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**Subject: CARLOS COLLADO, ET. AL. ON BEHALF OF THEMSELVES AND ALL OTHERS SIMIARLY
SITUATED VS. TOYOTA MOTOR SALES, U.S.A.. INC.. A CALIFORNIA CORPORATION: CASE# CV10-3113-
R & #CV-10-3124-R.**

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NVS-200	APPROPRIATE	12/5/2011		12/5/2011
NVS-010	INFORMATION	12/5/2011		12/5/2011

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Closter, NJ

Phone:

Fax:

November 30, 2011

David L. Strickland, Esq., Administrator
NHTSA Headquarters
1200 New Jersey Avenue, SE
West Building
Washington, DC 20590-0001

RE: Carlos Collado, et. al. On behalf of themselves and all others similarly situated vs. Toyota Motor Sales, U.S.A., Inc., a California corporation; Case # CV10-3113-R & #CV-10-3124-R.

Dear Mr. Strickland:

Your attention is called to an apparent inconsistency between statutes regarding safe vehicle operation in all fifty states as well as U.S. territories and the NHTSA determination that defective Toyota Prius headlamps which sporadically and spontaneously turn off during vehicle operation does not constitute a safety hazard and, therefore, does not justify a recall.

I have enclosed the highlighted decision in the above referenced California class action rendered by Judge Manuel L. Real in which he specifically refers to, and relies upon the NHTSA's inaction in requiring a recall of Toyota Prius 2006-09 models as the basis for approving a class action settlement that leaves more than 293,000 Prius owners at risk of losing one or both headlamps while driving at night.

As one who holds a Harvard Law School J.D. and acted as Senior Counsel for the Consumer Protection Subcommittee, it appears incongruous that your agency would permit such an egregious violation of vehicular safety to go unchecked. Imagine yourself driving down a poorly illuminated road at night when one of your headlamps winks out because of a known defect that was allowed to be installed over a span of four model years. Imagine your eyes are unable to resolve a pedestrian walking along the road and you kill him. Who should be held responsible? Does the public have to experience one or more vehicular manslaughters before the NHTSA finally acts? Consider that the NHTSA received complaints within the very first model year defective lamps were installed. While I appreciate the fact that you were sworn into office January 4th, 2010, the issue was still pending under your watch despite the fact that the last model year with defective headlamps was 2009.

As a lawyer you should be able to discern from the enclosed decision that the California class action was about collecting legal fees rather than protecting class interests. In his extraordinarily brief 10-page decision, Judge Manuel L. Real dedicates 8 pages... 80% to paring down requested legal fees. Judge Real likened Plaintiffs' lawyers to "negotiating

(continued...)

ES11-007398

agents" and awarded legal fees accordingly. His substantive decision on the merits of the settlement was almost exclusively based upon the NHSTA's failure to require a recall, an observation requiring less than 1% of the decision.

This is a perfect example of the failure of a government agency to enforce regulations. The NHSTA is chartered to provide for safe vehicle operation and to protect consumers against defective vehicle manufacturing. Roadway illumination by way of headlamps is one of the most highly specified safety features with details covering light projection, light intensity, light focus, high and low intensity beams, and relative beam angle to the road. Luminaries must meet stringent requirement that include longevity among an extensive list of specifications. Yet incredibly, the NHSTA does not believe headlamps that intermittently and unexpectedly fail to operate rise to the priority of a recall.

I believe owners of 2006, 2007, 2008, and 2009 Toyota Prius cars have a right to know how your administration justifies its lack of action and failure to demand a recall. This is all the more important when considering the weight given the NHSTA's inaction by Judge Real in his approval of a settlement that extends a warranty to a period that has already expired and leaves more than 290,000 Prius owners vulnerable to repairs amounting to more than \$110 million based upon average Toyota invoices.

In my profession as an investment market analyst I regularly appear on CNBC, Bloomberg, the FOX Business Channel and the networks to provide guest commentary. I am held to the highest standards of integrity and transparency. Government agencies like the NHSTA should serve at no less a standard. I would like to hear from you directly concerning your agency's position on this matter since I feel this situation is worthy of media attention. You are welcome to view clips of my television appearances on YouTube or the station web sites.

As you can see, I have sent this correspondence via Certified Mail, return receipt requested. I will wait ten days from the time I receive the return receipt to hear from you. Lacking a response, I will assume the NHSTA feels comfortable justifying its position on this issue with the media as I will be crusading to achieve the widest public attention to this situation.

I look forward to your prompt attention and cooperation.

Sincerely yours,



2007 Prius Owner

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RETURN RECEIPT REQUESTED

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CARLOS COLLADO, et al., on behalf
of themselves and all others similarly
situated,

Plaintiffs,

vs.

TOYOTA MOTOR SALES, U.S.A.,
INC., a California corporation,

Defendant.

CASE NO. CV10-3113-R
CV-10-3124-R

ORDER

I. FINAL APPROVAL OF SETTLEMENT:

When considering a motion for final approval of a class action settlement under Rule 23(e), the Court must inquire whether the settlement is fair, adequate, and reasonable. The Ninth Circuit considers the following factors in determining whether the proposed settlement meets this standard: (1) the strength of plaintiffs' case, (2) the risk, expense, complexity, and likely duration of further litigation, (3) the risk of maintaining class action status throughout the trial, (4) the amount offered in the settlement, (5) the extent of discovery completed and stage of the proceedings, (6) the experience and views of counsel, (7) the presence of a governmental participant, and (8) the reaction of the class members to the proposed settlement. *Rodriguez v. West Publishing Corp.*, 563 F.3d 948, 963 (9th Cir. 2009). The above factors weigh in favor of approving the settlement.

1 The first factor favors the approval. Plaintiffs believe they have a strong case, but Defendant has
2 raised several significant challenges to their claims such as no knowledge of the defect, promptly
3 informing consumers of the defect once Defendant became aware of it, and the decision of the National
4 Highway Traffic Safety Administration (NHTSA) to drop its investigation into the issue. The
5 agreement avoids the risk of any successful defenses which could undermine the case, while still
6 providing relief to class members.

7 The second factor favors approval. Time and expense of continuing litigation would most likely
8 be substantial given that the proceedings have only passed the motion to dismiss stage. The potential
9 costs of continuing the lawsuit could greatly overshadow any judgment Plaintiffs may be able to
10 recover. Because significant procedural hurdles would still remain if the case were to move forward, the
11 settlement avoids the unnecessary expenditure of resources and provides prompt relief.

12 The third factor favors approval as there is a likely risk that a nation-wide or multi-state class
13 might not be certified due to manageability aspects.

14 The fourth factor favors approval. The settlement provides various benefits to the car owners
15 depending on the car's mileage and date of purchase, and whether or not it has already been serviced for
16 a defect. The settlement extends the warranty of the defective headlights at issue. Although it treats
17 class members differently depending on the mileage and age of their cars, members can seek relief now
18 and in the future for defects that otherwise would not be within the original warranty period and not
19 compensable in a coupon like settlement.

20 The fifth and sixth factors favor approval. Some discovery has taken place, the parties have
21 propounded and responded to interrogatories, and Plaintiffs' counsel appears to have a firm grasp on the
22 strengths and weaknesses of the case. Given counsel's substantial experience with class action
23 settlements and opinion that the settlement is in the best interest of the class, the Court likewise agrees.

24 The seventh factor is neutral. The NHTSA originally conducted an investigation into the issue
25 of the malfunctioning headlights but subsequently dropped its inquiry without recall of the
26 malfunctioning Prius headlight problem. That with Toyota quickly embracing the problem of defective
27 headlights made settlement a certainty in this litigation.

28 Finally, the reaction of the class members supports approving the settlement. Out of 239,670

1 class members, 11,403 filed timely claims. As of June 30th, Defendant has conducted over 3,500
2 repairs. Only 105 members opted out, and only 22 members objected. Courts recognize "that the
3 absence of a large number of objections to a proposed class action settlement indicates that the terms of
4 a proposed class settlement action are reasonably favorable to the class members." *National Rural*
5 *Telecommunications Cooperative v. DirecTV, Inc.*, 221 F.R.D. 523, 529 (C.D. Cal. 2004). Moreover,
6 the objectors raise no significant concerns that would preclude approval of the settlement.

7 Certain objectors desire a longer warranty period. However, the Court agrees with Defendant
8 that there has to be some reasonable limit to the warranty period, as any longer warranty period would
9 defeat the purpose of a limited warranty. The parties compromised on extending the three year/30,000
10 mile warranty to a five year/50,000 mile extended warranty, and the Court will not upset that result.

11 Objectors also voiced concern that there should be a vehicle recall. The facts do not support
12 doing so. Defendant has already taken remedial steps by using a new bulb in the car and informing
13 owners of the possible defect in their cars. Moreover, the fact that the NHTSA did not issue a recall and
14 subsequently ended their investigation is highly persuasive that a recall would be a drastic measure not
15 justified in this settlement.

16 Finally, two objectors demand compensation for the time they spent installing the replacement
17 bulbs and for the inconvenience of having to make repairs. Considering both members have been
18 reimbursed for parts and labors of their repairs, this objection is too insubstantial for the Court to disturb
19 the overall settlement.

20 Based on this analysis, the Court approves the settlement.

21 **II. ATTORNEYS' FEES**

22 **A. Procedural History**

23 This case was filed in the Central District of California on May 1, 2009, by Girard Gibbs LLP
24 and Wasserman, Comden & Casselman, LLP. The Complaint requested equitable relief based on
25 alleged violations of California's Consumers Legal Remedies Act and Unfair Competition Law because
26 of alleged defects in Prius HID headlights. The class action boiler plate class action complaint was 12
27 pages long and Plaintiff Carlos Collado brought the action on behalf of himself and a nationwide class
28 of all persons who owned or leased a 2006-2007 model year Prius installed with HID headlights.

1 On June 29, 2009, Defendant filed a Motion to Dismiss pursuant to Rules 9(b) and 12(b)(6), set
2 for hearing on July 20, 2009. The Gibbs and Wasserman firms filed a 17 page opposition on July 6,
3 2009. Defendant filed a 22 page reply on July 13, 2009. Plaintiff filed a stipulation for an extension of
4 time to file his motion for class certification on July 13, 2009, which this Court subsequently denied on
5 July 27, 2009. On this date, the Court additionally *sua sponte* transferred the case to the Southern
6 District of New York without ruling on the merits of Defendant's Motion to Dismiss.

7 The case was assigned to the Honorable Richard J. Sullivan. Judge Sullivan set a scheduling
8 conference for September 8, 2009. The parties telephonically appeared.

9 On September 23, 2009 the Gibbs and Wasserman firms filed a nine page Motion for
10 Appointment of Interim Class Counsel Pursuant to Rule 23(g). After Defendant filed a motion in
11 opposition on October 7, 2009, Gibbs and Wasserman filed a five page reply on October 14, 2009.
12 Judge Sullivan would not rule on the motion and returned the action to this court. That motion was
13 never refiled in this court and no ruling has ever been made in regard to class counsel.

14 On December 9, 2009, Plaintiff filed a 26 page first amended complaint. The first amended
15 complaint extended the allegations of the complaint to 2008 and 2009 vehicles, and added class
16 representatives with alternatively proposed state-by-state subclasses. It was filed by the Initiative Legal
17 Group, APC; Arias, Ozzello & Gignac LLP, in addition to the Gibbs and Wasserman firms. This
18 amended complaint required no new legal issues to the class action.

19 The parties appeared by video for a status conference on December 11, 2009. Judge Sullivan
20 stayed discovery pending the Court's resolution of Defendant's anticipated motion to dismiss and
21 denied the Gibbs and Wasserman firms' motion for appointment as interim class counsel.

22 On January 15, 2010, Defendant filed its motion to dismiss in this court. On February 12, 2010,
23 four firms filed a 21 page opposition. Defendant filed a 10 page reply on February 26, 2010. This
24 motion and Plaintiffs' opposition was a pro-forma class action proceeding seen in almost every one of
25 the hundreds of class action filings.

26 In February 2010, *Fixler v. Toyota Motor Sales, U.S.A. Inc.*, was filed in the Southern District of
27 New York, alleging parallel facts and legal theories as those in *Collado*. This was nothing more than a
28 form class action complaint as a piggy back to *Collado*'s national class.

1 On March 12, 2010, Judge Sullivan coordinated *Fixler* with *Collado* and stayed the *Fixler* action
2 pending the Court's resolution of the *Collado* motion to dismiss.

3 On April 19, 2010, Judge Sullivan *sua sponte* transferred the matter back that now included the
4 *Fixler* case to this Court. On July 28, 2010, this Court denied Defendant's motion to dismiss Plaintiff's
5 first amended complaint.

6 On August 17, 2010, the parties participated in a mediation. It appears the action was now
7 settled and needs additional time only to work out the details of the warranty claims. As a result of this
8 mediation, the parties moved for an extension of the date for filing the motion for class certification,
9 which the Court granted. No motion for certification has ever been made. This action is before the court
10 pursuant to FRCP 23(b)(3) providing for certification of the settlement class action.

11 On October 7, 2010, the Gibbs firm filed a five page opposition to an *ex parte* application by a
12 third party to stay the proceedings and intervene. The Court denied the *ex parte* application on October
13 18, 2010. This action by counsel was of no service to the class but only forestalling additional claims of
14 attorneys fees.

15 On October 8, 2010, the Gibbs firm submitted an *ex parte* application for hearing on the
16 Preliminary Settlement Approval. On January 3, 2011, the Gibbs firm filed a Motion for Certification of
17 Settlement Class. The firm filed a 16 page memorandum in support of the certification of the settlement
18 class on January 4, 2011. Defendant filed its non-opposition to the motion on January 7, 2011. The
19 Court granted the motion on January 10, 2011.

20 On June 6, 2011, the Gibbs firm filed a 19 page memorandum in support of final approval of
21 class settlement and a 23 page memorandum in support of attorneys' fees and costs. On July 18, 2011
22 the Gibbs firm filed an 8 page Reply in support of final approval of the settlement and a 26 page reply in
23 support of the motion for attorneys fees.

24 On July 19, 2011 the Court moved the Motion for Final Approval of Settlement and Plaintiff's
25 Motion for Attorneys fees from August 1, 2011 to August 8, 2011. On July 29, 2011, the Court moved
26 the matters continued from August 8, 2011 to August 29, 2011. On August 29, 2011, the Court
27 continued the hearings to October 17, 2011 and ordered the parties to submit further briefing regarding
28 attorneys' fees. In response, the Gibbs firm filed a nine page supplemental filing in support of the

1 settlement and for approval of fees.

2 **B. Legal Standards**

3 Plaintiffs' claim fees pursuant to the Consumers Legal Remedies Act, California Civil Code
4 section 1780(e), and the California private attorney general statute, California Code of Civil Procedure
5 section 1021.5, Plaintiffs' counsel is entitled to an award of fees. Counsel asks for fees and expenses of
6 \$4,705,176. They base this off the hourly wages of numerous attorneys from five law firms who
7 allegedly devoted 6,881 hours to this litigation, and use a 1.5 fee multiplier. These cases were not
8 prosecuted under either section 1780(e) or section 1021.5. It was settled as a pure breach of warranty.

9 Plaintiffs' requested fees are not reasonable given the estimate of the settlement value, the very
10 simple breach of warranty issue, the expertise of counsel, who each counts himself/herself as highly
11 competent in class action particularly auto defect matters and Defendant's action through its January
12 2010 Customer Support Program letter informing all possible class members of the problem.

13 Although this is a non-common fund settlement, the Ninth Circuit has approved the use of the
14 percentage-of-the-recovery method in cases lacking a traditional common fund. *Suzuki v. Hitachi*
15 *Global Storage Technologies, Inc.*, 2010 WL 956896 at 2 (N.D. Cal. March 12, 2010)(*aff'd* 2011 U.S.
16 App. LEXIS 10797); *Wing v. Asarco, Inc.*, 114 F.3d 986, 989-90 (9th Cir.1997). When both lodestar and
17 percentage-of-the-recovery methods are permissible, either method "may have its place in determining
18 what would be reasonable compensation." *Paul, Johnson, Alston & Hunt v. Graulity*, 886 F.2d 268, 272
19 (9th Cir. 1989). While the Ninth Circuit has viewed 25% recovery as a "benchmark" in
20 percentage-of-the-recovery case, they have held that the benchmark percentage should be adjusted
21 "when special circumstances indicate that the percentage recovery would be either too small or too
22 large." *Six Mexican Workers v. Arizona Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990).

23 The Ninth Circuit has advised that courts are allowed to rely on their own familiarity with the
24 legal market and subject matter of the lawsuit when awarding attorneys' fees. *Ingram v. Oroudjian*,
25 __F.3d__, 2011 WL 3134530 (9th Cir. July 27, 2011). California law further encourages the prevailing
26 party to seek reasonable attorneys' fees, and courts are permitted to reduce fees when an outrageously
27 unreasonable fee has been requested. *Serrano v. Unruh*, 32 Cal.3d 621, 635 (1982). For the reasons
28 that follow, counsels' request of \$4.7 million is highly unreasonable.

1 C. Discussion

2 This is not a complex case. It is a simple breach of warranty concerning the bulbs in the class
3 members' Toyota Prius cars. The class was readily identifiable and the issues very narrow and not
4 complex. Moreover, the settlement agreement was the result of a one day mediation, negotiated at arms
5 length by counsel well versed in class litigation, particularly with respect to automotive defect cases. To
6 simplify things even more, counsel was alerted to a possible class action through the hundreds of
7 consumer complaints filed with the NHTSA. Putative class members were also alerted to the class
8 action by a June 30, 2009 article discussing the headlight problem. See Frank Williams, *Is Toyota*
9 *Hiding from Prius Headlight Problem?*, THE TRUTH ABOUT CARS (June 30, 2009),
10 <http://www.thetruthaboutcars.com/2009/06/is-toyota-hiding-from-prius-headlight-problem>. By the time
11 of the mediation only a negotiation of the class claims occurred, not serious legal issues. The
12 excessiveness of Counsels' request for compensation of 6,881 hours is best represented by this being the
13 equivalent to a collective 11.1 hours per day devoted by the five firms during the pendency of the action.

14 A breach of warranty is a simple issue. It can be summed up as the responsibility of a
15 manufacturer or vendor of goods to compensate for an injury caused by defective merchandise. Taking
16 action against a seller for breach of warranty is similar to a strict liability claim. This could not be a
17 simpler case. The individual records of the time filed in this matter the attorneys allegedly spent for the
18 benefit of the class are most difficult, if not impossible, to decipher. The records presented to the Court
19 cannot support over 6,881 hours of discovery and research. Those records were of no help in trying to
20 determine the nature of the overlap charged for claimed necessary discovery or research on behalf of
21 this simple breach of warranty of a Prius optional headlight defect.

22 The number of hours allegedly worked in this case is striking, especially given that the case only
23 reached the motion to dismiss stage prior to the parties executing their Memorandum of Understanding
24 and agreeing to settle. There was very little motion practice and only two telephonic appearances before
25 Judge Sullivan. The case had been stayed and transferred between two courts for considerable periods
26 of time, resulting in downtime of no immediate work to be done. Discovery lasted two months and
27 Defendant produced approximately 86,000 pages of documents, most of which was the identification of
28 class members and for the purpose of class notice. If anything, Defendant, not Plaintiffs, had the larger

1 burden with discovery and reviewing documents to produce for the narrow legal issues. The discovery
2 and identification of class members was conducted by Defendant's and Plaintiffs' use of their computer
3 websites to create the class. Additionally, the NHTSA conducted its own investigation without any
4 concern for a recall, which it subsequently dropped, because it determined there was no danger with the
5 Prius headlights. This supports the conclusion that the case was not complex and that counsels'
6 discovery and initial investigations could not have been the claimed 6,881 hours of burdensome and
7 time consuming work that counsel makes it out to be. The alleged 11.1 hours of work on this action per
8 day during the pendency of the action is not supported by these facts. The records presented by the
9 attorneys were all a recreated computer exhibit that added nothing to the ability of the court to determine
10 a reasonable attorneys fee for the work and result in this class action where lawyers appear to have been
11 acting simply as negotiating agents.

12 In addition, Defendant issued a Customer Support Program letter to Prius owners in January
13 2010, prior to the settlement. The letter explained that Defendant would be offering reimbursements for
14 owners who had to replace parts in their cars. The Court understands that this occurred after the filing
15 of suit and was short lived and not as beneficial as the underlying settlement just approved. This is
16 tantamount to an admission of liability subject only to the number of possible claims. The issues for
17 liability of Defendant were for all purposes strict liability. However, Defendant's commencement of the
18 reimbursements pursuant to this letter undermines how much of a role Plaintiffs' counsel played in
19 negotiating the extended warranty and reimbursements offered in the subsequent settlement.

20 Based upon the above facts and the parties' declarations, Plaintiff's counsel did not act as
21 typically attorneys in this case, but rather as "negotiation agents" on behalf of the class members for the
22 settlement. Typical agents, whether involved in sports, entertainment, or other industries, receive on the
23 high-end around ten to fifteen percent of whatever income their clients make. Plaintiff's counsel seeks
24 for its negotiations and minimal legal work over 100 percent in fees of the total settlement value.

25 Further, there was no need for five firms to contribute to this case. There was not a substantial
26 amount of work to be done, nor were the issues complex. The Gibbs and Wasserman firms filed the
27 initial complaint for a national class. The Arias firm and Initiative Legal Group did not join the
28 litigation until the first amended complaint was filed. Cohen Milstein Sellers & Toll PLLC filed a

1 piggy-back lawsuit to *Collado* alleging the same defects and causes of action, including the same
2 nationwide class. The only difference between the original *Collado* complaint and the *Fixler* complaint
3 is that the *Fixler* complaint included an alternative Florida sub-class and references to Toyota's CSP
4 letter. These are not substantial reasons to file a duplicative lawsuit, for a national class covering all
5 persons in *Fixler* action. Apart from this, the *Collado* suit was the first to propose the legal theories in
6 this action and its nationwide putative class. Even without the *Fixler* complaint, the same putative class
7 would have been included in *Collado*'s putative class. On balance, the Cohen firm, Arias Firm, and
8 Initiative Legal Group had very little to do with the litigation of this matter, and only added additional
9 named-plaintiffs in the suit. The action could have proceeded without their involvement, and the firms
10 only brought about a duplication of effort.

11 Counsel cites to *Hartless v. Clorox Co.*, 273 F.R.D. 630, 643 (S.D. Cal. 2011) for the proposition
12 that administration costs, as well as attorneys' fees and expense reimbursements, should be added to the
13 settlement value when performing the cross-check. This opinion cites to the Manual for Complex
14 Litigation (4th ed. 2008) section 21.71. However, the Manual does not suggest this result. Rather, the
15 formula it suggests applies when there is a separate agreed upon amount of attorneys' fees, and the
16 Manual advises that the amount of the settlement and amount of fees should be disclosed to the class
17 and that the total amount of the agreed upon funds should be used to determine whether the allocation of
18 fees is reasonable in light of the total value of the settlement. Defense counsel and Plaintiffs' counsel
19 did not come to an agreement upon amount of fees, so the Manual for Complex Litigation is not
20 instructive on this issue.

21 The Court has two final issue with fees. Counsels' unadjusted lodestar figure amounts to
22 \$3,103,546 in legal fees. 11,403 claims were filed, for a value of \$1,427,159 in warranty repairs to date,
23 with a maximum estimated total value of relief of \$3,830,000. This amounts to a maximum average
24 value to each claimant of \$364.26. If each claimant were to hypothetically pay counsel out of their own
25 pockets, they would each pay \$272.17 for counsels' representation. This hypothetical amount of fees is
26 nearly seventy-five percent of the relief obtained. In addition, the balance of class members who cannot
27 be included with the 11,403 claims have relief that is tantamount to a disfavored coupon calculation
28 because of the impossibility to predict how many coupons will be used.

1 For these reasons, Plaintiffs' counsel are not entitled to the Lodestar figure of \$4.7 million for
2 obtaining an estimated settlement value of \$4,153,633. The best the court can determine to be the total
3 worth of the settlement to the class is \$2,402,841 in paid claims and \$1,427,159 in coupon claim of the
4 extended warranty for a total of \$3,830,000. The amount of fees is unreasonably high, if not on the cusp
5 of being an outrageously unreasonable fee payable to negotiation agents. Instead, a twenty-percent
6 recovery, similar to that of other agents who negotiate on behalf of clients, is warranted.

7 This twenty-percent recovery is reasonable given the degree of success in the litigation and the
8 benefit to the class members. *See In re Bluetooth Headset Products Liability Litigation*, 2011 WL
9 3632604 at *7 (9th Cir. Aug. 19, 2011). There was no litigation, just a few short months of discovery,
10 settlement negotiations, and a one day mediation. Although the Court determined that the settlement is
11 in the best interest of the class, the Court believes that Plaintiff's degree of success was not because of
12 Plaintiffs' counsels' effort, but rather by Defendant's CSP Letter, Defendant's discovery efforts, and the
13 effects of the complaints filed with the NHTSA and the NHTSA's investigation. There was no need for
14 five law firms to be involved. This adjustment is supported by this Court's familiarity with this type of
15 subject matter and is consistent with California's policy to reduce the amount of fees requested when the
16 amount requested is outrageously unreasonable. Finally, the benefit to the class is not that substantial
17 because the NHTSA dropped its investigation and concluded that no recall was necessary. This
18 suggests that the extended warranty is not that great of a benefit compared to the underlying warranty
19 the class already had as owners of the vehicle.

20 Counsel is therefore awarded twenty percent of \$3,830,000 in attorneys' fees and Girard Gibbs
21 LLP is to receive 65% of the amount ordered and is ordered to apportion the remaining 35% to the
22 remaining counsel *i.e.* Wasserman, Comden, Casselman & Esenstein, LLP; Initiative Legal Group APC;
23 Arias Ozzello & Gignac LLP; and Cohen Milstein Sellers & Toll PLLC. The Court orders costs
24 pursuant to local rule 54.4 which shall include mediation fees in the amount of \$11,667..

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1 Finally, an incentive award of \$1,000 is awarded to each of the eight class representatives. As
2 stated in the Stein Declaration, the representatives produced documents, responded to interrogatories,
3 and assisted counsel throughout the case. Moreover, the \$1,000 figure was arrived at through
4 negotiations with Defendant, reflecting an appropriate award for their participation in the matter.

5 DATED: October 17, 2011.

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MANUEL L. REAL
UNITED STATES DISTRICT JUDGE

Closter, NJ

CERTIFIED MAIL™



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W40-204

David L. Strickland, Esq., Administrator

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FIRST CLASS

