-counter homeopathic drugs. On October 31, 2013, the Honorable Gonzalo P. Curiel granted preliminary approval to a nationwide class settlement of $1 million in monetary relief for the class plus four significant forms of injunctive relief. Final approval was granted on March 13, 2014. *See Mason v. Heel, Inc.,* 3:12-CV-03056-GPC, 2014 WL 1664271 (S.D. Cal. Mar. 13, 2014).

Clark v. National Western Life Insurance Co., No. BC321681 (L.A. Co. Super. Ct.)
Class action involving allegations of elder financial abuse and fraud. After litigating the case for well over six years, including Mr. Marron being appointed co-lead class counsel, the case resulted in a settlement of approximately $25 million for consumers.

In re Quaker Oats Labeling Litig., No. 5:10-cv-00502-RS (N.D. Cal.)
False and deceptive advertising case concerning Instant Oats, Chewy Granola Bars and Oatmeal To Go products, including use of partially hydrogenated vegetable oil while also representing the products as healthy snacks. An injunctive relief class action settlement was granted preliminary approval on February 12, 2014, with my firm being appointed Class Counsel. Dkt. No. 180. On July 29, 2014, the court granted the final approval of the settlement. *In re Quaker Oats Labeling Litig.*, No. 5:10-cv-00502-RS, 2014 WL 12616763 (N.D. Cal. July 29, 2014).

Nigh v. Humphreys Pharmacal, Inc., No. 3:12-cv-02714-MMA-DHB (S.D. Cal.)
Case involving allegations of false and deceptive advertising of homeopathic over-the-counter drugs as effective when they allegedly were not. On October 23, 2013, a global settlement was granted final approved by the Honorable Michael M. Anello, involving a common fund of $1.4 million plus five significant forms of injunctive relief for consumers. *Nigh v. Humphreys Pharmacal, Inc.*, No. 3:12-cv-02714-MMA-DHB, 2013 WL 5995382 (S.D. Cal. Oct. 23, 2013).

Burton v. Ganeden Biotech, Inc., No. 3:11-cv-01471-W-NLS (S.D. Cal.)
Action alleging false and deceptive advertising of a dietary probiotic supplement. The Marron Firm settled the case for $900,000 in a common fund plus injunctive relief in the form of labeling changes. Final approval was granted on October 4, 2012. Dkt. No. 52.

Hohenberg v. Ferrero U.S.A., Inc., No. 3:11-CV-00205-H-CAB (S.D. Cal.)
This case involved false and deceptive advertising of sugary food product as a healthy breakfast food for children. After successfully defeating a motion to dismiss, *Hohenberg*, 2011 U.S. Dist. LEXIS 38471, at *6 (S.D. Cal. Mar. 22, 2011), the Honorable Marilyn Huff certified a class on November 15, 2011, resulting in a published decision, *In re Ferrero Litig.*, 278 F.R.D. 552 (S.D. Cal. 2011). A final settlement consisting of injunctive relief labeling and marketing changes, plus a $550,000 common fund for monetary relief to the class was finally approved on July 9, 2012. Dkt. No. 127.

In re Qunol CoQ10 Liquid Labeling Litigation, No. 8:11-cv-173-DOC (C.D. Cal.)
This case involved false and deceptive consumer advertising of a dietary supplement. The Marron Firm was appointed class counsel and successfully defeated defendants' motion to decertify the class following the Ninth Circuit's decision in *Mazza v. Am. Honda Motor Co.*, 666 F.3d 581 (9th Cir. 2012). *See Bruno v. Eckhart Corp.*, 280 F.R.D. 540 (C.D. Cal. 2012); *see also Bruno v. Quten Research Inst., LLC*, 280 F.R.D. 524 (C.D. Cal. 2011). The case settled on the eve of trial (originally scheduled for October 2, 2012) for cash payments to the class and injunctive relief.

Iorio v. Asset Marketing Systems, Inc., No. 3:05-cv-00633-JLS-CAB (S.D. Cal.)
This action involved allegations of elder financial abuse and fraud. Mr. Marron was appointed class counsel on August 24, 2006 and the Court certified a class on July 25, 2006. After nearly six years of intensive litigation, including "challenges to the pleadings, class certification, class decertification, summary judgment,…motion to modify the class definition, motion to strike various remedies in the prayer for relief, and motion to decertify the Class' punitive damages claim," plus three petitions to the Ninth Circuit, attempting to challenge the Rule 23(f) class certification, a settlement valued at $110 million was reached and approved on March 3, 2011. Dkt. No. 480. In granting final approval to the settlement, the Court noted that class counsel were "highly experienced trial lawyers with specialized knowledge in insurance and annuity litigation, and complex class action litigation generally" and "capable of properly assessing the risks, expenses, and duration of continued litigation, including at trial and on appeal." *Id.* at 7:18-22.

Martinez v. Toll Brothers, No. 09-cv-00937-CDJ (E.D. Penn.)
Shareholder derivative case alleging breach of fiduciary duty, corporate waste, unjust enrichment and insider trading, filed derivatively on behalf of Toll Brothers and against individual corporate officers. Under a joint prosecution agreement, this action was litigated along with other consolidated and related actions against Toll Brothers in a case styled ***Pfeiffer v. Toll Brothers***, No. 4140-VCL in the Delaware Chancery Court. After extensive litigation, the case settled in September 2012 for $16.25 million in reimbursement to the corporation.

Peterman v. North American Co. for Life & Health Insurance, No. BC357194, (L.A. Co. Super. Ct.), involved allegations of elder financial abuse. This case was litigated for over four years and achieved a settlement of approximately $60 million for consumers.

Vaccarino v. Midland Nat'l Life Ins. Co., No. 2:11-cv-05858-CAS (MANx) (C.D. Cal.)
This action involved allegations of elder financial abuse and fraud. On June 17, 2013, the Honorable Christina A. Snyder appointed the Marron Firm as Class Counsel, and on February 3, 2014, the Court certified a class of annuities purchasers under various theories of relief, including breach of contract and the UCL. On September 22, 2014, the court granted final approval to a class action

settlement that achieved a settlement of approximately $5.55 million for consumers, including *cy pres* relief to the Congress of California Seniors. Dkt. No. 419.

OTHER NOTABLE CASES

In re Santa Fe Natural Tobacco Company Marketing & Sales Practices Litig., No. 1:16-md-02695-JB-LF (D.N.M.)
On May 24, 2016, Ronald A. Marron was appointed to the Executive Committee in a multidistrict litigation labeling case. Dkt. No. 24. On September 1, 2023, class certification was granted in part.

Henderson v. The J.M. Smucker Company, No. 2:10-cv-4524-GHK (C.D. Cal.)
This action was the catalyst forcing the defendant to reformulate a children's frozen food production to remove trans-fat. On June 19, 2013, the Honorable George H. King held the firm's client was a prevailing Private Attorney General and entitled to her costs and attorneys' fees. Dkt. No. 268.

APPELLATE CASES

Littlejohn v. Ferrara Candy Company, Inc., Case No. 19-55805 (9th Cir.)
The Marron Firm was appointed by the district court as class counsel for a settlement class involving purchasers of SweeTARTS candy products that are labeling as containing "No Artificial Flavors" The plaintiff alleged that the "No Artificial Flavors" claim is false and misleding because the SweeTARTS products are made with an artificial flavoring ingredient. The district court approved a nationwide class action settlement that provided valuable injunctive relief by requiring the defendant to remove the "No Artificial Flavors" labeling claim. An objector appealed the district court's approval of the settlement. On June 30, 2020, the Ninth Circuit fully affirmed the district court's approval of the settlement holding that the "SweeTARTS purchasers tend to be repeat buyers who would derive value from the Settlement's injunctive relief upon each future purchase of SweeTARTS." *Littlejohn v. Ferrara Candy Company, Inc.*, ---Fed. Appx.---, 2020 WL 3536531, at *2 (9th Cir. June 30, 2020).

Shyriaa Henderson v. United States Aid Funds, Inc., Case No. 17-55373 (9th Cir.)
On March 22, 2019, the Ninth Circuit reversed the District Court's order granting summary judgment in favor of Defendant, and remanded for further proceedings in a class action where debt collectors acting on behalf of defendant were in violation of the TCPA. The Ninth Circuit found that a reasonable jury could hold Defendant vicariously liable for the alleged TCPA violations by debt collectors. *Henderson v. United Student Aid Funds, Inc.*, 918 F.3d 1068 (9th Cir. 2019).

John Sandoval v. Pharmacare US, Inc., Case No. 16-56301 (9th Cir.)
On April 5, 2016, the Ninth Circuit reversed, in part, the District Court's order granting summary judgment in a false advertising class action concerning an aphrodisiac dietary supplement called "IntenseX" The Marron Firm successfully argued that statements on the intensex.com website showed that the defendant failed to obtain approval of IntenseX as an OTC aphrodisiac drug, thus creating a basis for liability under California's Unfair Competition Law. *Sandoval v. PharmaCare US, Inc.*, 730 Fed.Appx. 417 (9th Cir. 2018).

Reid v. Johnson & Johnson, Case No. 12-56726 (9th Cir.)
On March 13, 2015, the Ninth Circuit reversed, in part, the District Court's order granting the

defendant's motion to dismiss in a false advertising class action concerning Benecol spread that was allegedly falsely advertised as containing "No Trans Fat." The Marron Firm successfully argued that the plaintiff's claims are not preempted by the Federal Food, Drug, and Cosmetics Act. *Reid v. Johnson & Johnson*, 780 F.3d 952, 964 (9th Cir. 2015).

EXHIBIT B

Firm Name	Principal or Largest Office	Average fill-time equivalent Attorneys	Firmwide Average Billing Rate	Firmwide Median Billing	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average	Associate Billing Rate: Median
Best Best & Krieger	Riverside, CA	195	$358	$360	$575 ($550)	$275 ($310)	$417	$420	$375 ($395)	$205 ($225)	$265	$240
Knobbe, Martens, Olson & Bear	Irvine, CA	268	$439 ($432)	$415 ($415)	$735 ($710)	$415 ($395)	$525 ($511)	$500 ($485)	$495 ($450)	$295 ($285)	$346 ($322)	$345 ($335)
Manatt, Phelps & Phillips	Los Angeles, CA	322	$602 ($568)	$620 ($590)	$850 ($850)	$540 ($525)	$676 ($651)	$670 ($650)	$550 ($525)	$215 ($200)	$464 ($405)	$500 ($410)
Sheppard, Mullin, Ritcher & Hampton	Los Angeles, CA	465			$860 ($820)	$505 ($495)			$635 ($620)	$275 ($270)		

* Billing Rates in RED are from the 2010 NLJ Billing Survey

Firm Name	Principal or Largest Office	Average fill-time equivalent Attorneys	Firmwide Average Billing Rate	Firmwide Median Billing	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average	Associate Billing Rate: Median
Best Best & Krieger	Riverside, CA	195	$358	$360	$575	$275	$417	$420	$375	$205	$265	$240
Knobbe, Martens, Olson & Bear	Irvine, CA	268	$439	$415	$735	$415	$525	$500	$495	$295	$346	$345
Manatt, Phelps & Phillips	Los Angeles, CA	322	$602	$620	$850	$540	$676	$670	$550	$215	$464	$500
Sheppard, Mullin, Ritcher & Hampton	Los Angeles, CA	465			$860	$505			$635	$275		

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The 2011 Law Firm Billing Survey

It appears that modest annual billing rate increases are here to stay. For the third year in a row, law firms showed restraint with hourly rate increases, inching up at a rate only slightly higher than inflation in many cases.

December 19, 2011
It appears that modest annual billing rate increases are here to stay. For the third year in a row, law firms showed restraint with hourly rate increases, inching up at a rate only slightly higher than inflation in many cases. The average firmwide billing rate, which combines partner and associate rates, increased by 4.4 percent during 2011, according to *The National Law Journal*'s annual Billing survey. That followed on the heels of a 2.7 percent increase in 2010 and a 2.5 percent increase in 2009 — all of which paled in comparison to the go-go, prerecession days when firms could charge between 6 and 8 percent more each year.

It's a buyer's market

"Before the recession, I think we had a seller's market," said Altman Weil consultant Ward Bower. "There was so much demand that law firms were in the driver's seat and could get what they wanted. Clients are in the driver's seat now, and they aren't going to pay those increases. They're exerting much more control over pricing, strategy and staffing decisions."

BY THE NUMBERS

A nationwide sampling of law firm billing rates
We asked the respondents to our 2011 survey of the nation's 250 largest law firms to provide a range of hourly billing rates.

Firms report using alternatives to the billable hour
Law firms report on the percentages of revenue obtained through variations on the billable hour and true alternatives.

Firms report their billing rates by associate class
A sampling of hourly rates charged by law firms that establish billing rates based on associate class.

FURTHER READING: See last year's survey.

2011

BILLING SURVEY

A SPECIAL REPORT

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Baker, Donelson, Bearman, Caldwell & Berkowitz	Memphis, Tenn.	527	$311	$310	$595	$250	$357	$345	$315	$160	$228
Best Best & Krieger	Riverside, Calif.	195	$358	$360	$575	$275	$417	$420	$375	$205	$265
Briggs and Morgan	Minneapolis	185			$625	$325			$305	$230	
Broad and Cassel	Orlando, Fla.	160	$377	$350	$575	$295	$435	$395	$350	$180	$265
Bryan Cave	St. Louis	908	$475	$460	$795	$375	$565	$553	$540	$200	$356
Butzel Long	Detroit	176			$700	$325	$440		$425	$225	$274
Carlton Fields	Tampa, Fla.	270	$397	$400	$815	$320	$470	$470	$380	$195	$262
Cozen O'Connor	Philadelphia	504	$439	$410	$900	$305	$510	$490	$550	$225	$330
Day Pitney	Parsippany, N.J.	324	$447	$450	$960	$380	$537	$525	$470	$235	$317

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Day Pitney	Parsippany, N.J.	324	$447	$450	$960	$380	$537	$525	$470	$235	$317
Dickinson Wright	Detroit	229			$600	$325			$320	$200	
Dickstein Shapiro	Washington	335	$560	$550	$1000	$540	$680	$670	$545	$225	$435
Dinsmore & Shohl	Cincinnati	407	$308	$295	$630	$150	$373	$370	$310	$130	$217
DLA Piper	New York	3348	$585	$615	$1120	$530	$747	$730	$730	$320	$508
Dorsey & Whitney	Minneapolis	567	$426	$405	$810	$295	$526	$525	$465	$190	$294
Duane Morris	Philadelphia	629	$503	$500	$875	$375	$575	$570	$530	$225	$365
Dykema Gossett	Detroit	333	$406	$400	$665	$310	$482	$485	$395	$260	$309
Epstein Becker & Green	New York	300	$428	$425	$850	$350	$519	$500	$550	$195	$341
Fitzpatrick, Cella, Harper & Scinto	New York	168			$730	$460		$525	$440	$275	

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Fitzpatrick, Cella, Harper & Scinto	New York	168			$730	$460		$525	$440	$275	
Fox Rothschild	Philadelphia	450	$413	$420	$725	$325	$486	$483	$455	$190	$297
Frost Brown Todd	Cincinnati	401	$296	$295	$515	$205	$340	$340	$265	$150	$200
Gardere Wynne Sewell	Dallas	265	$435	$450	$815	$380	$550	$550	$500	$225	$325
Gibbons	Newark, N.J.	199	$505	$450	$725	$400	$563	$505	$475	$285	$380
Harris Beach	Rochester, N.Y.	176			$390	$275			$260	$160	
Hiscock & Barclay	Syracuse, N.Y.	174	$269	$240	$750	$195	$304	$265	$350	$150	$207
Hodgson Russ	Buffalo, N.Y.	199			$685	$240	$378	$360	$420	$180	$234
Holland & Knight	Washington	910	$445	$455	$895	$300	$530	$520	$495	$175	$295
Hughes Hubbard & Reed	New York	300	$633	$615	$990	$625	$828	$800	$695	$270	$533

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Hughes Hubbard & Reed	New York	300	$633	$615	$990	$625	$828	$800	$695	$270	$533
Husch Blackwell	St Louis	551	$341	$340	$850	$225	$395	$390	$425	$175	$226
Jackson Kelly	Charleston, W.Va.	170	$275	$275	$505	$255	$319	$325	$260	$155	$208
Kaye Scholer	New York	425	$661	$665	$1080	$685	$831	$835	$705	$310	$519
Kelley Drye & Warren	New York	321	$474	$400	$925	$480	$634	$645	$595	$275	$425
Knobbe, Martens, Olson & Bear	Irvine, Calif.	268	$439	$415	$735	$415	$525	$500	$495	$295	$346
Lane Powell	Seattle	180	$405	$425	$645	$340	$460	$450	$360	$225	$295
Lathrop & Gage	Kansas City, Mo.	281	$337	$340	$735	$275	$390	$390	$410	$205	$246
Lewis, Rice & Fingersh	St. Louis	162	$275		$470	$270			$320	$150	
Lowenstein Sandler	Roseland, N.J.	249	$478	$480	$895	$435	$613	$595	$660	$250	$400

* Attorney numbers are from NLJ 250 published in April 2011.

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Lowenstein Sandler	Roseland, N.J.	249	$478	$480	$895	$435	$613	$595	$660	$250	$400
Manatt, Phelps & Phillips	Los Angeles	322	$602	$620	$850	$540	$676	$670	$550	$215	$464
McElroy, Deutsch, Mulvaney & Carpenter	Morristown, N.J.	272	$245	$275	$575	$295	$350	$375	$325	$185	$250
McKenna Long & Aldridge	Atlanta	425	$472	$455	$800	$405	$562	$540	$510	$215	$374
Michael Best & Friedrich	Milwaukee	208	$321	$310	$650	$245	$413		$310	$205	$241
Miller & Martin	Chattanooga, Tenn.	184	$313	$325	$610	$240	$369	$375	$275	$185	$215
Nelson Mullins Riley & Scarborough	Columbia, S.C.	399	$318	$310	$850	$220	$412	$400	$350	$170	$255
Nexsen Pruet	Columbia, S.C.	178			$550	$235			$265	$170	
Patton Boggs	Washington	512	$546	$540	$990	$410	$659	$645	$570	$240	$410

* Attorney numbers are from NLJ 250 published in April 2011.

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Patton Boggs	Washington	512	$546	$540	$990	$410	$659	$645	$570	$240	$410
Pepper Hamilton	Philadelphia	459			$825	$380	$557		$460	$235	$344
Perkins Coie	Seattle	693	$462		$875	$285	$550	$545	$590	$215	$368
Phelps Dunbar	New Orleans	280	$236	$225	$465	$190	$281	$275	$245	$150	$189
Polsinelli Shughart	Kansas City, Mo.	466			$630	$275			$335	$205	
Saul Ewing	Philadelphia	220	$431	$450	$750	$350	$502	$490	$495	$245	$326
Schulte Roth & Zabel	New York	406	$615	$630	$935	$770	$846	$840	$675	$285	$608
Seyfarth Shaw	Chicago	702	$437	$425	$790	$355	$528	$525	$505	$225	$341
Sheppard, Mullin, Richter & Hampton	Los Angeles	465			$860	$505			$635	$275	
Shumaker, Loop & Kendrick	Toledo, Ohio	208	$345	$365	$555	$265	$364	$375	$320	$195	$252

* Attorney numbers are from NLJ 250 published in April 2011.

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Hampton											
Shumaker. Loop & Kendrick	Toledo. Ohio	208	$345	$365	$555	$265	$364	$375	$320	$195	$252
Stoel Rives	Portland Ore.	373	$385	$395	$625	$320	$451	$450	$500	$195	$292
Strasburger & Price	Dallas	181	$363	$362	$630	$211	$395	$397	$332	$199	$250
Thompson & Knight	Dallas	319	$520	$520	$875	$440	$594	$585	$460	$250	$358
Thompson Coburn	St. Louis	325			$750	$315			$445	$195	
Ulmer & Berne	Cleveland	179	$316		$585	$280	$405		$390	$200	$260
Vedder Price	Chicago	246	$445	$445	$735	$295	$500	$490	$520	$265	$345
Winstead	Dallas	265	$406		$680	$365	$477		$410	$215	$301
Winston & Strawn	Chicago	868	$557	$550	$1130	$580	$713	$700	$600	$350	$434
Wyatt. Tarrant & Combs	Louisville. Ky.	181	$312	$350	$500	$240	$325	$375	$275	$180	$220

* Attorney numbers are from NLJ 250 published in April 2011.

EXHIBIT C

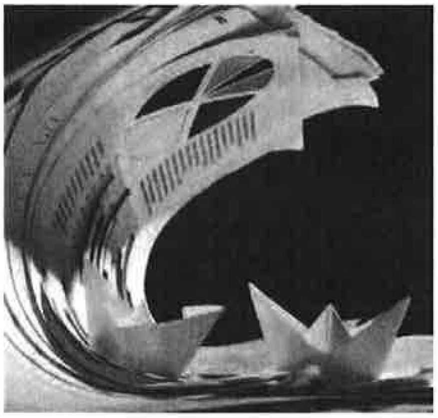
GEORGETOWN LAW
Center for the Study of the Legal Profession

PEER MONITOR®

2014 Report on the State of the Legal Market

The Center for the Study of the Legal Profession at the Georgetown University Law Center and Thomson Reuters Peer Monitor are pleased to present this 2014 Report setting out our views of the dominant trends impacting the legal market in 2013 and key issues likely to influence the market in 2014 and beyond. [1]

Introduction – Is Bigger Always Better?



There is a famous scene in the 1975 award-winning Steven Spielberg movie *Jaws*, when the Amity Police Chief Martin Brody (played by Roy Scheider) first catches a glimpse of the 25-foot long great white shark that has been terrorizing his community and that he is then chasing in a small fishing boat. Stunned by what he has seen, Brody backs into the cabin of the boat and grimly remarks to Quint, the seasoned shark hunter, "You're gonna need a bigger boat."

In an admittedly different context, one could argue that this same advice has been the most prominent driver of law firm strategies over the past decade or so. In large measure, most law firm leaders -- both before and since the Great Recession -- have appeared fixated on building "a bigger boat" as the keystone of their vision for moving their firms forward. Driven by a desire to achieve perceived economies of scale, to better serve client needs, to mirror the actions of competitors, or to improve their rankings in industry statistics, law firms have pursued aggressive growth strategies -- before 2008, through ever increasing hiring quotas and, since 2008, primarily through lateral hiring and mergers.[2]

The past year saw an overall continuation of this trend, although some firms have begun to retrench. According to *The National Law Journal*, the 350 largest U.S. law firms grew by only 1.1 percent during 2012, as compared to 1.7 percent growth in 2011. And, interestingly, some 140 firms on the NLJ 350 list (or about 40 percent of the group) actually shrank in size as compared to the prior year.[3] At the same time, 2013 was a record year for law firm mergers, and lateral acquisitions continued apace.

By early December, the number of reported mergers involving U.S. law firms (91) had already surpassed the previous record (70) set in 2008, and it was widely expected that the year-end total would be even higher.[4]

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1 The Center for the Study of the Legal Profession and Thomson Reuters Peer Monitor gratefully acknowledge the participation of the following persons in the preparation of this Report: from the Center for the Study of the Legal Profession – James W. Jones, Senior Fellow (lead author) and Milton C. Regan, Jr., Professor of Law and Co-Director; and from Thomson Reuters Peer Monitor – Mark Medice, Senior Director and Jennifer Roberts, Data Analyst.

2 The dramatic growth in the size of law firms has been a major feature of the legal market for the past 50 years. In 2012, *The National Law Journal's* NLJ 350 list showed that the 350th largest law firm in the U.S. had 112 lawyers. That compared starkly to 1965, when the largest law firm in the U.S. had only 125 lawyers.

3 "The NLJ 350," *The National Law Journal*, July 6, 2013.

4 "Big Firm Tie-Ups Abroad Keep 2013 Merger Mania Alive," *The AmLaw Daily*, Dec. 12, 2013. The article also describes high levels of merger activity in the United Kingdom, Canada, and South Africa.

While year-end figures on lateral moves among U.S. law firms are not yet available, it is expected that they will reflect a continuation of the high level of lateral partner activity that we have seen in the market in recent years.[5] In addition, in a recent survey of leaders of AmLaw 200 firms, *The American Lawyer* found that a whopping 80 percent of respondents expected to make lateral partner hires in litigation related practice areas during 2014.[6]

Against this background, this report will examine the continuing dominant role that growth appears to play in the strategic thinking of most U.S. law firms. We will ask whether building "a bigger boat" is always the right strategy for firms and will consider some of the challenges that growth -- particularly rapid growth -- poses for law firm leaders. Finally, we will suggest other areas of focus that we believe may be far more relevant to the success of law firms in the future. The starting place for our inquiry, however, must be a look at the state of today's legal market and the ways in which competition in the market has changed fundamentally since 2008.

Current State of the Legal Market - By the Numbers

By most indicators, 2013 was another flat year for economic growth in U.S. law firms, with continuing sluggish demand growth, persistent challenges of low productivity, ongoing client pushback on rate increases, and a continuing struggle to maintain discipline on expenses. Although the performance of individual firms obviously differed, with some performing well above market averages, on the whole the financial performance of the U.S. legal market remained fairly lackluster during the year.

Demand Growth

Demand for legal services in 2013 declined slightly across the industry, as tracked in the Thomson Reuters Peer Monitor data base.[7] As shown in Chart 1 below (which tracks performance on a year-to-date basis through November), after a sharp decline in the first quarter,[8] demand growth recovered somewhat ending at a slightly negative level of -1.1 percent for the 12-month period measured. While a clear improvement over the collapse in demand growth seen in 2009 (when growth hit a negative 5.1 percent level), the current demand growth rate has been essentially flat to somewhat negative for the past three years.

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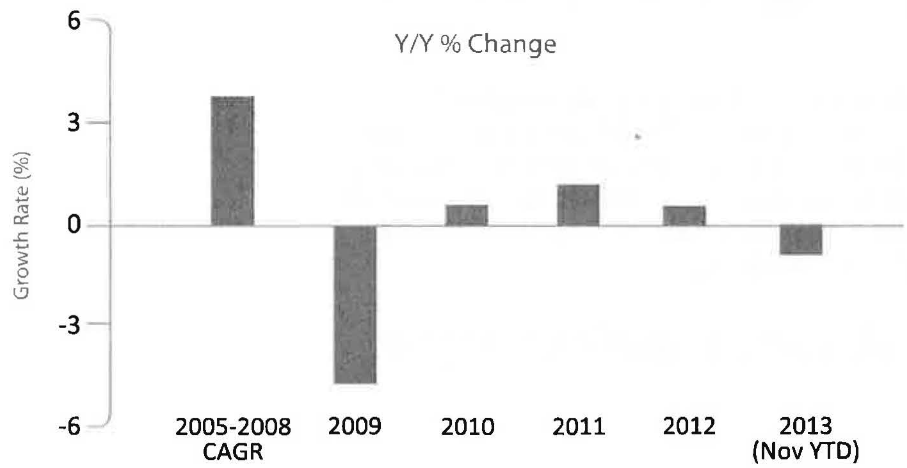
5 In February 2013, in its annual Lateral Report, *The American Lawyer* noted that lateral partner moves among AmLaw 200 firms jumped 9.7 percent over the prior year for the 12-month period ending September 30, 2012, and 33.6 percent over a similar period in 2010. Even taking into account the fact that 280 of the 2,691 lateral partner moves in 2012 were attributable to the failure of a single firm (Dewey & LeBoeuf), the increased level of activity was noteworthy. "The 2013 Lateral Report," *The American Lawyer*, Mar. 1, 2013.

6 Richard Lloyd, "Firm Leaders Survey: Slow Growth on Tap for 2014," *The American Lawyer*, Dec. 2, 2013.

7 Thomson Reuters Peer Monitor data ("Peer Monitor data") are based on reported results from 130 law firms, including 53 AmLaw 100 firms, 38 AmLaw 2nd 100 firms, and 39 additional firms. For present purposes, "demand for legal services" is viewed as equivalent to total billable hours recorded by firms included in a particular data base.

8 It is worth noting that the sharp decline in demand growth during the first quarter of 2013 followed an upswing in demand in the fourth quarter of 2012, an increase at least partly attributable to the desire of many clients to close various corporate transactions in advance of new tax rules that took effect on January 1, 2013.

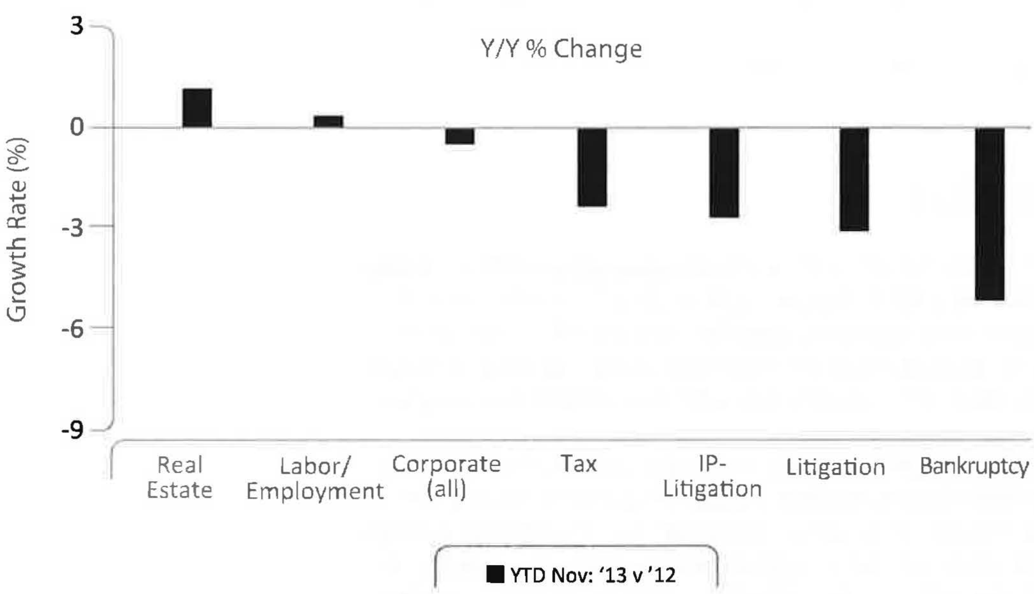
Chart 1 - Growth in Demand for Legal Services



Source: Thomson Reuters Peer Monitor

As shown in Chart 2 below, among various practice areas, when measured on a 2013 year-to-date comparative basis, real estate showed the highest demand growth, albeit at a modest 1.2 percent level, followed by labor and employment at 0.4 percent. Corporate practices were essentially flat, and all other practices saw declines.

Chart 2 - Demand Growth by Practices



Source: Thomson Reuters Peer Monitor

Productivity

During 2013, the number of lawyers in U.S. firms grew by about 1 percent. Given the slight decline in overall demand growth, it is not surprising, therefore, that productivity -- defined as the total number of billable hours recorded by a firm divided by the total number of lawyers in the firm -- remained essentially flat.

As can be seen in Chart 3 below, this continues a trend that we have seen for the last several years.[9] What remains significant, however, is that current levels of productivity are still over 100 billable hours per timekeeper per year lower than in the pre-recession period in 2007.

Moreover, 2013 saw a continuation of the familiar pattern of associate billable hours exceeding those of equity partners by some 100-120 hours per year, and equity partner billable hours exceeding those of other categories of lawyers (including non-equity partners, of counsel, senior counsel, special counsel, etc.) by some 300 hours per year. All of this as shown in Chart 3 evidences an ongoing problem of under productivity in the latter categories of lawyers.

Chart 3 - Productivity (Hours per Lawyer) by Category

Source: Thomson Reuters Peer Monitor

Lawyers Only

Rates and Realization

As has been the case since the beginning of the Great Recession in 2008, firms continued to raise their rates during 2013, albeit at a fairly modest level of 3.5 percent (well below the 6-8 percent annual increases typical in the pre-2008 period). And, as has also been the case for the past five years, clients continued to push back on rate increases, keeping pressure on the realization rates that firms were able to achieve.

Chart 4 below shows the rate progression as tracked in the Peer Monitor data base **from the third quarter of 2010 through November 2013**. As can be seen, over this three-year period, **firms increased their standard rates by 11 percent from an average of $429 per hour to $476 (or an average increase of about 3.7 percent per year).** At the same time, however, the collected rates actually achieved by firms increased by only 8.8 percent from an average of $363 per hour to $395 (or an average increase of 2.9 percent).

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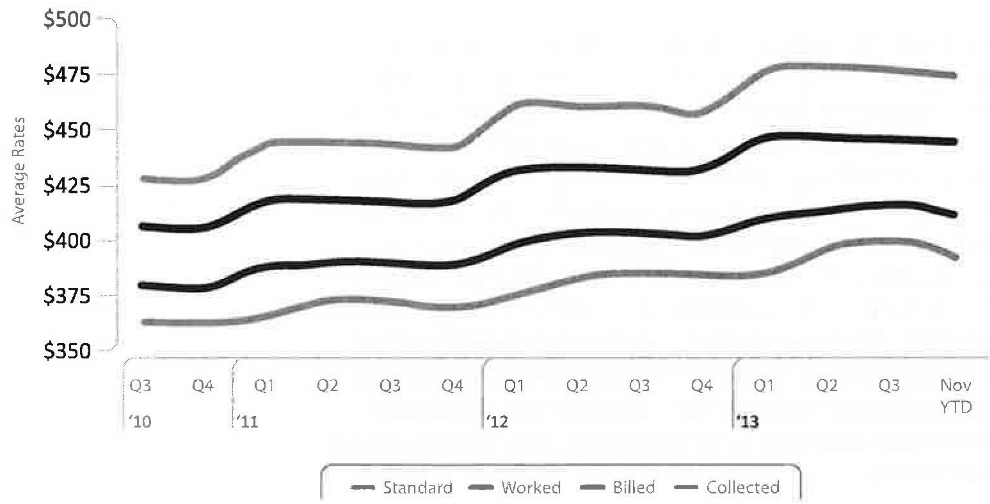
9 There was an uptick in productivity during October 2013, but – based on data from prior years – this appears to be a fairly typical seasonal anomaly with October hours generally being counterbalanced by lower billable hours for the remainder of the fourth quarter.

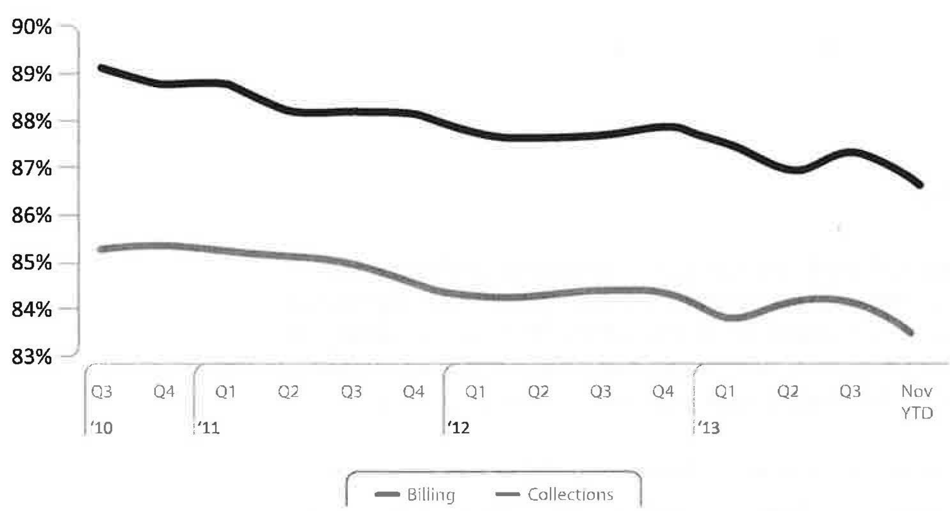
Chart 4 - Rate Progression



Source: Thomson Reuters Peer Monitor

These results, which reflect continuing client resistance to firm rate hikes, are also reflected in firm realization rates over the same period. As can be seen in Chart 5 below, over the three-year period from the third quarter of 2010 through the third quarter of 2013, realization rates – *i.e.*, the percentages of work performed at a firm's standard rates that are actually billed to and collected from clients – have continued to decline. Billing realization dropped from 89.12 percent to 86.74 percent, while collected realization dropped from 85.32 percent to 83.49 percent (a rate that is slightly lower than the record low rate of 83.6 percent seen in 2012). What this means, of course, is that – on average – law firms are collecting only 83.5 cents for every $1.00 of standard time they record. To understand the full impact, one need only consider that at the end of 2007, the collected realization rate was at the 92 percent level.

Chart 5 - Billed and Collected Rates against Standard

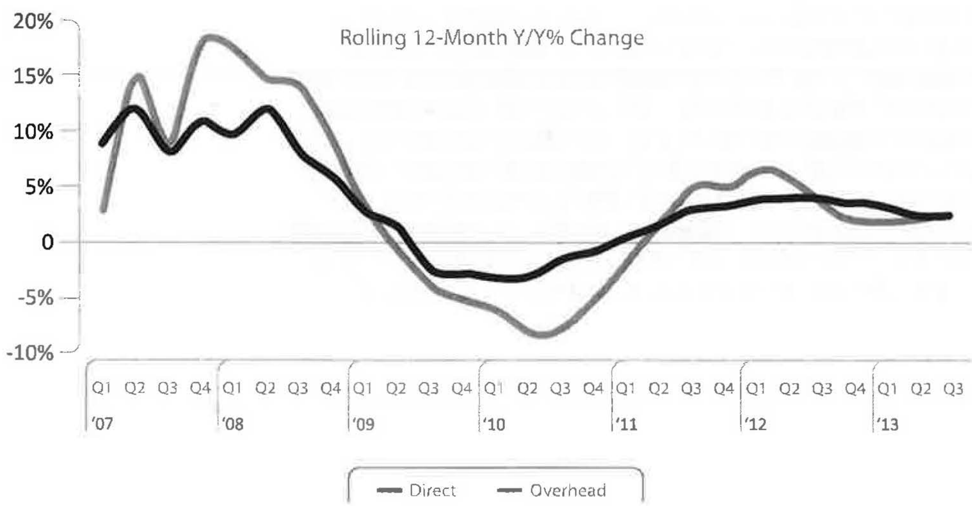


Source: Thomson Reuters Peer Monitor

Expenses

One of the challenges of managing in a slow growth economy is keeping a tight rein on expenses – both direct and indirect.[10] Prior to the onset of the economic downturn in 2008, by any rational measure expenses in law firms were largely out of control. In the fourth quarter of 2007, for example, direct expenses of U.S. law firms (measured on a rolling 12-month year-over- year percentage change basis) were growing at an average annual rate of 18 percent, while indirect expenses were growing at 10.9 percent. With the beginning of the recession in 2008, almost all firms slashed expenses across the board, hitting negative growth rates in the second quarter of 2010 of -8.2 percent for direct expenses and -2.9 percent for indirect. Those reduced levels of spending – induced primarily by panicked reactions to the economic crisis -- were not sustainable over the long term, and expenses began to rise again toward the end of 2010. Since that time, as shown in Chart 6 below, although expense growth has increased – in 2013 up to 2.1 percent for both direct and indirect expenses -- firms have done a reasonably good job of managing their expenses effectively.

Chart 6 - Expense Growth



Source: Thomson Reuters Peer Monitor

Profits per Partner

The continuing combination of sluggish demand growth, constrained productivity, and low realization rates have combined to keep profits per partner ("PPP") relatively flat over the past three years. As shown on Chart 7 below, while PPP in 2013[11] was up slightly for all categories of firms across the market, the increase over 2012 was quite modest and, at least in the case of AmLaw 100 and mid-sized firms, lower than levels in 2011.[12]

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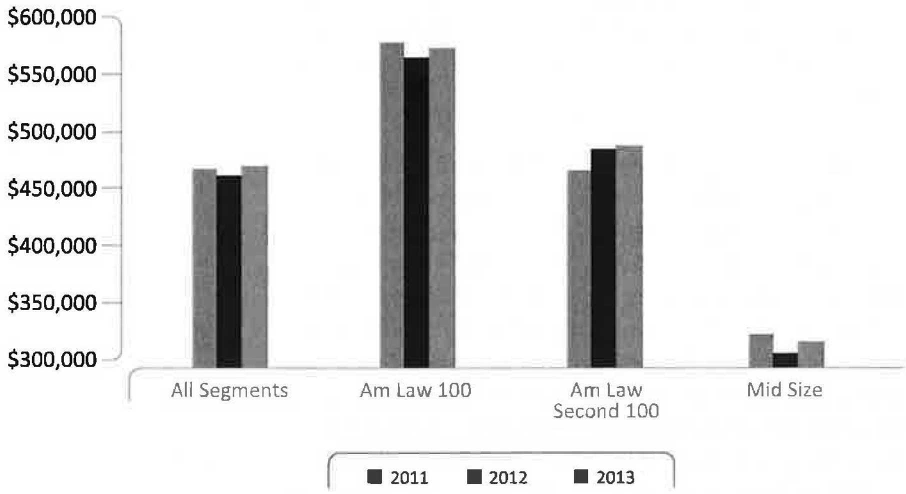
10 Direct expenses refer to those expenses related to fee earners (primarily the compensation and benefits costs of lawyers and other timekeepers). Indirect expenses refer to all other expenses of the firm (including occupancy costs, technology, administrative staff, etc.).

11 The PPP shown on Chart 7 for 2013 is based on YTD October numbers.

12 It should be noted that Peer Monitor includes in its "profits per partner" number *all lawyers* listed by firms as "partners" (whether equity or non-equity or income). This approach facilitates easier comparisons between firms than a "profits per equity partner" measure and eliminates questions about how firms define "equity partners."

Chart 7 - Profits per Partner



Source: Thomson Reuters Peer Monitor

Changed Basis of Competition in the Legal Market

The current trends described above reflect fundamental changes in the nature of competition in the legal market, changes that have been increasingly evident since 2008. Although many factors have contributed to these changes, some of them unrelated to the economic downturn,[13] the onset of the Great Recession accelerated (and, to some extent, exacerbated) the pace of change across the market.

The first and perhaps most obvious change is that the legal market has become much more intensely competitive than it was five years ago. This is hardly surprising since, for the past five years, the supply of legal services has significantly exceeded demand, as reflected in the ongoing struggle of firms to maintain prior levels of productivity. In a market in which supply exceeds demand, the only way in which one supplier can expand its market share is by taking business from others, with a resulting increase in overall competition. And that is precisely what has happened in the legal market since 2008.

A second and perhaps more lasting change is that the market for legal services has shifted from a sellers' to a buyers' market, a shift that has serious long-term implications for the leaders of all law firms. Prior to 2008, the fundamental decisions about how legal services were delivered -- the myriad decisions about how matters were organized, scheduled, and staffed; how strategies and tactics were implemented; and how lawyers charged for their services -- were all essentially made by law firms and not by their clients. This is not to suggest that clients were not consulted or that, from time to time, clients didn't push back, but by and large all of the key decisions relating to a representation were made by outside lawyers.

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13 These unrelated changes include factors like the growing availability of public information about the legal market, the inexorable drive toward commoditization of legal services enhanced by the growth of enabling technologies, the emergence of non-traditional service providers, the changing role of in-house corporate counsel, the impact of globalization, and the collapse of an unsustainable law firm business and economic model based largely on the ability to raise rates 6-8 percent a year.

All of that changed beginning in 2008, when clients – driven to a large extent by an economic imperative to bring down the overall costs of legal services – took control of all of these key decisions. That shift, combined with the dynamic of a market in which supply exceeds demand (as described above), placed clients in control of the relationships with their outside law firms in ways never before seen in the legal market. And clients have not been reluctant to exercise their new leverage.

Over the past five years, clients have talked increasingly about enhancing the "value" they receive for the legal services they purchase,[14] and it has become increasingly clear that what they mean by "value" is efficiency, predictability, and cost effectiveness in the delivery of legal services, quality being assumed.[15] This has led many corporate law departments to retain more work in-house thereby reducing their reliance on outside counsel. Indeed, the 2013 Altman Weil Chief Legal Officer Survey[16] found that, among the 207 CLO respondents, 44 percent indicated that they had shifted work to in-house lawyers during the previous 12 months, and 30.5 percent said that they had reduced the total amount of work sent to outside counsel.[17] Moreover, some 29 percent of respondents indicated that they intended to decrease their overall use of outside counsel in the next 12 months, and only 15 percent said they expected to increase such use.[18] Consistent with these responses, 47 percent of CLOs indicated that they had decreased their budgets for outside counsel during 2013 (a figure that compares to 39 percent in 2012 and 25.4 percent in 2011).[19]

Interestingly, the same client focus on enhanced value in the delivery of legal services may now be evident in a subtle but potentially important shift in the allocation of business within the legal market. In a recent survey conducted by AdvanceLaw,[20] general counsel at 88 major companies were asked about their willingness to move high stakes (though not necessarily "bet the company") work away from "pedigreed firms" (essentially defined as AmLaw 20 or Magic Circle firms) to non-pedigreed firms, assuming a 30 percent difference in overall cost.[21] Of the respondents, 74 percent indicated they would be inclined to use the less pedigreed firm, with only 13 percent saying they would not.[22] In a related question, respondents were asked whether, based on their own experiences, lawyers at the most pedigreed firms were more or less responsive than their counterparts at other firms. Some 57 percent of respondents said that they found lawyers at pedigreed firms less responsive, while only 11 percent said they found them more.[23] Similar results were reflected in the Altman Weil CLO Survey, where 40.5 percent of respondents indicated that they had shifted work to lower priced outside law firms in the preceding 12 months.[24]

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14 This concept was embodied in the "Value Challenge" program launched by the Association of Corporate Counsel in 2008. *See* www.acc.com/valuechallenge/.

15 Obviously, corporate general counsel are concerned about the quality of legal advice they receive. Increasingly, however, quality is viewed as the "table stakes" necessary to play in the game to begin with and not a factor for deciding which firm should be awarded a particular piece of work. Stated differently, offering high quality legal advice is essential to getting on a general counsel's list to begin with, but once on the list, it is likely that work will be awarded on the basis of which firm the general counsel believes can deliver the services most efficiently, predictably, and cost effectively.

16 Alman Weil, Inc., *2013 Chief Legal Officer Survey: An Altman Weil Flash Survey*, Nov. 2013 ("Altman Weil CLO Survey").

17 *Id.* at p. 10.

18 *Id.* at p. 4.

19 *Id.* at p. 17.

20 AdvanceLaw is an organization that vets law firms for quality, efficiency, and client service and shares performance information with its membership of some 90 general counsel of major global companies, including the likes of Google, Panasonic, Nike, eBay, Oracle, Deutsche Bank, Kellogg, Yahoo, 3M, ConAgra, Nestle, and Unilever. *See* http://www.advancelaw.com.

21 The current cost premium for an AmLaw 20 firm relative to an AmLaw 150 or 200 firm is typically far more than 30 percent. As of November 2013, based on Peer Monitor data, the spread between the average standard and worked rates of AmLaw 100 firms and those of AmLaw 2nd 100 firms averaged 22 percent. And, of course, the average for all AmLaw 100 firms is significantly lower than for AmLaw 20 firms alone.

22 The survey question and results are set out at http://hbrblogs.files.wordpress.com/2013/10/badnews-biglaw_580r2.gif.

23 *Id.*

24 Altman Weil CLO Survey, at p. 10.

What these results suggest is that brand value – in this case the brand value of the largest and historically most prestigious firms in the legal market -- may be losing some of its luster as increasingly savvy general counsel select outside law firms based on considerations of price and efficiency and not on reputation alone. Further tantalizing evidence for this conclusion is provided in the 2013 CounselLink Enterprise Legal Management Trends Report released in October.[25] That report compared the billings of the "Largest 50" U.S. law firms (*i.e.*, firms with more than 750 lawyers) with those of firms in the 200 to 500 lawyer range, the latter being defined as "Large Enough" firms.[26] The report found that three years ago, "Large Enough" firms accounted for 18 percent of all of the billings in the CounselLink data base, while the "Largest 50" firms accounted for 26 percent. In 2013, the share of "Large Enough" firms had risen to 22 percent, while the share of the "Largest 50" firms had declined to 20 percent. [27]

Looking at high fee work, the CounselLink Trends Report found a similar pattern, at least in respect of high fee litigation matters. Based on the past three years of billing history for litigation matters with total billings of at least $1 million, the report found that "Large Enough" firms nearly doubled the portion of such work they received, growing their share from 22 percent in 2010 to 41 percent in 2013. [28]

Challenges of Growth as a Strategy

Against this background, we can return to our initial question -- whether the dominant role played by growth in the strategic thinking of most law firms continues to make sense given the significant changes that have occurred in the legal market? The most common justifications given for a focus on growth include (i) the desire to achieve "economies of scale", (ii) the necessity of creating an "ever expanding pie" to provide opportunities for younger lawyers and especially younger partners, (iii) the need to diversify to protect a firm against cyclical downturns in specific practices, and (iv) the requirements for a larger market footprint to better serve the needs of clients. While there is some validity to all of these arguments, they must be balanced against the potential problems created by growth – particularly rapid growth.

As to the desire to achieve economies of scale, it must be noted at the outset that this is a peculiiar strategic objective for an industry that continues to be largely reliant on an hourly-billing model. Economies of scale, as an economic concept, are focused on the creation of efficiencies that allow producers to lower costs and thereby create a competitive advantage. In the context of the legal industry, however, adding more lawyers (all of whom bill at ever increasing hourly rates) is the antithesis of what economies of scale are supposed to produce. Even if we assume, however, that economies of scale may be important in the legal industry, there are limits on the benefits that can be derived from growth.

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25 CounselLink, "Enterprise Legal Management Trends Report – 2013 Mid-Year Edition: The Rise of 'Large Enough' Law Firms," Oct. 2013 ("CounselLink Trends Report"). This report uses data available through the CounselLink Enterprise Legal Management platform, an e-billing system. Currently, the data base includes 2 million invoices representing more than $10 billion in legal spend and well over 300,000 matters over the past four years.

26 The report explains that the term "Large Enough" is applied to these firms "because firms of this size generally have full-service capabilities across a broad array of practice areas and have the capacity to appropriately staff and handle complex and also high-volume, repetitive legal matters." CounselLink Trends Report, p.4.

27 *Id.* at p. 5. These figures, and others included in the CounselLink Trends Report, are based on rolling 12-month totals ending on June 30 of each relevant year.

28 *Id.* at p. 6.

Observers of the legal market have commented for some time that the benefits of scale seem to diminish once a law firm exceeds 100 lawyers or so, and that is particularly true if the law firm has multiple offices.[29] Moreover, a comparison of the number of lawyers in AmLaw 200 firms and the profits per partner of such firms shows that there is very low correlation between firm size and profitability.[30] This conclusion was recently confirmed by an analysis of Peer Monitor data for some 132 firms reporting their financial results for 2012. These results showed a very weak relationship between profits per partner and firm size, as well as overall margin (*i.e.*, profit as a percentage of revenue) and firm size. Indeed, firm size had a negative relationship with reported margin figures. Similarly, a regression analysis using 2013 Peer Monitor data from 130 firms showed a very low correlation between firm size and office count with reported expenses per lawyer or with expenses as a percentage of overall firm revenue.[31] Additionally, whatever the potential benefits of economies of scale, the size needed for a firm to achieve such benefits has undoubtedly been lowered in recent years as a result of substantial improvements in technology which have allowed smaller firms to "punch above their weight." [32]

From a strategic point of view, however, the real problem with growth in this context is not just that economies of scale tend to diminish above a certain size. It is rather that, once a firm achieves a certain size, *diseconomies* of scale can actually set in. Large firms with multiple offices -- particularly ones in multiple countries -- are much more difficult to manage than smaller firms. They require a much higher investment of resources to achieve uniformity in quality and service delivery and to meet the expectations of clients (described above) for efficiency, predictability, and cost effectiveness. They also face unique challenges in maintaining collegial and collaborative cultures, particularly in the face of rapid growth resulting from mergers or large-scale lateral acquisitions. In other words, pursuing growth for the purpose of achieving economies of scale can be a mixed blessing.

A similar analysis can be applied to the use of growth as a primary means of creating opportunities for younger partners. While it is true that larger firms may have broader reputations and better name recognition, factors that could be helpful to younger partners in seeking to develop or expand client relationships, it is also true (as described above) that the importance of "brand" as a factor that is considered by clients in selecting outside counsel has diminished in recent years.

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29 In 2003, Ward Bower of Altman Weil noted:

> For over 30 years, . . . [survey data] has shown, generally, that there are no economies of scale in private law practice. Larger firms almost always spend more per lawyer on staffing, occupancy, equipment, promotion, malpractice and other non-personnel insurance coverages, office supplies and other expenses than do smaller firms. This is counterintuitive, in the sense that larger firms should be able to spread fixed costs across a larger number of lawyers, reducing per lawyer costs, overall. However, that principle does not take into account the excess plant and equipment capacity necessary to support growth, or the increases in staff and communications costs as firms become larger.

Ward Bower, "Mining the Surveys: DISeconomies of Scale?" Altman Weil, Inc. report, 2003.

30 Ed Wesemann, "What Is the Optimum Size for a Law Firm?" http://edweseman.com/articles/profitability/2011/03/16/what-is-the-optimum-size-for-a-law-firm/. Wesemann notes that profitability does appear to correlate with two other factors, both related to location. First, firms headquartered or having their largest office in New York, Chicago, Washington, Los Angeles, or San Francisco are generally more profitable than similar firms in other cities. And, firms with more than one office are generally less profitable than firms of the same size having only one office, at least until firms exceed 200 lawyers or so in size.

31 Based on analysis by Peer Monitor staff.

32 *See* Ian Wimbush, "Economies of Scale Needed to Set Up a Firm Have Actually Fallen," *The Law Society Gazette*, Sept, 24, 2013. Wimbush notes that "[b]arriers to entry to the legal market have been lowered in recent years, largely due to advances in technology, for example using Cloud-based IT systems."

It would seem that, to maximize new business opportunities for younger partners and others, it would be wiser for firms to focus their energies less on growth and more on the issues that clients care about -- responsiveness, efficiency, cost effectiveness, and the like. We will have more to say about that below.

As to the need for firms to diversify their practices, there is obviously wisdom in the notion of attempting to diversify risk by having enough practices to weather a temporary downturn in one or two. That fact, however, does not mean that firms will be successful in moving into areas that are outside their traditional markets or areas of competence -- at least not in the short term. Moreover, given the increased willingness of firms in recent years to weed out "underperforming" partners and practices, the use of risk diversification as a rationale for growth rings somewhat hollow.

Finally, as to the concern about needing a larger market footprint to serve client needs, this can certainly be a legitimate strategic issue for some firms. A firm focused on high-end capital market transactions might well need offices in key capital market centers around the world. An IP firm serving the high tech and biotech industries might see value in offices in Silicon Valley, Route 128, the Dulles corridor, Research Triangle Park, and Austin. A labor and employment law boutique might well justify offices in key major employment centers around the country. Or an energy focused firm might need offices in Houston, Calgary, the Middle East, and Central Asia. But while it may be important for firms in particular markets to have sufficient size to handle large, complex, high-volume matters for clients, even this imperative has its limits. As previously noted, in the CounselLink Trends Report, firms having 200 to 500 lawyers were regarded as "large enough" for these purposes.[33]

The real point is that a particular firm's decision to grow should be made in the context of a clear strategic vision of a market segment that the firm can realistically expect to serve. There is nothing wrong with growth *per se*, and indeed organic, demand-led growth resulting from a firm's successful expansion of client relationships can be very healthy. But growth for growth's sake is not a viable strategy in today's legal market. The notion that clients will come if only a firm builds a large enough platform or that, despite obvious trends toward the disaggregation of legal services, clients will somehow be attracted to a "one-stop shopping" solution is not likely a formula for success. Strategy should drive growth and not the other way around. In our view, much of the growth that has characterized the legal market in recent years fails to conform to this simple rule and frankly masks a bigger problem -- the continuing failure of most firms to focus on strategic issues that are more important for their long-term success than the number of lawyers or offices they may have.

Changing Strategic Focus

To address the concerns of clients for more efficient, predictable, and cost effective legal services, law firms must focus their attention on re-thinking the basic organizational, pricing, and service delivery models that have dominated the market for the past several decades. While some firms have engaged in such reviews and launched innovative new models to better compete in the current market environment, most have not.

33 *See* note 26 *supra*.

In its 2013 Law Firms in Transition Survey report,[34] Altman Weil describes the responses of some 238 managing partners and chairs of U.S. law firms with 50 or more lawyers to a number of questions about their firms' willingness to change their basic operational models. Interestingly, the law firm leaders surveyed clearly understand that the legal market has changed in fundamental ways, with substantial majorities agreeing that *permanent* changes in the market include more price competition (95.6 percent), focus on improved practice efficiency (95.6 percent), more commoditized legal work (89.7 percent), more non-hourly billing (79.5 percent), and more competition from non-traditional service providers (78.6 percent).[35] And 66.7 percent of respondents indicated that they believe the pace of change in the legal market will increase going forward.[36] And yet, only a minority of firms has undertaken any significant changes to their basic business models.

More specifically, 44.6 percent of those surveyed indicated that their firms had taken some steps to improve the efficiency of their legal service delivery,[37] mostly in the form of changing project staffing models to include part-time and contract lawyers and outsourcing some (primarily non-lawyer) functions.[38] Some 45 percent reported that their firms had made significant changes in their strategic approach to partnership admission and retention, primarily in the form of tightening standards or practices for admission to the equity partner ranks.[39] And 29 percent of firm leaders indicated that their firms had changed their strategic approaches to pricing since 2008.[40]

When asked to rank their overall confidence level (on a 0 to 10 scale) in their firms' ability to keep pace with the challenges in the new legal marketplace, the law firm leaders participating in the survey produced a median rating of 7 (in the "moderate" range), with only 12.9 percent indicating a "high" level of confidence.[41] When asked, however, to rate their partners' level of adaptability to change (again on a 0 to 10 scale), the median rating dropped to 5 (in the "low" range), with only 2.2 percent indicating a "high" level of adaptability.[42]

The law firm leaders participating in the survey were also asked how serious they believe law firms are about changing their legal service delivery model to provide greater value to clients (as opposed to just reducing rates). Again using a 0 to 10 scale, respondents produced a median rating of 5 (in the "low" range).[43] That compared to a median rating of 3 given by corporate chief legal officers when asked the same question in October 2012.[44]

The lack of commitment to genuine change reflected in these results seemed confirmed by responses to another question posed to survey participants. Asked to list the greatest challenges their firms face in the next 24 months, the top four answers from respondents (which constituted just over 50 percent of all responses) were all internally focused issues aimed at protecting the *status quo* of the law firm and not at becoming more responsive to clients.[45]

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34 Thomas S. Clay, *2013 Law Firms in Transition: An Altman Weil Flash Survey*, Altman Weil, Inc., May 2013 ("Altman Weil Report").

35 *Id.* at p. 1.

36 *Id.* at p. 3.

37 *Id.* at p. 9.

38 *Id.* at p. 26.

39 *Id.* at p. 18.

40 *Id.* at p. 8. In a related response, only 31.5 percent of respondents indicated that their firms are primarily proactive in promoting the use of alternative fee strategies with their clients. *Id.* at p. 54.

41 *Id.* at p. 4.

42 *Id.* at p. 6.

43 *Id.* at p. 12.

44 *Id.* at p. 14.

45 *Id.* at pp. v-vi. The top four priorities listed included increasing revenue (15.2 percent), developing new business (14.6 percent), growth (12.4 percent), and profitability (10.7 percent). *Id.* at 62.

Indeed, adding value for clients was only eighth on the list of twelve items (mentioned by 5.6 percent of survey participants) and improving efficiency in service delivery was eleventh on the list (mentioned by only 2.8 percent of respondents).[46]

Against this background, it is somewhat surprising that a majority of the respondents to the Altman Weil survey nonetheless believe that growth (in terms of lawyer head-count) is required for their firms' continued success. Indeed 55.7 percent of those surveyed responded affirmatively to that question, with only 35.7 percent responding negatively.[47] This is surely puzzling in the wake of five years of tepid demand growth and stagnant productivity and with little prospects of a quick turnaround in either of those conditions. One possible explanation is that law firm leaders feel constrained to articulate some kind of strategic vision to help their firms weather the current storm, and the message that we need to "build a bigger boat" is more politically palatable than a message that we need to fundamentally change the way we do our work.

Unfortunately, however, for most law firms, only a commitment to re-think and revise their basic models for managing their professional talent (partners, associates, and others); for delivering their legal services; and for pricing their work is likely to produce competitive success in the long run. This is particularly true if one considers the possibility that the legal market may be currently poised for what could be a dramatic reordering based on the same type of disruptive forces that have reordered many other businesses and industries.

In an intriguing recent article in the *Harvard Business Review*, Clay Christensen, Dina Wang, and Derek van Bever argue exactly that.[48] As they note:

> In our research and teaching at Harvard Business School, we emphasize the importance of looking at the world through the lens of theory – that is, of understanding the forces that bring about change and the circumstances in which those forces are operative: what causes what to happen, when and why. . . . Over the past year we have been studying the professional services, especially consulting and law, through the lens of those theories to understand how they are changing and why. . . .
>
> We have come to the conclusion that the same forces that disrupted so many businesses, from steel to publishing, are starting to reshape the world of consulting [and law]. The implications for firms and their clients are significant.
>
> The pattern of industry disruption is familiar: New competitors with new business models arrive;[49] incumbents choose to ignore the new players or to flee to

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46 *Id.* at p. 62.

47 *Id.* at p. 35.

48 Clayton M. Christensen, Dina Wang, and Derek van Bever, "Consulting on the Cusp of Disruption," *Harvard Business Review*, Oct. 2013, p. 107.

49 It is interesting to note that, in 2013, we continued to see the emergence of a wide variety of non-traditional service providers vying for market share in the legal space. This was particularly evident in the United Kingdom where sweeping changes to the regulation of legal practice enacted in 2007 have spawned a variety of "alternative business structure" ("ABS") arrangements that permit outside investments in law firms and the formation of multi-disciplinary partnerships in which firms owned by a variety of professionals and investors may offer a wide range of services, including legal services. In two noteworthy developments, DLA Piper announced its investment (along with other private investors) in Riverview Law, a combined barristers' chambers and solicitors' practice to offer fixed-fee commercial services for small- and medium-sized companies. *See* www.riverviewlaw.com/. And British Telecom decided to spin out its motor claims division, commercialize it with an ABS license, and offer claims services to other corporations operating large vehicle fleets. *See* "BT Launches Legal Service for Corporate Customers," *Fleet News*, Apr. 3, 2013, www.fleetnews.co.uk/news/2013/3/4/bt-launches-legal-service-for-corporate-customers/46362/. Meanwhile, in the United States, non-traditional service providers also continued to gain ground in the legal market. *See* Bill Henderson, "Bringing the Disruption of the Legal Services Market into the Law School Classroom," *The Legal Whiteboard*, Law Professor Blogs, LLC, Nov. 23, 2013, listing 16 non-traditional providers currently working actively in the U.S. market. And, in Singapore, it was recently reported that Ernst & Young plans to expand its professional services to the legal services area in the Asia Pacific region. *See* Yun Kriegler, "E&Y Hires Former HSF Partner as It Mulls Singapore Legal Services Launch," *The Lawyer*, Dec. 10, 2013.

> higher-margin activities; a disrupter whose product was once barely good enough achieves a level of quality acceptable to the broad middle of the market, undermining the position of longtime leaders and often causing a "flip" to a new basis of competition.[50]

Pointing to the changed and enhanced role of corporate general counsel, the widespread availability of comparative information about law firms and their services, the trend toward disaggregation of services by in-house counsel, and the emergence of new service delivery models and businesses, the authors argue that a disruptive transformation in the legal market may well already be underway. Although acknowledging that the relatively small number of genuinely "bet-the-company" matters may be immune from most of these pressures, the article concludes that ongoing disruption is virtually inevitable.

> The . . . [professionals] we spoke with who rejected the notion of disruption in their industry cited the difficulty of getting large partnerships to agree on revolutionary strategies. They pointed to the purported impermeability of their brands and reputations. They claimed that too many things could never be commoditized in consulting [or law]. Why try something new, they asked, when what they've been doing has worked so well for so long?
>
> We are familiar with these objections – and not at all swayed by them. If our long study of disruption has led us to any universal conclusion, it is that every industry will eventually face it. The leaders of the legal services industry would once have held that the franchise of the top law firms was virtually unassailable, enshrined in practice and tradition – and, in some countries, in law. And yet disruption of these firms is undeniably under way. . . .
>
> * * *
>
> [A]lthough we cannot forecast the exact progress of disruption . . ., we can say with utter confidence that whatever its pace, some incumbents will be caught by surprise. The temptation for market leaders to view the advent of new competitors with a mixture of disdain, denial, and rationalization is nearly irresistible. U.S. Steel posted record profit margins in the years prior to its unseating by the minimills; in many ways it was blind to its disruption. As we and others have observed, there may be nothing as vulnerable as entrenched success.[51]

Conclusion

So, to end where we began -- is growth important as a dominant law firm strategy? For some firms, the answer is no doubt yes, but for most firms the answer must surely be no. Far more important is to focus on those factors that can help reshape the firm to be more responsive to the needs of clients, to deliver services in a more efficient and predictable manner, and to develop pricing models that reflect more accurately the value of the services being delivered. For most firms, in other words, the goal should be not to "build a *bigger* boat" but rather to build a *better* one.

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50 Christensen, Wang, and van Bever, note 49 *supra*, at 107-08.
51 *Id.* at p. 114.

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2014 Report on the State of the Legal Market

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Attorneys for Plaintiff and the Settlement Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

RONA KOMINS, on behalf of herself, her children, B.K. and M.K, and all others similarly situated, Plaintiff, v. DAVE YONAMINE, JOHN LIBBY, MOBILITYWARE, LLC; DOES 1-100, inclusive, and ROES Software Development Kit Business Entities 1-100, inclusive, Defendants.	Case No: 19STCV24865 **DECLARATION OF RONALD A. MARRON IN SUPPORT OF PLAINTIFF'S MOTION FOR ATTORNEYS' FEES, COSTS, AND INCENTIVE AWARD** Date: September 18, 2024 Time: 11:00 a.m. Dept.: 14 Judge: Hon. Kenneth R. Freeman

I, Ronald A. Marron, hereby declare as follows:

1. I am a member in good standing of the State Bar of California and I represent Plaintiff Rona Komins in the above-captioned action. I submit this Declaration in Support of Plaintiff's Motion for Attorneys' Fees, Costs, and an Incentive Award. I make this Declaration based on my personal knowledge and if called to testify, I could and would competently testify to the matters contained herein.

2. My firm, the Law Offices of Ronald A. Marron, APLC, currently employs four full-time attorneys. My firm has an in-depth knowledge of litigating consumer class action cases. The attorneys at my firm have years of experience litigating class action cases, and are well-versed, in particular, in the respective merits and risks of consumer class action cases.

3. I have practiced civil litigation for over 25 years. My work experience and education began in 1984 when I enlisted in the United States Marine Corps (Active Duty 1984- 1988, Reserves 1988-1990) and thereafter received my Bachelor of Science in Finance from the University of Southern California (1991). While attending Southwestern University School of Law (1992-1994), I also studied Biology and Chemistry at the University of Southern California and interned at the California Department of Corporations with emphasis in consumer complaints and fraud investigations. I was admitted to the State Bar of California in January of 1995 and have been a member in good standing since that time. In 1996, I started my own law firm with an emphasis in consumer fraud. A copy of my firm's current resume is attached hereto as **Exhibit A**.

4. Over the years, I have acquired extensive experience in class actions and other complex litigation and have obtained large settlements as lead counsel. In recent years, I have devoted almost all of my practice to the area of consumer fraud.

5. Prosecuting and settling the claims in this Action demanded considerable time and labor. This Settlement was reached after Plaintiff had successfully opposed Defendants' Motion to Compel Arbitration, Demurrer, Motion to Strike, Motion to Transfer, and Motion to Dismiss.

6. The organization of Class Counsel ensured that the work was coordinated to maximize efficiency and minimize duplication of effort.

7. My firm devoted substantial time to investigating the claims against Defendants. My firm also expended resources researching and developing the legal claims at issue. Substantial time and

resources were also dedicated to serving and responding to written discovery, preparing for, attending, and taking depositions, third party discovery, and to discovery disputes.

8. Settlement negotiations consumed further time and resources. A significant amount of time was devoted to negotiating and drafting of the Agreement and the preliminary approval process, and to all actions required thereafter pursuant to the preliminary approval order. Each of the above-described efforts was essential to achieving the Settlement before the Court.

9. In my opinion, the Settlement is an extremely fair and reasonable recovery for the Settlement Class in light of Defendants' defenses, and the challenging and unpredictable path of litigation that Plaintiff and the class would have faced absent the Settlement.

10. Class Counsel also negotiated an agreement that, subject to Court approval, Defendant would pay an incentive award to Plaintiff Komins in the amount of $7,500. This agreement was obtained after the material terms for class-wide relief in the Settlement were agreed upon. Plaintiff provided substantial assistance that enabled Class Counsel to successfully prosecute the action including locating and forwarding responsive documents and information; reviewing material filings; preparing for and attending a deposition; approving the Settlement Agreements; being on standby during mediation; continuous communications with Class Counsel throughout the litigation; providing a declaration in support of preliminary approval, and being committed to secure substantive relief on behalf of the Class. In so doing, Plaintiff was integral to forming the theory of the case and litigating it through settlement.

11. In my opinion, Plaintiff's request for an incentive award in the amount of $7,500 is sufficient and reasonable when taking into account the time and effort Plaintiff contributed to vindicate the rights of the Class.

12. In undertaking to prosecute this case on a contingent fee basis, my firm assumed a significant risk of nonpayment or underpayment. From the outset of litigation to the present, my firm litigated this matter on a contingent basis and placed its own resources at risk to do so. Despite Class Counsel's effort in litigating this Action, Class Counsel remains completely uncompensated for the time invested in the Action, in addition to the substantial expenses that were advanced.

13. My firm's total lodestar in this action is $857,526.00. This lodestar is based on 1,531.7 attorney hours of work. My firm's requested rates are summarized in Table 1 below:

TABLE 1

Timekeeper	Position	Rate Requested	Total Hours	Total Amount
Ronald Marron	Partner	$845	153.4	$129,623.00
Kas Gallucci	Senior Associate	$605	58.7	$35,513.50
Michael Houchin	Senior Associate	$570	261.2	$148,941.00
Lilach Halperin	Associate	$515	1,036.7	$533,900.50
Elisa Pineda	Associate	$440	21.7	$9,548.00
			TOTALS:	**$857,526.00**

14. Class Counsel is seeking a fee award of $729,116.64, which results in a negative multiplier of .85.

15. A summarization of categories for hours expended by Class Counsel is summarized in Table 2 below:

TABLE 2

Tasks Performed	Hours Expended
Complaints and Client Communications	80.6
Discovery	599.6
Law and Motion	481.5
Settlement Negotiations, Settlement Agreements; Settlement Administration	216.9
Stipulations; Status Conferences; Continuances; Scheduling	37.4
Case Management	115.7
TOTAL	1,531.7

16. My firm also incurred $63,383.36 in costs that were reasonably necessary for the prosecution of this litigation and would normally have been billed to a client paying for counsel's services on a regular basis. The costs incurred by my firm are summarized in Table 3 below:

TABLE 3

Category	Amount
Expert Fees	$8,000
Filing, Appearance, Document Access Fees	$5,933.07
Process Servers/ Delivery Fees	$1,320.00
Court Reporters and Transcripts	$4,411.52

Travel Expenses	$63.37
Mediation Fees	$12,450.00
Calendaring Software	$635.00
Belaire West Notice	$2,055.40
Notice to the Class (RG/2 Claims Administration)	$28,515
TOTAL:	**$63,383.36**

17. My firm's practice is to keep contemporaneous records for each timekeeper and to regularly record time records in the normal course of business. My firm kept time records in this case consistent with that practice. Moreover, my firm's practice is to bill in 6-minute (tenth-of-an-hour) increments. My firm's detailed billing records are voluminous and contain information that is protected from disclosure by the attorney-client privilege and the attorney work-product doctrine. However, my firm will make its detailed billing records available to the Court for in camera review upon the Court's request.

18. Prior to finalizing my firm's lodestar, we carefully reviewed our hours and made cuts for time entry errors, duplications, and instances where we determined the hours should be reduced or not billed. My firm's lodestar does not include any hours of work from support staff, and does not include post-application work for tasks such as drafting, finalizing, and filing the final approval papers, preparing for and appearing at the hearing on the final approval motion, and responding to any potential objector(s), if necessary.

19. My firm's requested rates are consistent with the prevailing rates for attorneys and support staff of similar experience, skill, and reputation. For example, survey data confirms the reasonableness of such rates. A 2010 survey by the National Law Journal (NJL) shows rates of firms in Los Angeles for $495-$820 for partners and $270-$620 for associates. A 2011 survey by the NLJ shows partner rates of $275-$860 in the Southern California area, with a range of $205-$635 for associates in the same geographic region. Copies of the NLJ surveys are in my firm's possession but are not being filed due to their volume. As this evidence shows, my firm's requested attorney rates fall within the average prevailing market rates within the community.

20. A summary chart of the NLJ surveys from 2010-2012 is attached hereto as **Exhibit B**.

21. Attached hereto as **Exhibit C** is a true and correct copy of the 2014 Report on the State

of the Legal Market put out by The Center for the Study of the Legal Profession at the Georgetown University Law Center and Thomson Reuters Peer Monitor (Peer Monitor Report). The Peer Monitor report shows that "from the third quarter of 2010 through November 2013 . . . firms increased their standard rates by 11 percent[,] from an average of $429 per hour to $476 per hour." This average rate from 2014, see id., supports my firm's current hourly rates.

22. My firm's requested rates fall within the average/mean range of the typical rates of a San Diego law firm that practices complex litigation. *See generally Catala v. Resurgent Capital Servs., L.P.*, 2010 U.S. Dist. LEXIS 63501, at *19 n.3 (S.D. Cal. June 22, 2010).

23. Courts have also recognized that my law firm's attorney's hourly rates are reasonable. For example:

a) On May 17, 2024, the Marron Firm's hourly rates of $845 for Ronald A. Marron, $605 for Kas L. Gallucci, $570 for Michael Houchin, and $515 for Lilach Halperin were approved in the matter of *Marin v. Cheeky Scientist, LLC, et al.*, Case No. 37-2022-00043918-CU-CO-CTL in the San Diego Superior Court before the Honorable Carolyn Caietti.

b) On November 21, 2023, the Marron Firm's hourly rate of $605 for Kas Gallucci was approved in the matter of *In Re UKG Cybersecurity Litigation*, Case No. 3:22-cv-00346-SI in the Southern District of California before the Honorable Judge Susan Illston.

c) On August 2, 2023, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $570 for Michael Houchin, and $500 for Lilach Halperin were approved in the matter of *Mirzoyan et al. v. The Hershey Company*, Case No. CGC-20-583659 in the Superior Court of California for the County of San Francisco before the Honorable Samuel K. Feng presiding.

d) On July 21, 2023, the Marron Firm's hourly rates of $845 for Ronald A. Marron, $605 for Kas Gallucci, $570 for Michael Houchin, and $500 for Lilach Halperin were approved in the matter of *Robbins et al v. Plushcare, Inc. et al*, Case No. 3:21-cv-03444-MMC in the Northern District of California before the Honorable Maxine M. Chesney.

e) On December 14, 2022, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Sanchez v. Allianz Life Insurance Company*, Case No. BC594715 in the Superior Court of California for the County of Los Angeles before the Honorable Maren E. Nelson presiding.

f) On February 14, 2022, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Clark v. S.C. Johnson & Son, Inc.*, Case No. RG20067897 in the Superior Court of California for the County of Alameda before the Honorable Michael M. Markman presiding.

g) On October 8, 2021, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Young v. Neurobrands, LLC*, Case No. 4:18-cv-05907-JSW in the United States District Court for the Northern District of California before the Honorable Jeffrey S. White. *See* Dkt. No. 91-2 (declaration in support of fee motion) & Dkt. No. 95 (Order Granting Motion for Attorneys' Fees).

h) On July 4, 2021, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin and $490 for Lilach Halperin, were approved in the matter of *Randolph v. Amazon.com LLC*, Case No. 37-2017-00011078-CU-OE-CTL in the California Superior Court for the County of San Diego before the Honorable Keri Katz. *See* Dkt. No. 200 (declaration in support of fee motion) & Dkt. No. 210 (Order Granting Final Approval).

i) On March 4, 2021, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin and $490 for Lilach Halperin were approved in the matter of *Fox, et al. v. Iowa Health System dba UnityPoint Health*, Case No. 3:18-cv-00327-jdp in the United States District Court for the Western District of Wisconsin before the Honorable James D. Peterson (Dkt. No. 115 (Order Granting Final Approval) & Dkt. No. 98 (declaration in support of fee motion)).

j) On November 25, 2020, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, and $490 for Lilach Halperin were approved in the matter of *Daniel McSwain v. Axos Bank*, Case No. 37-2019-00015784-CU-BC-CTL in the California Superior Court for the County of San Diego before the Honorable Judge Joel Wohfiel (Dkt. No. 71 (declaration in support of fee motion) & Dkt. No. 79 (Order Granting Final Approval)).

k) On November 19, 2020, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin and $490 for Lilach Halperin were approved in the matter of *Romero v. Securus Technologies, Inc.*, Case No. 3:16-cv-01283-JM-MDD in the United States District Court for the Southern District of California before the Honorable Judge Jeffrey T. Miller (Dkt. No. 181-2 (declaration in support of fee motion) & Dkt. No. 184 (Order Granting Final Approval)).

l) On August 3, 2020, the Marron Firm's hourly rates of $815 for Ronald A. Marron, $550 for Michael Houchin, $490 for Lilach Halperin, and $215 for paralegals and legal assistants were approved in the matter of *Hilsley v. Ocean Spray Cranberries, Inc.*, Case No. 3:17-cv-02335-GPC-MDD in the United States District Court for the Southern District of California before the Honorable Gonzalo P. Curiel (Dkt. No. 245-2 (declaration in support of fee motion) & Dkt. No. 259 (Order Granting Final Approval)).

m) On February 24, 2020, the Marron Firm's hourly rates of $785 for Ronald A. Marron, $495 for Michael Houchin, $440 for Lilach Halperin, and $215 for paralegals and legal assistants were approved in the matter of *Graves v. United Industries, Inc.*, Case No. :17-cv-06983-CAS-SK in the United States District Court for the Central District of California before the Honorable Christina A. Snyder (Dkt. No. 78-2 (declaration in support of fee motion) & Dkt. No. 87 (Order Granting Final Approval)).

n) On January 20, 2020, the Marron Firm's hourly rates of $785 for Ronald A. Marron and $215 for paralegals and legal assistants were approved in the matter of *Esparza v. Smartpay Leasing, Inc.*, Case No. 3:12-cv-03421-WHA in the United States District Court for the Northern District of California before the Honorable William H. Alsup (Dkt. No. 110).

o) On October 11, 2019, the Marron Firm's hourly rates of $785 for Ronald A. Marron and $215 for paralegals and law clerks were submitted to the Court and approved in *Busch v. Bluestem Brands, Inc.*, No. 16-cv-0644 (WMW/HB), which received final approval, with costs and fees approved in full, on October 11, 2019. *See* Dkt. No. 106.

p) On October 7, 2019, the Marron Firm's hourly rates of $785 for Ronald Marron, $495 for Michael Houchin, $440 for Lilach Halperin and other associate attorneys, and $215 for paralegals were approved in the matter of *Woodard v. Labrada*, Case No. 5:16-cv-00189-JGB-SP pending in the United States District Court for the Central District of California before the Honorable Jesus G. Bernal. (Dkt. No. 295-2 (declaration in support of fee motion) & Dkt. No. 321 (final approval order)).

q) On September 12, 2019, the Honorable Jose E. Martinez of the Southern District of Florida approved an hourly rate for Ronald A. Marron of $785 in *Medina v. Enhanced Recovery*

Company, LLC, No. 15-cv-14342 (S.D. Fla.).

r) On June 17, 2019, the Marron Firm's hourly rates of $785 for Ronald A. Marron, $495 for Michael Houchin, $440 for Lilach Halperin and other associate attorneys, and $215 for paralegals were approved in the matter of *Littlejohn v. Ferrara Candy Company*, Case No. 3:18-cv-00658-AJB-WVG that was pending in the United States District Court for the Southern District of California. (Dkt. No. 30-2 (declaration in support of fee motion) & Dkt. No. 47 (final approval order)). During the final approval hearing, the Honorable Anthony J. Battaglia stated that the Marron Firm's rates "appear to the Court to be typical for the community and counsel that are handling a class action, consumer-type litigation, in particular, I find them fair, reasonable and will approve those." (Dkt. No. 51 [June 14, 2019 Hr.'g Tr. at 11:3-9]).

s) On January 15, 2019, the Marron Firm's hourly rates of $785 for Ronald A. Marron and $495 for Michael Houchin and other associate attorneys, and $350 for post-bar law clerks were approved in the matter of *William Jackson, et al. v. Lang Pharma Nutrition, Inc.*, et al., Case No. 37-2017-00028196-CU-BC-CTL that was pending in the California Superior Court for the County of San Diego. (Dkt. No. 86 (declaration in support of fee motion) & Dkt. No. 112 (final approval order)). In his Final Approval Order, the Honorable Joel R. Wohlfeil stated that my firm had "adequately represented the Class" and that the "value of the settlement is fair, represents a reasonable compromise after five years of litigation, and is adequate for the Class." (Dkt. No. 112).

t) On October 19, 2018, the Honorable William T. Lawrence of the Southern District of Indiana approved an hourly rate for Ronald A. Marron of $745 in the case *Simms v. ExactTarget, LLC*, No. 1-14-cv-737-WTL-DKL (S.D. Ind.).

u) On June 20, 2018, the Honorable Andrea R. Wood of the Northern District of Illinois approved an hourly rate for Ronald A. Marron of $745 in the case *Elaine Mason v. M3 Financial Services*, Inc., No. 15-cv-4194 (N.D. Cal.).

v) On August 14, 2018, the Marron Firm's hourly rates of $785 for Ronald A. Marron, $495 for Michael Houchin and other associate attorneys, and $245 for law clerks were approved in *Mollicone v. Universal Handicraft, Inc.*, Case No. 1:17-cv-21468-RNS (S.D. Fla.) (Dkt. No. 122-1 (declaration in support of fee motion) & Dkt. No. 134 (Final Approval Order)). In his Final Approval

Order, the Honorable Robert N. Scola, Jr. awarded 31.9% of the total Settlement Fund and stated that "[t]he requested percentage from the Settlement Fund is reasonable, considering the results obtained, the nature of the case, and Class Counsel's significant work in this case and experience in litigating class actions." (Dkt. No. 134).

w) On May 4, 2018, the Marron Firm's hourly rates of $745 for Ronald A. Marron, $440 for Michael Houchin and other associate attorneys, and $245 for law clerks were approved in *In re Tommie Copper Products Consumer Litigation*, Case No. 7:15-cv-03183-AT (S.D.N.Y.) (Dkt. No. 127 (declaration in support of fee motion) & Dkt. No. 129 (Final Approval Order)). In her Final Approval Order, the Honorable Analisa Torres found that the settlement was "entered into by experienced counsel and only after extensive, arms-length negotiations conducted in good faith and with the assistance" of a mediator. (Dkt. No. 129).

x) On March 26, 2018, the Honorable Marilyn Huff of the Southern District of California approved an hourly rate for Ronald A. Marron of $745 in the case *Gutierrez-Rodrigues v. R.M. Galicia, Inc.*, No 16-CV-0182-H-BLM.

y) On October 31, 2017, the Honorable Thomas R. Allen of the Circuit Court of Cook County, Illinois, approved an hourly rate for Ronald Marron of $745 in the case of *Thornton v. NCO Financial Systems, Inc.*, Case No. 16 CH 5780.

z) On September 5, 2017, the Marron Firm's hourly rates of $745 for Ronald A. Marron, $440 for Michael Houchin and other associate attorneys, and $245 for law clerks were also approved in a class action captioned *Elkind et al. v. Revlon Consumer Products Corporation*, Case No. 2:14-cv-02484-AKT (E.D. N.Y) (Dkt. No. 125-2 (Declaration is Support of Fee Motion) & Dkt. No. 131 (Final Approval Order)). In her Final Approval Order dated September 5, 2017, the Honorable Judge Tomlinson stated that the settlement was "negotiated by highly capable and experienced counsel with full knowledge of the facts, the law and the risks inherent in litigating the Action and was the product of vigorously fought litigation." (Dkt. No. 131).

aa) On November 16, 2015, the Honorable Maxine M. Chesney, Senior District Court Judge for the Northern District of California, approved the following hourly rates (Ronald Marron at $745, associate attorneys at $475, law clerks at $245, and legal assistants/paralegals at $215), in the case of

Johnson v. Triple Leaf, Inc., Case No. 3:14-cv-01570-MMC. The Court found that the fee requested was "reasonable when judged by the standards in this circuit," and also that my firm's attorney, law clerk and staff rates were "reasonable in light of the complexity of this litigation, the work performed, Class Counsel's reputation, experience, competence, and the prevailing billing rates for comparably complex work by comparably-qualified counsel in the relevant market." Dkt. No. 65.

bb) On August 6, 2015, the Honorable Kenneth R. Freeman of the Superior Court of California, County of Los Angeles, approved the following hourly rates for Class Counsel: Ronald Marron at $745, associate attorneys at $475, and law clerks at $290 in the case of *Perry v. Truong Giang Corp.,* No. BC58568.

cc) On August 7, 2015, the Honorable Brendan Linehan Shannon of the United States Bankruptcy Court for the District of Delaware approved the following hourly rates for Class Counsel: Ronald Marron at $745, associate attorneys at $475, and law clerks at $290 in the case of *In re: LEAF123, INC. (f/k/a NATROL, INC.), et al.*, No. 14-11446 (BLS).

I declare under penalty of perjury of the laws of the California that the foregoing is true and correct.

Executed on this 5th day of August, 2024 at San Diego, California.

Ronald A. Marron

EXHIBIT A

LAW OFFICES OF RONALD A. MARRON, APLC

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Firm Resume

FIRM OVERVIEW

The Law Offices of Ronald A. Marron is a recognized class action and complex litigation firm based out of San Diego, California, representing clients across the nation. Founded in 1996 with an emphasis in consumer and securities fraud, the firm has expanded its practice to include complex cases such as electronic privacy, banking regulations, antitrust, automatic renewals, Telephone Consumer Protection Act and Government Environmental Law Litigation. The firm has skillfully litigated hundreds of lawsuits and arbitrations against investment advisors and stockbrokers, such as Morgan Stanley, LPL Financial, Merrill Lynch, Banc of America Securities, and Citigroup, who placed clients into unsuitable investments, failed to diversify, and who violated the Securities Act of 1933 and/or 1934. Aptly and competently prepared to represent its clients, the firm has taken on cases against the likes of Shell Oil, Citigroup, Wells Fargo, Union Bank of California, American Express Advisors, Morgan Stanley and Merrill Lynch. Since 2004, the firm has devoted most of its practice to the area of false and misleading labeling of consumer products and food, drug and over-the-counter products, as well as seeking to protect consumers from unauthorized and unsolicited telephone calls, SMS or text messages to cellular phones from corporations under the Telephone Consumer Protection Act, and prosecuting data breach and privacy cases. The firm employs four attorneys, whose qualifications are discussed in brief below.

THE MARRON FIRM'S ATTORNEYS:

Ronald A. Marron, Founder

As the founder of the Law Offices of Ronald A. Marron, APLC, Mr. Marron has been practicing law for 26 years. He was a member of the United States Marine Corps from 1984 to 1990 (Active Duty 1984-1988, Reserves 1988-1990) and thereafter received a B.S. in Finance from the University of Southern California (USC) in 1991. While attending Southwestern University School of Law (1992-1994), he interned at the California Department of Corporations with emphasis in consumer complaints and fraud investigations; and studied Bio-Chemistry at the University of Southern California and was a member of the Trojan Chemistry Club. Mr. Marron has extensive experience in class actions and other complex litigation and has obtained hundreds of millions of dollars on behalf of consumers as lead counsel. Mr. Marron has represented plaintiffs victimized in TCPA cases, Consumer Fraud, Antitrust, Broker-Dealer Liability, Ponzi schemes, shareholder derivative suits, and securities fraud cases.

Mr. Marron has assisted two United States Senate Subcommittees and their staff in investigations of financial fraud, plus the Senate Subcommittee on Aging relating to annuity sales practices by agents using proceeds from reverse mortgages. Mr. Marron's clients have testified before the United States Senate Subcommittee on Investigations relating to abusive sales practices alleged in a complaint he filed against All-Tech Investment Group. The hearings resulted in federal legislation that: (a) raised the minimum capital requirements, and (b) required written risk disclosure signed by consumer. The civil action resulted in return of client funds and attorneys' fees pursuant to the private attorney general statute and/or Consumers Legal Remedies Act. Mr. Marron conducted the legal research and co-wrote the brief that resulted in the largest punitive damages award (500%) in NASD history for aggrieved investors against Dean Witter Reynolds in securities arbitration. Mr. Marron's opinion on deferred annuity sales practices targeting the elderly has often been sought by major financial news organizations and publications such as Forbes, the Wall Street Journal, the Kiplinger's Retirement Report, CNN, and FOX News affiliates. In addition, he has devoted significant energy and time educating seniors and senior citizen service providers, legislators, and various non-profits (including Elder Law & Advocacy) about deferred annuity sales practices targeting the elderly. Mr. Marron had numerous speaking engagements at FAST (Fiduciary Abuse Specialist Team), which is an organization devoted to the detection of, prevention, and prosecution of elder financial abuse; Adult Protective Services; and Elder Law & Advocacy, a non-profit dedicated to assisting seniors who have been the victims of financial fraud. He has litigated hundreds of lawsuits and arbitrations against major corporations, such as Shell Oil, Citigroup, Wells Fargo, Morgan Stanley, and Merrill Lynch. In recent years, Mr. Marron has devoted almost all of his practice to the area of TCPA and Privacy Violations, false and misleading labeling of food, dietary supplements, and over-the-counter products. He is a member in good standing of the State Bar of California; the United States District Courts for the Eastern, Southern and Northern Districts of New York; the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California; the United States District Court for the Eastern District of Michigan; the United States District Court for the Eastern and Western Districts of Wisconsin; the United States District Court of Colorado; the United States District Court for the Eastern District of Arkansas; the United States Court of Appeals for the Ninth Circuit; and the Supreme Court of the United States.

Alexis M. Wood, Senior Associate

Ms. Wood graduated *cum laude* from California Western School of Law in 2009, where she was the recipient of the Dean's Merit Scholarship for Ethnic & Cultural Diversity and also Creative Problem Solving Scholarships. In addition, during law school, Ms. Wood was the President of the Elder, Child, and Family Law Society, and participated in the study abroad program on international and comparative human rights law in Galway, Ireland. Ms. Wood interned for the Alternate Public Defender during law school, and also held a judicial externship with the San Diego Superior Court. Upon graduation, Ms. Wood obtained her Nevada Bar license and worked at the law firm Alverson Taylor Mortensen & Sanders in Las Vegas, Nevada where she specialized in medical malpractice. Ms. Wood then obtained her license to practice law in California in 2010 and worked at the bankruptcy firm Pite Duncan, LLP in San Diego, California, in which she represented financial institutions in bankruptcy proceedings. She additionally worked for the national law firm Gordon & Rees, LLP as an associate attorney in the professional liability defense and tort & product liability practice groups. From 2016 to 2019, Ms. Wood was also selected to the California Super Lawyers Rising Star list (general category)—a research-driven, peer influenced rating service of outstanding lawyers who have attained a high degree of peer recognition and professional achievement. No more than 2.5% of the lawyers in the state were selected for the Rising Stars list. Ms. Wood joined the Law Office of Ronald Marron in September of 2012 and has dedicated her practice to consumer advocacy. Ms. Wood is also a foster youth advocate with Voices for Children. She is a member in good standing of the State Bar of California; the State Bar of Nevada; the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California; the United States District Court of Nevada; the United States District Court for the Eastern and Western Districts of

Wisconsin; the United States District Court of Colorado; the United States Court for the Eastern District of Arkansas; and the United States Court of Appeals for the Ninth Circuit.

Kas L. Gallucci, Senior Associate

Ms. Gallucci graduated *cum laude* from California Western School of Law in 2012, where she ranked in the top 12% of her graduating class and was listed on the Dean's Honor List for four terms. During law school, Ms. Gallucci received the highest grade in her Legal Skills and Advanced Legal Research classes. She also participated in the Capitals of Europe Summer Study Abroad Program, where the Honorable Samuel A. Alito, Jr. was a Distinguished Guest Jurist. Ms. Gallucci has worked for the firm since 2009 and has over 10 years of experience in consumer fraud cases, including prosecuting violations of the Telephone Consumer Protection Act and data breach/privacy cases. Ms. Gallucci also regularly assists with the firm's food, drug, and cosmetic cases. She is a member in good standing of the State Bar of California; the United States District Courts for the Central, Eastern, Northern, and Southern Districts of California; the United States District Court for the Eastern District of Michigan; the United States District Court for the Eastern and Western Districts of Wisconsin; the United States District Court for New Mexico; the United States District Court of Colorado; the United States Court for the Eastern District of Arkansas; and the United States Court of Appeals for the Ninth Circuit.

Lilach Halperin, Associate

Ms. Halperin graduated *cum laude* from the University of San Diego School of Law in 2018. During law school, Ms. Halperin held a judicial externship with the San Diego Superior Court and volunteered for numerous pro bono clinics, including the USD Entrepreneurship Clinic, the USD State Sales and Use Tax Clinic, and the San Diego Clean Slate Clinic. In addition, Ms. Halperin was the Chair of the USD Pro Bono Legal Advocates Consumer Affairs Clinic, where she worked with the Legal Aid Society of San Diego to assist indigent clients with lawsuits in consumer protection law. Ms. Halperin has worked for the Law Offices of Ronald A. Marron since 2018 and primarily handles consumer fraud cases for the firm, including the areas of false and misleading labeling of consumer products. She is a member of good standing of the State Bar of California; the United States District Courts for the Central, Eastern, Northern and Southern Districts of California; and the Western District of Wisconsin.

Support Staff

The Marron Firm also employs a number of knowledgeable and experienced support staff, including paralegals and legal assistants.

EXAMPLES OF MARRON FIRM'S SUCCESSES ON BEHALF OF CONSUMERS

Komins v. Yonamine, et al., Case No. 19STCV24865 (Los Angeles Sup. Ct.)

On June 11, 2024, the Honorable Kenneth Freeman granted preliminary approval of a class-wide injunctive relief and *cy pres* settlement. The Court appointed the Law Offices of Ronald A. Marron as class counsel.

Capaci, et al. v. Sports Research Corporation, Case No. 19-cv-3440-FMO (PDx) (C.D. Cal.)

On April 14, 2022, the Honorable Fernando M. Olguin granted class certification of a nationwide Rule 23(b)(3) class, appointing the Marron Firm as class counsel. On June 10, 2024, the Court granted preliminary approval of a $1,600,000 settlement providing for monetary and injunctive relief. The Court appointed the Law Offices of Ronald A. Marron as class counsel for settlement purposes.

Hall v. Marriott International, Inc., Case No. 3:19-cv-01715-JO-AHG (S.D. Cal.)
On May 17, 2024, the Honorable Jinsook Ohta granted preliminary approval of a class-wide settlement providing for changes to Marriott's business practices. The Court confirmed its March 30, 2023 certification of a Fed. R. Civ. P. 23(c)(4) issue class.

Marin v. Cheeky Scientist, LLC, et al., Case No. 37-2022-00043918-CU-CO-CTL (San Diego Super. Ct.)
On December 20, 2023, the Honorable Carolyn Caietti granted preliminary approval of a $775,000 class action settlement, which provided full refunds to all persons who purchased Cheeky Scientist's employment counseling services during the class period. The Court granted final approval of the settlement on May 17, 2024.

In Re UKG Cybersecurity Litigation, Case No. 3:22-cv-00346-SI (N.D. Cal)
On June 2, 2023, the Honorable Susan Illston granted preliminary approval to a class action settlement which included a Nationwide class of approximately 7 million employees whose data was stored on UKG, Inc's KPC environment during a December 2021 cyberattack. The settlement conferred $7,000,000 in benefits to the class, including a non-reversionary cash fund of $5,500,000, and security hardening measures which cost $1,500,000. Final Approval was granted on November 22, 2023.

Mirzoyan et al. v. The Hershey Company, Case No. CGC-20-583659 (San Francisco Sup. Ct.)
On March 30, 2023, the Honorable Andrew Y.S. Cheng granted class certification of a California injunctive relief class, appointing the Law Offices of Ronald A. Marron as class counsel. On August 2, 2023, the Honorable Samuel K. Feng granted final approval of a class settlement for injunctive relief.

Robbins et al v. Plushcare, Inc. et al, Case No. 3:21-cv-03444-MMC (N.D. Cal)
On July 21, 2023, the Honorable Maxine M. Chesney granted final approval to a class action settlement of $3,700,000.00 for all persons who enrolled in an automatically renewing monthly subscription with PlushCare during the Class Period. The settlement provided approximately 3.5 months of renewal subscription fees to approximately 332,547 class members with a 9.4% claims rate. Alexis M. Wood and Kas L. Gallucci were appointed as class counsel.

Sanchez v. Allianze Life Insurance Company of North America, Case No. BC594715 (Los Angeles Sup. Ct.)
On December 14, 2022, the Honorable Maren E. Nelson granted final approval to a class action settlement for breach of contract and declaratory relief with respect to annuities sold to the plaintiffs by defendants in which the Law Offices of Ronald A. Marron was appointed as co-lead class counsel along with Gianelli & Morris.

In Re: T-Mobile Customer Data Security Breach Litigation, Case No. 4:21-MD-03019-BCW (W.D. MO.)
On July 26, 2022, the Honorable Brian C. Wimes of the United States District Court for the Western District of Missouri granted preliminary approval of one of the largest data breach class actions

which consisted of a Settlement Class of 76.6 million U.S. residents to which a $350 million non-reversion settlement fund was created for the benefit of the class in addition to at least $150 million for data security and related technology. The court appointed Alexis Wood of the Law Offices of Ronald A Marron as Liaison Counsel in this litigation. Final approval was granted on June 29, 2023.

Fox v. Iowa Health System, No. 3:18-cv-00327-JDP (W.D. Wiscon.)
On March 4, 2021, the Honorable James D. Pederson granted final approval to a class action settlement regarding two data breaches of a healthcare system's patient and employees personal and private information. The Settlement provided for substantial monetary and injunctive relief. *Fox v. Iowa Health Sys.*, No. 3:18-CV-00327-JDP, 2021 WL 826741 (W.D. Wis. Mar. 4, 2021).

Young v. Neurobrands, LLC, No. 4:18-cv-05907-JSW (N.D. Cal.)
Plaintiffs alleged that certain Neurobrands products falsely state "no artificial [] flavors" when they in fact contain the artificial flavoring agent, malic acid. On October 15, 2020, the Honorable Jeffrey S. White granted class certification of a California Rule 23(b)(2) class, appointing the Marron Firm as class counsel. *Young v. Neurobrands, LLC*, No. 4:18-cv-05907-JSW, 2020 WL 11762212 (N.D. Cal. Oct. 15, 2020). On October 8, 2021, the Court granted final approval of the settlement. Dkt. *Young v. Neurobrands, LLC*, No. 4:18-CV-05907-JSW, 2021 WL 4784252 (N.D. Cal. Oct. 8, 2021).

Randolph v. Amazon.com LLC, No. 37-2017-00011078-CU-OE-CTL (San Diego Sup. Ct.)
Plaintiffs alleged that Defendants Amazon Logistics, Inc. and Amazon.com failed to comply with wage and hour laws with respect to persons who delivered packages to Amazon customers in California. On October 5, 2020, the Honorable Ronald L. Styn preliminarily approved the settlement to which the Law Offices of Ronald A. Marron served as co-lead class counsel. ROA 184. On July 4, 2021, the Honorable Keri Katz granted final approval of class action and PAGA representative action settlement which settled for $3,200,000.00. ROA 210.

McSwain v. Axos Bank**,** No. 37-2019-00015784-CU-BC-CTL (San Diego Sup. Ct.)
Plaintiff alleged that Axos Bank failed to pay a minimum of 2% simple interest on homeowners' impound escrow accounts as required by California law. Axos filed a demurrer arguing that Plaintiff's state law claims are preempted under the federal Homeowners' Loan Act, 12 U.S.C. §§ 1461, *et seq*. and the Law Offices of Ronald A. Marron successfully opposed the demurrer. ROA 36. On July 22, 2020, a class action settlement was preliminarily approved by the Court (ROA 58), and on November 25, 2020 the court granted final approval of the Settlement (ROA 81).

Romero v. Securus Technologies, Inc. No. 3:16-cv-01283 (JM) (S.D. Cal.)
Plaintiffs alleged that Securus Technologies illegally recorded telephone conversations between inmates and their counsel. On November 21, 2018, the Honorable Jeffrey Miller granted class certification in part, appointing the Law Offices of Ronald A. Marron as co-lead class counsel. Dkt. No. 141. On June 16, 2020, the class action settlement was preliminary approved by the Court, and on November 19, 2020, the Court granted final approval of the Settlement. Dkt. No. 184.

Hilsley v. Ocean Spray Cranberries, Inc., No. 3:17-cv-02335(GPC) (S.D. Cal.)
A nationwide class of consumers brought this suit against Ocean Spray Cranberries, Inc. and Arnold Worldwide LLC for violations of California's Consumer Legal Remedies Act. Plaintiff alleges that certain Ocean Spray products falsely state "no artificial flavors" when they in fact contain the artificial flavoring agent, malic acid. On November 29, 2018, the Honorable Gonzalo P. Curiel

granted class certification, appointing Ronald A. Marron, Michael Houchin, and Lilach Halperin of the Marron Firm as class counsel. Dkt. No. 83. On July 3, 2019, Judge Curiel denied Defendant's Motion for Summary Judgment (Dkt. No. 193) and on July 10, 2019 denied Defendant's Motion to Decertify the Class (Dkt. No. 196). On January 31, 2020, the Honorable Judge Gonzalo P. Curiel granted Plaintiff's Motion for Preliminary Approval of Class Action Settlement, and on August 3, 2020 the Court granted final approval of the settlement. Dkt. No. 259.

Graves v. United Industries Corp., No. 2:17-cv-06983-CAS-SK (C.D. Cal.)
On February 24, 2020, the Honorable Christiana A. Snyder granted final approval a nation-wide class action settlement concerning United Industries Corporation's Spectracide® Weed and Grass Killer Concentrate Products. Dkt. No. 87. The Plaintiffs alleged that the Spectracide® Concentrate Products were labeled as making more solution than the products were capable of making when mixed for certain weed control purposes. The Law Offices of Ronald A. Marron served as Class Counsel. The settlement created a $2.5 million dollar common fund in addition to injunctive relief in the form of labeling changes. Judge Snyder noted that the Law Offices of Ronald A. Marron had "vigorously represented the Class" and has "extensive experience in consumer class action litigation." *Graves v. United Indus. Corp.*, No. 2:17-cv-06983-CAS-SK, 2020 WL 953210, at *5, (C.D. Cal. Feb. 24, 2020).

Esparza v. Smartpay Leasing, Inc., No. 3:17-cv-03421-WHA (N.D. Cal.)
On January 28, 2020, the Honorable William Alsup granted final approval a nation-wide certified class action settlement. The class included individuals who were texted on behalf of the defendant, using its vendor Twilio, Inc.'s platform after texting the word "STOP", between September 29, 2015 to June 13, 2017. Ronald A. Marron, Alexis M. Wood and Kas L. Gallucci of the Law Offices of Ronald A. Marron served as class counsel. The settlement created a $8.67 million dollar common fund. *See Esparza v. Smartpay Leasing, Inc.*, No. 3:17-cv-03421-WHA, 2020 WL 465865, at *2 (N.D. Cal. Jan. 28, 2020), judgment entered, 2020 WL 465863 (N.D. Cal.).

Busch v. Bluestem Brands, Inc., No. 16-cv-0644(WMW/HB) (D. Minn.)
On October 11, 2019, the Honorable Judge Wilhelmina M. Wright granted final approval of a nationwide TCPA class action settlement where Ronald A. Marron, Alexis M. Wood and Kas L. Gallucci served as co-lead class counsel. The settlement created a $5.25 million common fund. *See Busch v. Bluestem Brands, Inc.,* No. 0:16-cv-00644-WMW-HB, 2019 WL 5092952, at *1 (D. Minn. Oct. 11, 2019).

Woodard, et al. v. Labrada, et al., Case No. 5:16-cv-00189-JGB-SP (C.D. Cal.)
On October 7, 2019, the Honorable Jesus G. Bernal granted final approval of a settlement between Plaintiffs and Defendant Naturex, Inc. for monetary and injunctive relief and the Law Offices of Ronald A. Marron served as co-lead class counsel. *See* Dkt. No. 321.

Medina v. Enhanced Recovery Company, LLC, No. 15-CV-14342-MARTINEZ-MAYNARD (S.D. Fla.)
On September 12, 2019, the Honorable Judge Jose E. Martinez granted final approval of a nationwide TCPA class action settlement and the Law Offices of Ronald A. Marron served as co-lead class counsel. Dkt. No. 131. The settlement created a $1.45 million common fund.

Littlejohn v. Ferrara Candy Company, No. 3:18-cv-0658-AJB-WVG (S.D. Cal.)

On June 17, 2019, the Honorable Anthony J. Battaglia granted final approval of a nationwide CLRA class action settlement stating "Class Counsel has fully and competently prosecuted all causes of action, claims, theories of liability, and remedies reasonably available to the Class Members." *Littlejohn v. Ferrara Candy Co.,* No. 3:18-cv-0658-AJB-WVG, 2019 WL 2514720, at *3 (S.D. Cal. June 17, 2019).

Rwomwijhu v. SMX, LLC, No. BC634518 (L.A. Supr. Ct.)
On January 11, 2019, the Honorable Carolyn B. Kuhl granted final approval of case brought pursuant to under California's Private Attorneys General Act where the Law Offices of Ronald A. Marron served as co-lead class counsel.

Jackson v. Lang Pharma Nutrition, Inc., No. 37-2017-00028196-CU-BC-CTL (S.D. Supr. Ct.)
On December 20, 2018, the Honorable Joel R. Wohlfeil of the California Superior Court granted final approval to a nationwide labeling case settlement involving Co-q10 dietary supplements where the Law Offices of Ronald A. Marron served as class counsel. The settlement created a fund in the amount of $1,306,000 for which class members could elect to obtain cash or product vouchers.

Simms v. ExactTarget, LLC, No. 1-14-cv-00737-WTL-DKL (S.D. Ind.)
On October 19, 2018, the Honorable William T. Lawrence granted final approval of a nationwide TCPA class action settlement where the Law Offices of Ronald A. Marron served as class counsel. Dkt. No. 178. The settlement created a $6.25 million common fund.

Mancini v. The Western and Southern Life Insurance Company, et al., No. 16-cv-2830-LAB (WVG) (S.D. Cal)
On September 18, 2018, the Honorable Larry Alan Burns granted final approval of settlement in the amount of $477,500 to resolve claims under California's Private Attorneys General Act. Dkt. No. 51.

***Gonzales v. Starside Security & Investigation**,* No. 37-2015-00036423-CU-OE-CTL (S.D. Supr. Ct.)
On September 7, 2018, the Honorable Gregory W. Pollack granted final approval of a wage and hour class action settlement and where the Law Offices of Ronald A. Marron served as class counsel. ROA 303.

Mollicone v. Universal Handicraft, No. 1:17-cv-21468-RNS (S.D. Fla.)
On August 10, 2018, the Honorable Robert N. Scola, Jr. granted final approval of class action settlement regarding false advertising claims of Adore cosmetics products marketed as containing a plant stem cell formula where in which the Law Offices of Ronald A. Marron served as class counsel. Dkt. No. 131. In his Preliminary Approval Order, Judge Scola stated that the Marron Firm is "experienced and competent in the prosecution of complex class action litigation." Dkt. No. 120.

Mason v. M3 Financial Services, Inc., No. 1:15-cv-04194 (N.D. Ill.)
On June 29, 2018, the Honorable Andrea R. Wood granted final approval of a nationwide TCPA class action settlement in the amount of $600,000 in which the Law Offices of Ronald A. Marron served as co-lead class counsel. Dkt. No. 71.

Potzner v. Tommie Copper, Inc., No. 7:15-cv-03183-AT-LMS (S.D. N.Y.)

On May 4, 2018, the Honorable Analisa Torres granted final approval of a false advertising class settlement in the amount $700,000. Dkt. No. 129. This case involves allegations of false and deceptive advertising and endorser liability for copper fabric compression clothing. On January 4, 2016, the Honorable Analisa Torres appointed the Marron firm as Interim Lead Class Counsel over the opposition and challenge of other plaintiffs' counsel, noting that the Marron firm's "detailed" complaint was "more specifically pleaded, . . . assert[ing] a more comprehensive set of theories . . . [and was] more factually developed." *Potzner v. Tommie Copper Inc.*, No. 7:15-cv-03183-AT-LMS, 2016 WL 304746, at *1 (S.D.N.Y. Jan. 4, 2016). Judge Torres also noted that Mr. Marron and his firm's attorneys had "substantial experience litigating complex consumer class actions, are familiar with the applicable law, and have the resources necessary to represent the class." *Id*.

***Gutierrez-Rodriguez v. R.M. Galicia, Inc.**,* No. 3:16-cv-00182-H-BLM (S.D. Cal.)
On March 26, 2018, the Honorable Marilyn Huff granted final approval of a nationwide TCPA class action settlement which provided monetary relief in the amount of $1,500,000, in addition to significant injunctive relief. Dkt. 67. The Law Offices of Ronald A. Marron served as class counsel. *Gutierrez-Rodriguez v. R.M. Galicia, Inc.,* No. 16-CV-00182-H-BLM, 2018 WL 1470198, at *2 (S.D. Cal. Mar. 26, 2018).

***Thornton v. NCO Financial Systems**,* No. 16-CH-5780 (Cook County, Ill)
On October 31, 2017, the Honorable Tomas R. Allen of the Circuit Court of Cook County, Illinois, granted final approval to a nationwide TCPA class which created a common fund in the amount of $8,000,000 and also provided for injunctive relief. The Law Offices of Ronald A. Marron served as co-lead class counsel.

Allen v. Similasan Corp., No. 12-cv-376 BAS (JLB) (S.D. Cal.)
A California class of consumers alleging false and deceptive advertising of six homeopathic drugs was certified by the Honorable Cynthia A. Bashant on March 30, 2015, with the Court noting that the firm was experienced and competent to prosecute the matter on behalf of the Class. Judge Bashant denied summary judgment on the class' claims that the drug products were not effective, as advertised, and certified claims under California's Consumers Legal Remedies Act, Unfair Competition Law, False Advertising Law, breach of express and implied warranty, and violation of the federal Magnuson-Moss Warranty Act. Dkt. No. 143. On August 17, 2017, final approval was granted.

***Elkind v. Revlon Consumer Products Corporation**,* No. 14-cv-2484(JS)(AKT) (E.D.N.Y.)
On September 5, 2017, the Honorable A. Kathleen Tomlinson granted final approval of a nationwide false advertising class action settlement which challenged Revlon's advertising of its "Age Defying with DNA Advantage" line of cosmetics in the amount of $900,000, and significant injunctive relief. Dkt. No. 131. The Law Offices of Ronald A. Marron served as co-lead class counsel. Dkt. No. 120.

***Sanders v. R.B.S. Citizen, N.A.**,* No. 3:13-cv-03136-BAS-RBB (S.D. Cal.)
On January 27, 2017 the Honorable Cynthia A. Bashant granted final approval of a nationwide TCPA class action settlement in the amount of $4,551,267.50. *Sanders v. R.B.S. Citizen, N.A.,* No. 13-CV-03136-BAS (RBB), 2017 WL 406165 (S.D. Cal. Jan. 25, 2017). On July 1, 2016, the Honorable Cynthia A. Bashant certified a nationwide class, for settlement purposes, of over one million persons receiving cell phone calls from Citizens made with an alleged automatic telephone dialing system. Dkt. No. 107. The Court appointed the Law Offices of Ronald A. Marron as class

counsel, noting they have "significant experience in handling class actions." *Id.*

In re Leaf123 (Augustine v. Natrol), No. 14-114466 (U.S. Bankr. Ct. for the Dist. of Del.)
This action involved allegations of false and deceptive advertising of Senna Leaf tea products as dietary aids. Plaintiff alleged Senna Leaf is nothing more than a stimulant laxative which does not aid diets but hinders them. After a strong showing in the district court, and pursuant to other actions against the defendant manufacturer, the defendant filed for bankruptcy. The Marron Firm followed defendant to the federal bankruptcy court and retained bankruptcy counsel to assist. After a full day mediation before a retired federal jurist, and months of follow up negotiations, a settlement was reached. On August 7, 2015, in In re Leaf123 (adversary proceeding of *Augustine v. Natrol*), the Honorable Brendan L. Shannon approved an injunctive relief-only settlement, finding it "fair, reasonable and adequate."

Johnson v. Triple Leaf Tea, Inc., No. 3:14-cv-01570-MMC (N.D. Cal.)
An injunctive relief class action settlement, requiring manufacturer of senna leaf diet teas to re-label their products and remove ingredients based on alleged consumer confusion and harm, was filed in April 2014. The Marron firmed served as class counsel and the Honorable Maxine M. Chesney, Senior U.S. District Court Judge granted final approval to a classwide settlement on November 16, 2015. *Johnson v. Triple Leaf Tea Inc.*, No. 3:14-CV-01570-MMC, 2015 WL 8943150, at *3, *5 (N.D. Cal. Nov. 16, 2015) ("Class Counsel has fully and competently prosecuted all causes of action, claims, theories of liability, and remedies reasonably available to the Class Members. The Court hereby affirms its appointment of the Law Offices of Ronald A. Marron, APLC as Class Counsel . . . . Class Counsel and Defendant's counsel are highly experienced civil litigation attorneys with specialized knowledge in food and drug labeling issues, and complex class action litigation generally.").

Perry v. Truong Giang Corp., Case No. BC58568 (L.A. Supr. Ct.)
Plaintiff alleged defendant's Senna Leaf teas, advertised as diet aids, were falsely or misleadingly advertised to consumers. After an all-day mediation, a class wide settlement was reached. In granting final approval to the settlement on August 5, 2015, the Honorable Kenneth Freeman noted that class counsel's hourly rates were "reasonable" and stated the Marron Firm's lawyers used skill in securing the positive results achieved on behalf of the class. The court also noted "this case involved difficult legal issues because federal and state laws governing dietary supplements are a gray area, . . . the attorneys displayed skill in researching and settling this case, which provides a benefit not only to Class Members but to the public at large . . . ."

Carr v. Tadin, Inc., No. 3:12-cv-03040-JLS-JMA (S.D. Cal.)
An injunctive relief class action settlement, requiring manufacturer of diet teas and other health supplements to re-label their products to avoid alleged consumer confusion, was filed in January 2014 before the Honorable Janis L. Sammartino. The Marron Firm was appointed as class counsel. *Carr v. Tadin, Inc.*, No. 12-CV-3040 JLS JMA, 2014 WL 7497152 (S.D. Cal. Apr. 18, 2014), *amended in part,* No. 12-CV-3040 JLS JMA, 2014 WL 7499453 (S.D. Cal. May 2, 2014). The classwide settlement was granted final approval on December 5, 2014. *Carr v. Tadin, Inc.*, 51 F. Supp. 3d 970 (S.D. Cal. 2014).

Gallucci v. Boiron, Inc., No. 3:11-cv-2039-JAH (S.D. Cal.)
The firm was class counsel for consumers of homeopathic drug products in an action against

Boiron, Inc., the largest foreign manufacturer of homeopathic products in the United States, involving allegations that Boiron's labeling and advertising were false and misleading. We obtained a nationwide settlement for the class which provided injunctive relief and restitution from a common fund of $5 million. *Gallucci v. Boiron, Inc.*, No. 11CV2039 JAH NLS, 2012 WL 5359485 (S.D. Cal. Oct. 31, 2012), *aff'd sub nom. Gallucci v. Gonzales*, 603 F. App'x 533 (9th Cir. 2015). The settlement was upheld by the Ninth Circuit on February 21, 2015. The case also set an industry standard for homeopathic drug labeling. *See* www.homeopathicpharmacy.org/pdf/press/AAHP_Advertising_ Guidelines.pdf.

Red v. Kraft Foods Global, Inc., No. 2:10-1028-GW (C.D. Cal)
The firm represented consumers in a class action against one of the world's largest food companies and was appointed lead counsel in a consolidated putative class action. The action has resulted in a permanent injunction barring the use of deceptive health claims on Nabisco packaged foods containing artificial trans fat. Dkt. No. 260. The Court has also granted an interim award of attorneys' fees. Dkt. No. 301.

Mason v. Heel, Inc., No. 3:12-cv-3056-GPC-KSC (S.D. Cal.)
Plaintiff alleged false and deceptive advertising of over-the-counter homeopathic drugs. On October 31, 2013, the Honorable Gonzalo P. Curiel granted preliminary approval to a nationwide class settlement of $1 million in monetary relief for the class plus four significant forms of injunctive relief. Final approval was granted on March 13, 2014. *See Mason v. Heel, Inc.,* 3:12-CV-03056-GPC, 2014 WL 1664271 (S.D. Cal. Mar. 13, 2014).

Clark v. National Western Life Insurance Co., No. BC321681 (L.A. Co. Super. Ct.)
Class action involving allegations of elder financial abuse and fraud. After litigating the case for well over six years, including Mr. Marron being appointed co-lead class counsel, the case resulted in a settlement of approximately $25 million for consumers.

In re Quaker Oats Labeling Litig., No. 5:10-cv-00502-RS (N.D. Cal.)
False and deceptive advertising case concerning Instant Oats, Chewy Granola Bars and Oatmeal To Go products, including use of partially hydrogenated vegetable oil while also representing the products as healthy snacks. An injunctive relief class action settlement was granted preliminary approval on February 12, 2014, with my firm being appointed Class Counsel. Dkt. No. 180. On July 29, 2014, the court granted the final approval of the settlement. *In re Quaker Oats Labeling Litig.*, No. 5:10-cv-00502-RS, 2014 WL 12616763 (N.D. Cal. July 29, 2014).

Nigh v. Humphreys Pharmacal, Inc., No. 3:12-cv-02714-MMA-DHB (S.D. Cal.)
Case involving allegations of false and deceptive advertising of homeopathic over-the-counter drugs as effective when they allegedly were not. On October 23, 2013, a global settlement was granted final approved by the Honorable Michael M. Anello, involving a common fund of $1.4 million plus five significant forms of injunctive relief for consumers. *Nigh v. Humphreys Pharmacal, Inc.*, No. 3:12-cv-02714-MMA-DHB, 2013 WL 5995382 (S.D. Cal. Oct. 23, 2013).

Burton v. Ganeden Biotech, Inc., No. 3:11-cv-01471-W-NLS (S.D. Cal.)
Action alleging false and deceptive advertising of a dietary probiotic supplement. The Marron Firm settled the case for $900,000 in a common fund plus injunctive relief in the form of labeling changes. Final approval was granted on October 4, 2012. Dkt. No. 52.

Hohenberg v. Ferrero U.S.A., Inc., No. 3:11-CV-00205-H-CAB (S.D. Cal.)
This case involved false and deceptive advertising of sugary food product as a healthy breakfast food for children. After successfully defeating a motion to dismiss, *Hohenberg*, 2011 U.S. Dist. LEXIS 38471, at *6 (S.D. Cal. Mar. 22, 2011), the Honorable Marilyn Huff certified a class on November 15, 2011, resulting in a published decision, *In re Ferrero Litig.*, 278 F.R.D. 552 (S.D. Cal. 2011). A final settlement consisting of injunctive relief labeling and marketing changes, plus a $550,000 common fund for monetary relief to the class was finally approved on July 9, 2012. Dkt. No. 127.

In re Qunol CoQ10 Liquid Labeling Litigation, No. 8:11-cv-173-DOC (C.D. Cal.)
This case involved false and deceptive consumer advertising of a dietary supplement. The Marron Firm was appointed class counsel and successfully defeated defendants' motion to decertify the class following the Ninth Circuit's decision in *Mazza v. Am. Honda Motor Co.*, 666 F.3d 581 (9th Cir. 2012). *See Bruno v. Eckhart Corp.*, 280 F.R.D. 540 (C.D. Cal. 2012); *see also Bruno v. Quten Research Inst., LLC*, 280 F.R.D. 524 (C.D. Cal. 2011). The case settled on the eve of trial (originally scheduled for October 2, 2012) for cash payments to the class and injunctive relief.

Iorio v. Asset Marketing Systems, Inc., No. 3:05-cv-00633-JLS-CAB (S.D. Cal.)
This action involved allegations of elder financial abuse and fraud. Mr. Marron was appointed class counsel on August 24, 2006 and the Court certified a class on July 25, 2006. After nearly six years of intensive litigation, including "challenges to the pleadings, class certification, class decertification, summary judgment,…motion to modify the class definition, motion to strike various remedies in the prayer for relief, and motion to decertify the Class' punitive damages claim," plus three petitions to the Ninth Circuit, attempting to challenge the Rule 23(f) class certification, a settlement valued at $110 million was reached and approved on March 3, 2011. Dkt. No. 480. In granting final approval to the settlement, the Court noted that class counsel were "highly experienced trial lawyers with specialized knowledge in insurance and annuity litigation, and complex class action litigation generally" and "capable of properly assessing the risks, expenses, and duration of continued litigation, including at trial and on appeal." *Id.* at 7:18-22.

Martinez v. Toll Brothers, No. 09-cv-00937-CDJ (E.D. Penn.)
Shareholder derivative case alleging breach of fiduciary duty, corporate waste, unjust enrichment and insider trading, filed derivatively on behalf of Toll Brothers and against individual corporate officers. Under a joint prosecution agreement, this action was litigated along with other consolidated and related actions against Toll Brothers in a case styled ***Pfeiffer v. Toll Brothers***, No. 4140-VCL in the Delaware Chancery Court. After extensive litigation, the case settled in September 2012 for $16.25 million in reimbursement to the corporation.

Peterman v. North American Co. for Life & Health Insurance, No. BC357194, (L.A. Co. Super. Ct.), involved allegations of elder financial abuse. This case was litigated for over four years and achieved a settlement of approximately $60 million for consumers.

Vaccarino v. Midland Nat'l Life Ins. Co., No. 2:11-cv-05858-CAS (MANx) (C.D. Cal.)
This action involved allegations of elder financial abuse and fraud. On June 17, 2013, the Honorable Christina A. Snyder appointed the Marron Firm as Class Counsel, and on February 3, 2014, the Court certified a class of annuities purchasers under various theories of relief, including breach of contract and the UCL. On September 22, 2014, the court granted final approval to a class action

settlement that achieved a settlement of approximately $5.55 million for consumers, including *cy pres* relief to the Congress of California Seniors. Dkt. No. 419.

OTHER NOTABLE CASES

In re Santa Fe Natural Tobacco Company Marketing & Sales Practices Litig., No. 1:16-md-02695-JB-LF (D.N.M.)
On May 24, 2016, Ronald A. Marron was appointed to the Executive Committee in a multidistrict litigation labeling case. Dkt. No. 24. On September 1, 2023, class certification was granted in part.

Henderson v. The J.M. Smucker Company, No. 2:10-cv-4524-GHK (C.D. Cal.)
This action was the catalyst forcing the defendant to reformulate a children's frozen food production to remove trans-fat. On June 19, 2013, the Honorable George H. King held the firm's client was a prevailing Private Attorney General and entitled to her costs and attorneys' fees. Dkt. No. 268.

APPELLATE CASES

Littlejohn v. Ferrara Candy Company, Inc., Case No. 19-55805 (9th Cir.)
The Marron Firm was appointed by the district court as class counsel for a settlement class involving purchasers of SweeTARTS candy products that are labeling as containing "No Artificial Flavors" The plaintiff alleged that the "No Artificial Flavors" claim is false and misleding because the SweeTARTS products are made with an artificial flavoring ingredient. The district court approved a nationwide class action settlement that provided valuable injunctive relief by requiring the defendant to remove the "No Artificial Flavors" labeling claim. An objector appealed the district court's approval of the settlement. On June 30, 2020, the Ninth Circuit fully affirmed the district court's approval of the settlement holding that the "SweeTARTS purchasers tend to be repeat buyers who would derive value from the Settlement's injunctive relief upon each future purchase of SweeTARTS." *Littlejohn v. Ferrara Candy Company, Inc.*, ---Fed. Appx.---, 2020 WL 3536531, at *2 (9th Cir. June 30, 2020).

Shyriaa Henderson v. United States Aid Funds, Inc., Case No. 17-55373 (9th Cir.)
On March 22, 2019, the Ninth Circuit reversed the District Court's order granting summary judgment in favor of Defendant, and remanded for further proceedings in a class action where debt collectors acting on behalf of defendant were in violation of the TCPA. The Ninth Circuit found that a reasonable jury could hold Defendant vicariously liable for the alleged TCPA violations by debt collectors. *Henderson v. United Student Aid Funds, Inc.*, 918 F.3d 1068 (9th Cir. 2019).

John Sandoval v. Pharmacare US, Inc., Case No. 16-56301 (9th Cir.)
On April 5, 2016, the Ninth Circuit reversed, in part, the District Court's order granting summary judgment in a false advertising class action concerning an aphrodisiac dietary supplement called "IntenseX" The Marron Firm successfully argued that statements on the intensex.com website showed that the defendant failed to obtain approval of IntenseX as an OTC aphrodisiac drug, thus creating a basis for liability under California's Unfair Competition Law. *Sandoval v. PharmaCare US, Inc.*, 730 Fed.Appx. 417 (9th Cir. 2018).

Reid v. Johnson & Johnson, Case No. 12-56726 (9th Cir.)
On March 13, 2015, the Ninth Circuit reversed, in part, the District Court's order granting the

defendant's motion to dismiss in a false advertising class action concerning Benecol spread that was allegedly falsely advertised as containing "No Trans Fat." The Marron Firm successfully argued that the plaintiff's claims are not preempted by the Federal Food, Drug, and Cosmetics Act. *Reid v. Johnson & Johnson*, 780 F.3d 952, 964 (9th Cir. 2015).

EXHIBIT B

Firm Name	Principal or Largest Office	Average fill-time equivalent Attorneys	Firmwide Average Billing Rate	Firmwide Median Billing	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average	Associate Billing Rate: Median
Best Best & Krieger	Riverside, CA	195	$358	$360	$575 ($550)	$275 ($310)	$417	$420	$375 ($395)	$205 ($225)	$265	$240
Knobbe, Martens, Olson & Bear	Irvine, CA	268	$439 ($432)	$415 ($415)	$735 ($710)	$415 ($395)	$525 ($511)	$500 ($485)	$495 ($450)	$295 ($285)	$346 ($322)	$345 ($335)
Manatt, Phelps & Phillips	Los Angeles, CA	322	$602 ($568)	$620 ($590)	$850 ($850)	$540 ($525)	$676 ($651)	$670 ($650)	$550 ($525)	$215 ($200)	$464 ($405)	$500 ($410)
Sheppard, Mullin, Richter & Hampton	Los Angeles, CA	465			$860 ($820)	$505 ($495)			$635 ($620)	$275 ($270)		

* Billing Rates in RED are from the 2010 NLJ Billing Survey

Firm Name	Principal or Largest Office	Average fill-time equivalent Attorneys	Firmwide Average Billing Rate	Firmwide Median Billing	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average	Associate Billing Rate: Median
Best Best & Krieger	Riverside, CA	195	$358	$360	$575	$275	$417	$420	$375	$205	$265	$240
Knobbe, Martens, Olson & Bear	Irvine, CA	268	$439	$415	$735	$415	$525	$500	$495	$295	$346	$345
Manatt, Phelps & Phillips	Los Angeles, CA	322	$602	$620	$850	$540	$676	$670	$550	$215	$464	$500
Sheppard, Mullin, Richter & Hampton	Los Angeles, CA	465			$860	$505			$635	$275		

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The 2011 Law Firm Billing Survey

It appears that modest annual billing rate increases are here to stay. For the third year in a row, law firms showed restraint with hourly rate increases, inching up at a rate only slightly higher than inflation in many cases.

December 19, 2011

It appears that modest annual billing rate increases are here to stay. For the third year in a row, law firms showed restraint with hourly rate increases, inching up at a rate only slightly higher than inflation in many cases. The average firmwide billing rate, which combines partner and associate rates, increased by 4.4 percent during 2011, according to *The National Law Journal*'s annual Billing survey. That followed on the heels of a 2.7 percent increase in 2010 and a 2.5 percent increase in 2009 — all of which paled in comparison to the go-go, prerecession days when firms could charge between 6 and 8 percent more each year.

It's a buyer's market

"Before the recession, I think we had a seller's market," said Altman Weil consultant Ward Bower. "There was so much demand that law firms were in the driver's seat and could get what they wanted. Clients are in the driver's seat now, and they aren't going to pay those increases. They're exerting much more control over pricing, strategy and staffing decisions."

BY THE NUMBERS

A nationwide sampling of law firm billing rates
We asked the respondents to our 2011 survey of the nation's 250 largest law firms to provide a range of hourly billing rates.

Firms report using alternatives to the billable hour
Law firms report on the percentages of revenue obtained through variations on the billable hour and true alternatives.

Firms report their billing rates by associate class
A sampling of hourly rates charged by law firms that establish billing rates based on associate class.

FURTHER READING: See last year's survey.

2011

BILLING SURVEY

A SPECIAL REPORT

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Baker, Donelson, Bearman, Caldwell & Berkowitz	Memphis, Tenn.	527	$311	$310	$595	$250	$357	$345	$315	$160	$228
Best Best & Krieger	Riverside, Calif.	195	$358	$360	$575	$275	$417	$420	$375	$205	$265
Briggs and Morgan	Minneapolis	185			$625	$325			$305	$230	
Broad and Cassel	Orlando, Fla.	160	$377	$350	$575	$295	$435	$395	$350	$180	$265
Bryan Cave	St. Louis	908	$475	$460	$795	$375	$565	$553	$540	$200	$356
Butzel Long	Detroit	176			$700	$325	$440		$425	$225	$274
Carlton Fields	Tampa, Fla.	270	$397	$400	$815	$320	$470	$470	$380	$195	$262
Cozen O'Connor	Philadelphia	504	$439	$410	$900	$305	$510	$490	$550	$225	$330
Day Pitney	Parsippany, N.J.	324	$447	$450	$960	$380	$537	$525	$470	$235	$317

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Day Pitney	Parsippany, N.J.	324	$447	$450	$960	$380	$537	$525	$470	$235	$317
Dickinson Wright	Detroit	229			$600	$325			$320	$200	
Dickstein Shapiro	Washington	335	$560	$550	$1000	$540	$680	$670	$545	$225	$435
Dinsmore & Shohl	Cincinnati	407	$308	$295	$630	$150	$373	$370	$310	$130	$217
DLA Piper	New York	3348	$585	$615	$1120	$530	$747	$730	$730	$320	$508
Dorsey & Whitney	Minneapolis	567	$426	$405	$810	$295	$526	$525	$465	$190	$294
Duane Morris	Philadelphia	629	$503	$500	$875	$375	$575	$570	$530	$225	$365
Dykema Gossett	Detroit	333	$406	$400	$665	$310	$482	$485	$395	$260	$309
Epstein Becker & Green	New York	300	$428	$425	$850	$350	$519	$500	$550	$195	$341
Fitzpatrick, Cella, Harper & Scinto	New York	168			$730	$460		$525	$440	$275	

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Fitzpatrick, Cella, Harper & Scinto	New York	168			$730	$460		$525	$440	$275	
Fox Rothschild	Philadelphia	450	$413	$420	$725	$325	$486	$483	$455	$190	$297
Frost Brown Todd	Cincinnati	401	$296	$295	$515	$205	$340	$340	$265	$150	$200
Gardere Wynne Sewell	Dallas	265	$435	$450	$815	$380	$550	$550	$500	$225	$325
Gibbons	Newark, N.J.	199	$505	$450	$725	$400	$563	$505	$475	$285	$380
Harris Beach	Rochester, N.Y.	176			$390	$275			$260	$160	
Hiscock & Barclay	Syracuse, N.Y.	174	$269	$240	$750	$195	$304	$265	$350	$150	$207
Hodgson Russ	Buffalo, N.Y.	199			$685	$240	$378	$360	$420	$180	$234
Holland & Knight	Washington	910	$445	$455	$895	$300	$530	$520	$495	$175	$295
Hughes Hubbard & Reed	New York	300	$633	$615	$990	$625	$828	$800	$695	$270	$533

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Hughes Hubbard & Reed	New York	300	$633	$615	$990	$625	$828	$800	$695	$270	$533
Husch Blackwell	St Louis	551	$341	$340	$850	$225	$395	$390	$425	$175	$226
Jackson Kelly	Charleston, W.Va.	170	$275	$275	$505	$255	$319	$325	$260	$155	$208
Kaye Scholer	New York	425	$661	$665	$1080	$685	$831	$835	$705	$310	$519
Kelley Drye & Warren	New York	321	$474	$400	$925	$480	$634	$645	$595	$275	$425
Knobbe, Martens, Olson & Bear	Irvine, Calif.	268	$439	$415	$735	$415	$525	$500	$495	$295	$346
Lane Powell	Seattle	180	$405	$425	$645	$340	$460	$450	$360	$225	$295
Lathrop & Gage	Kansas City, Mo.	281	$337	$340	$735	$275	$390	$390	$410	$205	$246
Lewis, Rice & Fingersh	St. Louis	162	$275		$470	$270			$320	$150	
Lowenstein Sandler	Roseland, N.J.	249	$478	$480	$895	$435	$613	$595	$660	$250	$400

* Attorney numbers are from NLJ 250 published in April 2011.

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Lowenstein Sandler	Roseland, N.J.	249	$478	$480	$895	$435	$613	$595	$660	$250	$400
Manatt, Phelps & Phillips	Los Angeles	322	$602	$620	$850	$540	$676	$670	$550	$215	$464
McElroy, Deutsch, Mulvaney & Carpenter	Morristown, N.J.	272	$245	$275	$575	$295	$350	$375	$325	$185	$250
McKenna Long & Aldridge	Atlanta	425	$472	$455	$800	$405	$562	$540	$510	$215	$374
Michael Best & Friedrich	Milwaukee	208	$321	$310	$650	$245	$413		$310	$205	$241
Miller & Martin	Chattanooga, Tenn.	184	$313	$325	$610	$240	$369	$375	$275	$185	$215
Nelson Mullins Riley & Scarborough	Columbia, S.C.	399	$318	$310	$850	$220	$412	$400	$350	$170	$255
Nexsen Pruet	Columbia, S.C.	178			$550	$235			$265	$170	
Patton Boggs	Washington	512	$546	$540	$990	$410	$659	$645	$570	$240	$410

* Attorney numbers are from NLJ 250 published in April 2011.

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Patton Boggs	Washington	512	$546	$540	$990	$410	$659	$645	$570	$240	$410
Pepper Hamilton	Philadelphia	459			$825	$380	$557		$460	$235	$344
Perkins Cole	Seattle	693	$462		$875	$285	$550	$545	$590	$215	$368
Phelps Dunbar	New Orleans	280	$236	$225	$465	$190	$281	$275	$245	$150	$189
Polsinelli Shughart	Kansas City, Mo.	466			$630	$275			$335	$205	
Saul Ewing	Philadelphia	220	$431	$450	$750	$350	$502	$490	$495	$245	$326
Schulte Roth & Zabel	New York	406	$615	$630	$935	$770	$846	$840	$675	$285	$608
Seyfarth Shaw	Chicago	702	$437	$425	$790	$355	$528	$525	$505	$225	$341
Sheppard, Mullin, Richter & Hampton	Los Angeles	465			$860	$505			$635	$275	
Shumaker, Loop & Kendrick	Toledo, Ohio	208	$345	$365	$555	$265	$364	$375	$320	$195	$252

* Attorney numbers are from NLJ 250 published in April 2011.

Firm Name	Principal or Largest Office	Average full-time equivalent Attorneys*	Firmwide Average Billing Rate	Firmwide Median Billing Rate	Partner Billing Rate: High	Partner Billing Rate: Low	Partner Billing Rate: Average	Partner Billing Rate: Median	Associate Billing Rate: High	Associate Billing Rate: Low	Associate Billing Rate: Average
Hampton											
Shumaker, Loop & Kendrick	Toledo, Ohio	208	$345	$365	$555	$265	$364	$375	$320	$195	$252
Stoel Rives	Portland Ore.	373	$385	$395	$625	$320	$451	$450	$500	$195	$292
Strasburger & Price	Dallas	181	$363	$362	$630	$211	$395	$397	$332	$199	$250
Thompson & Knight	Dallas	319	$520	$520	$875	$440	$594	$585	$460	$250	$358
Thompson Coburn	St. Louis	325			$750	$315			$445	$195	
Ulmer & Berne	Cleveland	179	$316		$585	$280	$405		$390	$200	$260
Vedder Price	Chicago	246	$445	$445	$735	$295	$500	$490	$520	$265	$345
Winstead	Dallas	265	$406		$680	$365	$477		$410	$215	$301
Winston & Strawn	Chicago	868	$557	$550	$1130	$580	$713	$700	$600	$350	$434
Wyatt, Tarrant & Combs	Louisville, Ky.	181	$312	$350	$500	$240	$325	$375	$275	$180	$220

* Attorney numbers are from NLJ 250 published in April 2011.

EXHIBIT C

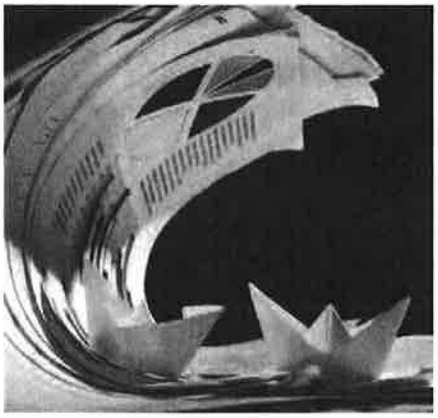
GEORGETOWN LAW
Center for the Study of the Legal Profession

PEER MONITOR®

2014 Report on the State of the Legal Market

The Center for the Study of the Legal Profession at the Georgetown University Law Center and Thomson Reuters Peer Monitor are pleased to present this 2014 Report setting out our views of the dominant trends impacting the legal market in 2013 and key issues likely to influence the market in 2014 and beyond. [1]

Introduction – Is Bigger Always Better?



There is a famous scene in the 1975 award-winning Steven Spielberg movie *Jaws*, when the Amity Police Chief Martin Brody (played by Roy Scheider) first catches a glimpse of the 25-foot long great white shark that has been terrorizing his community and that he is then chasing in a small fishing boat. Stunned by what he has seen, Brody backs into the cabin of the boat and grimly remarks to Quint, the seasoned shark hunter, "You're gonna need a bigger boat."

In an admittedly different context, one could argue that this same advice has been the most prominent driver of law firm strategies over the past decade or so. In large measure, most law firm leaders -- both before and since the Great Recession -- have appeared fixated on building "a bigger boat" as the keystone of their vision for moving their firms forward. Driven by a desire to achieve perceived economies of scale, to better serve client needs, to mirror the actions of competitors, or to improve their rankings in industry statistics, law firms have pursued aggressive growth strategies -- before 2008, through ever increasing hiring quotas and, since 2008, primarily through lateral hiring and mergers.[2]

The past year saw an overall continuation of this trend, although some firms have begun to retrench. According to *The National Law Journal*, the 350 largest U.S. law firms grew by only 1.1 percent during 2012, as compared to 1.7 percent growth in 2011. And, interestingly, some 140 firms on the NLJ 350 list (or about 40 percent of the group) actually shrank in size as compared to the prior year.[3] At the same time, 2013 was a record year for law firm mergers, and lateral acquisitions continued apace.

By early December, the number of reported mergers involving U.S. law firms (91) had already surpassed the previous record (70) set in 2008, and it was widely expected that the year-end total would be even higher.[4]

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1 The Center for the Study of the Legal Profession and Thomson Reuters Peer Monitor gratefully acknowledge the participation of the following persons in the preparation of this Report: from the Center for the Study of the Legal Profession – James W. Jones, Senior Fellow (lead author) and Milton C. Regan, Jr., Professor of Law and Co-Director; and from Thomson Reuters Peer Monitor – Mark Medice, Senior Director and Jennifer Roberts, Data Analyst.

2 The dramatic growth in the size of law firms has been a major feature of the legal market for the past 50 years. In 2012, *The National Law Journal's* NLJ 350 list showed that the 350th largest law firm in the U.S. had 112 lawyers. That compared starkly to 1965, when the largest law firm in the U.S. had only 125 lawyers.

3 "The NLJ 350," *The National Law Journal*, July 6, 2013.

4 "Big Firm Tie-Ups Abroad Keep 2013 Merger Mania Alive," *The AmLaw Daily*, Dec. 12, 2013. The article also describes high levels of merger activity in the United Kingdom, Canada, and South Africa.

While year-end figures on lateral moves among U.S. law firms are not yet available, it is expected that they will reflect a continuation of the high level of lateral partner activity that we have seen in the market in recent years.[5] In addition, in a recent survey of leaders of AmLaw 200 firms, *The American Lawyer* found that a whopping 80 percent of respondents expected to make lateral partner hires in litigation related practice areas during 2014.[6]

Against this background, this report will examine the continuing dominant role that growth appears to play in the strategic thinking of most U.S. law firms. We will ask whether building "a bigger boat" is always the right strategy for firms and will consider some of the challenges that growth -- particularly rapid growth -- poses for law firm leaders. Finally, we will suggest other areas of focus that we believe may be far more relevant to the success of law firms in the future. The starting place for our inquiry, however, must be a look at the state of today's legal market and the ways in which competition in the market has changed fundamentally since 2008.

Current State of the Legal Market - By the Numbers

By most indicators, 2013 was another flat year for economic growth in U.S. law firms, with continuing sluggish demand growth, persistent challenges of low productivity, ongoing client pushback on rate increases, and a continuing struggle to maintain discipline on expenses. Although the performance of individual firms obviously differed, with some performing well above market averages, on the whole the financial performance of the U.S. legal market remained fairly lackluster during the year.

Demand Growth

Demand for legal services in 2013 declined slightly across the industry, as tracked in the Thomson Reuters Peer Monitor data base.[7] As shown in Chart 1 below (which tracks performance on a year-to-date basis through November), after a sharp decline in the first quarter,[8] demand growth recovered somewhat ending at a slightly negative level of -1.1 percent for the 12-month period measured. While a clear improvement over the collapse in demand growth seen in 2009 (when growth hit a negative 5.1 percent level), the current demand growth rate has been essentially flat to somewhat negative for the past three years.

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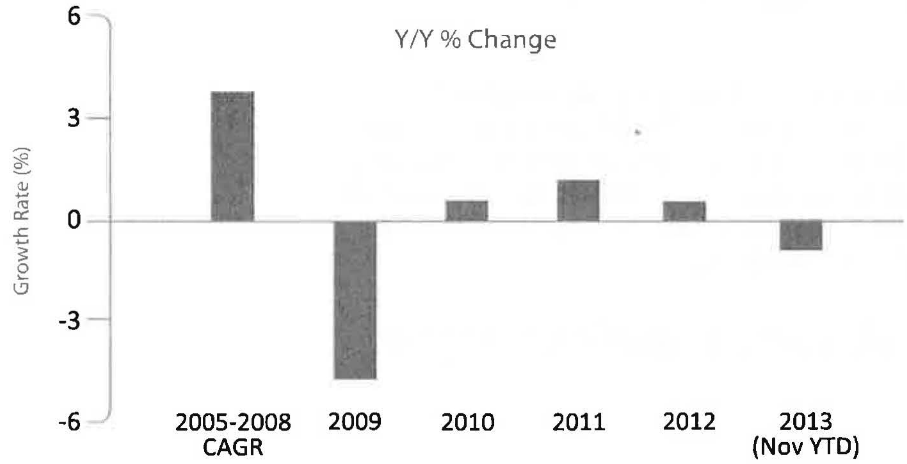
5 In February 2013, in its annual Lateral Report, *The American Lawyer* noted that lateral partner moves among AmLaw 200 firms jumped 9.7 percent over the prior year for the 12-month period ending September 30, 2012, and 33.6 percent over a similar period in 2010. Even taking into account the fact that 280 of the 2,691 lateral partner moves in 2012 were attributable to the failure of a single firm (Dewey & LeBoeuf), the increased level of activity was noteworthy. "The 2013 Lateral Report," *The American Lawyer*, Mar. 1, 2013.

6 Richard Lloyd, "Firm Leaders Survey: Slow Growth on Tap for 2014," *The American Lawyer*, Dec. 2, 2013.

7 Thomson Reuters Peer Monitor data ("Peer Monitor data") are based on reported results from 130 law firms, including 53 AmLaw 100 firms, 38 AmLaw 2nd 100 firms, and 39 additional firms. For present purposes, "demand for legal services" is viewed as equivalent to total billable hours recorded by firms included in a particular data base.

8 It is worth noting that the sharp decline in demand growth during the first quarter of 2013 followed an upswing in demand in the fourth quarter of 2012, an increase at least partly attributable to the desire of many clients to close various corporate transactions in advance of new tax rules that took effect on January 1, 2013.

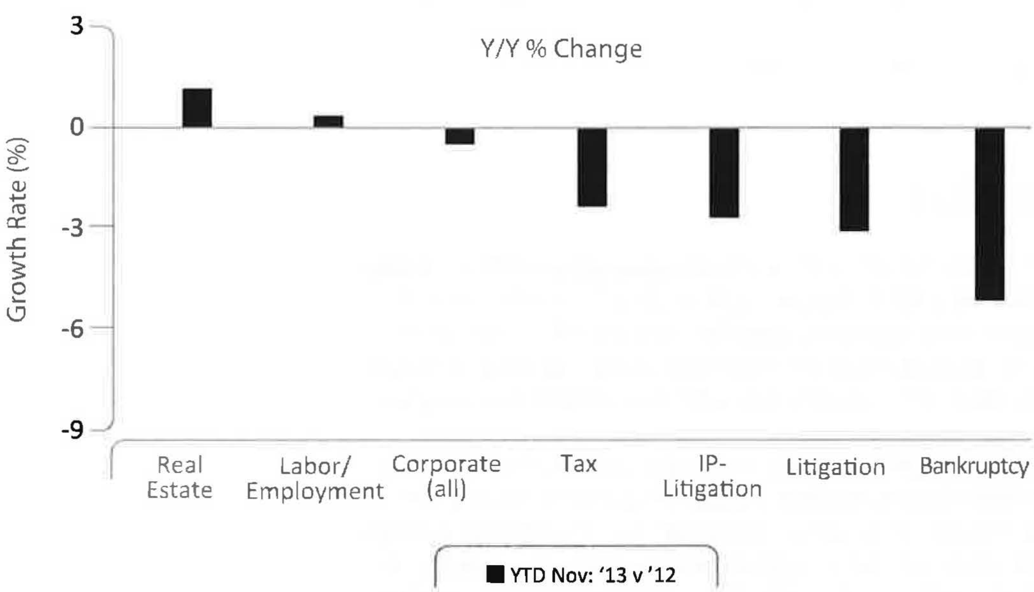
Chart 1 - Growth in Demand for Legal Services



Source: Thomson Reuters Peer Monitor

As shown in Chart 2 below, among various practice areas, when measured on a 2013 year-to-date comparative basis, real estate showed the highest demand growth, albeit at a modest 1.2 percent level, followed by labor and employment at 0.4 percent. Corporate practices were essentially flat, and all other practices saw declines.

Chart 2 - Demand Growth by Practices



Source: Thomson Reuters Peer Monitor

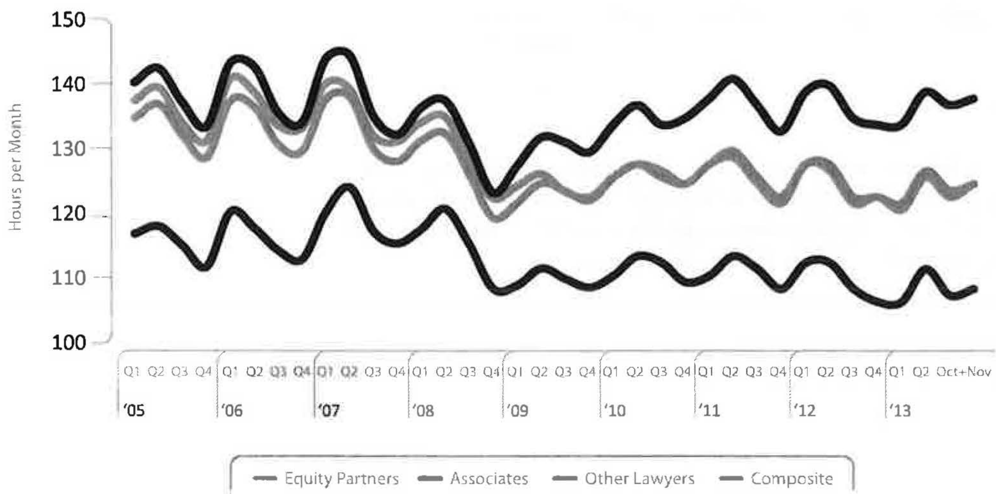
Productivity

During 2013, the number of lawyers in U.S. firms grew by about 1 percent. Given the slight decline in overall demand growth, it is not surprising, therefore, that productivity -- defined as the total number of billable hours recorded by a firm divided by the total number of lawyers in the firm -- remained essentially flat.

As can be seen in Chart 3 below, this continues a trend that we have seen for the last several years.[9] What remains significant, however, is that current levels of productivity are still over 100 billable hours per timekeeper per year lower than in the pre-recession period in 2007.

Moreover, 2013 saw a continuation of the familiar pattern of associate billable hours exceeding those of equity partners by some 100-120 hours per year, and equity partner billable hours exceeding those of other categories of lawyers (including non-equity partners, of counsel, senior counsel, special counsel, etc.) by some 300 hours per year. All of this as shown in Chart 3 evidences an ongoing problem of under productivity in the latter categories of lawyers.

Chart 3 - Productivity (Hours per Lawyer) by Category



Source: Thomson Reuters Peer Monitor

Lawyers Only

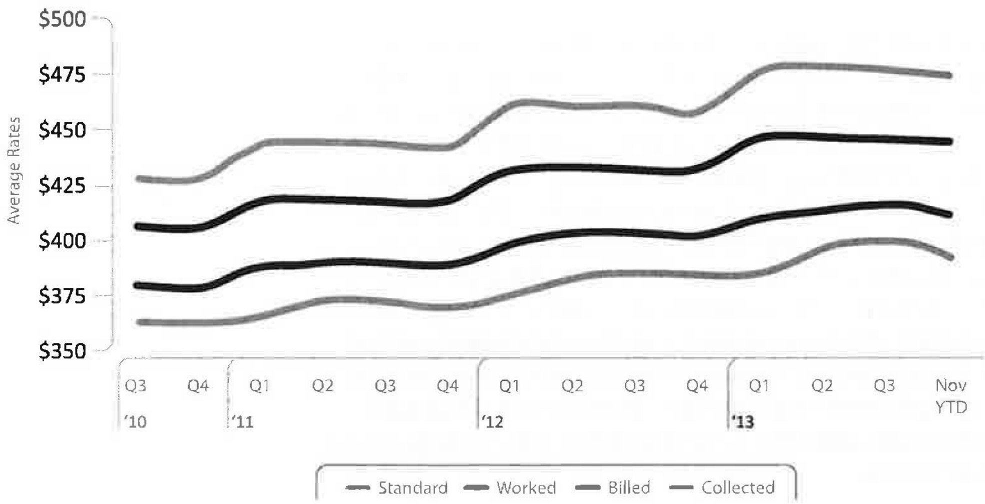
Rates and Realization

As has been the case since the beginning of the Great Recession in 2008, firms continued to raise their rates during 2013, albeit at a fairly modest level of 3.5 percent (well below the 6-8 percent annual increases typical in the pre-2008 period). And, as has also been the case for the past five years, clients continued to push back on rate increases, keeping pressure on the realization rates that firms were able to achieve.

Chart 4 below shows the rate progression as tracked in the Peer Monitor data base **from the third quarter of 2010 through November 2013**. As can be seen, over this three-year period, **firms increased their standard rates by 11 percent from an average of $429 per hour to $476 (or an average increase of about 3.7 percent per year).** At the same time, however, the collected rates actually achieved by firms increased by only 8.8 percent from an average of $363 per hour to $395 (or an average increase of 2.9 percent).

9 There was an uptick in productivity during October 2013, but – based on data from prior years – this appears to be a fairly typical seasonal anomaly with October hours generally being counterbalanced by lower billable hours for the remainder of the fourth quarter.

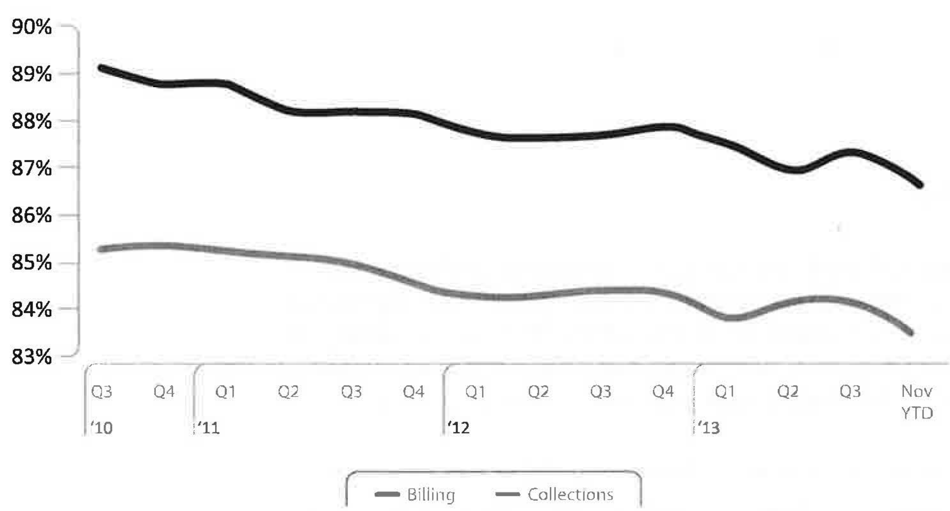
Chart 4 - Rate Progression



Source: Thomson Reuters Peer Monitor

These results, which reflect continuing client resistance to firm rate hikes, are also reflected in firm realization rates over the same period. As can be seen in Chart 5 below, over the three-year period from the third quarter of 2010 through the third quarter of 2013, realization rates – *i.e.*, the percentages of work performed at a firm's standard rates that are actually billed to and collected from clients – have continued to decline. Billing realization dropped from 89.12 percent to 86.74 percent, while collected realization dropped from 85.32 percent to 83.49 percent (a rate that is slightly lower than the record low rate of 83.6 percent seen in 2012). What this means, of course, is that – on average – law firms are collecting only 83.5 cents for every $1.00 of standard time they record. To understand the full impact, one need only consider that at the end of 2007, the collected realization rate was at the 92 percent level.

Chart 5 - Billed and Collected Rates against Standard

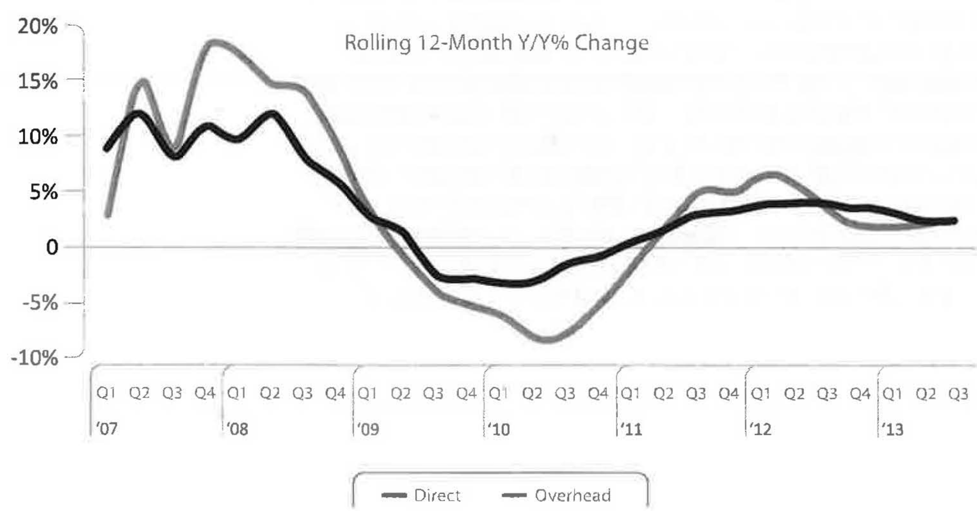


Source: Thomson Reuters Peer Monitor

Expenses

One of the challenges of managing in a slow growth economy is keeping a tight rein on expenses – both direct and indirect.[10] Prior to the onset of the economic downturn in 2008, by any rational measure expenses in law firms were largely out of control. In the fourth quarter of 2007, for example, direct expenses of U.S. law firms (measured on a rolling 12-month year-over- year percentage change basis) were growing at an average annual rate of 18 percent, while indirect expenses were growing at 10.9 percent. With the beginning of the recession in 2008, almost all firms slashed expenses across the board, hitting negative growth rates in the second quarter of 2010 of -8.2 percent for direct expenses and -2.9 percent for indirect. Those reduced levels of spending – induced primarily by panicked reactions to the economic crisis -- were not sustainable over the long term, and expenses began to rise again toward the end of 2010. Since that time, as shown in Chart 6 below, although expense growth has increased – in 2013 up to 2.1 percent for both direct and indirect expenses -- firms have done a reasonably good job of managing their expenses effectively.

Chart 6 - Expense Growth



Source: Thomson Reuters Peer Monitor

Profits per Partner

The continuing combination of sluggish demand growth, constrained productivity, and low realization rates have combined to keep profits per partner ("PPP") relatively flat over the past three years. As shown on Chart 7 below, while PPP in 2013[11] was up slightly for all categories of firms across the market, the increase over 2012 was quite modest and, at least in the case of AmLaw 100 and mid-sized firms, lower than levels in 2011.[12]

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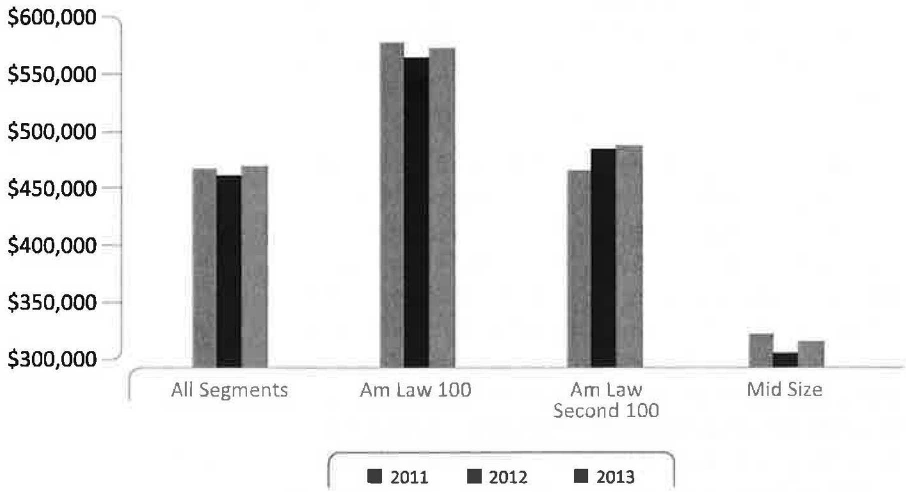
10 Direct expenses refer to those expenses related to fee earners (primarily the compensation and benefits costs of lawyers and other timekeepers). Indirect expenses refer to all other expenses of the firm (including occupancy costs, technology, administrative staff, etc.).

11 The PPP shown on Chart 7 for 2013 is based on YTD October numbers.

12 It should be noted that Peer Monitor includes in its "profits per partner" number *all lawyers* listed by firms as "partners" (whether equity or non-equity or income). This approach facilitates easier comparisons between firms than a "profits per equity partner" measure and eliminates questions about how firms define "equity partners."

Chart 7 - Profits per Partner



Source: Thomson Reuters Peer Monitor

Changed Basis of Competition in the Legal Market

The current trends described above reflect fundamental changes in the nature of competition in the legal market, changes that have been increasingly evident since 2008. Although many factors have contributed to these changes, some of them unrelated to the economic downturn,[13] the onset of the Great Recession accelerated (and, to some extent, exacerbated) the pace of change across the market.

The first and perhaps most obvious change is that the legal market has become much more intensely competitive than it was five years ago. This is hardly surprising since, for the past five years, the supply of legal services has significantly exceeded demand, as reflected in the ongoing struggle of firms to maintain prior levels of productivity. In a market in which supply exceeds demand, the only way in which one supplier can expand its market share is by taking business from others, with a resulting increase in overall competition. And that is precisely what has happened in the legal market since 2008.

A second and perhaps more lasting change is that the market for legal services has shifted from a sellers' to a buyers' market, a shift that has serious long-term implications for the leaders of all law firms. Prior to 2008, the fundamental decisions about how legal services were delivered -- the myriad decisions about how matters were organized, scheduled, and staffed; how strategies and tactics were implemented; and how lawyers charged for their services -- were all essentially made by law firms and not by their clients. This is not to suggest that clients were not consulted or that, from time to time, clients didn't push back, but by and large all of the key decisions relating to a representation were made by outside lawyers.

13 These unrelated changes include factors like the growing availability of public information about the legal market, the inexorable drive toward commoditization of legal services enhanced by the growth of enabling technologies, the emergence of non-traditional service providers, the changing role of in-house corporate counsel, the impact of globalization, and the collapse of an unsustainable law firm business and economic model based largely on the ability to raise rates 6-8 percent a year.

All of that changed beginning in 2008, when clients – driven to a large extent by an economic imperative to bring down the overall costs of legal services – took control of all of these key decisions. That shift, combined with the dynamic of a market in which supply exceeds demand (as described above), placed clients in control of the relationships with their outside law firms in ways never before seen in the legal market. And clients have not been reluctant to exercise their new leverage.

Over the past five years, clients have talked increasingly about enhancing the "value" they receive for the legal services they purchase,[14] and it has become increasingly clear that what they mean by "value" is efficiency, predictability, and cost effectiveness in the delivery of legal services, quality being assumed.[15] This has led many corporate law departments to retain more work in-house thereby reducing their reliance on outside counsel. Indeed, the 2013 Altman Weil Chief Legal Officer Survey[16] found that, among the 207 CLO respondents, 44 percent indicated that they had shifted work to in-house lawyers during the previous 12 months, and 30.5 percent said that they had reduced the total amount of work sent to outside counsel.[17] Moreover, some 29 percent of respondents indicated that they intended to decrease their overall use of outside counsel in the next 12 months, and only 15 percent said they expected to increase such use.[18] Consistent with these responses, 47 percent of CLOs indicated that they had decreased their budgets for outside counsel during 2013 (a figure that compares to 39 percent in 2012 and 25.4 percent in 2011).[19]

Interestingly, the same client focus on enhanced value in the delivery of legal services may now be evident in a subtle but potentially important shift in the allocation of business within the legal market. In a recent survey conducted by AdvanceLaw,[20] general counsel at 88 major companies were asked about their willingness to move high stakes (though not necessarily "bet the company") work away from "pedigreed firms" (essentially defined as AmLaw 20 or Magic Circle firms) to non-pedigreed firms, assuming a 30 percent difference in overall cost.[21] Of the respondents, 74 percent indicated they would be inclined to use the less pedigreed firm, with only 13 percent saying they would not.[22] In a related question, respondents were asked whether, based on their own experiences, lawyers at the most pedigreed firms were more or less responsive than their counterparts at other firms. Some 57 percent of respondents said that they found lawyers at pedigreed firms less responsive, while only 11 percent said they found them more.[23] Similar results were reflected in the Altman Weil CLO Survey, where 40.5 percent of respondents indicated that they had shifted work to lower priced outside law firms in the preceding 12 months.[24]

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14 This concept was embodied in the "Value Challenge" program launched by the Association of Corporate Counsel in 2008. *See* www.acc.com/valuechallenge/.

15 Obviously, corporate general counsel are concerned about the quality of legal advice they receive. Increasingly, however, quality is viewed as the "table stakes" necessary to play in the game to begin with and not a factor for deciding which firm should be awarded a particular piece of work. Stated differently, offering high quality legal advice is essential to getting on a general counsel's list to begin with, but once on the list, it is likely that work will be awarded on the basis of which firm the general counsel believes can deliver the services most efficiently, predictably, and cost effectively.

16 Alman Weil, Inc., *2013 Chief Legal Officer Survey: An Altman Weil Flash Survey*, Nov. 2013 ("Altman Weil CLO Survey").

17 *Id.* at p. 10.

18 *Id.* at p. 4.

19 *Id.* at p. 17.

20 AdvanceLaw is an organization that vets law firms for quality, efficiency, and client service and shares performance information with its membership of some 90 general counsel of major global companies, including the likes of Google, Panasonic, Nike, eBay, Oracle, Deutsche Bank, Kellogg, Yahoo, 3M, ConAgra, Nestle, and Unilever. *See* http://www.advancelaw.com.

21 The current cost premium for an AmLaw 20 firm relative to an AmLaw 150 or 200 firm is typically far more than 30 percent. As of November 2013, based on Peer Monitor data, the spread between the average standard and worked rates of AmLaw 100 firms and those of AmLaw 2nd 100 firms averaged 22 percent. And, of course, the average for all AmLaw 100 firms is significantly lower than for AmLaw 20 firms alone.

22 The survey question and results are set out at http://hbrblogs.files.wordpress.com/2013/10/badnews-biglaw_580r2.gif.

23 *Id.*

24 Altman Weil CLO Survey, at p. 10.

What these results suggest is that brand value – in this case the brand value of the largest and historically most prestigious firms in the legal market -- may be losing some of its luster as increasingly savvy general counsel select outside law firms based on considerations of price and efficiency and not on reputation alone. Further tantalizing evidence for this conclusion is provided in the 2013 CounselLink Enterprise Legal Management Trends Report released in October.[25] That report compared the billings of the "Largest 50" U.S. law firms (*i.e.*, firms with more than 750 lawyers) with those of firms in the 200 to 500 lawyer range, the latter being defined as "Large Enough" firms.[26] The report found that three years ago, "Large Enough" firms accounted for 18 percent of all of the billings in the CounselLink data base, while the "Largest 50" firms accounted for 26 percent. In 2013, the share of "Large Enough" firms had risen to 22 percent, while the share of the "Largest 50" firms had declined to 20 percent. [27]

Looking at high fee work, the CounselLink Trends Report found a similar pattern, at least in respect of high fee litigation matters. Based on the past three years of billing history for litigation matters with total billings of at least $1 million, the report found that "Large Enough" firms nearly doubled the portion of such work they received, growing their share from 22 percent in 2010 to 41 percent in 2013. [28]

Challenges of Growth as a Strategy

Against this background, we can return to our initial question -- whether the dominant role played by growth in the strategic thinking of most law firms continues to make sense given the significant changes that have occurred in the legal market? The most common justifications given for a focus on growth include (i) the desire to achieve "economies of scale", (ii) the necessity of creating an "ever expanding pie" to provide opportunities for younger lawyers and especially younger partners, (iii) the need to diversify to protect a firm against cyclical downturns in specific practices, and (iv) the requirements for a larger market footprint to better serve the needs of clients. While there is some validity to all of these arguments, they must be balanced against the potential problems created by growth – particularly rapid growth.

As to the desire to achieve economies of scale, it must be noted at the outset that this is a peculiar strategic objective for an industry that continues to be largely reliant on an hourly-billing model. Economies of scale, as an economic concept, are focused on the creation of efficiencies that allow producers to lower costs and thereby create a competitive advantage. In the context of the legal industry, however, adding more lawyers (all of whom bill at ever increasing hourly rates) is the antithesis of what economies of scale are supposed to produce. Even if we assume, however, that economies of scale may be important in the legal industry, there are limits on the benefits that can be derived from growth.

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25 CounselLink, "Enterprise Legal Management Trends Report – 2013 Mid-Year Edition: The Rise of 'Large Enough' Law Firms," Oct. 2013 ("CounselLink Trends Report"). This report uses data available through the CounselLink Enterprise Legal Management platform, an e-billing system. Currently, the data base includes 2 million invoices representing more than $10 billion in legal spend and well over 300,000 matters over the past four years.

26 The report explains that the term "Large Enough" is applied to these firms "because firms of this size generally have full-service capabilities across a broad array of practice areas and have the capacity to appropriately staff and handle complex and also high-volume, repetitive legal matters." CounselLink Trends Report, p.4.

27 *Id.* at p. 5. These figures, and others included in the CounselLink Trends Report, are based on rolling 12-month totals ending on June 30 of each relevant year.

28 *Id.* at p. 6.

Observers of the legal market have commented for some time that the benefits of scale seem to diminish once a law firm exceeds 100 lawyers or so, and that is particularly true if the law firm has multiple offices.[29] Moreover, a comparison of the number of lawyers in AmLaw 200 firms and the profits per partner of such firms shows that there is very low correlation between firm size and profitability.[30] This conclusion was recently confirmed by an analysis of Peer Monitor data for some 132 firms reporting their financial results for 2012. These results showed a very weak relationship between profits per partner and firm size, as well as overall margin (*i.e.*, profit as a percentage of revenue) and firm size. Indeed, firm size had a negative relationship with reported margin figures. Similarly, a regression analysis using 2013 Peer Monitor data from 130 firms showed a very low correlation between firm size and office count with reported expenses per lawyer or with expenses as a percentage of overall firm revenue.[31] Additionally, whatever the potential benefits of economies of scale, the size needed for a firm to achieve such benefits has undoubtedly been lowered in recent years as a result of substantial improvements in technology which have allowed smaller firms to "punch above their weight." [32]

From a strategic point of view, however, the real problem with growth in this context is not just that economies of scale tend to diminish above a certain size. It is rather that, once a firm achieves a certain size, *diseconomies* of scale can actually set in. Large firms with multiple offices -- particularly ones in multiple countries -- are much more difficult to manage than smaller firms. They require a much higher investment of resources to achieve uniformity in quality and service delivery and to meet the expectations of clients (described above) for efficiency, predictability, and cost effectiveness. They also face unique challenges in maintaining collegial and collaborative cultures, particularly in the face of rapid growth resulting from mergers or large-scale lateral acquisitions. In other words, pursuing growth for the purpose of achieving economies of scale can be a mixed blessing.

A similar analysis can be applied to the use of growth as a primary means of creating opportunities for younger partners. While it is true that larger firms may have broader reputations and better name recognition, factors that could be helpful to younger partners in seeking to develop or expand client relationships, it is also true (as described above) that the importance of "brand" as a factor that is considered by clients in selecting outside counsel has diminished in recent years.

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29 In 2003, Ward Bower of Altman Weil noted:

> For over 30 years, . . . [survey data] has shown, generally, that there are no economies of scale in private law practice. Larger firms almost always spend more per lawyer on staffing, occupancy, equipment, promotion, malpractice and other non-personnel insurance coverages, office supplies and other expenses than do smaller firms. This is counterintuitive, in the sense that larger firms should be able to spread fixed costs across a larger number of lawyers, reducing per lawyer costs, overall. However, that principle does not take into account the excess plant and equipment capacity necessary to support growth, or the increases in staff and communications costs as firms become larger.

Ward Bower, "Mining the Surveys: DISeconomies of Scale?" Altman Weil, Inc. report, 2003.

30 Ed Wesemann, "What Is the Optimum Size for a Law Firm?" http://edweseman.com/articles/profitability/2011/03/16/what-is-the-optimum-size-for-a-law-firm/. Wesemann notes that profitability does appear to correlate with two other factors, both related to location. First, firms headquartered or having their largest office in New York, Chicago, Washington, Los Angeles, or San Francisco are generally more profitable than similar firms in other cities. And, firms with more than one office are generally less profitable than firms of the same size having only one office, at least until firms exceed 200 lawyers or so in size.

31 Based on analysis by Peer Monitor staff.

32 *See* Ian Wimbush, "Economies of Scale Needed to Set Up a Firm Have Actually Fallen," *The Law Society Gazette*, Sept, 24, 2013. Wimbush notes that "[b]arriers to entry to the legal market have been lowered in recent years, largely due to advances in technology, for example using Cloud-based IT systems."

It would seem that, to maximize new business opportunities for younger partners and others, it would be wiser for firms to focus their energies less on growth and more on the issues that clients care about -- responsiveness, efficiency, cost effectiveness, and the like. We will have more to say about that below.

As to the need for firms to diversify their practices, there is obviously wisdom in the notion of attempting to diversify risk by having enough practices to weather a temporary downturn in one or two. That fact, however, does not mean that firms will be successful in moving into areas that are outside their traditional markets or areas of competence -- at least not in the short term. Moreover, given the increased willingness of firms in recent years to weed out "underperforming" partners and practices, the use of risk diversification as a rationale for growth rings somewhat hollow.

Finally, as to the concern about needing a larger market footprint to serve client needs, this can certainly be a legitimate strategic issue for some firms. A firm focused on high-end capital market transactions might well need offices in key capital market centers around the world. An IP firm serving the high tech and biotech industries might see value in offices in Silicon Valley, Route 128, the Dulles corridor, Research Triangle Park, and Austin. A labor and employment law boutique might well justify offices in key major employment centers around the country. Or an energy focused firm might need offices in Houston, Calgary, the Middle East, and Central Asia. But while it may be important for firms in particular markets to have sufficient size to handle large, complex, high-volume matters for clients, even this imperative has its limits. As previously noted, in the CounselLink Trends Report, firms having 200 to 500 lawyers were regarded as "large enough" for these purposes.[33]

The real point is that a particular firm's decision to grow should be made in the context of a clear strategic vision of a market segment that the firm can realistically expect to serve. There is nothing wrong with growth *per se*, and indeed organic, demand-led growth resulting from a firm's successful expansion of client relationships can be very healthy. But growth for growth's sake is not a viable strategy in today's legal market. The notion that clients will come if only a firm builds a large enough platform or that, despite obvious trends toward the disaggregation of legal services, clients will somehow be attracted to a "one-stop shopping" solution is not likely a formula for success. Strategy should drive growth and not the other way around. In our view, much of the growth that has characterized the legal market in recent years fails to conform to this simple rule and frankly masks a bigger problem -- the continuing failure of most firms to focus on strategic issues that are more important for their long-term success than the number of lawyers or offices they may have.

Changing Strategic Focus

To address the concerns of clients for more efficient, predictable, and cost effective legal services, law firms must focus their attention on re-thinking the basic organizational, pricing, and service delivery models that have dominated the market for the past several decades. While some firms have engaged in such reviews and launched innovative new models to better compete in the current market environment, most have not.

33 *See* note 26 *supra*.

In its 2013 Law Firms in Transition Survey report,[34] Altman Weil describes the responses of some 238 managing partners and chairs of U.S. law firms with 50 or more lawyers to a number of questions about their firms' willingness to change their basic operational models. Interestingly, the law firm leaders surveyed clearly understand that the legal market has changed in fundamental ways, with substantial majorities agreeing that *permanent* changes in the market include more price competition (95.6 percent), focus on improved practice efficiency (95.6 percent), more commoditized legal work (89.7 percent), more non-hourly billing (79.5 percent), and more competition from non-traditional service providers (78.6 percent).[35] And 66.7 percent of respondents indicated that they believe the pace of change in the legal market will increase going forward.[36] And yet, only a minority of firms has undertaken any significant changes to their basic business models.

More specifically, 44.6 percent of those surveyed indicated that their firms had taken some steps to improve the efficiency of their legal service delivery,[37] mostly in the form of changing project staffing models to include part-time and contract lawyers and outsourcing some (primarily non-lawyer) functions.[38] Some 45 percent reported that their firms had made significant changes in their strategic approach to partnership admission and retention, primarily in the form of tightening standards or practices for admission to the equity partner ranks.[39] And 29 percent of firm leaders indicated that their firms had changed their strategic approaches to pricing since 2008.[40]

When asked to rank their overall confidence level (on a 0 to 10 scale) in their firms' ability to keep pace with the challenges in the new legal marketplace, the law firm leaders participating in the survey produced a median rating of 7 (in the "moderate" range), with only 12.9 percent indicating a "high" level of confidence.[41] When asked, however, to rate their partners' level of adaptability to change (again on a 0 to 10 scale), the median rating dropped to 5 (in the "low" range), with only 2.2 percent indicating a "high" level of adaptability.[42]

The law firm leaders participating in the survey were also asked how serious they believe law firms are about changing their legal service delivery model to provide greater value to clients (as opposed to just reducing rates). Again using a 0 to 10 scale, respondents produced a median rating of 5 (in the "low" range).[43] That compared to a median rating of 3 given by corporate chief legal officers when asked the same question in October 2012.[44]

The lack of commitment to genuine change reflected in these results seemed confirmed by responses to another question posed to survey participants. Asked to list the greatest challenges their firms face in the next 24 months, the top four answers from respondents (which constituted just over 50 percent of all responses) were all internally focused issues aimed at protecting the *status quo* of the law firm and not at becoming more responsive to clients.[45]

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34 Thomas S. Clay, *2013 Law Firms in Transition: An Altman Weil Flash Survey*, Altman Weil, Inc., May 2013 ("Altman Weil Report").

35 *Id.* at p. 1.

36 *Id.* at p. 3.

37 *Id.* at p. 9.

38 *Id.* at p. 26.

39 *Id.* at p. 18.

40 *Id.* at p. 8. In a related response, only 31.5 percent of respondents indicated that their firms are primarily proactive in promoting the use of alternative fee strategies with their clients. *Id.* at p. 54.

41 *Id.* at p. 4.

42 *Id.* at p. 6.

43 *Id.* at p. 12.

44 *Id.* at p. 14.

45 *Id.* at pp. v-vi. The top four priorities listed included increasing revenue (15.2 percent), developing new business (14.6 percent), growth (12.4 percent), and profitability (10.7 percent). *Id.* at 62.

Indeed, adding value for clients was only eighth on the list of twelve items (mentioned by 5.6 percent of survey participants) and improving efficiency in service delivery was eleventh on the list (mentioned by only 2.8 percent of respondents).[46]

Against this background, it is somewhat surprising that a majority of the respondents to the Altman Weil survey nonetheless believe that growth (in terms of lawyer head-count) is required for their firms' continued success. Indeed 55.7 percent of those surveyed responded affirmatively to that question, with only 35.7 percent responding negatively.[47] This is surely puzzling in the wake of five years of tepid demand growth and stagnant productivity and with little prospects of a quick turnaround in either of those conditions. One possible explanation is that law firm leaders feel constrained to articulate some kind of strategic vision to help their firms weather the current storm, and the message that we need to "build a bigger boat" is more politically palatable than a message that we need to fundamentally change the way we do our work.

Unfortunately, however, for most law firms, only a commitment to re-think and revise their basic models for managing their professional talent (partners, associates, and others); for delivering their legal services; and for pricing their work is likely to produce competitive success in the long run. This is particularly true if one considers the possibility that the legal market may be currently poised for what could be a dramatic reordering based on the same type of disruptive forces that have reordered many other businesses and industries.

In an intriguing recent article in the *Harvard Business Review*, Clay Christensen, Dina Wang, and Derek van Bever argue exactly that.[48] As they note:

> In our research and teaching at Harvard Business School, we emphasize the importance of looking at the world through the lens of theory – that is, of understanding the forces that bring about change and the circumstances in which those forces are operative: what causes what to happen, when and why. . . . Over the past year we have been studying the professional services, especially consulting and law, through the lens of those theories to understand how they are changing and why. . . .
>
> We have come to the conclusion that the same forces that disrupted so many businesses, from steel to publishing, are starting to reshape the world of consulting [and law]. The implications for firms and their clients are significant.
>
> The pattern of industry disruption is familiar: New competitors with new business models arrive;[49] incumbents choose to ignore the new players or to flee to

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46 *Id.* at p. 62.

47 *Id.* at p. 35.

48 Clayton M. Christensen, Dina Wang, and Derek van Bever, "Consulting on the Cusp of Disruption," *Harvard Business Review*, Oct. 2013, p. 107.

49 It is interesting to note that, in 2013, we continued to see the emergence of a wide variety of non-traditional service providers vying for market share in the legal space. This was particularly evident in the United Kingdom where sweeping changes to the regulation of legal practice enacted in 2007 have spawned a variety of "alternative business structure" ("ABS") arrangements that permit outside investments in law firms and the formation of multi-disciplinary partnerships in which firms owned by a variety of professionals and investors may offer a wide range of services, including legal services. In two noteworthy developments, DLA Piper announced its investment (along with other private investors) in Riverview Law, a combined barristers' chambers and solicitors' practice to offer fixed-fee commercial services for small- and medium-sized companies. *See* www.riverviewlaw.com/. And British Telecom decided to spin out its motor claims division, commercialize it with an ABS license, and offer claims services to other corporations operating large vehicle fleets. *See* "BT Launches Legal Service for Corporate Customers," *Fleet News*, Apr. 3, 2013, www.fleetnews.co.uk/news/2013/3/4/bt-launches-legal-service-for-corporate-customers/46362/. Meanwhile, in the United States, non-traditional service providers also continued to gain ground in the legal market. *See* Bill Henderson, "Bringing the Disruption of the Legal Services Market into the Law School Classroom," *The Legal Whiteboard*, Law Professor Blogs, LLC, Nov. 23, 2013, listing 16 non-traditional providers currently working actively in the U.S. market. And, in Singapore, it was recently reported that Ernst & Young plans to expand its professional services to the legal services area in the Asia Pacific region. *See* Yun Kriegler, "E&Y Hires Former HSF Partner as It Mulls Singapore Legal Services Launch," *The Lawyer*, Dec. 10, 2013.

> higher-margin activities; a disrupter whose product was once barely good enough achieves a level of quality acceptable to the broad middle of the market, undermining the position of longtime leaders and often causing a "flip" to a new basis of competition.[50]

Pointing to the changed and enhanced role of corporate general counsel, the widespread availability of comparative information about law firms and their services, the trend toward disaggregation of services by in-house counsel, and the emergence of new service delivery models and businesses, the authors argue that a disruptive transformation in the legal market may well already be underway. Although acknowledging that the relatively small number of genuinely "bet-the-company" matters may be immune from most of these pressures, the article concludes that ongoing disruption is virtually inevitable.

> The . . . [professionals] we spoke with who rejected the notion of disruption in their industry cited the difficulty of getting large partnerships to agree on revolutionary strategies. They pointed to the purported impermeability of their brands and reputations. They claimed that too many things could never be commoditized in consulting [or law]. Why try something new, they asked, when what they've been doing has worked so well for so long?
>
> We are familiar with these objections – and not at all swayed by them. If our long study of disruption has led us to any universal conclusion, it is that every industry will eventually face it. The leaders of the legal services industry would once have held that the franchise of the top law firms was virtually unassailable, enshrined in practice and tradition – and, in some countries, in law. And yet disruption of these firms is undeniably under way. . . .
>
> * * *
>
> [A]lthough we cannot forecast the exact progress of disruption . . ., we can say with utter confidence that whatever its pace, some incumbents will be caught by surprise. The temptation for market leaders to view the advent of new competitors with a mixture of disdain, denial, and rationalization is nearly irresistible. U.S. Steel posted record profit margins in the years prior to its unseating by the minimills; in many ways it was blind to its disruption. As we and others have observed, there may be nothing as vulnerable as entrenched success.[51]

Conclusion

So, to end where we began -- is growth important as a dominant law firm strategy? For some firms, the answer is no doubt yes, but for most firms the answer must surely be no. Far more important is to focus on those factors that can help reshape the firm to be more responsive to the needs of clients, to deliver services in a more efficient and predictable manner, and to develop pricing models that reflect more accurately the value of the services being delivered. For most firms, in other words, the goal should be not to "build a *bigger* boat" but rather to build a *better* one.

50 Christensen, Wang, and van Bever, note 49 *supra*, at 107-08.
51 *Id.* at p. 114.

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