

Class Action Group Of The Year: Lieff Cabraser

By **Michelle Bocanegra**

Law360 (January 25, 2019, 4:46 PM EST) -- Lieff Cabraser Heimann & Bernstein LLP scored big for consumers battling moneyed corporations this year, including securing a \$250 million settlement with State Farm in a case alleging it paid to influence an Illinois Supreme Court justice, landing the firm among Law360's Class Action Group of the Year.

There are 90 attorneys at the firm, where class actions have always taken precedence, according to Elizabeth Cabraser, a founding partner at Lieff Cabraser and chair of its personal injury practice group. Cabraser said the number of class actions the firm handles far outnumbers its individually brought lawsuits, and the firm has long aimed to support the everyday person.

"We believe in class actions as plaintiff empowerment actions, and we always have. We don't see class actions as impersonal," Cabraser said.

In addition to the massive State Farm settlement, Lieff Cabraser in the past year secured final approval for a \$115 million settlement with Anthem, one of the country's foremost health insurers, following a consumer data breach in 2015. And the firm was instrumental in obtaining a deal for British Airways passengers worth \$27 million in cash or \$63 million in frequent flyer miles to resolve claims the airline offloaded unfair fuel surcharges onto its customers.

Though it's now a major player in class actions, the firm started in 1972 as a two-person shop, with Cabraser and co-founder Robert L. Lieff. Since its humble beginnings, it has expanded to offices in San Francisco, Seattle, New York and Nashville, Tennessee.

In one of the firm's biggest wins last year, Cabraser co-led settlement negotiations with State Farm that produced a \$250 million deal in September, reached on the eve of what was set to be a major trial in Illinois federal court. Sheila Birnbaum of Dechert LLP, also class counsel, spearheaded talks alongside Cabraser. The deal was approved in December, ending what had evolved to become the second wind of a decades-old class action saga that had its roots in state court.

The case stemmed from an earlier class action, in which 4.7 million policyholders sued State Farm in 1997 over claims that the insurer used cheap, imitation auto parts for vehicle repairs. The class won damages from trial, pared down from over \$1.2 billion to \$1.05 billion on appeal, before the award was



overturned by Illinois Supreme Court Justice Lloyd Karmeier — who would later become the court's chief justice in 2016.

That decision spurred the second class action in 2012 against State Farm, accusing it of contributing to Justice Karmeier's election campaign so that its billion-dollar appeal would land with a tort reform-friendly justice. The class, certified in 2016, alleged the insurer violated the Racketeer Influenced and Corrupt Organizations Act.

Class counsel across 10 firms won \$90 million in fees from the long-running litigation.

In a separate case, Lieff Cabraser ushered in another high-dollar class action victory: It helped consumers ink a \$115 million deal with health insurance giant Anthem in 2017 that received final approval in August, rooted in the explosive Anthem data breach revealed in 2015. A California federal judge deemed the settlement "fair, reasonable and adequate" in a 53-page order.

The breach jeopardized 79 million class members' personal information, according to consumers who claimed their Social Security numbers, income details and other personal information were exposed in a massive cybersecurity blow.

The firm also represented a class of airline passengers that sued British Airways in light of claims that Executive Club members paid unreasonable fuel surcharges with allegedly no connection to fuel costs. A magistrate judge first signed off on the deal in May, providing class members with either \$27 million in cash or \$63 million worth of frequent flyer miles. The settlement was finalized in October.

David Stellings, a partner at the firm who worked on the case, echoed Cabraser's belief that class actions play a vital role for ordinary people seeking justice. He said when an everyday person lands in a legal battle — especially in cases of consumer fraud — class actions are often that person's only recourse, financially speaking.

"I'm a lawyer, and I care deeply about justice," he said. "And about fairness."

Cabraser said the firm is endeavoring to use technology to increase class participation — by making their attorneys more effective at communicating the details class members need to know.

"As class actions evolve, and the legal system evolves ... that's gotta be an improvement," she said. "Because the law is one of the last areas — maybe medicine is another — in which we don't communicate the way everybody else does now. I'm not suggesting that we can litigate via Twitter, but we can do a better job of providing more focused information on an ongoing basis."

"That's a never-ending job for lawyers," she added. "To speak and write like human beings."

--Editing by Nicole Bleier.