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CLASS-ACTION SETTLEMENT

Ford coupons dribble in

FEW REDEEMED AS LAWYERS REAP RICHES

By ANDY FURILLO
afurillo@sacbee.com

Fewer than 100 consumers out of a million covered in a class-action lawsuit settled in Sacramento Superior Court have redeemed coupons to buy a new Ford, but that hasn't stopped their lawyers from cashing in on a sweet payday.

So far, the dollar value remitted to plaintiffs in the Ford Explorer rollover class-action lawsuit has added up to about \$37,500. Meanwhile, squadrons

of lawyers from 13 firms from Sacramento to Woodbridge, N.J., have raked in more than \$25 million in attorneys' fees and expenses.

It's enough to make a one-time Nader's Raider think twice about class-action law. McGeorge School of Law professor John C. Sims, who worked 11 years for Ralph Nader's Public Citizen Litigation Group, said the plaintiffs' attorneys "ripped" the case and made it more about themselves than consumers.

"It's an outrage to have anything labeled as a consumer class action if the lawyers get \$25 million and the class members effectively get nothing," Sims said.

Attorney Tracey Buck-Walsh of Sacramento, who

brought home \$1,077,100 in fees and \$53,400 in expenses, said the coupons were the best plaintiffs could get.

"While we attempted very strenuously to get cash compensation, ... it was clear at the time we settled, given the condition of the U.S. auto industry, that this was the best settlement we could get in that we had grave doubts whether Ford could have survived a \$500 million judgment," Buck-Walsh said. "If Ford would have gone bankrupt, our class members would have received nothing."

Buck-Walsh said that hundreds more consumers still have a chance to cash in coupons toward the purchase of a new Ford and that the case served the pub-

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ATTORNEYS' PAYDAY

Here's a breakdown of how attorneys fared in the Ford Explorer rollover class-action lawsuit settled in Sacramento Superior Court. Additional attorneys' fees based on a "multiplier" added by Judge David DeAlba accounted for \$3.34 million.

FIRM	FEES	EXPENSES	TOTAL
Turner & Associates Little Rock, Ark.	\$1,750,000	\$2,543,326	\$4,293,326
Wilentz, Goldman & Spitzer, P.A. Woodbridge, N.J.	\$2,294,825	\$820,140	\$3,114,965
Lieff, Cabraser, Heimann & Bernstein LLP San Francisco	\$2,150,905	\$574,201	\$2,725,106
Goldenberg, Heller, Antognoli, Roland, Short & Gori, PC Edwardsville, Ill.	\$2,000,000	—	\$2,000,000
The Rossbacher Firm Los Angeles	\$1,485,363	\$183,099	\$1,668,463
Green & Welling LLP San Francisco	\$1,445,734	\$207,150	\$1,652,883
The Kick Law Firm Los Angeles	\$1,160,650	\$180,595	\$1,341,245
Tracey Buck-Walsh Sacramento	\$1,077,100	\$53,400	\$1,130,500
Barrett Law Office Lexington, Miss.	\$606,023	\$450,887	\$1,056,889
Provost-Umphrey LLP Beaumont, Texas	\$1,000,000	—	\$1,000,000
Hurwitz Sagarin Slossberg & Knuff LLP Milford, Conn.	\$600,673	\$43,431	\$644,104
Hagens Berman Sobol & Shapiro LLP Seattle	\$304,345	\$40,110	\$344,455
Kershaw Cutter & Ratnoff Sacramento	\$76,711	\$34,690	\$111,401

Source: Sacramento Superior Court records

SHARON OKADA sokada@sacbee.com

Ford: Payout was just, judge says

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lic interest by establishing that the Explorer was "a defective product." The company, however, admitted no wrongdoing, and a spokeswoman said the Explorer then and now "is a safe vehicle."

Buck-Walsh said she worked seven years on the case without pay until Sacramento Superior Court Judge David DeAlba signed off on the attorneys' fees a year ago June. She said all the fees and expenses were set by the judge after examining their hourly rates and their submitted receipts.

"It's not just that somebody said, 'I'm worth whatever, pick a number,'" Buck-Walsh said.

She also noted that DeAlba rejected an expense request by Little Rock, Ark., lawyer C. Tab Turner for the private jet he used to fly in and out of Sacramento during the 50-day trial. DeAlba instead awarded Turner airfare at coach rates. Turner could not be reached Tuesday.

Lawyers for the two sides settled the no-jury case on Nov. 28, 2007. Plaintiffs charged that Ford knowingly marketed an unsafe vehicle prone to rollovers. The company said the problem was due to faulty Firestone tires that had since been recalled and were subject to lawsuits and massive payouts in their own right.

Under terms of the Explorer settlement, anybody in California, Texas, Illinois and Connecticut who owned an Explorer between roughly 1991 and 2000 was eligible to receive a voucher worth be-

tween \$300 and \$500 off the purchase of a new Ford vehicle.

The settlement covered 1 million consumers in the four states, including 414,000 in California.

In a June 29 filing in Sacramento Superior Court, attorneys for the plaintiffs reported that as of last month, a total of 2,267 consumers had filed claims for the coupons. Some 620 claims had been rejected by Ford, leaving 1,647 vouchers approved and issued.

Of that total, only 75 had been redeemed, the plaintiffs said.

At a maximum of \$500 per voucher, the settlement so far has cost Ford a total of \$37,500 off the prices of the Explorers and other vehicles. If all the remaining vouchers were redeemed, that would work out to an additional \$786,000 saved by car purchasers.

The agreement came under almost immediate fire from several "objectors," as well as from consumer groups such as the Nader-affiliated Center for Auto Safety in Washington. The center's executive director, Clarence M. Ditlow III, said in an interview Tuesday that he opposed it because "coupon settlements generally don't result in much for consumers."

"Coupons may be OK if you're talking about a small-dollar good, like a toaster, or if you get five bucks off your next drug store purchase," Ditlow said. "But a coupon towards purchase of a major good that costs \$25,000 or more, that's the kind we don't like. You're not going to get

any value. Our position is, give them a hundred bucks, give them fifty bucks, give them something.

"One consumer stood up at a hearing and said, 'At least give me a T-shirt,'" Ditlow said.

In a July 30 order, DeAlba said the objectors "have failed to raise arguments that defeat the reasonableness of the Settlement as a whole and to give proper weight to the risks, expense and uncertainty" of continuing to press the lawsuit. Even if the plaintiffs had won at trial, Ford in all likelihood would have appealed, which "would delay substantially or eliminate any potential benefits" to the consumers, DeAlba wrote.

As for the lawyers' money, the judge threw in what he called a "modest multiplier" that increased their fees by more than \$3.3 million because "no other class claims of this nature have gone to trial anywhere else in the nation."

The attorneys, he said, "invested countless hours over six years in this case" and showed the court "exceptional skill" during the trial, which he described as "complex, lengthy and difficult."

For its part, Ford said through spokeswoman Kristen Kinley, "It's nice to have this behind us." She said the company is "pleased" that "there are some (class-action plaintiffs) that are using the vouchers to purchase new Explorers."

Call The Bee's Andy Furillo, (916) 321-1141.