

1 UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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4 NATIONAL ASSOCIATION FOR THE ADVANCEMENT
OF COLORED PEOPLE, SPRING VALLEY BRANCH,
5 et al.,

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Plaintiffs,

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Case No. 17-cv-08943-CS

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-vs-

8 EAST RAMAPO CENTRAL SCHOOL DISTRICT,
9 et al.,

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Defendants.

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United States Courthouse
White Plains, New York
March 5, 2021
12:00 p.m.

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** VIA TELECONFERENCE **

15

Before:

HONORABLE CATHY SEIBEL
District Judge

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17 A P P E A R A N C E S:

18

LATHAM & WATKINS, LLP
BY: ANDREW B. CLUBOK
19 RUSSELL MANGAS
ANDREJ NOVAKOVSKI

20

and
NEW YORK CIVIL LIBERTIES UNION
21 BY: PERRY GROSSMAN
Attorneys for the Plaintiffs

22

MORGAN LEWIS & BOCKIUS, LLP
23 BY: RANDALL M. LEVINE
DAVID J. BUTLER
24 CLARA KOLLM
Attorneys for the Defendants

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1 THE DEPUTY CLERK: Good afternoon, Judge. Judge, this
2 matter is NAACP v. East Ramapo Central School District. We have
3 on here representing plaintiffs, Mr. Andrew Clubok, Mr. Russell
4 Mangas, Mr. Andrej Novakovski, and Mr. Perry Grossman.

5 And representing defendant we have Mr. David Butler,
6 Mr. Randall Levine and Ms. Clara Kollm. Our court reporter,
7 Darby, is on, and Jenny is on.

8 THE COURT: All right. Hi, everybody. Let me remind
9 counsel: If you say anything, make sure that the first word out
10 of your mouth is your last name. Please do not say, "This is
11 Andrew Clubok for plaintiff." Just say "Clubok." Don't worry
12 about sounding impolite. You will be doing me, and more
13 importantly, the court reporter, a favor by identifying yourself
14 right upfront. We need to know who is speaking right upfront so
15 that the court reporter can do her job.

16 I have both sides' objections to Magistrate Judge
17 McCarthy's report and recommendation. Is there anything anybody
18 wants to add that's not covered by the motion papers?

19 MR. MANGAS: Mangas, Your Honor. Nothing for
20 plaintiffs.

21 MR. LEVINE: Levine for defendant. Nothing, Your
22 Honor.

23 THE COURT: All right. So let me tell you where I
24 come out. First of all, the legal standard is well known. A
25 District Court reviewing a report and recommendation, or R&R,

1 "may accept, reject or modify, in whole or in part, the findings
2 or recommendations made by the magistrate judge." 28 U.S. Code
3 Section 636(b) (1) (C). I "may adopt those portions of the report
4 to which no 'specific written objection' is made, as long as the
5 factual and legal bases supporting the findings and conclusions
6 set forth in those sections are not clearly erroneous or
7 contrary to law." *Adams versus New York State Department of*
8 *Education*, 855 F.Supp.2d 205 at 206, Southern District 2012,
9 quoting Federal Rule of Civil Procedure 72(b). I must review de
10 novo any portion of the report to which specific objection is
11 made. See Section 636(b) (1) (C) and *U.S. versus Male Juvenile*,
12 121 F.3d 34 at 38. Here, I have objections from both sides.
13 I'm going to start with defendant's objections.

14 Their first objection is that I should issue no fee
15 award at all or, at best, a nominal award. Defendant argues
16 that plaintiffs have pro bono counsel who had no expectation of
17 payment, so any award of fees would be a windfall to plaintiffs,
18 and on the theory that counsel isn't going to keep the money and
19 didn't take the case to make money and it would be a penalty to
20 defendant without furthering the purposes of the fee provision,
21 which is to get lawyers to take cases. I would punish the Board
22 for defending itself -- excuse me. It wouldn't punish the Board
23 that defended itself, but rather the students that plaintiffs
24 purport to help because the fee award is going to lead to budget
25 cuts, and that it is irrelevant that the Board spent a large sum

1 to defend itself. That's the gist of the argument.

2 As to defendant's first point, that the fee award
3 would be a windfall, my main response is two words: *Arbor Hill*.
4 In *Arbor Hill Concerned Citizens Neighborhood Association versus*
5 *County of Albany*, 522 F.3d 182 at 184, which, like this, was a
6 Voting Rights Act case, the Second Circuit made clear that
7 attorneys from non-profit organizations or attorneys from
8 private law firms engaged in pro bono work are not excluded from
9 the usual approach to determining attorney's fees. A pro bono
10 lawyer is not entitled to be compensated at the lawyer's
11 "customary rate for a different type of practice," that's *Arbor*
12 *Hill* at 184, but like anyone else, is entitled to be paid at
13 rates prevailing in the community for similar work, "regardless
14 of whether the attorney has agreed to take the case on a pro
15 bono or reduced-fee basis." Again, *Arbor Hill* at 184.

16 So here, Latham and Watkins is not entitled to the
17 same rate its corporate clients pay, but it is entitled to a
18 fee; as is the NYCLU. As to the latter of which, by the way,
19 there is no indication it would or could have taken the case
20 without the fee incentive. Further, I agree with plaintiffs
21 that an award would serve the fee-shifting provision's purpose
22 of enabling plaintiffs to hire counsel without fear that they
23 will be outspent or worn down by defendant's counsel, and to
24 attract competent counsel and vindicate civil rights, even in
25 cases with little cash value. "The function of an award of

1 attorney's fees is to encourage the bringing of meritorious
2 civil rights claims which might otherwise be abandoned because
3 of the financial imperatives surrounding the hiring of competent
4 counsel." *Kerr versus Quinn*, 692 F.2d 875 at 877.

5 And here, very competent counsel with substantial
6 resources were needed to oppose the substantial resources
7 marshaled by defendants, which plaintiffs had every reason to
8 expect based on how the District had litigated an earlier case
9 called *Montesa v. Schwartz*, number 12-cv-6057, in this court.
10 This is far from the situation hypothesized in *Kerr* where a case
11 is so obviously a winner and so obviously going to lead to a
12 large award that it would be easy to find counsel willing to
13 take the case on contingency.

14 That a fee award to plaintiffs could come out of the
15 school budget and hurt the students of the District is, for
16 better or worse, I am sorry to say, irrelevant. That the fee
17 award comes out of the taxpayers' pockets is frequently true in
18 many civil rights cases against a municipal or other government
19 defendant, and a large fee frequently means that the defendant
20 has to tighten its belt elsewhere. That is something defendants
21 take into account in formulating their litigation position.
22 Here, it is a result the Board could have avoided, but was under
23 no obligation to avoid. So I do not hold it against defendant,
24 but it could have settled this case, and in such a settlement
25 plaintiff would have waived fees all together. Defendant

1 doesn't have to settle, and maybe it sincerely thought it had a
2 better case than it did.

3 The Board's choices have resulted in much bigger fees
4 for its counsel and for plaintiffs than if the case had settled
5 before trial, but that is no reason not to award a reasonable
6 fee to plaintiffs. Similarly, that Latham plans to donate its
7 fees to help the public schools in the District, while generous
8 and commendable, has no impact on my calculation of the fee.

9 That the Board decided to spend money to defend itself
10 is largely irrelevant, but not completely irrelevant. What the
11 Board paid could be relevant to what a reasonable, paying client
12 would pay, which I will discuss later, and relevant to what was
13 necessary to take on the District. As noted, plaintiffs needed
14 substantial resources to go up against defendant's substantial
15 resources. So I do plan to award a fee to plaintiffs.

16 Defendants next argue that I should exclude fees
17 attributable to plaintiff's first expert, Dr. Cole, and to the
18 first preliminary injunction motion, which was withdrawn. They
19 point out that plaintiffs had said that they excluded those fees
20 and that everyone agrees they are not compensable, but
21 defendant's review shows that there are 366.38 hours relating to
22 Dr. Cole on the first motion that were included, which
23 defendants assume was inadvertent and that Magistrate Judge
24 McCarthy did not subtract those out before making her 25 percent
25 cut. Plaintiff responds that it did cut the hours that went

1 only toward the PI motion, but the 366 hours were included
2 intentionally because the work done there was used and useful at
3 later phases of the case. So they acknowledge there it was a
4 calculation error in that 40 hours or less of drafting was
5 included which shouldn't have been. Plaintiff argues I
6 shouldn't worry about the 40 hours because it's sufficiently
7 mitigated by its voluntary 34 percent cut, which I will discuss
8 down the road, and by its agreement to cap its fee at what
9 defendants paid Morgan Lewis.

10 As I will explain as we go along, we are going to have
11 to do some recalculation to the magistrate's numbers, so I don't
12 see why we shouldn't just exclude those 40 hours or less that
13 plaintiffs agree are mistakenly included. I accept Latham's
14 representation that it subtracted all hours relating to Dr. Cole
15 and to the aborted PI motion except those that were used and
16 useful at later phases of the case; but since we are going to
17 have to redo the math, and there are numbers that plaintiff
18 agrees don't belong in there, we should take them out. I'm
19 going to address later defendant's arguments that the magistrate
20 judge didn't sufficiently take into account its voluntary cut
21 and its cap.

22 Finally, defendants argue that I should exclude fees
23 relating to unopposed third-party discovery specifically
24 relating to motions to compel that plaintiff had to make
25 regarding an entity called Community Connections and to compel

1 Rabbi Oshry. Defendants argue that they shouldn't be
2 responsible for fees incurred by the actions of third parties,
3 and that if plaintiff had to move to compel those subpoenaed
4 parties, that wasn't because of anything defendant did, so
5 defendant shouldn't have to reimburse those fees.

6 Defendant's citation to authority for this
7 proposition, which is in Document 676-1 at pages 6 and 7, is, if
8 not misleading, at least unpersuasive. Three of the four cases
9 cited arise under federal statutes allowing for fee-shifting
10 against the federal government, which is a different kettle of
11 fish. The only one that is a Voting Rights Act case involved
12 the exclusion of fees for time for testimony before a state
13 senate subcommittee before the litigation began. Nothing like
14 that is being sought here.

15 Defendants cite no authority for the proposition that
16 only discovery taken from the defendant is compensable, and it
17 seems to me that any relevant discovery should be compensable.
18 See *Winnemucca Indian Colony versus United States*, 2019 Westlaw
19 320560 at page 2, District of Nevada, January 24, 2019, where
20 the court said, "Nor does it make sense to exclude attorney
21 labor necessarily expended in...litigating against third parties
22 in the present action when that labor was ultimately
23 necessitated by the defendant's unjustified underlying actions
24 in the first instance." And that appeal was dismissed 2019
25 Westlaw 4656760, Ninth Circuit July 23, 2019. If the idea is to

1 incentivize counsel to take the case, that sometimes is going to
2 include discovery with third parties.

3 Just give me a second. If the idea is to incentivize
4 counsel to take the case, that sometimes, maybe always, is going
5 to include discovery disputes with third parties. I agree that
6 this discovery was relevant and reasonable and led to useful
7 information. Indeed, part of the reason it was so useful is
8 that it did not really involve third parties unrelated to
9 defendant. It involved parties who were essentially -- maybe
10 coconspirators is too strong a word -- but were involved in the
11 VRA violation, and at least were aligned with and supportive of
12 defendant. I do not suggest that defendant put these third
13 parties up to resisting discovery. I do suggest that these
14 third parties may well have thought they were helping defendant
15 by doing so, and it was reasonable for plaintiffs' belief -- for
16 plaintiffs to believe that going after that information was
17 important.

18 Further, obtaining information, particularly from
19 Oshry, during discovery from the third parties was particularly
20 important because at that time, defendants were resisting having
21 members of the School Board testify and were taking
22 interlocutory appeals of my order affirming Judge McCarthy that
23 they testify. So I'm not going to exclude the fees relating to
24 Community Connections or Rabbi Oshry.

25 I'm going to turn to plaintiffs' objections. They

1 first argue that any reduction in their fees below what
2 defendants paid their counsel would be unreasonable. By their
3 math -- well, let me back up. They state that they object only
4 to the extent plaintiffs' fee award would be lower than the fees
5 paid by defendant. So by their math, Latham should get
6 \$5,656,312, which, when added to the NYCLU's \$1,543,687.99,
7 equals the lower range of what defendant's counsel paid to
8 Morgan Lewis. They have calculated that range as being
9 somewhere from 7.2 to \$8.9 million based on what public records
10 they have been able to get.

11 Plaintiffs point out that the magistrate judge's cuts
12 bring Latham's -- brings plaintiffs' award down to half of what
13 defendant paid Morgan Lewis. They point out that Latham didn't
14 seek payments for lawyers who didn't appear at trial, which
15 reduced the request by 9,000 hours or 34 percent; and that they
16 cut the hourly rate they sought to the same rate that
17 defendant's counsel charged, and that its total ask of
18 8.5 million was within the range of what defendant paid its
19 counsel who lost the case. So plaintiffs argue, by definition,
20 counsel who won the case should get at least that much. They
21 have mentioned they will donate it all, and they argue that a
22 reasonable, paying client, obviously, would be willing to pay
23 plaintiff's counsel \$7.2 million to win the case when a
24 reasonable, paying client paid defendants counsel at least that
25 much in a losing effort. They further argue that it could set a

1 precedent that plaintiffs only get half of what defendants
2 spend, which will make it harder to attract counsel, or set a
3 precedent that defendants could get more or better
4 representation without the risk of having to pay the same to
5 plaintiffs if they lose, which would make it harder for
6 plaintiffs to recover, and both of which would undermine the
7 purpose of the fee-shift.

8 They also argue that they don't get paid at least as
9 much as -- if Latham doesn't get paid -- if plaintiffs don't get
10 paid at least as much as Morgan Lewis, it will encourage
11 scorched-earth tactics because the defendant won't have to pay
12 the other side's fees for combatting them.

13 Let me explain why this objection is overruled. My
14 job here is not to compare what plaintiffs seek with what
15 defendant paid. My job is to determine what a reasonable,
16 paying client would pay by multiplying the reasonable number of
17 hours by a reasonable hourly rate bearing in mind the purposes
18 of the VRA fee-shifting provision, which is to allow plaintiffs
19 to attract competent counsel. I do not think that because
20 defendant paid its lawyers 7.2 million or more, that means a
21 reasonable, paying client would do so. First of all, I don't
22 think any one client can be used to determine what the market
23 will bear, but even if it could, the argument would make sense
24 only if defendant here is a reasonable, paying client, and I do
25 not think it is.

1 I think the District greatly overpaid. I have never
2 heard of a school district in this area being charged or paying
3 close to \$650 an hour for partners or \$450 an hour for
4 associates, which is what Morgan Lewis charged. Neither side
5 has provided comparables, but you can go on the Internet and see
6 what school boards pay for legal counsel. In 2020, Nyack paid
7 225 an hour, and Suffern paid 220 an hour. Even East Ramapo
8 pays its regular counsel 265 an hour for partners and 250 for
9 associates in 2020. It may be that in a case like this you need
10 more quote-unquote "muscle" as *Arbor Hill* put it because this is
11 not a routine employment case or a special ed. case. So you
12 might reasonably go to a different firm than your regular
13 counsel, and you might pay more than your regular 200-something
14 an hour, but defendant in this case paid about triple the normal
15 rate, and it paid it starting back in 2017, and what I have just
16 quoted are 2020 rates.

17 Moreover, defendant's approach to this case could be
18 described as scorched earth. The record simply contains no
19 indication that defendant's counsel's fee is, in fact,
20 reasonable; and I think there are strong reasons to conclude
21 it's not, so it doesn't make sense to try to match it. Latham's
22 work has obviously been more valuable to its clients than Morgan
23 Lewis's was to its, but that does not mean defendant has to pay
24 Latham what defendant paid Morgan Lewis.

25 I pause here to note an irony. It was defendant's

1 position throughout this litigation that the white private
2 school community cared about lower taxes. If that were true,
3 you would think there would be some pushback against the
4 enormous legal fees the District accrued in this case and in
5 *Montesa*. You might also expect some dismay at the fact that the
6 District is now also stuck with plaintiffs' fees when it could
7 have avoided them by settling. And again, defendant was under
8 no obligation to settle, and maybe it sincerely believed it
9 could win at trial, so that settlement to avoid fees did not
10 make sense. I mention this only because the apparent lack of
11 pushback against the District's legal fees and its obligation
12 now to pay plaintiffs' legal fees is consistent with what I saw
13 at trial, which was evidence that the white private school
14 community voted for whoever their religious leaders told them to
15 vote for and little to no evidence that those voters based their
16 votes on the candidates' policies or views about taxes or
17 anything else. But I digress.

18 Going back to plaintiffs' argument, a ruling in this
19 case that plaintiffs' fee will be less than what defendants paid
20 their lawyers would not set any precedent. It would be based on
21 the unique facts here where a governmental entity paid way more
22 than governmental entities usually pay, so I don't see a risk of
23 setting a precedent. But even if that risk existed, the
24 exercise here is not comparing what each side spent and evening
25 it out. The exercise, as set forth in *Arbor Hill*, is the

1 reasonable prevailing rate by the number -- multiplied by the
2 number of hours reasonably expended, and I think what plaintiffs
3 will end up with will be sufficient to attract competent counsel
4 to these kinds of cases.

5 As I mentioned before, that Latham plans to donate
6 everything it receives is terrific, but also irrelevant, just as
7 irrelevant as defendant's argument that the fee award will come
8 out of the school budget. I also find irrelevant defendant's
9 argument that plaintiff did not really achieve anything because
10 the School Board is still 6-3 in terms of white private school
11 members versus minority public school members. I disagree
12 strongly with that argument. First, plaintiffs achieved
13 something really big here. They turned over a big rock, and
14 they exposed a years'-long violation of voting rights.

15 Second, even if there are only three minority-
16 slash-public school members on the Board, they will be ones
17 chosen by the voters, not by a secretive white slating
18 organization.

19 I next turn to plaintiffs' objection to the magistrate
20 judge's reduction in the Latham associates' hourly rates.
21 Plaintiffs argue that the magistrate reduced the rates because
22 plaintiffs hadn't provided résumés for the associates, which
23 frankly, I don't understand why they didn't; but they are
24 fortunate that she did a little homework to calculate their
25 experience, and that the magistrate reduced the rates because

1 there was no indication that any of the associates had civil
2 rights experience. Plaintiff argues Magistrate Judge McCarthy
3 should not have done that because they achieved a landmark
4 victory in a complex case and that the lack of civil rights
5 experience is only one of the so-called Johnson factors, which
6 are set forth in Footnote 3 in *Arbor Hill*. Plaintiffs argue
7 that other of the Johnson factors, such as the associates'
8 ability and the results they achieved, show that a rate of \$450
9 for them, like what defendant paid their associates, is
10 reasonable.

11 They point out that civil rights experience was not
12 required on the part of the Latham lawyers because the team was
13 structured so that the NYCLU would bring the civil rights
14 experience to the team, and Latham would bring litigation
15 experience, and they further note that each associate did
16 substantive standup work. They cite *Vista Outdoor versus Reeves*
17 *Family Trust*, 2018 Westlaw 3104631 at pages 6 to 7, Southern
18 District, May 24, 2018, as support for a rate of \$500 being
19 reasonable for a big firm associate; and they point out that
20 defendants paid 450 an hour to associates with no civil rights
21 experience, and that Magistrate Judge McCarthy reduced the
22 Latham associates to half that rate.

23 "The District Court should, in determining what a
24 reasonable, paying client would be willing to pay, consider
25 factors, including but not limited to, the complexity and

1 difficulty of the case, the available expertise and capacity of
2 the client's other counsel, if any, the resources required to
3 prosecute the case effectively, taking account of the resources
4 being marshaled on the other side, but not endorsing scorched-
5 earth tactics, the timing demands of the case, whether an
6 attorney might have an interest independent of that of his
7 client in achieving the ends of the litigation, or might
8 initiate the representation himself, whether an attorney might
9 have initially acted pro bono, but that the client might be
10 aware that the attorney expected low or nonexistent
11 remuneration, and other returns, such as reputation, et cetera,
12 that an attorney might expect from the representation." That's
13 *Arbor Hill*, 522 F.3d at 184.

14 A fee award is appropriate, as I noted earlier, even
15 if the lawyer took the case pro bono. *Arbor Hill* at note two.

16 "The reasonable hourly rate is the rate that a paying
17 client would be willing to pay. In determining what rate a
18 paying client would be willing to pay, the District Court should
19 consider, among others, the Johnson factors. It should also
20 bear in mind that a reasonable, paying client wishes to spend
21 the minimum necessary to litigate the case effectively. The
22 District Court should also consider that such an individual
23 might be able to negotiate with his or her attorneys using their
24 desire to obtain the reputational benefits that might accrue
25 from being associated with the case." *Arbor Hill* at 190.

1 First, as for Morgan Lewis getting 450 an hour for its
2 associates, that's true for some, but others got 300; but
3 overall, this is the same issue. The comparison is only viable
4 if I thought the District was a reasonable, paying client, which
5 I found it isn't. The *Vista Outdoor* case doesn't help
6 plaintiffs because that was a commercial case. The market rate
7 for civil rights cases is lower. See, for example, *Field versus*
8 *MTA*, 2021 Westlaw 22817 at page 3, Southern District, January 4,
9 2021, which found \$300 to be an appropriate hourly rate for a
10 senior associate with at least eight years of experience.
11 *Torres versus City of New York*, 2020 Westlaw 4883807 at page 5,
12 Southern District, August 20, 2020, which found typical rates in
13 this District for junior associates to be in the 200 to 350 an
14 hour range at firms specializing in civil rights; and *Brennan*
15 *versus City of Middletown*, 2020 Westlaw 3820195 at page 12,
16 Southern District, July 8, 2020, finding 250 an hour to be in
17 line with the going rate for an experienced associate.

18 But looking at the *Arbor Hill* factors, 522 F.3d at
19 184, and reviewing de novo, I come out a little higher than the
20 magistrate judge. First, the case was difficult and complex,
21 which favors a higher rate. Most civil rights fee cases involve
22 employment discrimination or police misconduct or other one-off
23 individual situations. This case involved a more complex,
24 broader-based issue. It also required substantial statistical
25 know-how, which most civil rights cases don't. There were novel

1 and difficult issues that required a high level of skill.

2 Second, the available expertise and capacity of the
3 client's other counsel is basically a neutral factor here
4 because, while the NYCLU lawyers were skilled and experienced in
5 civil rights cases, they did not have the same firepower that a
6 major litigation firm brings to the table.

7 Third, substantial resources were needed to prosecute
8 the case effectively, taking into account the substantial
9 resources marshaled on the other side but without endorsing
10 scorched-earth tactics. This case was a hard-fought one all
11 around. It had a big law firm on the other side, and while both
12 sides, I will say, fought tooth and nail, all in all, plaintiffs
13 picked their battles reasonably and did not indulge scorched-
14 earth tactics. So this favors a higher rate.

15 Fourth, the timing demands of the case were
16 substantial, which also favors a higher rate.

17 The fifth factor is whether an attorney might have an
18 interest independent of the client in achieving the ends of the
19 litigation. I have no reason to think that any of the Latham
20 lawyers live in the District or had any personal alignment with
21 their clients, but it is apparent that the firm had an
22 independent motivation for pursuing the case apart from what I
23 presume is a belief in the righteousness of the case, and that
24 motivation was providing its associates with a valuable training
25 and learning experience. So that favors a lower rate.

1 The sixth factor is whether an attorney might have
2 initially acted pro bono making the client aware that the
3 attorney expected low or no remuneration. That seems to be the
4 case here. I don't think plaintiffs ever expected to pay Latham
5 anything, so that favors a lower rate.

6 The seventh factor is other returns such as reputation
7 a lawyer might expect from the representation. I expect that
8 those exist here, not only in the form of praise or approbation
9 for a great result in an important public service case, but also
10 in the form of recruiting advantage from doing that kind of work
11 and giving associates that kind of training and experience. So
12 that also favors a lower rate.

13 I won't separately discuss the Johnson factors, the
14 most relevant ones of which are pretty well covered by what I
15 have already said; but I have considered all of them as well.
16 Taking all the relevant factors into account, including what I
17 saw during trial, I think above what is typical in normal civil
18 rights cases is appropriate, and I'm going to bump up from Judge
19 McCarthy's numbers, although not up to what plaintiffs asked
20 for.

21 So for the senior associates, Mr. Mangas and
22 Ms. Calabrese, Judge McCarthy reduced the ask of 450 to 300. I
23 think 375 is more appropriate. For Attorneys Johnson and
24 Pearce, Judge McCarthy reduced them to 275. I'm going to bump
25 them up to 325. And to associates Novakovski, Swaminathan,

1 Scully, Sahner and Cusick, who were reduced to 125, I'm going to
2 reduce them -- I'm going to raise them to 225.

3 And finally, Latham's next-to-last objection is that
4 the magistrate judge should not have reduced the hours that were
5 claimed. Plaintiff argues that those hours were necessary
6 because of the scorched-earth tactics of the defendant and its
7 lawyers, which prompted lots of hours by the Latham lawyers.
8 They note that the magistrate judge took 25 percent off for
9 excessive staffing and duplication, but did not consider that
10 Latham had already cut 9,000 hours voluntarily, which more than
11 mitigated any overstaffing. The magistrate judge also cited
12 excessive staffing for expert and 30(b)(6) depositions, but
13 plaintiffs argue that those were very important, so having three
14 or four lawyers present was reasonable. They say they had one
15 lawyer from the NYCLU and two or three from Latham at
16 depositions, and that defendant also had multiple attorneys,
17 including two partners, at the 30(b)(6) depositions. They also
18 note that the magistrate judge cited plaintiffs' motion to
19 compel production of the documents from the *Montesa* case, which
20 was a motion plaintiff won, and plaintiff argues that the
21 defendant was being unreasonable, and that even though those
22 documents turned out not to be of particular use, plaintiffs
23 couldn't have known that until they got them. Plaintiffs
24 further point out that the magistrate judge cited plaintiffs'
25 attempt to subpoena Mr. Butler, but they argue that both I and

1 the Second Circuit recognized how important that was, and they
2 note that at the time, Harry Grossman was refusing to testify,
3 so there was nobody else available to question about the
4 now-infamous text message where Mr. Grossman purported to pass
5 on to a member of the slating organization some advice from
6 Mr. Butler.

7 First of all, regarding the 9,000 hours that were
8 voluntarily cut, those were for attorneys and paralegals who did
9 not appear at trial. That reduction did not account for
10 excessive or duplicative fees for the attorneys who did appear
11 and for whom fees were sought. I agree with Judge McCarthy that
12 there were excessive -- that there was excessive staffing and
13 duplication of effort among those timekeepers. I'm not
14 criticizing Latham for staffing the case the way it did. This
15 was a case where associates got terrific experience, but there
16 are a lot of inefficiencies associated with having, you know,
17 ten or more associates involved in the case and -- well, at
18 least nine -- and a bunch of partners, and it just generates a
19 lot of extra meetings and a lot of extra internal consultation
20 and a lot of extra review of other peoples' work. So I do agree
21 with Judge McCarthy that there was excessive staffing and
22 duplication of effort among the timekeepers for whom fees were
23 sought.

24 On the other hand, the voluntary reduction was for
25 100 percent of the work done by the non-trial timekeepers, and I

1 doubt that all of their work was excessive or duplicative; but
2 it is plaintiffs' burden on this motion, and I cannot tell how
3 much of the voluntarily-reduced work would have been
4 compensable, so I must assume it's not very much. I want to
5 make clear I don't doubt that the Latham lawyers did the work
6 they billed for, and I certainly get it that big firm associates
7 bill for everything they do because they need to show their
8 bosses that they are working hard; but the magistrate judge is
9 correct that a reasonable, paying client would not pay, for
10 example, for seven lawyers to read an order or for 13 different
11 lawyers to participate in a trial.

12 And, again, to be clear, that is entirely appropriate
13 when a law firm is trying to give its associates a valuable and
14 meaningful experience, and that is to be commended, but it is
15 not to be reimbursed by the losing side.

16 To address the specifics raised by plaintiffs, expert
17 depositions and 30(b)(6) depositions are, of course, important,
18 but a reasonable, paying client would not pay for four lawyers
19 to attend. Likewise, with respect to the motion to compel the
20 documentation from the *Montesa* litigation, a paying client would
21 have much preferred to pay \$2,000 in data recovery costs, even
22 if that technically was not the client's responsibility, rather
23 than paying its lawyers \$44,000 to get the same material. So I
24 agree with the magistrate judge on those two matters.

25 I find the subpoena to Mr. Butler to be more

1 understandable than the magistrate judge did. I did uphold
2 Judge McCarthy's quashing of the subpoena to Mr. Butler finding
3 her decision was not clearly erroneous or contrary to law. That
4 doesn't mean I think it was wrong for plaintiffs to try. Among
5 my reasons for upholding the ruling were the general proposition
6 that subpoenas of opposing counsel are disfavored, and that
7 plaintiff had accumulated other evidence of the existence of the
8 slating organization. Had I known or imagined that members of
9 the School Board and their allies were going to lie so blatantly
10 about the slating organization at trial, I might have gone the
11 other way. And, you know, that text from Mr. Butler to
12 Mr. Grossman was important evidence of the existence of the
13 slating organization.

14 I further find overall that defendant's approach to
15 this litigation generated a lot of the hours billed by Latham.
16 In the *Montesa* case, defendant's tactics of overwhelming
17 plaintiffs' counsel by fighting just about everything tooth and
18 nail had been very successful for defendants, and in that case,
19 plaintiffs' counsel was overmatched, and that ultimately wore
20 the plaintiffs down.

21 Plaintiffs in this case knew that they would face a
22 big-firm defense and needed the resources of a big firm for
23 themselves. So while I do find excessive staffing and
24 duplication as a result of Latham letting its associates do so
25 much work on this case, I don't find as much as Judge McCarthy,

1 and I find that some of it must have been mitigated by the
2 unbilled 9,000 hours. So instead of an across-the-board
3 reduction of 25 percent, I'm going to reduce the across-the-
4 board reduction to 20 percent.

5 As to the remainder of the report and recommendation,
6 I reviewed it for clear error, and I find none, so I adopt the
7 remainder as the decision of the Court.

8 I'm going to assign plaintiffs to do a recalculation
9 in line with my ruling and submit it to defendants just to check
10 the arithmetic, and then I will ask plaintiff to submit an order
11 that I can sign.

12 A couple of final thoughts. Defendant has asked me in
13 connection with this application to address and correct some
14 criticism of Mr. Butler that it regards as baseless. I do not
15 find it to be baseless, and I'm not going to criticize the
16 Second Circuit for criticizing Mr. Butler, and I think it makes
17 more sense for me not to further comment except to say that the
18 conduct criticized by the Circuit was not the only conduct that
19 I found troubling during the case. Defendants are correct that
20 the texts that prompted the criticism was not admitted for its
21 truth under the Rules of Evidence, but in the real world, it
22 says what it says; and I don't see that what the Circuit said is
23 any less valid simply because it was admitted, not for its
24 truth, but to prove the existence of the slating organization.

25 I'm not going to go into any other specifics. This

1 has nothing to do with the fee award except that defendant asked
2 me to use the fee litigation as an opportunity to correct the
3 record, and I'm just explaining that I am not going to do that.

4 Finally, Latham really should not take umbrage at a
5 fee award that I presume is still going to come out to be less
6 than what defendant's counsel got, perhaps a lot less. As I've
7 said, I think defense counsel got paid too much, but two wrongs
8 don't make a right. But Latham accomplished two very important
9 things here: First, it got its associates some invaluable
10 training and experience while also showing them how rewarding
11 and satisfying public interest work can be; and second, it
12 rectified a serious wrong in the community and restored the
13 voting rights of thousands of people, and you cannot put a price
14 tag on either of those things. The firm ought to take pride in
15 both of those accomplishments without diluting it by tying it to
16 an arbitrary number paid to plaintiffs' counsel.

17 So that is my ruling. The Clerk of Court should
18 terminate two motions, 598 and 640. Once I get the proposed
19 order, which I will set dates for, why don't we say plaintiffs
20 will submit it to defendant by the 12th? They will sign off on
21 it by the 19th, and plaintiffs will submit it to me by the 22nd;
22 and I think once I enter that order, that will be the last order
23 of business, and we will close this case.

24 Does anybody know of any other outstanding matters?
25 If I don't hear anything, I will take that as a no.

1 MR. MANGAS: Mangas, Your Honor. Nothing at this time
2 from the plaintiffs.

3 THE COURT: All right. Then I think that concludes
4 our business. Stay well, everybody, and I will look for the
5 proposed order. Thank you.

6 (Time noted: 12:49 p.m.)

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