

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Naro v. Walgreen Co.

No. 22-cv-03170-JST (N.D. Cal. July 8, 2025) · No. 22-cv-03170-JST · Decided July 8, 2025

SUMMARY

The United States District Court for the Northern District of California granted Plaintiffs’ unopposed motion for preliminary approval of a class action and PAGA representative action settlement involving alleged failure to reimburse employees for required replacement uniforms. The Court found that revisions to the named plaintiffs’ release, notice response period, and opportunity to object to attorney’s fees resolved deficiencies identified in an earlier settlement proposal. The Court approved the proposed notice and process and set deadlines for notice, objections, final approval, and the final approval hearing.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Jon S. Tigar
JURISDICTION	United States District Court for the Northern District of California
DECIDED	July 8, 2025
DOCKET	22-cv-03170-JST
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiffs moved for preliminary approval of an unopposed class action and PAGA representative action settlement after the Court previously denied a first settlement proposal without prejudice.
STANDARD OF REVIEW	At the preliminary approval stage, the Court determines whether it will likely be able to approve the settlement under Federal Rule of Civil Procedure 23(e)(2) and certify the class for purposes of judgment, including whether the proposal appears fair, reasonable, adequate, and free from collusion and falls within the range of possible approval.
PARTIES	Serena Naro, Trish Gonzales, Settlement Class Members v. Walgreen Co., Walgreen Pharmacy Services Midwest, LCC, Does 1–15

QUESTIONS PRESENTED

1. Whether the revised class action and PAGA representative action settlement was sufficiently fair, reasonable, adequate, and free from collusion to warrant preliminary approval under Federal Rule of Civil Procedure 23.
2. Whether the revised settlement resolved the deficiencies previously identified by the Court concerning the named plaintiffs' general release, the class-member response period, and objections to attorney-fee and cost requests.
3. Whether the proposed notice and notice process should be approved and the case stayed pending final approval proceedings.

HOLDINGS

1. Preliminary approval was appropriate because the revised settlement appeared to be the product of serious, informed, non-collusive negotiations and fell within the range of possible approval.
2. The revised general-release provision did not preclude preliminary approval because the revision changed the consideration language and resolved the potential conflict of interest at this stage.
3. The proposed notice process was adequate because the revised agreement provided class members 60 days after mailing of notice to opt out or object.
4. The revised settlement adequately protected class members' objection rights by allowing written objections to the motion for attorney's fees and costs before the final approval hearing.

KEY QUOTATIONS

“Preliminary approval is appropriate if “the proposed settlement appears to be the product of serious, informed, non-collusive negotiations, has no obvious deficiencies, does not improperly grant preferential” (at 2)

FACTUAL BACKGROUND

Plaintiffs alleged that Walgreen Co. and related defendants required employees to wear replacement uniforms but failed to reimburse necessary business expenses incurred in purchasing those uniforms. The claims included alleged violations of California Labor Code section 2802, PAGA, Wage Order No. 7, and the Unfair Competition Law. The parties negotiated a revised settlement after the Court identified deficiencies in an earlier proposal, including a broad release tied to named-plaintiff incentive payments, an insufficient notice response period, and a lack of an opportunity to object to attorney-fee requests.

PROCEDURAL HISTORY

Plaintiffs filed the action on May 31, 2022, alleging that Defendants failed to reimburse required replacement-uniform expenses and violated California wage, PAGA, and unfair-competition laws. The Court granted Defendants' motion to dismiss without prejudice, after which Plaintiffs amended their complaint. The Court denied Plaintiffs' first motion for preliminary settlement approval without prejudice, and Plaintiffs filed a renewed motion on February 13, 2025. The Court granted the renewed motion, approved the proposed notice and notice process, set deadlines for settlement administration and final approval, and stayed other proceedings pending further order.

DISPOSITION

other

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