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U.S. DISTRICT COURT
N.D. OF ALABAMA

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA MIDDLE DIVISION

CYNTHIA PERRY, *individually and on behalf of all others similarly situated*,	)	
Plaintiff,	)	Case No. 4:25-cv-00521-CLM
v.	)	
ALATRADE FOODS, INC.,	)	
Defendant.	)	

MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFF'S MOTION FOR ATTORNEYS' FEES, GENERAL RELEASE PAYMENT TO PLAINTIFF, AND LITIGATION COSTS

I. INTRODUCTION

Plaintiff, Cynthia Perry, and Class Counsel obtained a proposed $500,000.00 class-wide settlement for employees terminated in connection with layoffs at Alatrade Foods, Inc.'s Phenix City, Alabama processing plant between February and August 2025. ECF No. 1; ECF No. 18-6 ("Settlement Agreement"), Settlement Agreement Recitals A, N. The Settlement resolves claims under the Worker Adjustment and Retraining Notification Act ("WARN Act"), 29 U.S.C. §§ 2101–2109, while avoiding substantial risks posed by Alatrade's asserted statutory defenses and class-certification defenses. *Id.* Recitals H–L. The Court previously granted preliminary approval on April 7, 2026 (ECF No. 19), and the Parties have continued to engage in the Settlement Administration process since. Class Counsel now submits this Motion for Attorneys' Fees, a General Release Payment to Plaintiff, and Litigation Costs.

II. BACKGROUND

A. Litigation and Settlement

From February through August 2025, Alatrade laid off approximately 242 employees, including Plaintiff, at its Phenix City, Alabama processing plant. Settlement Agreement Recital A. Plaintiff filed this action on April 8, 2025, alleging that Alatrade failed to provide the advance notice required by the WARN Act,

seeking damages and civil penalties permitted by the WARN Act, as well as reasonable attorneys' fees. ECF No. 1; Settlement Agreement Recitals B–C.

Alatrade answered on June 16, 2025, denying liability and class certification and asserting, among other defenses, the WARN Act's unforeseeable-business-circumstances and faltering-company exceptions and a good-faith defense. Settlement Agreement Recital D. The Parties filed a Joint Motion to Stay Deadlines on June 19, 2025, to pursue mediation, which the Court granted. ECF Nos. 12, 14. The Parties mediated before A. Lee Parks, Jr. on September 17, 2025, and subsequently reached a class-wide settlement after arm's-length negotiations. *Id.* Recitals F, K.

The Parties executed a Settlement Agreement establishing a $500,000.00 Settlement Fund. Settlement Agreement Recital N; ¶ 34. The Settlement Fund is used to pay Settlement Class Members, Court-awarded Attorneys' Fees and Costs, the general release payment to named Plaintiff in consideration for her broader individual release, and Settlement Administrator's Expenses. *Id.* Recital N. Alatrade's share of payroll taxes on each settlement payment is paid outside the Settlement Fund. *Id.* ¶ 46.

The allocation is tied directly to the WARN Act's notice period. Settlement Agreement ¶ 47. Payments from the Net Settlement Fund are allocated based on the number of days each employee was laid off after receiving less than the required

sixty days' notice, less days worked between notice and layoff, days worked upon recall, and the equivalent days of any severance paid upon layoff. *Id.* ¶¶ 47–50.

B. The Requested Award

Plaintiff seeks an award of $166,666.67 in attorneys' fees, one-third of the $500,000.00 Settlement Fund, plus $3,794.40 in documented litigation costs to be paid from the Settlement Fund pursuant to the terms of the Settlement Agreement. Settlement Agreement ¶¶ 71–72. The accompanying declaration of J. Gerard Stranch, IV ("Stranch Decl."), Class Counsel, identifies the categories of those expenditures and confirms that the costs were reasonably incurred for the benefit of the Class.

Additionally, Settlement Class Counsel seeks an award of $17,500.00 payable to the Settlement Administrator for fees incurred during the ordinary course of administration to date and expected through the remainder of the administration process, and a $1,500.00 general release payment to named Plaintiff, Cynthia Perry.

III. ARGUMENT

A. The Percentage-of-the-Fund Method Governs the Fee Request.

Rule 23(h) authorizes a court in a certified class action to award reasonable attorneys' fees and nontaxable costs when authorized by law or the parties' agreement. Fed. R. Civ. P. 23(h). The WARN Act likewise authorizes an award of reasonable attorneys' fees as part of the costs awarded to a prevailing party. 29

U.S.C. § 2104(a)(6). Here, however, Class Counsel's fee will be paid from the negotiated common settlement fund.

In the Eleventh Circuit, the percentage-of-the-fund method is the appropriate method for determining attorneys' fees in common-fund class actions. *Camden I Condo. Ass'n, Inc. v. Dunkle*, 946 F.2d 768, 772–75 (11th Cir. 1991). Under Camden I, the Court determines an appropriate percentage of the fund by considering the factors identified in *Johnson v. Georgia Highway Express, Inc.*, as well as other considerations relevant to the particular case. *Id.* at 775. The Eleventh Circuit has repeatedly reaffirmed this approach. *See In re Equifax Inc. Customer Data Sec. Breach Litig.*, 999 F.3d 1247, 1278–80 (11th Cir. 2021); *Waters v. Int'l Precious Metals Corp.*, 190 F.3d 1291, 1294–98 (11th Cir. 1999).

A lodestar cross is not required. *In re Equifax* reaffirmed that the percentage-of-the-fund method governs common-fund fee awards in this Circuit and explained that courts need not perform a separate lodestar analysis. 999 F.3d at 1278–80 & n.26. As courts applying *Camden I* have recognized, the percentage method avoids the inefficiencies associated with a lodestar approach, which can create incentives to increase hours rather than efficiently maximize the class's recovery. *See In re Checking Acct. Overdraft Litig.*, 830 F. Supp. 2d 1330, 1362 (S.D. Fla. 2011). Accordingly, "courts in this Circuit regularly award fees based on a percentage of the recovery, without discussing lodestar at all." *Id.*; s*ee also Dusko v. Delta Air*

Lines, Inc., No. 1:20-CV-01664-ELR, 2023 WL 12070227, at *8 (N.D. Ga. Oct. 5, 2023)(recognizing that "when analyzing the various factors, a lodestar cross-check is unnecessary" and citing *In re Equifax*, 999 F.3d at 1280 n.26).

B. The Court Should Award the Requested Attorneys' Fees Because They Are Reasonable and Authorized by the Parties' Agreement.

"It is well established that counsel whose work results in a substantial benefit to a class are entitled to a fee under the common benefit doctrine." S*ee also Dusko*, 2023 WL 12070227, at *7 (citing *Boeing,* 444 U.S. at 478). "The doctrine serves the 'twin goals of removing a potential financial obstacle to a plaintiff's pursuit of a claim on behalf of a class and of equitably distributing the fees and costs of successful litigation among all who gained from the named plaintiff's efforts.'" *Id.* (quoting *In re Gould Sec. Litig.*, 727 F. Supp. 1201, 1202 (N.D. Ill. 1989)).

i. The Requested Attorneys' Fees of One-Third of the Settlement Fund Is Appropriate.

"In selecting the percentage in a particular case, a district court should apply the 12 factors from *Johnson*, as well as any other pertinent factors." *Dusko v. Delta Air Lines, Inc.,* No. 1:20-CV-01664-ELR, 2023 WL 12070227, at *8 (N.D. Ga. Oct. 5, 2023) (quoting *Camden I*, 946 F.2d at 776). The factors include: (1) the time and labor required; (2) the novelty and difficulty of the relevant questions; (3) the skill required to properly carry out the legal services; (4) the preclusion of other employment by the attorney as a result of his acceptance of the case; (5) the

customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the clients or the circumstances; (8) the results obtained, including the amount recovered for the clients; (9) the experience, reputation, and ability of the attorneys; (10) the "undesirability" of the case; (11) the nature and the length of the professional relationship with the clients; and (12) fee awards in similar cases. *In re Fortra File Transfer Software Data Sec. Breach Litig.,* No. 24-MD-03090-RAR, 2025 WL 457896, at *11 n.5 (S.D. Fla. Feb. 11, 2025) (citing *Camden I*, 946 F.2d at 772 n.3).

1. The time and labor required.

The time and labor expended support an award of the requested attorneys' fees. Plaintiff's Counsel devoted substantial time investigating the claims against Defendant, researching and developing the legal theories at issue, evaluating Alatrade's asserted WARN Act defenses, preparing for mediation, negotiating the Settlement Agreement, preparing preliminary-approval papers, implementing the settlement process, and preparing the present fee application. Stranch Decl. ¶¶ 9, 15, 22. Additionally, Counsel will continue to expend time through final approval and distribution of settlement benefits. *Id.* ¶ 22.

2. The novelty and difficulty of the relevant questions.

WARN Act class litigation presents significant factual and legal complexity. Stranch Decl. ¶ 13. Here, Alatrade asserted the unforeseeable-business-

circumstances and faltering-company exceptions, a good-faith defense, and class-certification defenses. *Id.* ¶ 10; Settlement Agreement Recital D. Prolonged litigation also could have required substantial facts and expert discovery and the retention of experts in multiple areas. Stranch Decl. ¶¶ 10, 13. These considerations weigh in favor of the requested fee.

3. The skill required to properly carry out the legal services.

Class action litigation requires certain skills beyond what is typically required to bring individual claims. *See generally* Fed. R. Civ. P. 23. Courts recognize that "WARN Act cases are particularly risky cases to take on a contingent basis, since Defendants are generally distressed companies in financially troubled conditions (thus leading to the necessity for mass layoffs or a plant closing)." *Rodriguez v. Infinite Care, Inc.*, No. 15-1824, 2016 WL 6804430, at *8 (E.D. Pa. Nov. 17, 2016).

Here, Class Counsel has significant experience in complex litigation and WARN Act class actions and has litigated and resolved similar matters nationwide. Stranch Decl. ¶¶ 11–12, 16. That experience informed counsel's evaluation of Alatrade's asserted defenses, the risks of continued litigation, and the reasonableness of the negotiated Settlement and requested fee. *Id.* ¶ 11.

Class Counsel investigated the underlying facts, evaluated Defendant's WARN Act defenses, prepared for mediation, and drew on their experience in other WARN Act class actions to negotiate the Settlement. Stranch Decl. ¶¶ 9, 11–13. The

parties reached the Settlement through arm's-length negotiations. Stranch Decl. ¶ 14. Counsel's WARN Act experience informed their evaluation of the claims, defenses, litigation risks, and Settlement. *Id.* ¶¶ 11–12. Therefore, this factor weighs in favor of approval of the requested fee.

4. The preclusion of other employment.

The time and resources required to prosecute this litigation necessarily limited Class Counsel's ability to devote those same resources to other fee-generating matters. Stranch Decl. ¶ 8. Class Counsel invested time, effort, and resources into the litigation of this risky and uncertain case with no guarantee or promise of return on their investment. *Id*. Class Counsel will continue to expend additional time and effort in communicating with Plaintiff and Settlement Class Members, completing the motion for final approval of class action settlement, attending the Final Approval Hearing, and overseeing the distribution of settlement benefits. *Id.* ¶ 15.

This Action was undertaken on a contingent basis. Stranch Decl. ¶ 8. Class Counsel have not been paid for their time prosecuting the case and assumed the risk that substantial time and resources could be devoted to the litigation without any compensation if the claims were unsuccessful or no recovery was obtained for the Class. *Id.*

5. The customary fee.

Plaintiff's Counsel here seeks a fee of one-third of the $500,000.00 Settlement Fund, which is well within the range approved in other Eleventh Circuit proceedings. *See George v. Acad. Mortg. Corp. (UT),* 369 F. Supp. 3d 1356, 1382 (N.D. Ga. 2019) (collecting cases supporting an award of approximately one-third of the common fund); *Lunsford v. Woodforest Nat'l Bank*, No. 1:12-cv-103-CAP, 2014 WL 12740375 at *11 (N.D. Ga. May 19, 2014) (finding award of fees at one-third of common fund "falls within this accepted range and is in accord with this Court's prior fee rulings"); *McLendon v. PSC Recovery Sys., Inc.*, No. 1:06-cv-1770-CAP, 2009 WL 10668635 (N.D. Ga. June 2, 2009) (awarding fees at one-third of $4,000,000 common fund).

In *Comeens v. HM Operating, Inc.*, this Court approved a one-third attorneys' fee award in a WARN Act common-fund settlement after applying Camden I and the relevant *Johnson* factors. No. 6:14-cv-00521-JHE, Doc. 131 at 7–9 (N.D. Ala. Aug. 18, 2016). The same is true nationwide. *See Mees v. Skreened, Ltd.*, No. 2:14-CV-142, 2016 WL 67521, at *5 (S.D. Ohio Jan. 6, 2016), *report and recommendation adopted*, 2016 WL 305166 (S.D. Ohio Jan. 26, 2016); *Rodriguez,* 2016 WL 6804430, at *8; *Guippone v. BH S & B Holdings, LLC*, No. 09 Civ. 1029 (CM), 2011 WL 5148650, at *9 (S.D.N.Y. Oct. 28, 2011).

6. Whether the fee is fixed or contingent.

In undertaking to prosecute this case on a contingent fee basis, Plaintiff's Counsel assumed a significant risk of nonpayment or underpayment. Stranch Decl. ¶ 8. Despite Class Counsel's efforts in litigating this case, they remain uncompensated for the time invested, in addition to the expenses they advanced. *Id*. There can be no dispute that this case entailed substantial risk of nonpayment for Plaintiff's Counsel. This factor weighs heavily in favor of awarding the requested attorneys' fees.

7. The time limitations imposed by the clients or the circumstances.

Although this case did not involve extraordinary litigation deadlines, continued litigation would have required substantial fact and expert discovery, class-certification and summary-judgment proceedings, trial, and potentially post-trial proceedings and appeals, substantially delaying any recovery. Stranch Decl. ¶ 10. Class Counsel secured a $500,000.00 Settlement Fund without subjecting the Settlement Class to those additional delays. Accordingly, the seventh *Johnson* factor favors approval of the requested award.

8. The results obtained.

The Settlement provides substantial, immediate relief through payments to approximately 242 employees. Settlement Agreement, Recital A. Each participating Settlement Class Member's payment is tied to the WARN Act notice

period and allocated based on the number of days the employee was laid off after receiving less than the required sixty days' notice, less days worked between notice and layoff, days worked upon recall, and equivalent days of severance paid upon layoff. *Id.* ¶ 47. The $500,000.00 Settlement Fund thus provides meaningful monetary relief while avoiding the risks and delay of continued litigation described by the Parties in the Settlement Agreement. *Id.* Recitals J–L; Stranch Decl. ¶ 19.

In negotiating the Settlement, Class Counsel relied on their investigation of the claims, evaluation of Alatrade's asserted WARN Act defenses, preparation for mediation, experience in WARN Act litigation, and assessment of the risks of continued litigation. Stranch Decl. ¶¶ 9–13.

9. The experience, reputation, and ability of the attorneys.

Class Counsel have substantial experience in complex litigation and WARN Act class actions and have litigated and resolved similar matters nationwide. Stranch Decl. ¶¶ 11–12, 16. That experience informed counsel's evaluation of the claims, defenses, litigation risks, and the reasonableness of the negotiated Settlement. *Id.* ¶ 11.

10. The "undesirability" of the case.

Courts recognize that "WARN Act cases are particularly risky cases to take on a contingent basis, since defendants are generally distressed companies in financially troubled conditions (thus leading to the necessity for mass layoffs or a

plant closing)." *Rodriguez,* 2016 WL 6804430, at *8. However, the work is important. They serve not only to compensate employees but also to deter employers from violating federal employee rights and advance the remedial purpose of the WARN Act, *e.g.*, "ensuring an income stream, or, in the words of the governing regulation, . . . 'provid[ing] protection to workers, their families and communities.'" *Local Joint Exec. Bd. of Culinary/Bartender Trust Fund v. Las Vegas Sands, Inc.*, 244 F.3d 1152, 1159 (9th Cir. 2001) (quoting 29 C.F.R. § 639.1(a)).

11. The nature and the length of the professional relationship with the clients.

Plaintiff's Counsel has maintained an ongoing professional relationship with Plaintiff throughout the investigation, litigation, mediation, and settlement process since she retained Class Counsel nearly a year and a half ago. Stranch Decl. ¶ 15. Counsel will continue communicating with Plaintiff and Settlement Class Members through final approval and distribution of settlement benefits. *Id*.

12. Fee awards in similar cases.

In Eleventh Circuit cases, courts have found that a one-third award is typical and reasonable. *In re Fortra,* 2025 WL 457896, at *11 (finding the requested one-third fee reasonable under the *Camden I* factors). Additionally, in WARN Act cases particularly, Courts have likewise found that a one-third award is typical and reasonable. *See e.g.*, *In re AWTR Liquidation, Inc.*, No. 213-bk-13775-NB, 2013 WL 6859166, at *2 (Bankr. C.D. Cal. Dec. 13, 2013) (concluding one-third fee in WARN

Act case was appropriate); *Mees,* 2016 WL 67521, at *5 (same); *Guippone,* 2011 WL 5148650, at *9 ("[I]n more than 30 WARN actions class counsel was awarded a one-third fee."); *Knapp v. Badger Technologies, Inc.*, No. 12–CV–6637–CJS–MWP, 2015 WL 3745303, at *5 (W.D.N.Y. June 15, 2015) (awarding one-third fee in WARN Act case); *Assif v. Titleserv, Inc.*, CV 11-3203 (PKC) (AKT), 2014 WL 12843780, at *12 (E.D.N.Y. Aug. 25, 2014) (same).

C. The Court Should Approve the $1,500.00 General Release Payment.

The Settlement Agreement provides that Defendant will pay Plaintiff Cynthia Perry $1,500 in consideration for the broader release of claims she provides in her individual capacity. Settlement Agreement ¶¶ 52, 54, 65, 73; Stranch Decl. ¶ 21. Unlike absent Settlement Class Members, whose releases are limited to the claims specified in the Settlement Agreement, named Plaintiff provides Defendant with a broader release of claims. Settlement Agreement ¶¶ 52, 54, 65; Stranch Decl. ¶ 21. The $1,500 general release payment, which was negotiated as part of the overall Settlement, therefore represents separate consideration for the additional claims and rights she is releasing. Stranch Decl. ¶ 21.

Courts within the Eleventh Circuit have allowed such payments supported by such separate consideration. *See, e.g., Larkin v. UAB Med. Enter.*, No. 2:23-cv-00142, ECF No. 87, at 11–12 (N.D. Ala. June 17, 2025) (approving $1,500 payments for general releases supported by consideration separate from that exchanged for the

underlying claims); *Stevens v. 3 Squares Diner, LLC*, No. 7:24-cv-00027, ECF No. 47, at 7–9 (M.D. Ga. Dec. 19, 2025) (approving $5,000 payment for a general release supported by consideration beyond that provided by other claimants); *Cornelius v. Deere Credit Servs., Inc.*, No. 4:24-cv-25-RSB-CLR, 2025 WL 502089, at *3 (S.D. Ga. Feb. 13, 2025) (approving $5,000 payment for a general release as fair and reasonable in light of the additional rights relinquished by the named plaintiff); *Sinkfield v. Persolve Recoveries, LLC*, No. 9:23-cv-80338, 2023 WL 511195, at *3 n.2 (S.D. Fla. Jan. 26, 2023) (approving $1,500 payment in exchange for a broader release than that provided by other class members).

Here, named Plaintiff likewise provides Defendant with a broader individual release than that provided by absent Settlement Class Members, and the $1,500 payment compensates her for those additional released claims and rights—not for her service as class representative. Settlement Agreement ¶¶ 52, 54, 65, 73; Stranch Decl. ¶ 21. Accordingly, Plaintiff respectfully requests that the Court approve the $1,500 payment.

D. The Court Should Award the Requested Litigation Costs.

The Settlement Agreement permits Plaintiff's Counsel to seek an award of costs paid from the Settlement Fund. Settlement Agreement ¶¶ 72, 74. It separately provides that the Settlement Administrator's fees are Settlement Administrator's Expenses and that such expenses shall be paid from the Settlement Fund. *Id.* ¶¶ 59–

61. "It is appropriate to reimburse the out-of-pocket expenses of counsel whose efforts created substantial benefit for the class." *Columbus Drywall & Insulation, Inc. v. Masco Corp.*, No. 1:04-CV-3066-JEC, 2012 WL 12540344, at *7 (N.D. Ga. Oct. 26, 2012) (Carnes, J.) (citing *Camden I*, 946 F.2d at 771).

Here, Class Counsel requests reimbursement of $3,794.40 in filing fees and associated litigation costs and $17,500.00 in Settlement Administration costs. Stranch Decl. ¶ 17. These costs were reasonably incurred in connection with the prosecution and settlement of this action and were necessary to advance the interests of Plaintiff and the Settlement Class. Stranch Decl. ¶ 17; *see also Lunsford*, 2014 WL 12740375, at *16 (approving reasonable out-of-pocket expenses).

IV. CONCLUSION

For these reasons, Plaintiff respectfully requests that the Court grant Plaintiff's Motion for Attorneys' Fees, a General Release Payment to Plaintiff, and Litigation Costs.

Dated: September 18, 2026

Respectfully submitted,

Hirlye R Lutz

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CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of September, 2026, I filed the foregoing with the Clerk of Court using the CM/ECF System, which will send notice of such filing to all registered CM/ECF users, including counsel for Defendant.

Hirlye R. Lutz
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