

TABLE OF CONTENTS

CHAPTER 1

Background to Class Action Litigation

§ 1.01	The Nature and Purpose of the Class Action	1-1
	[1] The Basic Elements of a Class Action	1-1
	[2] Purpose	1-5
§ 1.02	Historical Origins	1-10
	[1] The English Courts of Equity	1-10
	[2] United States Federal Courts	1-10
	[3] State Courts	1-14
§ 1.03	Recognizing and Analyzing Potential Class Action Litigation	1-16
§ 1.04	Rules, Guidelines and Interpretations	1-18
	[1] Federal Rule 23	1-18
	[a] The Contents of the Rule	1-18
	[b] General Interpretations	1-20
	[2] The Uniform Law Commissioners’ Model Class Actions Rule	1-20
	[a] The Uniform Rule Summarized	1-21
	[b] General Interpretations	1-23
	[3] State Class Action Rules	1-24

CHAPTER 2

Selecting a Proper Class Representative

§ 2.01	Individual Standing	2-2
	[1] Plaintiff Class Actions	2-2
	[a] Direct Injury	2-2
	[2] Defendant Class Actions	2-39

STATE CLASS ACTIONS

§ 2.02	Representative Standing	2-45
	[1] Practical Considerations	2-45
	[2] Typical Claims	2-46
	[3] Differing Damage Claims and the Effect on Typicality	2-64
	[4] Adequacy of Representation	2-64
	[a] Adequacy of the Class Representative	2-66
	[i] Pro Se Plaintiffs	2-67
	[ii] Professional Plaintiffs	2-70
	[iii] Relationship to Class Counsel	2-71
	[iv] Antagonistic Interests	2-73
	[v] The Payment of Litigation and Notice Costs	2-80
	[vi] Credibility, Reliability, Honesty and Mental Stability	2-82
	[vii] Sufficient Interest in Outcome	2-83
	[viii] Duties, Responsibilities, and a Rational Approach to Litigation	2-84
	[ix] Significant Public Interest in Outcome	2-86
	[x] Authority to Act	2-86
	[xi] Knowledge of Lawsuit and Its Purpose	2-86
	[xii] Intervention to Satisfy Adequacy of Representation	2-90
	[xiii] Class Representative Service Awards	2-94
	[b] Adequacy of Class Counsel	2-95
	[c] Adequacy of Defendant Class Representation	2-101

CHAPTER 3**The Complaint**

§ 3.01	Basic Pleadings	3-1
	[1] The Case Caption	3-3
	[2] Identifying the Named Parties and the Nature of the Action	3-3

TABLE OF CONTENTS

vii

	[3] Identifying the Class	3-4
	[4] Preliminary Statement	3-5
	[5] Damages	3-6
§ 3.02	Pleading Specific Causes of Action	3-8
	[1] Breach of Contract and Express Warranty	3-8
	[2] Common Law Fraud	3-9
	[3] Consumer Protection Statutes	3-10
	[4] Breach of Fiduciary Duty	3-10
	[5] Quasi-Contractual Claims	3-10
	[6] Negligence and Mass Torts	3-10
	[7] Violation of Federal and State Statutes	3-11
	[8] Declaratory Judgments and Injunctive Relief	3-11

CHAPTER 4

Pre-Class Certification Litigation Practice

§ 4.01	In General	4-3
§ 4.02	The Preliminary Conference and the Answer to the Complaint	4-5
	[1] The Preliminary Conference	4-5
	[2] The Answer	4-5
	[3] Recusal and Disqualification of Class or Defendant's Counsel	4-5
§ 4.03	Defendant's Motion to Dismiss	4-10
	[1] Failure to State a Claim	4-11
	[a] Facial Merit	4-11
	[b] Collateral Estoppel	4-16
	[2] Pleading Deficiencies	4-17
	[3] Lack of Jurisdiction and Improper Venue	4-22
	[a] Preemption and Primary and Exclusive Jurisdiction	4-22
	[b] Lack of Personal Jurisdiction	4-34
	[c] Lack of Subject Matter Jurisdiction	4-39
	[d] Claims Barred by Disposition in Prior Action or Accord and Satisfaction	4-43
	[e] Filed Rate Doctrine	4-48
	[f] Voluntary Payment Doctrine	4-51
	[g] Statute of Limitations	4-54

STATE CLASS ACTIONS

	[h]	Mandatory Arbitration and Forum Selection Clauses	4-58
	[i]	Change of Venue and <i>Forum Non Conveniens</i>	4-60
	[j]	Stay Imposed by Federal or Other State Court.	4-62
	[k]	Aggregation of Claims	4-62
	[l]	Non-Resident Class Members.	4-63
[4]		Standing	4-64
	[a]	Tolling of Statutory and Contractual Time Limitations	4-84
	[b]	Cross-Jurisdictional Tolling.	4-91
[5]		Mandatory Arbitration Clauses	4-95
	[a]	Class Arbitration	4-99
	[b]	Class Action Waivers	4-102
	[c]	Enforceability.	4-108
[6]		Striking Class Allegations	4-117
[7]		Removal of State Court Class Actions to Federal Court and Remand Back	4-134
[8]		Competing Class Actions.	4-145
	[a]	Motions to Stay or Consolidate Competing Class Actions	4-152
	[b]	Soliciting Class Members in Competing Class Actions	4-158.1
	[c]	Collateral Attacks: Challenging the Preclusive Effect of Judgments in Competing Class Actions	4-159
	[d]	Defendants' Interest in Buying Off Class Cheaply	4-162
	[e]	Settlements and Release of Claims	4-163
[9]		Plaintiffs' Motion to Strike Class Allegations	4-165
§ 4.04		Motions for Summary Judgment	4-203
	[1]	Defendant's Motion for Summary Judgment.	4-203
	[2]	Plaintiff's Motion for Summary Judgment or Preliminary Relief	4-221
§ 4.05		Destruction of Records	4-231
§ 4.06		Communicating with the Class Representative or with Potential and Actual Class Members	4-232
	[1]	Offers to the Class Representative and "Pick Off" Cases.	4-232
	[2]	Court Control of Communications with Class Members	4-238

TABLE OF CONTENTS

ix

§ 4.07	Pre-Certification Discovery	4-246
	[1] Discovery of Plaintiffs	4-247
	[2] Discovery of Defendants	4-250.1
§ 4.08	Counterclaims	4-256
§ 4.09	Lawsuits and Sanctions Against Class Representatives and Class Members, Defendants and Their Attorneys	4-260

CHAPTER 5

Procedural Aspects of the Motion for Class Certification and Appeals

§ 5.01	Issues Before the Court	5-1
	[1] Burden of Proof	5-2
	[2] Status Prior to Class Certification	5-8.4
	[3] Selecting the Issues for Class Treatment	5-8.5
§ 5.02	The Timing and the Format of the Certification Motion	5-9
	[1] Timing	5-9
	[2] Format	5-12
	[a] Supporting Affidavits	5-12
	[b] Fruits of Discovery	5-13
	[c] Memorandum of Law	5-13
	[d] Evidentiary Hearing	5-14
	[e] <i>Ex Parte</i> Class Certification Orders	5-34
§ 5.03	Appeals of Certification Orders	5-37

CHAPTER 6

Requirements for Class Action Certification

§ 6.01	Overview	6-2
§ 6.02	Ascertainability	6-4
§ 6.03	Numerosity	6-14
§ 6.04	Commonality	6-29
	[1] Antitrust Class Actions	6-30
	[2] [Reserved]	6-30.1
	[3] Breach of Contract	6-30.1
	[a] Common Law Issues	6-30.1
	[b] Quasi-Contractual Theories of Liability	6-52
	[4] Breach of Warranty	6-69

STATE CLASS ACTIONS

[5]	Common Law Fraud	6-76
	[a] Reliance Presumed.	6-81
	[b] Class Wide Theories of Proof.	6-92
	[c] Uniform Misrepresentations	6-96
[6]	Unfair and Deceptive Trade Practices.	6-101
	[a] Reliance	6-102
	[b] Uniformity and Presumptions	6-108
	[c] Class Wide Theories of Proof.	6-118
	[d] Nationwide Classes	6-126
	[e] California Unfair Competition Law.	6-127
[7]	Breach of Fiduciary Duty	6-130
[8]	Negligence	6-132
[9]	Mass Torts	6-138
	[a] Mass Accidents and Toxics Torts.	6-155
	[b] Medical Monitoring.	6-168
	[c] Comprehensive Smoking Cessation Program	6-172
	[d] Reformulating Mass Tort Class Actions.	6-173
[10]	Violation of State and Federal Statutes.	6-174
[11]	Declaratory Judgments, Injunctive Relief and Mandatory and Limited Fund Class Actions	6-188
	[a] Challenging Governmental Operations	6-190
	[b] Challenging Private Entities	6-202.5
[12]	State Civil RICO Claims	6-202.15
§ 6.05	Typicality of Claims and Adequacy of Representation	6-203
	[1] Typicality	6-203
	[2] Adequacy of Representation	6-203
§ 6.06	Predominance and Superiority	6-204
	[1] Predominance	6-204
	[2] Superiority.	6-209
§ 6.07	Manageability	6-250.6
	[1] <i>De Minimis Damages</i>	6-281
	[2] Fluid Recovery and <i>Cy Pres</i> Concepts	6-284
	[3] Jurisdiction Over Non-Residents.	6-292.2
	[4] Improper Venue and <i>Forum Non Conveniens</i>	6-298
	[5] Choice of Law Considerations.	6-300.2
	[6] Limiting Class Actions to One State.	6-316
	[7] Trial Plans.	6-319
§ 6.08	Consideration of the Merits	6-322

TABLE OF CONTENTS

xi

§ 6.09	Selection of Lead Class Action Counsel	6-339
	[1] The Private Securities Litigation Reform Act.	6-340
	[2] Fee Auctions.	6-341
	[3] Race and Gender Diversity	6-343
	[4] Intervention and Substitution.	6-344
§ 6.10	Modification, Decertification and Recertification	6-348
§ 6.11	Sanctions Against Class Action Plaintiffs, Defendants and Their Attorneys	6-356
§ 6.12	Options after Dismissal from Class Action	6-357

CHAPTER 7

Notice of the Action to Class Members

§ 7.01	Supreme Court Guidelines	7-1
§ 7.02	State Practice	7-8
	[1] The Timing of the Notice	7-8
	[2] Mandatory vs. Discretionary Notice	7-9
	[3] Contents of the Notice	7-10
	[a] Opt-In v. Opt-Out Notice Provisions.	7-12
	[b] Claim Forms and Questionnaires.	7-17
	[c] Supplemental Notice	7-18
	[4] Methods of Notice	7-19
	[a] Notice by Mail.	7-21
	[b] Notice by Publication	7-24
	[c] E-Notice	7-27
	[d] Misleading Notices	7-31
	[5] Cost of Notice	7-33

CHAPTER 8

Discovery and Trial

§ 8.01	Preparing for Trial	8-1
§ 8.02	Discovery.	8-4
	[1] Discovery by Plaintiffs.	8-4
	[2] Discovery by Defendants.	8-5
§ 8.03	Trial of the Class Action	8-8
	[1] Bifurcation and Subclassing.	8-18
	[2] Representative Proof	8-23

STATE CLASS ACTIONS

[a]	Proving Damages	8-25
	[i]	Statistical Sampling 8-25
	[ii]	Appointing a Special Master 8-27
[b]	Other Damage Theories	8-28
[3]	Using Class Members as Witnesses	8-40
[4]	Inferences, Circumstantial Evidence and Jury Instruction	8-45

CHAPTER 9

Settlements

§ 9.01	Settling Class Actions	9-3
§ 9.02	Approval of the Court	9-5
	[1]	In General 9-5
	[2]	The Court as Guardian of the Class 9-13
§ 9.03	Settlement Procedures	9-20
	[1]	Stipulation of Settlement 9-20
	[a]	Summarizing the Case 9-21
	[b]	The Terms of the Settlement 9-21
	[i]	No Admissions on the Merits 9-21
	[ii]	Effective Date 9-21
	[iii]	Circumstances Under Which the Stipulation Will Be Deemed Void 9-22
	[iv]	Duties of the Parties 9-22
	[v]	Withdrawal Rights 9-22
	[vi]	Consideration 9-24
	[vii]	Expansion of the Class 9-44
	[viii]	Confidentiality 9-45
	[ix]	Barring Class Counsel from Future Representation 9-46
	[x]	Performing in Good Faith 9-47
	[xi]	Governing Law 9-47
	[xii]	Barring Future Claims 9-47
	[xiii]	Waiver of Appeal Rights 9-54
	[xiv]	Judgment Reduction 9-54
	[xv]	Most Favored Nations 9-55
	[xvi]	Vacatur of Jury Verdicts 9-55
	[xvii]	Retention of Jurisdiction 9-55
	[xviii]	Suspension of Relief 9-59
	[xix]	Settlement Voidable 9-59
	[xx]	Burden of Proof on Retained Claims 9-59

TABLE OF CONTENTS

xiii

	[xxi] Enforcement; Attorneys’s Fees and Costs	9-60
	[xxii] Dismissal of Punitive Damages	9-60
	[xxiii] Limiting Settlement to Some Defendants	9-60
	[xxiv] Eligibility Requirements	9-60
	[xxv] Resolution of Disputes by Arbitration	9-61
[c]	Non-Cash Settlements: Products, Coupons, Certificates, Label Monitoring and Product Testing	9-61
	[i] Transferability	9-81
	[ii] Aggregation of Coupons	9-86
	[iii] Redemption Rate	9-87
	[iv] Time of Redemption	9-93
	[v] Expert Evaluations of Coupons’ Value	9-95
	[vi] Distribution of Coupons to Next Best Class	9-96
	[vii] The Problem of Attorneys’ Fees	9-97
	[viii] Label Monitoring and Product Testing	9-102
	[ix] The Public Interest	9-102
[d]	<i>Cy Pres</i> Remedies: Settlements and Disposing of Unclaimed Settlement Funds	9-103
[e]	Merger Litigation and Disclosure Only Settlements	9-121
[2]	Preliminary Court Approval	9-125
	[a] Settlement Class Certification	9-133
[3]	Notice of the Proposed Settlement	9-139
	[a] Content of the Notice	9-143
	[b] Methods of Notifying the Class	9-152
	[i] Notice by Mail, E-Mail and Fax	9-152
	[ii] Notice by Publication and Internet Website	9-157
[4]	The Settlement Hearing	9-159
	[a] Nature of the Hearing	9-160
	[b] Objections to the Proposed Settlement	9-162

STATE CLASS ACTIONS

- [i] Intervention By Objectors and Other Interested Parties and Standing to Appeal 9-167
- [ii] Discovery By Intervenors, Objectors and Others 9-175
- [iii] Procedural Objections 9-179
- [iv] Substantive Objections 9-188
- [v] Objectors’ Incentive Awards, Attorneys’ Fees, Costs and Bonds 9-204
- [c] Factors in Evaluating Proposed Settlements 9-207
- [d] Incentive Awards 9-242
- [5] Finality, Collateral Attacks and Injunctions 9-248.1
 - [a] Collateral Attacks on the Settlement 9-249
 - [b] Malpractice Claims Against Class Counsel 9-257
 - [c] Enjoining Nationwide State Court Class Actions 9-260

CHAPTER 10

Costs and Attorneys’ Fees

- § 10.01 Introduction 10-2
- § 10.02 Fees Based on a Percentage of Recovery 10-43
 - [1] Criticism of the Lodestar Method 10-50
 - [2] Attorneys’ Fees in Coupon Claims-Made and Non-Cash Settlements 10-52
 - [3] Common Fund Fees Based Upon Benefits Generated for Opt-Outs and Other Non-Class Beneficiaries 10-54
 - [4] Interim Fee Awards 10-56
- § 10.03 The Lodestar Approach to the Payment of Fees 10-57
 - [1] Policy Considerations 10-57
 - [2] Time and Costs Records 10-62
 - [3] Establishing Beneficial Hours and Expenses 10-67
 - [4] Establishing the Hourly Rate 10-77
 - [5] Lodestar Computation 10-83

TABLE OF CONTENTS

xv

[6]	Enhancement of the Lodestar	10-84
[7]	Responsibility for Payment	10-96
[8]	Fee Disputes	10-98
[9]	Incentive Awards	10-100
§ 10.04	Applying for the Fee and Notifying the Class	10-102
[1]	The Time of Filing the Application	10-102
[2]	Disclosure of Fee-Sharing Arrangements	10-102
[3]	Notice to the Class	10-113
[4]	The Final Fee Application	10-115
[5]	Incentive Awards and Objectors’ Counsels’ Fees	10-116
[6]	Collateral Attacks on Settlements and Awards of Class Counsel’s Fees & Costs	10-117
[7]	Litigation Loans	10-117
INDEX	I-1