UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF CALIFORNIA

Turner v. LTF Club Management Co, LLC

Turner · No. 2:20-cv-00046-DAD-JDP · Decided August 7, 2025

SUMMARY

The United States District Court for the Eastern District of California directs the parties in a proposed class action and PAGA settlement to submit supplemental briefing and documentation. The court seeks more precise valuation of the asserted claims and justification for a requested attorneys’ fee award of up to 35% of the settlement fund, above the Ninth Circuit’s 25% benchmark.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Dale A. Drozd
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	August 7, 2025
DOCKET	2:20-cv-00046-DAD-JDP
DISPOSITION	other
PROCEDURAL POSTURE	The court considered plaintiff's motion for preliminary approval of a proposed class action and PAGA settlement and ordered supplemental briefing and documentation before ruling on the motion.
STANDARD OF REVIEW	In evaluating preliminary settlement approval, the court must assess the substantive fairness of the settlement, including the plaintiffs' expected recovery in relation to the settlement offer, and must scrutinize the reasonableness of requested attorneys' fees. The Ninth Circuit uses a 25 percent of the fund benchmark for attorneys' fees, with an explanation required for a departure from that benchmark.
PRECEDENTIAL VALUE	unknown

TOPICS

class actions · attorney fees · wage and hour · civil procedure

PRACTICE AREAS

class actions | employment law | wage and hour | attorney fees | civil procedure

QUESTIONS PRESENTED

1. Whether the parties provided sufficient valuation information for the court to evaluate the substantive fairness of the proposed class and PAGA settlement.
2. Whether the requested attorneys' fee award of up to 35 percent of the settlement fund was adequately justified under the circumstances and in light of the results obtained.

HOLDINGS

1. The parties' motion did not provide sufficiently precise estimates of the potential recovery on each core claim and the PAGA claims to permit the court to evaluate the substantive fairness of the proposed settlement; supplemental valuation briefing and documentation were required.
2. A request for attorneys' fees exceeding the Ninth Circuit's 25 percent percentage-of-the-fund benchmark requires a case-specific explanation, and the motion's conclusory assertions did not adequately justify the requested award of up to 35 percent of the settlement fund.

KEY QUOTATIONS

> *"In evaluating the substantive fairness of a settlement, courts must "consider plaintiffs' expected recovery balanced against the value of the settlement offer.""* (at 1 n.1)

> *"The Ninth Circuit uses a 25 percent of the fund 'benchmark' for awarding fees."* (at 2)

> *"An explanation is necessary when the court departs from the 25% benchmark"* (at 2)

FACTUAL BACKGROUND

Plaintiff asserted wage-and-hour claims concerning meal and rest breaks and other alleged employment violations, together with derivative PAGA claims. The parties proposed a class action settlement and sought preliminary approval, including an attorneys' fee award of up to 35 percent of the settlement fund. The motion identified a maximum recovery of $2,603,380 for meal and rest break claims but provided vague estimates for other core claims and PAGA penalties and offered conclusory support for the above-benchmark fee request.

PROCEDURAL HISTORY

Plaintiff brought putative class and PAGA claims against LTF Club Management Co., LLC and other defendants. The court previously dismissed the complaint twice for failure to state a claim and granted leave to amend. After the parties filed a motion for preliminary approval of a proposed settlement on January 28, 2025, the court directed supplemental briefing regarding claim valuation and the requested attorneys' fee award.

DISPOSITION

other

CASES CITED

- In re Tableware Antitrust Litig., 484 F. Supp. 2d 1078, 1080 (N.D. Cal. 2007)
- Norton v. Strategic Staffing Sols., L.C., No. 3:23-cv-06648-JSC, 2025 WL 1666143, at *8 (N.D. Cal. June 12, 2025)
- Powers v. Eichen, 229 F.3d 1249, 1256-57 (9th Cir. 2000)

OPINION

Turner v. LTF Club Management Co, LLC

PER CURIAM.

1 2 3 4 5 6 7

8 UNITED STATES DISTRICT COURT

9 FOR THE EASTERN DISTRICT OF CALIFORNIA

10 11 SAMUEL TURNER, individually, and on No. 2:20-cv-00046-DAD-JDP behalf of other members of the general 12 public similarly situated and on behalf of other aggrieved employees pursuant to the 13 California Private Attorneys General Act ORDER DIRECTING THE FILING OF

(“PAGA”), SUPPLEMENTAL BRIEFING AND

14 DOCUMENTATION

Plaintiff, 15 (Doc. No. 95) v. 16

LTF CLUB MANAGEMENT CO, LLC, et

17 al., 18 Defendants. 19 20 In connection with plaintiff’s motion for preliminary approval of the proposed class action 21 settlement filed on January 28, 2025, the parties are directed to file supplemental briefing and 22 documentation addressing the following issues: 23 ///// 24 ///// 25 ///// 26 ///// 27 ///// 28 ///// 1 1. Estimations and documentation supporting the valuation of each of plaintiff’s core 2 claims and PAGA claims, including how the parties arrived at the potential value 3 of each claim;1 and 4 ///// 5 ///// 6 ///// 7 ///// 8 ///// 9 ///// 10 ///// 11 ///// 12 ///// 13 ///// 14 ///// 15 ///// 16 ///// 17 ///// 18 ///// 19 20 1 In evaluating the substantive fairness of a settlement, courts must “consider plaintiffs’ expected recovery balanced against the value of the settlement offer.” In re Tableware Antitrust Litig., 484 21 F. Supp. 2d 1078, 1080 (N.D. Cal. 2007). In their motion for preliminary approval, the parties have provided little to aid the court’s analysis in this respect. The only estimated figure that the 22 parties have provided is a maximum recovery for plaintiff’s second and third claims as to meal 23 and rest break violations of $2,603,380, based on 1,615,000 shifts and a 10% violation rate. (Doc. No. 95 at 19.) As to plaintiff’s other core claims, the parties simply state that those 24 violations were less discernable from the payroll data than meal and rest break violations, so the “meal and rest break violations drove settlement discussions.” (Id. at 18.) As to the maximum 25 potential damages available under plaintiff’s PAGA claim, plaintiff states only that “the derivative PAGA claims also yield a wide range of potential outcomes.” (Id. at 19.) The court 26 finds these representations to be deficient due to their vagueness and instructs the

parties to 27 submit more precise estimated values of the potential recovery for each of plaintiff's claims (including as to PAGA penalties) based on the data reviewed in this case, or to more clearly 28 inform the court that certain claims are estimated to yield zero damages, if true. 1 2. The reasonableness of an award of attorneys' fees in an amount up to 35% of the 2 Settlement Fund under the circumstances of this case and in light of the results 3 obtained." 4 The parties shall file a brief responsive to these issues within fourteen (14) days from the 5 | date of entry of this order. 6 IT IS SO ORDERED. 7 Dated: _ August 6, 2025 ak A. 2, ye

8 DALE A. DROZD

UNITED STATES DISTRICT JUDGE

9 10 11 12 13 14 "The Ninth Circuit uses a 25 percent of the fund 'benchmark' for awarding fees." Norton v. 15 | Strategic Staffing Sols., L.C., No. 3:23-cv-06648-JSC, 2025 WL 1666143, at *8 (N.D. Cal. June 12, 2025). An explanation is necessary when the court departs from the 25% benchmark, Powers 16 | v. Eichen, 229 F.3d 1249, 1256-57 (9th Cir. 2000). In the pending motion for preliminary approval, plaintiff argues that the 35% of the fund fee requested here is reasonable because 17 "[p|laintiff's Counsel have litigated this matter for over five years." (Doc. No. 95 at 25.) 18 Plaintiff also states in conclusory fashion that "[t]he Attorneys' Fees and Costs provided for in the Settlement are commensurate with: (1) the risk Plaintiff's Counsel took in bringing and litigating 19 | this case, (2) the extensive time, effort and expense Plaintiff's Counsel have dedicated and will dedicate to the case, (3) the skill and determination Plaintiff's Counsel have shown, (4) the results 20 | Plaintiff's Counsel have achieved throughout the litigation, (5) the value of the Settlement Plaintiff's Counsel have achieved for the Class Members and the [California Labor and 21 | Workforce Development Agency], and (6) the other cases Plaintiff's Counsel turned down in 97 || order to devote their time and efforts to this matter." (Id. at 26.) As to the length of the proceedings, in the court's view, a considerable amount of time in this litigation (almost three 23 || years) was spent settling the pleadings, as the court twice concluded that plaintiff had failed to state any claim and granted plaintiff leave to amend his complaint in its entirety. (Doc. Nos. 16, 24 | 31.) Regarding the six factors plaintiff listed in his pending motion, he has not explained their > applicability to this particular case or directed the court to any factual support, particularly as to > | other cases "turned down." Further, as discussed above, the court cannot properly evaluate the 26 | factors concerning the results and value of the settlement achieved based on the information that has been provided. The court instructs the parties to supplement this aspect of their motion for 27 | preliminary approval with further explanation specific to this case, perhaps rooted in the specific work conducted and unique challenges that this case presented, in order to justify the above- 28 | benchmark fee request.