Gatlin v. Anheuser-Busch, LLC, et al.

Case No. RG19015524

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The Court has been advised that Plaintiff Kwane Gatlin and Defendants Anheuser-Busch, LLC's, and Anheuser-Busch InBev Worldwide, Inc.'s (collectively referred to as "AB Defendants") have agreed, subject to Court approval following notice to the Settlement Class and a hearing, to settle this class and California Private Attorneys General Act of 2004 ("PAGA") action upon the terms and conditions set forth in the Class Action and PAGA Settlement Agreement ("Settlement") filed herewith.

## IT IS HEREBY ORDERED AS FOLLOWS:

- 1. This Order Granting Preliminary Approval of Class Action and PAGA Settlement ("Preliminary Approval Order") incorporates by reference the definitions in the Settlement. All terms used in this Order have the same meanings as those terms have in the Settlement attached as Exhibit 1 to the Declaration of Virginia Villegas.
- 2. Pursuant to Rule 3.769 of the California Rules of Court, this Court preliminarily approves the settlement as set forth in the Settlement, and finds that: (1) the Settlement is fair, just, reasonable, adequate and equitable as to the Settlement Class Members and Defendants, and is the product of sufficient investigation and evaluation by the parties and their respective counsel of record, and good faith, arm's-length negotiations between the parties; and (2) the settlement as set forth in the Settlement is consistent with public policy, and fully complies with the applicable provisions of California law. Accordingly, the parties to the Settlement are hereby directed to consummate and perform its terms.
- 3. For the purposes of effectuating the Settlement only and the proceedings herein, the Court hereby conditionally certifies the class for settlement purposes only, which is defined in the Settlement as all current and former employees of Defendants in the State of California who held the position(s) of sales representatives, salesmen, and/or any other job title with similar duties, working at/from wholesale/distribution offices owned, operated, and controlled by Defendants during the period of April 18, 2015 through January 31, 2023, and who receive a salary with no overtime compensation. As of August 2022, Defendants identified approximately 780 members of the Class. 1

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<sup>&</sup>lt;sup>1</sup> Defendants will update the class list before the notice goes out and the number is expected to increase by no more than 100 class members.

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- 4. Plaintiff Kwane Gatlin is hereby preliminarily appointed as Class Representative, and The Villegas Law Firm, APC, and The Law Office of Richard J. Vaznaugh are preliminarily appointed and designated as Class Counsel for the Settlement Class Members.
- Should, for whatever reason, the Settlement not become final, the fact that the Parties were willing to stipulate to certification of the class as part of the Settlement shall have no bearing on, nor be admissible in connection with, the issue of whether a class should be certified in a nonsettlement context.
  - 6. The Court hereby appoints RG2 as the Settlement Administrator.
- 7. The Court hereby preliminarily approves the definition and disposition of the Gross Settlement Amount and Net Settlement Amount and related matters provided for in the Settlement, subject to modification at final approval.
- 8. The Court hereby preliminarily approves the Gross Settlement Amount of Two Million Dollars and Zero Cents (\$2,000,000.00).
- 9. The Court hereby preliminarily approves Class Counsel attorneys' fees of up to Six Hundred Sixty-Six Thousand Dollars and Zero Cents (\$666,000.00), Class Counsel's litigation expenses not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00), Class Representative's Incentive Award in an amount up to a maximum of Fifteen Thousand Dollars and Zero Cents (\$15,000.00), payment to the State of California Labor and Workforce Development Agency ("LWDA") in the amount of Eighteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00), and costs of settlement administration by RG2 not to exceed Thirteen Thousand Nine Hundred Eighteen Dollars and Zero Cents (\$13,918), subject to final approval.
- 10. The Court orders that, pending final determination of whether the settlement contained in the Settlement should be approved, neither the Named Plaintiff, nor any Settlement Class Member, shall, directly, representatively, or in any other capacity, commence or prosecute this Action, or any other proceeding, in any court, tribunal or administrative forum, asserting any of the Released Claims against any of the Released Parties, and stays all discovery and other pre-trial proceedings in this action, except as may be necessary to implement the terms of the Settlement.
  - 11. The Court further approves the form and content of the Notice attached as Exhibit A to

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the Settlement, for mailing to the Settlement Class Members; The Court finds that distribution of the Notice, substantially in the manner and form set forth in the Settlement and this Order, meets the requirements of due process, is the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto.

- 12. The Court hereby orders Defendants to produce the Class Member List to RG2 as provided in the Settlement.
- 13. The Court hereby directs RG2 to mail or cause to be mailed to the Settlement Class Members the Notice using the procedures set forth in the Settlement. Settlement Class Members who wish to participate in the settlement provided for by the Settlement Agreement do not need to respond to the Notice.
- 14. All costs of mailing of the Notice, whether foreseen or not, shall be paid from the Gross Settlement Amount, including the cost of searching for Settlement Class Members' addresses as provided in the Settlement, and all other reasonable costs of the Settlement Administrator up to Thirteen Thousand Nine Hundred Eighteen Dollars and Zero Cents (\$13,918) as provided in the Settlement.
- 15. Any Settlement Class Member may choose to opt-out of and be excluded from the class as provided in the Notice. Any such person who chooses to opt-out of and be excluded from the class will not be entitled to any recovery under the Settlement and will not be bound by the Settlement or have any right to object, appeal or comment thereon. Settlement Class Members who have not requested exclusion/opted-out shall be Participating Class Members and bound by all determinations of the Court, the Settlement, and the Final Judgment. The PAGA Employees are bound by the release of the PAGA Claims regardless of whether they cash or deposit their PAGA Employee Payment or opt out of being a Settlement Class Member.
- 16. Defendants' consent to the Settlement, and the settlement provided for therein, may not be used or construed as an admission of liability or wrongdoing by Defendants, nor is this Preliminary Approval Order a finding of the validity of any claims in the Action or of any wrongdoing by Defendants. Neither this Preliminary Approval Order, the Settlement, nor any document referred to herein, nor any action taken to carry out the Settlement, may be construed as, or may be used as, an

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admission by or against Defendants of any fault, wrongdoing or liability whatsoever. Entering into or carrying out the Settlement, and any negotiations or proceedings related thereto, shall not, in any way, be construed as, or deemed to be evidence of, an admission or concession by Defendants, and shall not be offered or received in evidence in any action or proceeding against any party hereto in any court, administrative agency, or other tribunal for any purpose whatsoever other than to enforce the provisions of the Settlement or any related agreement or release or any judgment entered pursuant thereto; except that the Settlement may be filed and used in this Action or in any subsequent action against Defendants to support a stay of such subsequent action, or to establish a defense of res judicata, collateral estoppel, release, good faith settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

17. A hearing (the "Final Approval Hearing") shall be held on \_\_\_\_\_ at \_\_\_\_, in Department 21 of the Superior Court for the State of California, County of Alameda, located at 1225 Fallon Street, Oakland, California 94612 to determine whether the proposed settlement of this action is fair, reasonable, and adequate, and should be approved. Plaintiff's papers in support of the proposed settlement, and any application for an award of attorney's fees, costs and expenses to Class Counsel, and any application for a Service Payment to Named Plaintiff, shall be filed with the Court pursuant to the CCP. The Final Approval Hearing described in this paragraph may be postponed, adjourned, transferred, or continued by order of the Court without further notice to the Settlement Class. At or after the Final Approval Hearing, the Court may enter a Final Approval Order in accordance with the Settlement that will adjudicate the rights of all Settlement Class Members, including the Plaintiff.

18. Any Participating Class Member must object to the Settlement by following the instructions for submitting written objections that are set forth in the Settlement and Notice and may appear at the Final Approval Hearing. The Court shall retain final authority with respect to the consideration and admissibility of any objections. Any Participating Class Member who objects to the Settlement shall be bound by the order of the Court.

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THE VILLEGAS LAW FIRM, APC.