Class Action Group Of The Year: Susman Godfrey

By Michael Macagnone

Law360, Washington (January 16, 2018, 3:50 PM EST) -- Susman Godfrey LLP continued to push for victories in class actions varying from auto parts purchasers to film animators in the past year, proving the firm's role as a litigation powerhouse and landing it among Law360's Class Action Practice Groups of the Year.

The firm has racked up a number of victories in the past year — from helming broad multidistrict litigation in In Re: Automotive Parts Antitrust Litigation to copyright claims against companies like Spotify and Sirius XM — without a dedicated class action group. Marc Seltzer, a partner at Susman Godfrey's Los Angeles office, said the firm's focus on litigation of all kinds has carried through to class actions, including work that put him on Law360's 2017 Competition MVPs.

"We pride ourselves on being trial lawyers who can take on any kind of case," Seltzer said. "Our attorneys work on a wide variety of cases, not just class actions, representing both plaintiffs and defendants."

Seltzer serves as co-lead counsel in In Re: Automotive Parts Antitrust Litigation, in which he represents end-payor plaintiffs who allege a global cartel of auto parts makers conspired to fix prices on various components. Seltzer spotlighted the auto parts litigation as "one of the most complex set of class actions ever litigated," with 41 separate class actions across 75 different defendant groups. As part of the sprawling ongoing litigation, payors have secured more than $900 million in settlements.

He was also appointed co-lead counsel for a class of approximately 10,000 animation employees alleging that companies such as Disney, Pixar, DreamWorks, Lucas Films and Sony agreed to not hire employees from the other firms.

The animators accused multiple entertainment companies — including Dreamworks Animation SKG Inc., Twentieth Century Fox Film Corp. subsidiary Blue Sky, Sony Pictures Imageworks Inc. and Sony Pictures Animation Inc. — of entering into secret "gentlemen's agreements" not to actively solicit one another's employees in order to suppress salaries across the industry.

Blue Sky and the Sony Pictures companies agreed to settle for a combined $19 million in March 2016, court records show. DreamWorks reached its deal in October, and last February,
Disney, Pixar and Lucasfilm, along with Two Pic MC LLC, reached their own $100 million settlement, according to case filings.

Susman Godfrey helped secure approval of the settlements last year, over the objection of producers who claimed they were unfairly cut out of the deal.

The firm has also made substantial steps in In re: Qualcomm Patent Licensing Antitrust Litigation, in which partner Kalpana Srinivasan was named co-lead plaintiffs' counsel and to the steering committee for plaintiffs. Srinivasan said the case involves a huge amount of discovery work and case management skills.

In that suit, plaintiffs allege Qualcomm used its dominance to strong-arm device makers into paying higher royalties and agree to anti-competitive licensing terms; the pared-down indirect purchaser claims recently survived a motion to dismiss.

"The technology changes and how we handle the demands of more complicated and complex litigation changes," Srinivasan said. "That all sort of evolves over time but at the end of the day understanding the case's critical facts and legal issues don't change."

Susman Godfrey's victories include novel litigation over copyright claims against Sirius XM and Spotify, and the teams on those suits included Steven Sklaver, a partner at the firm's Los Angeles office. Sklaver said that entertainment actions like the Flo & Eddie Inc. v. SiriusXM Radio Inc. cases are "novel and challenging," combining applications of traditional copyright law to changing technology with high-stakes litigation.

"We are talking about novel technology both in the Sirius XM and Spotify [litigation] applied to well-founded, we think, intellectual property law, so it is very interesting to get involved in litigation at the intersection of both old and new," Sklaver said.

He pointed out that entering into the high-low settlement in the days before a scheduled trial in the Flo & Eddie litigation helped maximize the class' recovery. In that case, the compensation was pegged to several appeals, two of which went against the class, he said.

"It was a good idea we entered into that settlement, as the class might have gotten no compensation if not for that settlement," Sklaver said.

In the Spotify litigation, Susman Godfrey's team helped secure a $43 million settlement last year that is still subject to court approval. The deal resolves two proposed class actions filed in January 2016 by Camper Van Beethoven lead singer David Lowery and singer-songwriter Melissa Ferrick saying Spotify had chosen to "infringe now, apologize later," rather than go through the effort of fully licensing the band's music.

--Additional reporting by Melissa Lipman, Cara Bayles, Diana Novak Jones, Bill Donahue and Darcy Reddan. Editing by Catherine Sum.