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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Pedro Gonzalez,
Plaintiff,
v.
Germaine Law Office PLC,
Defendant.

No. CV-15-01427-PHX-ROS
ORDER

Pending before the Court are two unopposed motions: one for attorneys’ fees and expenses (Doc. 34), and the other for final approval of the class action settlement (Doc. 35). Both will be granted.

DISCUSSION

I. Fee Award

Two months after the Court preliminarily approved to the settlement, and roughly one and a half months before filing the final approval motion, Plaintiff moved for attorneys’ fees and expenses totaling \$33,650. (Doc. 34). Defendant agrees to pay class counsel that amount, and does not oppose this motion.

The FDCPA includes a mandatory fee-shifting provision. 15 U.S.C. § 1692k(a)(3). “The reason for mandatory fees is that congress chose a ‘private attorney general’ approach to assume enforcement of the FDCPA.” *Camacho v. Bridgeport Fin., Inc.*, 523 F.3d 973, 978 (9th Cir. 2008) (quoting *Tolentino v. Friedman*, 46 F.3d 645, 651 (7th Cir. 1995). This means the fee award “need not be proportionate to an award of money

1 damages.” *City of Riverside v. Rivera*, 477 U.S. 561, 576 (1986). The FDCPA contains
2 relatively low limits on damages. For example, the proposed recovery here is \$7,837,
3 which the parties agree exceeds the statutory cap of one percent of Defendant’s net
4 worth. (Doc. 30 at 4); *see* 15 U.S.C. § 1692k(a)(2)(B). Requiring fee awards in FDCPA
5 cases to be somehow proportional to recovered damages would thus dramatically reduce
6 the incentive for “private attorneys general” to enforce the law.

7 In deciding whether the fee award is appropriate, the Court applies the lodestar
8 method, under which the number of hours reasonably expended is multiplied by a
9 reasonable hourly rate. *Camacho*, 523 F.3d at 978. Class counsel state they have
10 expended 77.9 hours and seek \$30,915 for that time.¹ The hours expended appear
11 reasonable, and the hourly rates are in line with others recently approved in FDCPA cases
12 in this District. *See, e.g., St. Bernard v. State Collection Serv., Inc.*, 782 F. Supp. 2d 823,
13 827 (D. Ariz. 2010) (rate of \$350 per hour was reasonable); *Bogner v. Masari*
14 *Investments, LLC*, No. CV-08-1511-PHX-DGC, 2010 WL 2595273, at *2-3 (D. Ariz.
15 June 24, 2010) (rates of \$465 and \$350 per hour “approach the high end of [local] rates,
16 [but] the Court cannot conclude that they are unreasonable”); *Shelago v. Marshall &*
17 *Ziolkowski Enter., LLC*, No. CV07-0279-PHX-JAT, 2009 WL 1097534, at *2 (D. Ariz.
18 Apr. 22, 2009) (rates of \$400 and \$300 per hour were reasonable). Counsel also state they
19 have incurred \$515.30 in reimbursable costs to date.

20 The fees for work performed plus costs do not quite add up to the requested
21 \$33,650. That is because counsel estimated they would spend 25-35 hours on the final
22 approval motion, documentation, and hearing, and tasks associated with administration of
23 the settlement, adding approximately \$10,000-\$14,000 to the lodestar. Counsel also
24 estimated it would incur \$1,000 in additional reimbursable costs. The realization of only
25 a small fraction of these additional expenses would be sufficient to reach \$33,650. The

26
27 ¹ The fees attributed to each attorney are as follows: James L. Davidson (65.5
28 hours x \$400/hr) = \$26,200; Michael L. Greenwald (6.6 hours x \$400/hr) = \$2,640;
Aaron D. Radbil (1.5 hours x \$400/hr) = \$600; Jesse S. Johnson (4.9 hours x \$350/hr) =
\$1,715. (Doc. 34-1 at ¶¶ 18, 20). This sums to \$31,115, slightly more than the amount
stated in the motion.

1 Court thus concludes that is a reasonable award, especially in light of Defendant's
2 stipulation.

3 **II. Final Approval**

4 Adequate notice was sent to the settlement class members as required in the Order
5 granting preliminary approval (Doc. 33) and no members objected. The Court has
6 reviewed the consent motion for final approval (Doc. 35) and supporting documents, and
7 has heard from the parties at the final approval hearing on September 28, 2016. The
8 Court finds the settlement is fair, reasonable, adequate, and in the best interests of the
9 settlement class.

10 Accordingly,

11 **IT IS ORDERED** Plaintiff's unopposed Motion for Attorneys' Fees and
12 Expenses (Doc. 34) is **GRANTED**. Defendant is ordered to pay class counsel a total of
13 \$33,650.

14 **IT IS FURTHER ORDERED** the Consent Motion for Final Approval of Class
15 Action Settlement (Doc. 35) is **GRANTED**. The Court certifies a settlement class
16 composed of: (a) All persons with an Arizona address, (b) to whom Germaine Law
17 Office, PLC mailed, (c) between July 27, 2014 and July 27, 2015, (d) an initial debt
18 collection communication, (e) in connection with the collection of a consumer debt, (f)
19 that stated:

20 Unless you, within ten days after receipt of this correspondence,
21 dispute the validity of the debt, or any portion thereof, we will
22 assume the debt to be valid; and/or

23 If you notify us in writing within the ten-day period that the debt, or
24 any portion thereof, is disputed, we will obtain verification of the
25 debt or a copy of a judgment against you and we will mail you a
copy of such verification or judgment; and/or

26 Upon your written request within the ten-day period, we will provide
27 you with the name and address of the original creditor, if different
28 from the current creditor; and/or

1 Unless the amount above stated is paid to this office within ten (10)
2 days from the date of this letter or other suitable arrangements are
3 made for payment, I have been authorized to commence legal
4 proceedings, without further notice to you, in order to collect this
amount.

5 The settlement agreement (Doc. 30-1) is incorporated into this Order. The Court
6 makes the following findings in support of final approval of the class settlement:

- 7 A. The settlement class is so numerous that joinder would be impracticable
8 and is defined by common questions of law and fact. Plaintiff's claims are
9 typical of the class as a whole, and Plaintiff has adequately represented the
10 interests of the class. The class thus satisfies the requirements of Rule
11 23(a).
- 12 B. The predominant issue for all of the class members' claims is whether they
13 received a validation notice that confused them about their rights under the
14 FDCPA. Given the low individual recovery limits under the FDCPA, a
15 class settlement is superior to individual litigation. Thus, the class satisfies
16 the requirements of Rule 23(b).
- 17 C. The settlement provides for Defendant to establish a settlement fund of
18 \$7,837, with pro rata shares being mailed to each of the 407 class members.
19 It includes an additional \$750 statutory award to Plaintiff. This recovery is
20 fair and reasonable. To the extent any funds remain in the settlement fund
21 from uncashed checks or otherwise, those funds will be distributed to The
22 Arizona Foundation for Legal Services & Education as the *cy pres*
23 recipient.
- 24 D. Class counsel are experienced in FDCPA and similar matters. They have
25 vigorously prosecuted this case and recovered an amount in excess of the
26 statutory maximum. Class counsel's satisfaction with the recovered amount
27 weighs in favor of approving the settlement.
- 28 E. The settlement eliminates the inherent risk in continuing litigation, and
avoids further delay.

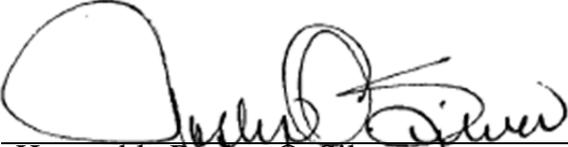
1 F. Notice was mailed to all class members. This was the best notice
2 practicable. No class members objected to the settlement.

3 Plaintiff, class members, and their successors and assigns are permanently barred
4 and enjoined from instituting or prosecuting, either individually or as a class, or in any
5 other capacity, any of the Released Claims against any of the Released Parties, as set
6 forth in the settlement agreement. Pursuant to the release contained in the settlement
7 agreement, the Released Claims are compromised, settled, released, and discharged by
8 virtue of these proceedings and this order.

9 The Court retains exclusive jurisdiction over the parties and all matters relating to
10 this case and/or settlement agreement, including the administration, interpretation,
11 construction, effectuation, enforcement, and consummation of the settlement and this
12 order. The complaint (Doc. 1) is **DISMISSED WITH PREJUDICE**. The Clerk will
13 close this case.

14 Dated this 3rd day of October, 2016.

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Honorable Roslyn O. Silver
Senior United States District Judge