### IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

BROOKE RYAN, individually and on		:	
behalf of all others similarly situated,		:	
	Plaintiff,	• : :	No. 20-cv-02164-JMG
ν.		:	CLASS ACTION
TEMPLE UNIVERSITY,		:	
	Defendant.	:	
CHRISTINA FUSCA, individually and on behalf of all others similarly situated,			
	Plaintiff,	•	No. 20-cv-03434-JMG
v.	r lantin,	: : :	CLASS ACTION
TEMPLE UNIVERSITY,		:	
	Defendant.	:	

## PLAINTIFFS' MEMORANDUM IN SUPPORT OF MOTION FOR AWARD OF ATTORNEYS' FEES, COSTS, AND INCENTIVE AWARDS TO CLASS REPRESENTATIVES

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#### **INTRODUCTION**

Class Representatives<sup>1</sup> Brooke Ryan and Christina Fusca move under Rules 23(h) and 54(d)(2) of the Federal Rules of Civil Procedure for an award of attorneys' fees, costs, and expenses, and approval of incentive awards for the Class Representatives in connection with the proposed Class Action Settlement entered into with Defendant Temple University ("Defendant" or "Temple"). The Court preliminarily approved the settlement on October 15, 2024. (ECF No. 62)<sup>2</sup>.

Class Counsel efficiently prosecuted this action and were able to achieve an excellent result for the Settlement Class without expending unnecessary time or resources. Throughout the course of this litigation, Class Counsel engaged in extensive research into the claims; worked to consolidate the related actions; thoroughly analyzed the claims and briefed a motion to dismiss; briefed and participated in oral argument before the Third Circuit; engaged in discovery; reviewed and analyzed documents produced or disseminated by Temple; reviewed and analyzed Temple's publicly available financial data including in the IPEDS database; consulted with experts; and prepared for and participated in two mediations. The Parties engaged in hard-fought settlement negotiations, including two mediation sessions with Hon. Diane M. Welsh (Ret.) to reach a successful resolution.

Under the Settlement Agreement, Temple will pay \$6,900,000.00 into a common fund in exchange for a release of all claims against Temple arising from the transition to online, remoteonly education and services caused by the COVID-19 pandemic. Additionally, each Settlement Class Member has the option to choose one of the following Non-Cash Benefits: (i) one non-

<sup>&</sup>lt;sup>1</sup> Unless otherwise defined herein, all capitalized terms have the same definitions as those set forth in the proposed Class Action Settlement Agreement ("Settlement," or "SA") (ECF No. 61-3).

<sup>&</sup>lt;sup>2</sup> All documents filed via ECF in this matter (Case No. 5:20-cv-02164-JMG) are referred to as "ECF No. [Number]" or as otherwise defined.

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transferable Temple University home football season ticket for the two consecutive seasons following the Effective Date; or (ii) one non-transferable Alumni Recreation Access pass for approximately two consecutive years; or (iii) one non-transferable course offered through Temple's Office of Non-Credit and Continuing Education.

If approved, the Settlement will resolve all pending claims in this action and provide monetary and non-monetary relief to a class of students enrolled during the Spring 2020 semester. The Settlement is an excellent result in a complex, high-risk case that provides a substantial recovery for all such students. As discussed below and in the Declaration of Gary Lynch ("Lynch Decl."), it is respectfully submitted that the requested fee is reasonable when considered under the Third Circuit's applicable standards, particularly in view of the substantial risks of pursuing this litigation and the results achieved for the Settlement Class. Moreover, the expenses requested are reasonable in amount and were necessarily incurred for the successful prosecution of this litigation. Finally, the requested incentive awards for the Class Representatives are within the customary range and are warranted to compensate the Class Representatives for their participation in this litigation on behalf of the Settlement Class.

Thus, Class Counsel respectfully request that the Court approve an award of 33.33% of the Settlement Fund (including any interest earned thereon), or approximately \$2,300,000 in attorneys' fees, \$30,527.91 as reimbursement of litigation expenses, and \$5,000.00 to each Class Representative as an incentive award.

#### ARGUMENT

# I. The Percentage of the Recovery Approach Is the Proper Standard to Apply in Awarding Attorneys' Fees in Common Fund Cases

It is well settled that attorneys who represent a class and whose efforts achieve a benefit for class members are "entitled to a reasonable attorney's fee from the fund as a whole" as compensation for their services. *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980). Rule 23 also permits a court to award "reasonable attorney's fees . . . that are authorized by law or by the parties' agreement." Fed. R. Civ. P. 23(h). As courts recognize, in addition to providing just compensation, awards of fair attorneys' fees from a common fund "ensur[e] that competent counsel continue to be willing to undertake risky, complex, and novel litigation." *Gunter v. Ridgewood Energy Corp.*, 223 F.3d 190, 198 (3d Cir. 2000).<sup>3</sup>

In awarding attorneys' fees, the Third Circuit has held that such requests are "generally assessed under one of two methods: the percentage-of-recovery [] approach or the lodestar scheme." Sullivan v. DB Invs. Inc., 667 F.3d 273, 330 (3d Cir. 2011). The percentage-ofrecovery approach "applies a certain percentage to the settlement fund," while the lodestar method "multiplies the number of hours class counsel worked on a case by a reasonable hourly billing rate for such services." Id. (quoting In re Diet Drugs, 582 F.3d 524, 540 (3d Cir. 2009)). The percentage-of-recovery approach is especially appropriate when, as here, there is a common fund. In re AT & T Corp., Sec. Litig., 455 F.3d 160, 164 (3d Cir. 2006) (stating that the percentage method is "generally favored" in common fund cases "because it allows courts to award fees from the fund in a manner that rewards counsel for success and penalizes it for failure" (internal quotations omitted)); see also Harshbarger v. Penn Mut. Life Ins. Co., No. 12-6172, 2017 WL 6525783, at \*2 (E.D. Pa. Dec. 20, 2017) ("The reasonableness of attorneys' fee awards in common fund cases ... is generally evaluated using a [percentage of recovery] approach followed by a lodestar cross-check."). The ultimate determination of the proper amount of attorneys' fees, of course, rests within the sound discretion of the district court. See Gunter, 223 F.3d at 195; *AT* & *T*, 455 F.3d at 168-69.

<sup>&</sup>lt;sup>3</sup> Unless otherwise indicated, internal citations are omitted.

Regardless of which of the two methods is selected, the Third Circuit has noted that it is

sensible to use the other method in order to cross-check the initial fee calculation. In re Gen.

Motors Corp. Pick-Up Truck Fuel Tank Prods. Liab. Litig., 55 F.3d 768, 820 (3d Cir. 1995); see

also Dewey v. Volkswagen Aktiengesellschaft, 558 F. App'x 191, 197 (3d Cir. 2014). Class Counsel

respectfully submit that their requested fee is fair and reasonable under the percentage-of-the-fund

method, as supported by the lodestar cross check, as discussed below.

# II. The Requested Fee Is Fair and Reasonable under the Third Circuit's *Gunter/Prudential* Factors.

The Third Circuit requires district courts to consider the following ten factors, commonly

referred to as the *Gunter/Prudential* factors, when evaluating whether a fee request is fair and

reasonable:

(1) the size of the fund created and the number of beneficiaries, (2) the presence or absence of substantial objections by members of the class to the settlement terms and/or fees requested by counsel, (3) the skill and efficiency of the attorneys involved, (4) the complexity and duration of the litigation, (5) the risk of nonpayment, (6) the amount of time devoted to the case by plaintiffs' counsel, (7) the awards in similar cases, (8) the value of benefits attributable to the efforts of class counsel relative to the efforts of other groups, such as government agencies conducting investigations, (9) the percentage fee that would have been negotiated had the case been subject to a private contingent fee arrangement at the time counsel was retained, and (10) any innovative terms of settlement[.]

Diet Drugs, 582 F.3d at 541. These fee award factors "need not be applied in a formulaic way[,]

... and in certain cases, one factor may outweigh the rest." Gunter, 223 F.3d at 195 n.1. Each of

these factors supports the requested fee.

## A. The Size and Nature of the Fund Created and Number of Persons Benefitted by the Settlement.

Courts have consistently recognized that the result achieved is a major factor to be considered in awarding fees. *See Hensley v. Eckerhart*, 461 U.S. 424, 436 (1983) ("the most critical factor is the degree of success obtained"); *Rossini v. PNC Fin. Servs. Grp., Inc.*, No. 2:18-CV-

1370, 2020 WL 3481458 at \*18 (W.D. Pa. June 26, 2020). If approved, the Settlement will provide substantial monetary and non-monetary relief to a nationwide class of students. The Settlement exceeds the per-student amounts obtained for class members in approved settlements in similar cases. Based on the \$6,900,000 common fund and approximately 33,000 Settlement Class Members, the gross recovery per student is approximately \$209 per student in cash. This does not even take into consideration the Non-Cash Benefit, which provides additional substantial relief to the Settlement Class Members. This relief compares favorably to other settlements negotiated by plaintiffs in similar actions for similar claims against universities of comparable size and/or reputation. See, e.g., Smith et al v. University of Pennsylvania, Case No. 2:20-cv-02086-TJS (E.D. Pa.) (\$4.5 million settlement with a per student recovery of \$173.08); Choi et al v. Brown University, Case No. 1:20-cv-001914-JJM-LDA (D.R.I.) (\$1.5 million settlement with a per student recovery of \$155.44); Fittipaldi v. Monmouth University, Case No. 3:20-cv-05526-RLS (D.N.J.) (\$1.3 million settlement with a per student recovery of \$206.50); Rocchio v. Rutgers, The State University of New Jersey, No. MID-L-003039-20 (N.J. Super. Ct.) (\$5 million settlement with a per student recovery of \$77.48); Espejo et al v. Cornell University, Case No. 3:20-cv-00467-MAD-ML (N.D.N.Y.) (\$3 million settlement with a per student recovery of \$115); Carpev v. Board of Regents of the University of Colorado, No. 2020cv31409 (\$5 million settlement with a per student recovery of \$83.33).

In light of the aforementioned settlements, this Settlement is an excellent result and exceeds the per-class member recovery in other court-approved settlements to date in similar litigation. As such, the proposed Settlement should be approved.

#### B. The Absence of Objections to the Settlement and Requested Fee.

The deadline for Settlement Class Members to object to or opt-out of the Settlement is January 13, 2025. ECF No. 62 at ¶ 19. The Settlement Administrator fully implemented the Court-

approved Notice Program, sending Notice directly to approximately 33,000 Settlement Class Members and creating the Settlement Website and toll-free assistance number. The Notice apprised Settlement Class Members that Class Counsel would seek an award "which will not exceed \$2,300,000 (equaling thirty-three and one-third percent of the Settlement Fund)" as well as reimbursement for all litigation expenses. ECF No. 61-3 pp. 52, 62. The Notice also advised Settlement Class Members how and when to object to or opt out of the Settlement. *Id.* pp. 59–62.

As the Third Circuit has noted, "[t]he vast disparity between the number of potential class members who received notice of the Settlement and the number of objectors creates a strong presumption that this factor weighs in favor of the Settlement[.]" *In re Cendant Corp. Litig.*, 264 F. 3d 201, 235 (3d Cir. 2001). As of the date of this motion, no objections have been filed. Plaintiffs will respond to any objection received by the objection deadline, and the Court will then be able to fully evaluate this factor by the time of the final fairness hearing.

#### C. The Skill and Efficiency of Attorneys Involved.

Class Counsel's skill and efficiency is "measured by the 'quality of the result achieved, the difficulties faced, the speed and efficiency of the recovery, the standing, experience and expertise of counsel, the skill and professionalism with which counsel prosecuted the case and the performance and quality of opposing counsel." *In re Viropharma Inc. Sec. Litig.*, No. CV 12-2714, 2016 WL 312108, \*16 (E.D. Pa. Jan. 25, 2016).

Class Counsel has extensive and significant experience in the field of class action litigation and has significant experience in Covid-19 litigation analogous to this action. The favorable Settlement is attributable, in large part, to the diligence, determination, hard work, and skill of Class Counsel, who developed, litigated, and successfully settled this action. As set forth in the Declaration of Gary Lynch, Class Counsel is experienced in this type of litigation and have a strong track record of leading these relatively unique cases and obtaining favorable results for plaintiffsand is uniquely aware of the risks associated with pursuing these cases through discovery, through class certification, and through summary judgment. Lynch Decl. ¶¶ 21-24. Class Counsel have obtained critical victories for students against pleading-stage dispositive motions in Pennsylvania federal trial courts, as well as the Third Circuit, where Class Counsel successfully argued for the reversal of the Court's initial dismissal of this action. *See, e.g., Hickey v. Univ. of Pittsburgh*, 81 F.4th 301 (3d Cir. 2023); *see also Figueroa v. Point Park Univ.*, 553 F. Supp. 3d 259 (W.D. Pa. 2021).

These hard-fought successes significantly improved the settlement value of Plaintiffs' claims in this case. Nevertheless, given the risks associated with this litigation, as it involved novel issues and a defense team led by equally skilled and experienced attorneys, Class Counsel recommended this settlement to avoid the risk associated with pursuing these claims through more contentious motion practice such as summary judgment and class certification, additional likely appeals, and potentially trial.

Class Counsel's proficiency and knowledge of the applicable law—and the scope and results of similar cases across the country with varied outcomes—led the parties to engage in multiple mediation sessions to reach the final Settlement. The firms of Lynch Carpenter, Poulin Willey Anastopoulo, and Carpey Law have represented hundreds of thousands of students across the country in dozens of similar actions and are acutely aware of the risks of these types of cases, including in establishing class certification and damages. Class Counsel's skill and experience in the areas of complex Covid-19 and higher education matters, as well as in large-scale class actions, were directly responsible for the favorable Settlement. While still advocating for their clients and the putative class, Class Counsel developed a productive relationship with opposing counsel and worked collaboratively with them to streamline and appropriately sequence mediation efforts,

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before entering into both expensive and time-consuming discovery and further motions practice. Class Counsel also worked efficiently among themselves, coordinating the work to avoid duplication or overlap, and their lodestar reflects the intensity with which this settlement was negotiated, as expected in a novel, highly complex, class action.

The quality and vigor of opposing counsel is also relevant in evaluating the quality of the services rendered by Class Counsel. *See, e.g., In re Ikon Office Sols., Inc. Sec. Litig.*, 194 F.R.D. 166, 194 (E.D. Pa. 2000). Here, Temple was represented by undeniably experienced and skilled attorneys at Fine, Kaplan and Black, R.P.C. The ability of Class Counsel to obtain a favorable outcome for the Settlement Class in the face of formidable legal opposition further confirms the quality of Class Counsel's representation and supports the reasonableness of the requested attorneys' fee award.

#### D. The Complexity and Duration of the Litigation.

During this litigation, Plaintiffs faced defenses to liability, class certification, and damages. Temple continues to vehemently deny liability and the appropriate measure of damages, and there is no assurance that Plaintiffs would have prevailed at class certification or summary judgment if contested litigation continued. Covid-19 tuition and fee litigation face significant legal hurdles related to, *inter alia*, causation and damages. At the time of filing, this was not a simple, familiar type of case with a clear path to liability and judgment, and this litigation could have continued for several years had it not settled, including additional numerous appeals. And while this litigation may not have the lengthiest docket, the issues presented here have arisen and been challenged in numerous other Covid refund cases across the country and in this Circuit.

Recent precedents in similar cases have had mixed outcomes for plaintiff students. Some similar cases have ended in settlements, *supra* Section II.A., but others have had class certification denied, *e.g.*, *Evans v. Brigham Young Univ.*, No. 1:20-cv-100, 2022 WL 596862 (D. Utah Feb. 28,

2022), *aff'd*, No. 22-4050, 2023 WL 3262012 (10th Cir. May 5, 2023), or have had summary judgment granted in favor of defendant, *e.g., In re Univ. of Miami COVID-19 Tuition & Fee Refund Litig.*, No. 20-22207-CIV, 2022 WL 18034457 (S.D. Fla. Dec. 30, 2022), *aff'd sub nom. Dixon v. Univ. of Miami*, 75 F.4th 1204 (11th Cir. 2023).

Class Counsel worked diligently to achieve a significant result for the Settlement Class in the face of very real litigation risks. Accordingly, this factor supports the reasonableness of the requested attorneys' fee award.

#### E. The Risk of Non-Payment.

"Courts routinely recognize that the risk created by undertaking an action on a contingency fee basis militates in favor of approval." In re Schering-Plough Corp. Enhance ERISA Litig., No. 08-1432 (DMC)(JAD), 2012 WL 1964451, at \*7 (D.N.J. May 31, 2012). Class Counsel undertook this action on an entirely contingent fee basis, shouldering the risk that this litigation would yield no recovery and leave them wholly uncompensated for their time, as well as for their out-of-pocket expenses. Lynch Decl. ¶ 4. A dispositive ruling at any stage of this litigation could mean zero recovery for the Settlement Class. Temple asserted several substantial defenses that could have eliminated any possibility of recovery for the Settlement Class, as well as non-payment for Class Counsel. Indeed, Temple initially obtained a pleading-stage dismissal order that would have resulted in no recovery for the Class and no fees for Class Counsel, but for Class Counsel's zealous and successful advocacy in the Third Circuit. Had the litigation continued, Temple also likely would have asserted defenses that might have established offsets or credits towards the damages sought by Plaintiffs, including Temple-backed scholarships, grants, CARES Act Refunds, and other monies paid to students to offset the costs of tuition and/or fees paid during the Spring 2020 semester. Courts within this Circuit have accordingly recognized that the risk of receiving little or no recovery is a major factor in considering an award of attorneys' fees. See In re Ocean Power

*Techs., Inc., Sec. Litig.*, No. 3:14-CV-3799, 2016 WL 6778218, at \*28 (D.N.J. Nov. 15, 2016). Therefore, this factor supports the requested attorneys' fee award.

#### F. The Amount of Time Devoted to the Litigation by Counsel.

Class Counsel have received no compensation for their efforts during the course of this litigation. They risked non-payment of \$30,527.91 in out-of-pocket expenses and for the nearly 1,059.2 hours they worked on this litigation, knowing that if their efforts were not successful, no fee would be paid. Lynch Decl. ¶ 4. Class Counsel was prepared to vigorously litigate and prosecute this case, including the likely need to have several novel issues of law resolved by appellate courts. Class Counsel spent significant time in the initial investigation of the case; talking with putative class members; researching issues of law; preparing and filing the complaints; consolidating the related actions; researching and briefing the issues in connection with Temple's motion to dismiss; briefing and participating in oral argument before the Third Circuit; reviewing and analyzing documents produced or disseminated by Temple; reviewing and analyzing Temple's publicly available financial data including in the IPEDS database; consulting with experts; preparing for and participating in two mediations; and drafting and revising the ultimate settlement agreement and notices. Lynch Decl. ¶ 7. At all times, Class Counsel conducted their work with skill and efficiency, conserving resources and avoiding duplication of effort. The foregoing unquestionably represents a substantial commitment of time, personnel, and out-of-pocket expenses by Class Counsel, while taking on the substantial risk of recovering nothing for their efforts. The financial risk to Class Counsel was significant. This factor thus supports the requested attorneys' fee award.

#### G. The Request as Compared to Awards in Similar Cases.

The Third Circuit has observed that fee awards generally range from 19% to 45% of the settlement fund when the percentage-of-the-fund method is used. *See Gen. Motors*, 55 F.3d at 822; *McDonough v. Toys "R" Us, Inc.*, 80 F. Supp. 3d 626, 653 (E.D. Pa. 2015). The percentage

requested here, 33.33%, is well within that range and comparable percentages often have been awarded in the Third Circuit. *See, e.g., In re Cigna-Am. Specialty Health Admin. Fee Litig.*, No. 2:16-cv-03967-NIQA, 2019 WL 4082946, at \*15 (E.D. Pa. Aug. 29, 2019) (approving fee award of one-third of settlement fund); *Huffman v. Prudential Ins. Co. of Am.*, No. 2:10-CV-05135, 2019 WL 1499475, at \*7 (E.D. Pa. Apr. 5, 2019) (explaining that the award of one-third of the fund for attorneys' fees is consistent with fee awards in a number of recent decisions in the district); *Brown v. Progressions Behavioral Health Servs., Inc.*, No. 16-6054, 2017 WL 2986300, at \*6 (E.D. Pa. July 13, 2017) (approving common fund fee of 33%); *In re Merck & Co., Inc. Vytorin ERISA Litig.*, No. 08-CV-285 (DMC), 2010 WL 547613, at \*9 (D.N.J. Feb. 9, 2010) (approving common fund fee of 33 1/3%).

In addition to the cases listed above, courts have approved similar attorneys' fees requests in directly analogous cases. *See, e.g. Alunni v. Lebanon Valley College*, No. 1:23-cv-01424 (M.D. Pa.) (ECF No. 51) (approving attorneys' fees of one-third of the common fund); *Engel v. Gannon Univ.*, No. 1:23-cv-244-SPB (W.D. Pa.) (ECF No. 39) (same); *Martin v. Lindenwood Univ.*, No. 4:20-cv-01128-RLW (E.D. Mo.) (ECF No. 48) (same); *Wright v. Southern New Hampshire Univ.*, No. 1:20-cv-00609-LM (D.N.H.) (ECF No. 37) (same); *Rosado v. Barry Univ.*, Case No. 1:20-cv-21813 (S.D. Fla.) (ECF No. 84) (same); *Fittipaldi v. Monmouth Univ.*, Case No. 3:20-cv-05526-RLS (D.N.J.) (ECF No. 80) (same).

# H. The Settlement Benefits Are Attributable Solely to the Efforts of Settlement Class Counsel.

Class Counsel were the only ones investigating and pursuing the claims at issue in this litigation on behalf of the Settlement Class, and they alone actively litigated the proceedings—as opposed to benefitting from the efforts of governmental/regulatory action or other civil litigation regarding the same or similar issues against Temple. This factor thus supports the fee request. *See* 

*Harshbarger*, 2017 WL 6525783, at \*5 ("Because Class Counsel were the only ones pursuing the claims at issue in this case, this factor weighs in favor of approval.").

# I. The Percentage Fee Approximates the Fee that Would Have Been Negotiated in the Private Market.

Private contingency fee agreements customarily range between 30% and 40% of the recovery. *See Ocean Power*, 2016 WL 6778218, at \*29 ("If this were an individual action, the customary contingent fee would likely range between 30 and 40 percent of the recovery."); *Wallace v. Powell*, 288 F.R.D. 347, 375 (M.D. Pa. 2012) (same); *Ikon*, 194 F.R.D. at 194 (same). Here, Class Counsel's requested percentage of 33.33% is commensurate with customary percentages in private contingent fee agreements. Consequently, this factor also supports the requested fee.

### J. Innovative Terms of the Settlement.

The Settlement does not contain any particularly "innovative" terms—beyond being a quality part of an initial wave of settlements of a unique type of university/student breach of contract action, and providing the option to receive Non-Cash Benefits in addition to the cash benefit. This factor is thus neutral as it neither weighs in favor of nor against approval.

On balance, the *Gunter/Prudential* factors demonstrate that Class Counsel's requested fee is reasonable and, therefore, should be approved.

## III. The Lodestar Cross-Check Confirms the Fee Request Is Reasonable

The Third Circuit has suggested that fees awarded under the percentage method be crosschecked against the lodestar. *See, e.g., Gunter*, 223 F.3d at 195 n.1. The Third Circuit has stated that a lodestar cross-check entails an abridged lodestar analysis that requires neither "mathematical precision nor bean-counting." *In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294, 306 (3d Cir. 2005). The Court "need not" receive or "review actual billing records" when conducting this analysis. *Id.* at 307. Under the lodestar method, a court begins the process of determining the reasonable fee by calculating the "lodestar"; *i.e.*, "the number of hours reasonably expended on the litigation multiplied by a reasonable hourly rate." *Hensley*, 461 U.S. at 433; *see also McKenna v. City of Phila.*, 582 F.3d 447, 455 (3d Cir. 2009). Once the lodestar is determined, the court must then determine whether additional adjustments are appropriate. *McKenna*, 582 F.3d at 455. A reasonable hourly rate in the lodestar calculation is "[g]enerally . . . calculated according to the prevailing market rates in the relevant community[,]" taking into account "the experience and skill of the . . . attorneys and compar[ing] their rates to the rates prevailing in the community for similar services by lawyers of reasonably comparable skill, experience, and reputation." *Maldonado v. Houstoun*, 256 F.3d 181, 184 (3d Cir. 2001).

Class Counsel's combined "lodestar" is approximately \$766,297.10 for work throughout the litigation, meaning that the requested fee, if awarded, would represent a "multiplier" of 3.00 of Class Counsel's combined lodestar. Lynch Decl. ¶¶ 10-13. Class Counsel's lodestar represents nearly 1,059.2 hours of work at their current hourly rates,<sup>4</sup> but this number will keep increasing up to and after the final effective date of the Settlement, as Class Counsel's rates range from the case,<sup>5</sup> and the multiplier will correspondingly go down. *Id*. Class Counsel's rates range from

<sup>&</sup>lt;sup>4</sup> The Supreme Court and other courts have held that the use of current rates is proper since such rates compensate for inflation and the loss of use of funds. *See Mo. v. Jenkins by Agyei*, 491 U.S. 274, 283-84 (1989); *In re Schering-Plough Corp. Enhance Sec. Litig.*, No. CIV.A. 08-2177 DMC, 2013 WL 5505744, at \*33 n.28 (D.N.J. Oct. 1, 2013) (citing *Jenkins*, 491 U.S. at 283-88); *Ikon*, 194 F.R.D. at 195 ("attorney's hourly rates were appropriately calculated by reference to current rather than historic rates").

<sup>&</sup>lt;sup>5</sup> Additional work will be required of Class Counsel on an ongoing basis, including: correspondence with Settlement Class Members; preparation for, and participation in, the Final Approval Hearing; supervision of the administration process conducted by the Settlement Administrator; and supervision of the distribution of the Settlement Fund to Settlement Class Members. However, Class Counsel will not seek additional payment for this additional work. Class Counsel are able to provide itemized billing records setting forth time spent on particular tasks if the Court so requests.

\$239 to \$1,100 for attorneys and support staff. Id. Based on a lodestar of \$766,297.10 and a total of 1,059.2 hours committed to this case, the blended billing rate is \$723.47 per hour.<sup>6</sup> The reasonableness of Class Counsel's rates is supported by the Lynch Declaration, which establish that the rates are in accord with the prevailing rates for class action and complex commercial litigation in the relevant legal markets, where the principal attorneys are respectively located, and in consideration of the fact that Class Counsel maintains a national complex litigation practice. Lynch Decl. ¶ 18. These rates have been approved in other class action cases and are similar to other rates in similar actions resolved across the country. Lynch Decl. ¶ 19. Further, Class Counsel's rates are within the ranges that have been approved by other district courts in this Circuit overseeing class settlements. See Lebanon Valley, (final approval granted on October 28, 2024, Judge Conner approving Lynch Carpenter's same rates proposed here); Gannon Univ., (final approval granted on July 17, 2024, approving Lynch Carpenter's same rates proposed here); In re: Railway Industry Employee No-Poach Antitrust Litig., No. 2:18-MC-00798 (W.D. Pa.) (ECF No. 313 & 272-300) (Judge Conti approved rates for attorneys ranging from \$275 to \$1,100); Calhoun v. Invention Submission Corp., No. 2:19-CV-01396, 2023 WL 2403917, at \*7 (W.D. Pa. Mar. 8, 2023) (Magistrate Judge Dodge approved attorney rates between \$500 and \$930 and support staff rates up to \$400); Howard v. Arconic Inc. et al, Case No. 2:17-cv-1057-MRH (W.D. Pa.) (Judge Hornak approving attorney rates from \$325 to \$1,375). Given Class Counsel's experience, work, and the complex and relatively specialized nature of this Litigation, their rates are reasonable.

<sup>&</sup>lt;sup>6</sup> The Third Circuit has indicated that the relevant hourly rate analysis for a lodestar cross-check is the blended billing rates that approximate the fee structure of individuals who work on a matter, not each individual's hourly rate. *See Rite Aid*, 396 F.3d at 306; *see also* The Manual for Complex Litigation (Fourth) § 21.724 (2004).

Class Counsel in this litigation has kept detailed records of the number of hours expended by attorneys and staff and descriptions of the type of work each person performed. Lynch Decl. ¶¶ 10-13. The hours billed were spent investigating the claims (including by conferring with numerous class members), drafting pleadings, researching, consulting with experts, analyzing numerous legal issues, drafting an opposition to Temple's motion to dismiss, briefing and participating in oral argument before the Third Circuit, reviewing documents and information produced, analyzing financials, preparing for two mediations, negotiating the Settlement, effectuating the terms of the Settlement, and ensuring notice was distributed to putative Settlement Class Members such that they could make an informed decision. Lynch Decl. ¶ 7. The tasks performed are typical in litigation and were necessary for the successful prosecution and resolution of the claims against Temple.

The requested attorneys' fee of \$2,300,000 represents a multiplier of 3.00 of Class Counsel's lodestar. Courts often approve fees in class actions that correspond to multiples under ten, which "are necessary to compensate counsel for the risk of assuming the representation on a contingency fee basis." *Stevens v. SEI Invs. Co.*, No. CV 18-4205, 2020 WL 996418, at \*13 (E.D. Pa. Feb. 28, 2020); *see also Beckman v. KeyBank, N.A.*, 293 F.R.D. 467, 482 (S.D.N.Y. 2013) (multiplier of 6.3 granted while noting that counsel should not be penalized for "achieving an early settlement" where "the settlement amount is substantial"); *In re Merry-Go-Round Enterprises, Inc.*, 244 B.R. 327 (Bankr. D. Md. 2000) (40% award for \$71 million fund awarded, resulting in cross-check multiplier of 19.6); *Stop & Shop Supermarket Co. v. SmithKline Beecham Corp.*, No. CIV.A. 03-4578, 2005 WL 1213926, at \*12, 15-17 (E.D. Pa. May 19, 2005) (multiplier of 15.6 where "no prior government investigation" or finding of civil or criminal liability existed); *New England Carpenters Health Benefits Fund v. First Databank, Inc.*, No. CIV.A. 05-11148PBS, 2009

WL 2408560, at \*2 (D. Mass. Aug. 3, 2009) (approving multiplier of 8.3). And because Class Counsel still has more work to perform in connection with this litigation, "the multiplier will likely be lower by the time the matter is closed and Class Counsel's work is complete." *Stevens*, 2020 WL 996418, at \*13.

Given the quality of Class Counsel's work and results achieved in these circumstances, the lodestar comparison supports the reasonableness of the requested fee award.

#### **IV.** Class Counsel's Request for Reimbursement of Expenses Is Reasonable

"Counsel in common fund cases is entitled to reimbursement of expenses that were adequately documented and reasonably and appropriately incurred in the prosecution of the case." *Ocean Power*, 2016 WL 6778218, at \*29. Class Counsel seek reimbursement of \$30,527.91 for the reasonable expenses incurred to advance this litigation. Lynch Decl. ¶¶ 15-16. Class Counsel has documented their expenses, by category, in the accompanying declaration. *Id.* The schedule of expenses shows that Class Counsel litigated the case efficiently, with no unreasonable or unjustified expenditures. *Id.* Moreover, the expenditures were of the type typically charged to hourly paying clients. Lynch Decl. ¶ 17.

As explained in the Declaration, a significant percentage of expenses incurred were the result of mediations and associated costs. Lynch Decl. ¶¶ 15-16. The remainder of the expenses include costs associated with appeal, filing fees, legal research, discovery, and expenses incurred for service of process or *pro hac vice* filing fee. *Id.* Such categories of expenses are commonly reimbursed in common fund cases. *See In re Wilmington Tr. Sec. Litig.*, No. 10-cv-0990-ER, 2018 WL 6046452, at \*10 (D. Del. Nov. 19, 2018) (approving expenses related to management of documents, expert fees, computerized research, photocopying, transcripts, postage, travel, and discovery expenses); *Ocean Power*, 2016 WL 6778218, at \*29 (approving expenses for costs of plaintiff's private investigator, photocopying, postage, messengers, filing fees, travel, long

distance telephone, telecopier, mediation fees, and the fees and expenses of plaintiff's damages expert). In sum, all of Class Counsel's expenses, in an aggregate amount of \$30,527.91, are typical in litigation, were necessary to the successful prosecution and resolution of the claims against Temple, and Plaintiffs' request for Class Counsel's expenses should be approved.

#### V. The Requested Incentive Award Is Reasonable

The purpose of incentive awards is to compensate named plaintiffs for the services they provided, risks they incurred during the course of a class action, and to reward their public service for contributing to the enforcement of the law. *See Sullivan*, 667 F.3d at 333 n.65; *see also* Annotated Manual for Complex Litigation §21.62 n.971 (4th ed. 2019) (incentive awards may be "merited for time spent meeting with class members, monitoring cases, or responding to discovery").

The Agreement permits the Class Representatives to seek incentive awards of \$5,000.00 each to compensate them for their efforts in this litigation and commitment on behalf of the Settlement Class. SA ¶ 8.3. Any incentive award approved by the Court will be paid from the Settlement Fund. *Id.* Here, the Class Representatives reviewed the complaint, were prepared to produce documents and testimony, and participated in the settlement discussions that resulted in the excellent recovery to the Settlement Class. Lynch Decl. ¶ 20. Additionally, the Class Representatives actively communicated with Class Counsel for purposes of advising and consulting about their experience with the transition to online remote-only education and services and their resulting damages. *Id.* These communications were crucial to the development of a workable damage model to facilitate the mediation process. *Id.* Courts in this Circuit have routinely approved service awards in amounts higher than that requested for the Class Representatives here. *See Wilmington*, 2018 WL 6046452, at \*10 (approving service awards of greater than \$7,500 to plaintiffs whose employees were active in the litigation); *Brown*, 2017 WL 2986300, at \*7 (awarding \$10,000 to each named plaintiff because they "were actively involved in the litigation since before it was commenced, they provided the information and documents that formed the basis for the lawsuit, . . . and because the service award payments represent a small fraction of the \$542,586 Settlement Fund"); *Barel v. Bank of Am.*, 255 F.R.D. 393, 403 (E.D. Pa. 2009) (\$10,000 award to each class representative); *Bredbenner v. Liberty Travel, Inc.*, No. 09-905 (MF), 2011 WL 1344745, at \*24 (D.N.J. Apr. 8, 2011) (same).

Thus, the requested incentive awards should be approved.

### **CONCLUSION**

Class Representatives respectfully request that the Court grant Plaintiffs' motion for an award of 33.33% of the Settlement Fund (including interest earned thereon) as attorneys' fees, \$30,527.91 as reimbursement of litigation expenses, and \$5,000.00 as incentive awards for the Class Representatives.

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Respectfully submitted,

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