

Settlement Fund to be distributed *pro rata* to Settlement Class Members who file a valid claim after payment of notice and administration costs (if approved), Reasonable Equitable fees and costs (if approved), and an incentive award to the Plaintiff (if approved).³ The class is limited to the owners or users of 332,588 widgets. There is no reverter in the Settlement Fund.

The Settlement was reached by counsel with a keen understanding of the merits of the claim and extensive experience in actions brought under the Copyright Act. Counsel participated in mediation with a highly skilled and experienced mediator, and provided detailed mediation statements. The relief provided meets the applicable standards of fairness when taking into consideration the nature of Plaintiff's claim and the risks inherent in class litigation.

Class Counsel now petition the Court to approve their request for a combined award of attorney's fees of \$400,000 (equal to 1/3 of the common fund), to reimburse Class Counsel for litigation expenses in the amount of \$19,250, and to approve an incentive award to Matthew Hennie in the amount of \$5,000. Class

³ All capitalized terms not defined herein have the meanings set forth in the Copyright Act.

[V_j gt'ku [, however,] no hard and fast rule mandating a certain percentage
 of the fund to be distributed to the class. *Id.* The court found that the
 proposed distribution plan, which provides for the distribution of 50% of the
 fund to the class, is not excessive. *Id.* Against this background, the
 proposed distribution plan is not excessive. *Id.* depleting the funds available for distribution to the class, an
 upper limit of 50% of the fund may be stated as a general rule, although even larger
 percentages may be appropriate. *Wreyford v. Citizens for Transp. Mobility, Inc.*,
 No. 1:12-CV-2524-JFK, 2014 WL 11860700, at *1 (N.D. Ga. Oct. 16, 2014).
 Here, Class Counsel request an award of 1/3 of the Common Fund plus their
 reimbursement of reasonable legal expenses, and submit the request is fair and
 reasonable and should be approved.⁴

B. The Johnson Settlement Fund

The Johnson Settlement Fund is a fund established for the benefit of the
 class members. The fund is to be distributed to the class members in
 accordance with the terms of the settlement agreement. *Camden I Condo.*

⁴ Class Counsel request that the court appoint Class Counsel as the
 and provide co-lead Class Counsel with the authority to allocate the award among
 Class Counsel. *Accord Craft v. North Seattle Cmty. College Found.*, No. 07-cv-132,
 Dkt. No. 135 (M.D. Ga. Sept. 2, 2010) (“Class Counsel, in
 its discretion but subject to any agreements with counsel for the Class, shall allocate
 the award among Class Counsel. *In re Domestic Air Transp. Antitrust Litig.*” 36: 101-104; 9:579-580; 5:101-102).
 allocation is a private matter to be handled among Class Counsel. All Class
 Counsel agree to this arrangement.

Cum prope, 946 F.2 at 775. The *Johnson* factors continue to be appropriately used in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). *Id.* at 775; see also *Columbus Drywall & Insulation, Inc.*, 2008 WL 11234103, at *2. The *Johnson* factors are: the amount involved and the results obtained; the time and labor required; the novelty and difficulty of the questions; the skill requisite to perform the legal service properly; the preclusion of other employment by the attorney due to acceptance of the case; the customary fee; whether the fee is fixed or contingent; time limitations imposed by the client or the circumstances; the experience, reputation, and ability of the attorneys; the undesirability of the case; the nature and length of the professional relationship with the client; and awards in similar cases. *Johnson*, 488 F.2d at 717-19.

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It is critical to understand that the *Johnson* factors were developed in the *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). Moreover, the *Johnson* factors are all of

the *Johnson* factors in determining whether a defendant is a telemarketer. See *Usselton v. Commercial Lovelace Motor Freight, Inc.*, 9 F.3d 849, 854 (10th Cir. 1993).⁵

Although this particular litigation was filed on May 9, 2018 (DE 1), the efforts of Class Counsel to hold Defendants ICOT Hearing Systems, LLC d/b/a ListenClear accountable for its telemarketing practices actually began in December of 2017, when the same legal team filed *Charvat v. ListenClear*, 4:17-cv-00245 (S.D.Ga. December 14, 2017). That case was ultimately dismissed because the call records as to Mr. Charvat were located overseas and could not be recovered. During the course of that litigation, however, Class Counsel became aware of a telemarketing vendor used by ICOT to call other consumers, including Mr. Hennie. Furthermore, Class Counsel engaged in discovery in *Charvat* to explore the potential vicarious liability of ICOT for the relationship it had with its telemarketing vendors. While the *Charvat* litigation was dismissed, the *Hennie* litigation was then filed that ultimately led to the proposed settlement. Accordingly, Class Counsel have been working on TCPA litigation involving ICOT since prior to December of 2017.

⁵ The Tenth Circuit also applies the *Johnson* factors.

of the settlement, thousands of class members are entitled to relief they otherwise would never have pursued on their own.

2. The time and labor required to resolve this matter were significant.

“C”eqo o qp”hwpf”ecug.”ōvj g”co qwpv”kpxqkxgf”0’0’0’cpf”vj g”tguwuu”qdvckpgf” may be given greater weight when, as in this case, the trial judge determines that the recovery was highly contingent and that the efforts of counsel were instrumental in tgcrl kpi”tgeqxtg {”qp”dgj crh”qh”vj g”ercuu0”*Brown*, 838 F.2d at 456. In other words, vj g”ō-ko g”cpf”rdqt”kpxqkxgf”hcevqt”pggf not be evaluated using the lodestar formulation when, in the judgment of the trial court, a reasonable fee is derived by giving greater weight to other factors, the basis of which is clearly reflected in the tgeqtf 0”*Id.*

3. The questions underlying this matter were both difficult and novel.

This matter involved difficult legal questions. For example, ICOT was expected to argue that the class was unascertainable and thus uncertifiable as a class. Whether and when a TCPA class can be certified despite ascertainability challenges is an open question, in particular because this Circuit has not yet weighed in following divergent approaches to TCPA ascertainability. *See, e.g., Chapman v. First Index, Inc.*, No. 09 C 5555, 2014 WL 840565, at *2 (N.D. Ill. Mar. 4, 2014)

(citing cases), *Chaf "kp" rctv*, 796 F.3d 783 (7th Cir. 2015) *6Eqtvu"ctg"ur rk'qp" whether the issue of individualized consent renders a TCPA class uncertifiable on predominance and ascertainability grounds, with the outcome depending on the specific faevu"qh"gcej "ecug0+0

As an even more fundamental issue, ICOT would argue that they were not vicariously liable for the actions of Prospects DM, the telemarketer who sent the calls at an issue, and a company that they filed a Third-Party Complaint against for breaching their agreement. The risk is particularly high as Circuit Courts of Appeals have affirmed summary dismissal of two TCPA cases recently, finding that the defendants could not be held vicariously liable for telemarketing calls made by third parties. *Jones v. Royal Admin. Servs. Inc.*, 887 F.3d 443 (9th Cir. 2018); *Kristensen v. Credit Payment Servs.*, 879 F.3d 1010 (9th Cir. 2018).

Along the same lines, ICOT was expected to argue that it had significant consent defenses as to many members of the class. The litigation of those issues would involve complex analysis of the records maintained by lead generation entities removed from ICOT. ICOT was also expected to contend that ambiguities regarding the nature of the call records would have made it difficult or impossible for the Court to resolve the claims of all class members in a single proceeding. In short, many of the issues underlying this matter involve unsettled legal questions,

which are at the forefront of class action and consumer protection law, especially with respect to the TCPA.

4. Class Counsel relied on particular skill and experience in performing the legal services required.

and management of a complex national class action *Columbus Drywall & Insulation, Inc.*, 2012 WL 12540344, at *4 (internal citation omitted). Class Counsel relied on their particular skill in litigating and negotiating a settlement in this matter. Class Counsel, collectively, have been involved in many TCPA litigations involving telemarketing calls that have resulted in large settlements, recovering more than \$100 million for consumers in such cases. *See* Declarations of Counsel.

5. A customary fee in a TCPA common fund case exceeds the award Class Counsel seek here.

of 1/3 of the Settlement Fund is well within the range of fee awards affirmed by the Eleventh Circuit and approved by district courts within it, especially in cases involving a common fund of this size. *See, e.g., Y v. [redacted]*, 190 F.3d 1291, 1292-98 (11th Cir. 1999) (affirming award of 33-1/3% of a \$40 million settlement fund); *In re: Terazosin Hydrochloride Antitrust Litig.*, 99613176MDL6 Seitz (S.D. Fla. April 19, 2005) (awarding fees of 33-1/3 % of settlement of over

\$30 million); *In re: Managed Care Litig. v. Aetna*, MDL No. 1334, 2003 WL 22850070 (S.D. Fla. Oct. 24, 2003) (awarding fees and costs of 35.5% of settlement of \$100 million); *Gutter v. E.I. Dupont De Nemours & Co.*, 95621526 Civ0Gold (S.D. Fla. May 30, 2003) (awarding fees of 33 1/3 % of settlement of \$77.5 million).

Importantly, this analysis does not differ when limited to TCPA class actions. *See, e.g., Soto v. The Gallup Org.*, No. 13-cv-61747, Dkt. No. 95 (S.D. Fla. Nov. 24, 2015) (awarding a fee of 33-1/3%, inclusive of costs); *Guarisma v. ADCAHB Med. Coverages, Inc.*, No. 13-cv-21016, Dkt. No. 95 (S.D. Fla. June 24, 2015) (awarding a fee of 33-1/3%, plus costs).⁶ In this district, the undersigned Class Counsel were granted 33.3 % fee awards and expenses in both *Mey v. Interstate National Dealer*

⁶ *See also, e.g., Prater v. Medicredit, Inc.*, No. 4:14-CV-00159-ERW, 2015 WL 8331602, at *3 (E.D. Mo. Dec. 7, 2015) (awarding 33-1/3%, plus costs); *Allen v. JPMorgan Chase Bank, N.A.*, 13-cv-8285, Dkt. No. 93 (N.D. Ill. Oct. 21, 2015) (awarding 33%, inclusive of costs); *Hageman v. AT&T Mobility LLC, et al.*, 1:13-cv-50, Dkt. No. 68 (D. Mont. Feb. 11, 2015) (awarding 33%, inclusive of costs); *Vendervort v. Balboa Capital Corp.*, 8 F. Supp. 3d 1200, 1210 (C.D. Cal. 2014) (awarding 33%); *Martin v. Dun & Bradstreet, Inc. et al*, No. 1:12-cv-00215, Dkt. No. 63 (N.D. Ill. Jan. 16, 2014) (awarding more than 33-1/3%); *Cummings v Sallie Mae*, 1:12-cv-9984, Dkt. No. 91 (N.D. Ill. May 30, 2014) (awarding 33%, inclusive of costs); *Hanley v. Fifth Third Bank*, 1:12-cv-01612, Dkt. No. 86 (N.D. Ill. Dec. 23, 2013) (awarding 33%, inclusive of costs); *Desai v. ADT Sec. Servs., Inc.*, 1:11-cv-1925, Dkt. No. 243 (N.D. Ill. June 21, 2013) (awarding 33%, inclusive of costs); *Locklear Elec., Inc. v. Norma L. Lay*, No. 3:09-cv-00531, Dkt. No. 67 (S.D. Ill. Sept. 8, 2010) (awarding 33-1/3%, plus costs); *EGF guki p"Nf 0x0'E{øu'Et cd"J qwug"PQ" Inc.*, 1:07-cv-5456, Dkt. No. 424 (N.D. Ill. Oct. 21, 2011) (awarding 33%, plus costs); *Holtzman v. CCH*, 1:07-cv-7033, Dkt. No. 33 (N.D. Ill. Sept. 30, 2009) (awarding 33%, inclusive of costs).

Services, Inc., et al., Civil Action File No. 1:14-cv-01846-ELR, Final Approval Order of June 7, 2016 (\$4,200,000 settlement); and *Abante Rooter and Plumbing, Inc. v. Birch Communications, Inc.*, Civil Action File No. 1:15-cv-03562-AT, Final Approval Order of December 14, 2017 (\$12,000,000 settlement). Enclosed request, therefore, comports with customary fee awards in similar cases.

6. Class Counsel litigated this matter on a contingent basis.

Class Counsel litigated this matter on a contingent basis. In *Columbus Drywall & Insulation, Inc.*, 2008 WL 11234103, at *3 (quoting *Ressler v. Jacobson*, 149 F.R.D. 651, 656 (M.D. Fla. 1992)), the court held that the contingent fee arrangement in *id.*, and the corresponding risk taken by counsel in connection with contingent fee arrangements with no assurance of payment warrants a higher percentage of the fund. *Id.*; see also *Behrens v. Wometco Enters, Inc.*, 118 F.R.D. 534, 548 (S.D. Fla. 1988), *aff'd*, 868 F.2d 1333, 1334 (11th Cir. 1989). The court in *Behrens* held that contingent fee arrangements place[s] incredible burdens upon law practices and should be discouraged. *In re Thornburg Mortg., Inc. Sec. Litig.*, 912 F. Supp. 2d

Class Counsel litigated this matter on a contingent basis. In *id.*, the court held that the contingent fee arrangement in *id.*, and the corresponding risk taken by counsel in connection with contingent fee arrangements with no assurance of payment warrants a higher percentage of the fund. *Id.*; see also *Behrens v. Wometco Enters, Inc.*, 118 F.R.D. 534, 548 (S.D. Fla. 1988), *aff'd*, 868 F.2d 1333, 1334 (11th Cir. 1989). The court in *Behrens* held that contingent fee arrangements place[s] incredible burdens upon law practices and should be discouraged. *In re Thornburg Mortg., Inc. Sec. Litig.*, 912 F. Supp. 2d

gxr gpugu05Wprguu'vj cvtkumku'eqo r gpucvfg 'y kj "c'eqo o gpwvcvgtgy ctf .hgy 'hko u." no matter how large or well financed, will have any incentive to represent the small stake holders in class actions against corporate America, no matter how worthy the ecwug"qt'y tqpi hwi'vj g'f ghpf cpva'eqpf we0>Allapattah Servs., Inc., 454 F. Supp. 2d at 1217.

With this is mind, and considering the unique circumstances of this matter ô the lack of incentive for aggrieved consumers to bring individual suits, that ICOT was well represented by competent counsel ô Emuu'Eqwpu'g'u'tgs wguv'ht'cwqtpg{uø' fees is well-supported.

8. This Court should approve Plaintiff's request for incentive awards to the Plaintiff.

õKpegpvkxg"awards ctg"hc kn{ "v{r kcn'lp"ercuu'cev'qp"ecugu05"Rodriguez v. W. Rwdnri "EqtrQ 563 F.3d 948, 958 (9th Cir. 2009); see also Hadix v. Johnson, 322 H5f": ; 7.": ; 9"*8vj "Ek0'4225+"*gxr rcklpi "vj cv'õ]kpegpvkxg"cy ctf u"ctg"v{r kcm{ " awards to class repreugpvc'kxgu'ht'vj gk'q'hwgp"gz'v'pukxg'lp'xq'kgo gpv'y kj 'c'hcy u'kw.ö" cpf"pqv'pi "vj cv'õ]p_wo gtqwu'eqwtu"j cxg"cwj qtk gf "kpegpvkxg"cy ctf uö); Ingram v. The Coca-Cola Co., 200 F.R.D. 685, 694 (N.D. Ga. 2001) *õ]Eqwtu_"tqwk'p'gn{ " approve incentive awards to compensate named plaintiffs for the services they r tqxkf gf "cpf'vj g'tkumu'vj g{ 'k'pewttgf 'f wtkpi 'vj g'eqwtug'qh'vj g'ercuu'cev'qp'k'ki cv'kp05=" Allapattah Servs., 454 F. Supp. 2d at 1218 *õKpegpvkxg"cy ctf u"ctg"pqv'wpeqo o qp'lp"

class litigation where, as here, a common fund has been created for the benefit of the
 ercuuö+0 Vj gug" cy ctf u" õugt xg" cp" kò r ortant function in promoting class action
 ugwgo gpwuö "Sheppard v. Cons. Edison Co. of N.Y., Inc., No. 94-CV-0403(JG), 2002
 U.S. Dist. LEXIS 16314, at *16 (E.D.N.Y. Aug. 1, 2002).

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 actions the plaintiff has taken to protect the interests of the class, the degree to which
 the class has benefitted from those actions, and the amount of time and effort the
 r nkpv h"gzr gpf gf "k"r wtuwkpi "vj g" hki cvk pö "Cook v. Niedert, 142 F.3d 1004, 1016
 (7th Cir. 1998); accord UFCW Local 880ô Tgwki Hqqf "Go r øt u" Lqkv' Rgpukap "Hwpf "
 v. Newmont Mining Corp., 574" H0' Cr r øz" 454" *32yj " Ek0' 422; + *õa class
 representative may be entitled to an award for personal risk incurred or additional
 effort and expertise provided for vj g" dgpghk"qh"vj g" ercuuö = "Rodriguez, 563 F.3d at
 958 *pqv kpi "vj cv" kpegpv kxg" cy ctf u" ctg" õkpv gpf gf "v" eqo r gpucv g" ercuu' tgr t guppv kxgu"
 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
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Here, Mr. Hennie chose to litigate this case not on behalf of himself solely,
 but on behalf of all other Settlement Class Members. Without his activism and
 advocacy, and willingness to persevere through litigation, there would be no recover

for the class. Throughout this litigation, Mr. Hennie communicated with counsel, met repeatedly with counsel, responded to discovery, participated in all phases of the case, and was involved in approving all major decisions of Class Counsel. Mr. J gppkgau'tgs wguv'hqt"cp"lpegpvkxg"cy ctf "qh"&7.222"ku'y gm'y kj k"rkg."cpf "k"lcev" below, incentive awards that the Court has approved in comparable TCPA matters. *See, e.g., Lppgu'xOKS OF cv 'Kpvn 'KpeQ*, No. 1:14-CV-00130-PJK, 2015 WL 5704016, at *2 (D.N.M. Sept. 23, 2015) (\$20,000 incentive award from a \$1 million common fund); *Ritchie v. Van Ru Credit Corp.*, No. CV-12-1714-PHX-SMM, 2014 WL 956131, at *5 (D. Ariz. Mar. 12, 2014) (\$12,000 incentive award from a \$2.3 million common fund); *Craftwood Lumber Co. v. Interline Brands, Inc.*, No. 11-CV-4462, 2015 WL 1399367, at *6 (N.D. Ill. Mar. 23, 2015) (collecting cases and approving a \$25,000 service award to TCPA class representative); *Martin v. Dun & Bradstreet, Inc.*, No. 1:12cv6215, 2014 WL 9913504, at *3 (N.D. Ill. Jan. 16, 2014) (approving a \$20,000 service award to a TCPA class representative).

This Court, therefore, should approve the request for an incentive award to Mr. Hennie in the amount of \$5,000.

9. Vj ku'Eqwt v'tij qwf 'cr r t qxg'Er cu'Eqwpugnau't gs wguv'hqt "
reimbursement of costs and expenses

õVj gtg"ku'no doubt that an attorney who has created a common fund for the benefit of the class is entitled to reimbursement of . . . reasonable litigation expenses

In re Rent-Way Sec. Litig., 305 F. Supp. 2d 491, 519 (W.D. Pa. 2003). Here, Class Counsel incurred reasonable costs and expenses in connection with this matter, including travel expenses, mediation costs, filing and *pro hac vice* fees, and similar necessary expenses of the type routinely charged to paying clients. See *In re Immune Response Sec. Litig.*, 497 F. Supp. 2d 1166, 1177-78 (S.D. Cal. 2007) (noting reimbursable expenses to include filing fees, travel costs, notice costs,

The expenses incurred by counsel in this matter, as detailed in their individual declarations, total \$22,468.00. This total also does not include the expenses counsel will incur attending the final approval hearing in this matter. Class Counsel, however, only seek approval for \$19,250 in expenses and will waive reimbursement of the expenses in excess thereof. This

reimbursement of costs and expenses in the amount of \$19,250.

Conclusion

Class Counsel respectfully request that this Court grant the request for an award of \$19,250, and an incentive award for the Plaintiff in the amount of \$5,000.

Respectfully submitted for Plaintiff,

Dated: July 9, 2019

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CERTIFICATE OF RULE 7.1 COMPLIANCE

I hereby certify that on July 9, 2019, pursuant to L.R. 7.1D of the Northern District of Georgia, I hereby certify that this document was prepared in Times New Roman font, 14 point, pursuant to L.R. 5.1(C).

/s/ Steven H. Koval
Steven H. Koval

CERTIFICATE OF SERVICE

I hereby certify that on July 9, 2019, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system which will automatically send notification of such filing to all attorneys of record.

/s/ Steven H. Koval
Steven H. Koval