

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,  
Plaintiffs,

v.

TOYS “R” US, INC., d/b/a/ Babies “R” Us,  
*et al.*,

Defendants.

C.A. No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us,  
*et al.*,

Defendants.

No. 2:09-cv-06151-AB

**MOTION FOR AWARD OF ATTORNEYS’ FEES, EXPENSES,  
AND INCENTIVE AWARDS FOR NAMED PLAINTIFFS**

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Plaintiffs Julie Lindemann, Melissa Nuttall, Sara Shuck, Lawrence McNally, Stephanie Bozzo, Yossi Zarfati, Darcy Trzupsek, Carol McDonough, Ariel Elliott, Beth Hellman, Christine Brooke Logan, Kristi Monville, Sarah Otazo, Kelly Pollock, and Elizabeth Starkman (“Plaintiffs” or “Named Plaintiffs”) respectfully move the Court for an Order awarding Class Counsel attorneys’ fees and reimbursement of expenses, as well as granting Incentive Awards for the Named Plaintiffs.

## I. INTRODUCTION

Following hard-fought litigation that involved extensive investigation and discovery, multiple rounds of motion practice, often a consequence of changes in the law during the course of this litigation, a full evidentiary hearing on class certification, trial preparation, and several days of formal mediation, followed by months of additional contentious settlement negotiations, the Settling Parties have now settled this antitrust class action for a cash payment of \$35,240,000.00. This Settlement<sup>1</sup> was achieved through the dedicated efforts of Class Counsel working diligently, without compensation, for more than five years to represent the Settlement Class Members.

While the concurrently-filed Memorandum in Support of Motion for Final Approval (“Final Approval Mem.”) documents why the Settlement is a fair, adequate and reasonable result for the Classes and should be approved, this memorandum addresses Class Counsel’s request for: (i) an award of attorneys’ fees in the amount of \$11,746,667.00, which represents 33-1/3% of the gross Settlement amount, (ii) reimbursement of out-of-pocket litigation expenses of \$2,229,775.60; and (iii) approval of a \$2,500.00 Incentive Award to each Named Plaintiff in recognition of their valuable and time-consuming services to the Class.

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<sup>1</sup> Capitalized Terms not otherwise defined herein have the meanings set forth in the Settlement Agreement.

As demonstrated below, the record in this case and the case law in the Third Circuit fully support the requested fees, expenses, and Incentive Awards. An award of one-third of the Settlement Fund is a reasonable and typical portion of a settlement to be awarded as fees and is well within the range of approval in the Third Circuit. *See In re Automotive Refinishing Paint Antitrust Litig.*, 2008 U.S. Dist. LEXIS 569, at \*9-10 (E.D. Pa. Jan. 3, 2008) (in antitrust class action, Judge Surrick granted Plaintiffs' Counsel's request for fees equaling one-third of the settlement fund); *In re Ravisent Techs., Inc. Sec. Litig.*, 2005 U.S. Dist. LEXIS 6680, at \*40 (E.D. Pa. Apr. 18, 2005) ("courts within this Circuit have typically awarded attorneys' fees of 30% to 35% of the recovery, plus expenses").<sup>2</sup> Accordingly, Plaintiffs respectfully request that the motion be granted.

## II. CLASS COUNSEL'S INVESTMENT OF TIME AND MONEY IN THE CASE

Class Counsel and other Plaintiffs' law firms have devoted more than 81,200.82 hours to this case, reporting a lodestar of approximately \$31,839,355.33 at their regular, historical hourly rates, and have reported incurring \$2,229,775.60 in out-of-pocket expenses. *See* Declaration of Plaintiffs' Class Counsel ("Class Counsel Decl."), attached hereto as Exhibit 1, at ¶¶ 4, 98, 101. *See also* Plaintiff firms' individual fee and expense affidavits, attached hereto as Exhibit 2. Class Counsel will continue to incur additional attorney hours in connection with final approval of the Settlement, responding to inquiries from Class members, interacting with the Claims Administrator, and generally overseeing implementation of the Settlement.

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<sup>2</sup> *See also Bradburn Parent Teacher Store, Inc. v. 3M*, 513 F. Supp. 2d 322, 342 (E.D. Pa. 2007) (approving a percentage of recovery of 35%, plus reimbursement of expenses); *In re FAO Inc. Sec. Litig.*, 2005 U.S. Dist. LEXIS 16577, at \*5-6 (E.D. Pa. May 20, 2005) (finding a fee of 33%, plus expenses, to be reasonable); *In re Corel Corp. Sec. Litig.*, 293 F. Supp. 2d 484, 497-98 (E.D. Pa. 2003) (awarding counsel one-third of the settlement fund in addition to the reimbursement of litigation expenses); *In re Gen. Instrument Sec. Litig.*, 209 F. Supp. 2d 423, 433-34 (E.D. Pa. 2001) (approving a fee request of one-third of the settlement fund plus nearly \$1,800,000 in expenses).

### III. AWARD OF ATTORNEYS' FEES AND EXPENSES

Class Counsel requests an award of attorneys' fees of 33-1/3% of the \$35,240,000.00 Settlement, or \$11,746,667.00, plus interest accrued on that amount. We respectfully submit, as the discussion below demonstrates, that the request is well within the bounds allowed by law, particularly in light of the length and complexity of this case. Moreover, cross-checking this fee request against the lodestar fee calculation validates its reasonableness, as explained below.

#### A. A Reasonable Percentage of the Fund Recovered is the Appropriate Method for Awarding Class Counsel's Attorneys' Fees in this Common Fund Settlement

The percentage-of-the-fund method of awarding fees has become an accepted, if not the prevailing, method for awarding fees in common fund cases in this Circuit and throughout the United States. Courts have long recognized that “a private plaintiff, or plaintiff's attorney, whose efforts create, discover, increase, or preserve a fund to which others also have a claim, is entitled to recover from the fund the costs of his litigation, including attorneys' fees.” *In re Cendant Corp. Sec. Litig.*, 404 F.3d 173, 187 (3d Cir. 2005) (quoting *G.M.C. Trucks*, 55 F.3d at 820 n.39). The purpose of compensating counsel in this manner means that “those who benefit from the creation of the fund should share the wealth with the lawyers whose skill and effort helped create it.” *In re Washington Pub. Power Supply Sys. Sec. Litig.*, 19 F.3d 1291, 1300 (9th Cir. 1994).

In this Circuit, district courts have discretion to award fees in common fund cases based on either the lodestar/multiplier method or the percentage-of-the-fund method. *In re Diet Drugs (Phentermine/Fenfluramine/Dexfenfluramine) Prod. Liab. Litig.*, 582 F.3d 524, 539 (3d Cir. 2009); *In re AT&T Corp. Secs. Litig.*, 455 F.3d 160, 164 (3d Cir. 2006). When calculating attorneys' fees in a common fund case though, “the percentage-of-recovery method is generally favored.” *In re Diet Drugs*, 582 F.3d at 539; *In re Prudential Ins. Co. Am. Sales Practices Litig.*

*Agent Actions*, 148 F.3d 283, 333 (3d Cir. 1998); *see also* THE MANUAL FOR COMPLEX LITIGATION § 14.121 (4th ed. 2004) (reporting that “the vast majority of courts of appeals now permit or direct district courts to use the percentage method in common-fund cases”).

Furthermore, the Supreme Court has consistently endorsed awarding attorneys’ fees using the percentage-of-the-fund method. *See, e.g., Sprague v. Ticonic Nat’l Bank*, 307 U.S. 161, 165-67 (1939); *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478-79 (1980); *Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984). Thus, Class Counsel request that the Court apply the percentage-of-the-fund method.

**B. A Fee Award Based on 33-1/3% of the Common Fund Is Fair and Reasonable**

In determining what constitutes a reasonable percentage fee award, a district court must consider the ten factors identified by the Third Circuit in *Gunter v. Ridgewood Energy Corp.*, 223 F.3d 190 (3d Cir. 2000), and *Prudential*, 148 F.3d 283. *See In re Diet Drugs*, 582 F.3d at 540. The Third Circuit explained in *In re Diet Drugs*, that the *Gunter/Prudential* factors for which this Court must conduct a “robust assessment” are:

- (1) the size of the fund created and the number of beneficiaries, (2) the presence or absence of substantial objections by members of the class to the settlement terms and/or fees requested by counsel, (3) the skill and efficiency of the attorneys involved, (4) the complexity and duration of the litigation, (5) the risk of nonpayment, (6) the amount of time devoted to the case by plaintiffs’ counsel, (7) the awards in similar cases, *Gunter*, 223 F.3d at 195 n.1; *Prudential*, 148 F.3d at 336-40, (8) the value of benefits attributable to the efforts of class counsel relative to the efforts of other groups, such as government agencies conducting investigations, (9) the percentage fee that would have been negotiated had the case been subject to a private contingent fee arrangement at the time counsel was retained, and (10) any innovative terms of settlement, *Prudential*, 148 F.3d at 338-40; *see also AT&T*, 455 F.3d at 165 n.34. [582 F.3d at 540.]

While the Court should consider each factor, “[t]he fee award reasonableness factors ‘need not be applied in a formulaic way’ because each case is different, ‘and in certain cases, one factor

may outweigh the rest.” *AT&T*, 455 F.3d at 166 (quoting *Rite Aid*, 396 F.3d at 301). Applying these factors clearly demonstrates that Plaintiffs’ fee request is reasonable.

**1. Thirty Three and One-Third Percent Is A Reasonable Percentage Based On The Size Of The Fund Created.**

An award of 33-1/3% percent of the common fund is a reasonable amount that falls within the range of amounts approved by this Court in similar cases. Indeed, “courts within this Circuit have typically awarded attorneys’ fees of 30% to 35% of the recovery, plus expenses.” *Ravisent*, 2005 U.S. Dist. LEXIS 6680, at \*40; *Auto. Paint.*, 2008 U.S. Dist. LEXIS 569, at \*9-10 (awarding requested fees of one third of the multi-million dollar settlement fund); *In re Remeron Direct Purchaser Antitrust Litig.*, 2005 U.S. Dist. LEXIS 27012, at \*10 (D.N.J. Nov. 9, 2005) (awarding fees of 33 1/3% from \$75 million settlement fund); *Godshall v. Franklin Mint Co.*, 2004 U.S. Dist. LEXIS 23976, at \*18 (E.D. Pa. Dec. 1, 2004) (awarding a 33% fee and noting that “[t]he requested percentage is in line with percentages awarded in other cases”); *In re Gen. Instrument Sec. Litig.*, 209 F. Supp. 2d 423, 433-34 (E.D. Pa. 2001) (awarding 1/3 of a \$48 million settlement fund); *Cullen v. Whitman Med. Corp.*, 197 F.R.D. 136, 150 (E.D. Pa. 2000) (an “award of one-third of the fund for attorneys’ fees is consistent with fee awards” by district courts in the Third Circuit); *In re Greenwich Pharm. Sec. Lit.*, 1995 U.S. Dist. LEXIS 5717, at \*16-17 (E.D. Pa. April 26, 1995) (holding that “[a] fee award of 33.3 percent is in line with the fee awards approved by other courts”); *In re FAO, Inc. Sec. Litig.*, 2005 U.S. Dist. LEXIS 16577, at \*5 (E.D. Pa. May 20, 2005) (awarding fees of 30% and 33%). The percentage fee awards in this Circuit are consistent with fee awards nationwide. *See, e.g. In re Medical X-Ray Film Antitrust Litig.*, 1998 U.S. Dist. LEXIS 14888 (E.D.N.Y. Aug. 7, 1998) (awarding fees that comprised 33.33% of the \$39.36 million settlement).

An award of 33-1/3% percent of the common fund is within the range of reasonableness and particularly appropriate in a case of this nature. As set forth *supra*, 33-1/3% percent of the common fund results in Class Counsel receiving a negative multiplier on their actual lodestar. Accordingly, this factor weighs in favor of the requested fee award.

**2. There Are No Substantial Objections To The Settlement Terms Or Fees Requested By Counsel.**

The Notice of Proposed Settlement issued by the parties advised prospective class members that Class Counsel would apply for the fee award described herein and that any class member could object to either the Settlement or the fee application. There has been one objection to Class Counsel's fee request, which describes this very difficult case as "relatively simpl[e]..." and complains that the effort and work involved were not described so as to justify this fee request. Clearly, this unstudied objection is insubstantial and unsupportable by the Court's own witness to this hotly-contested litigation.<sup>3</sup>

**3. Class Counsel Are Skilled and Efficient Litigators.**

Class Counsel are highly experienced in litigating complex class actions and antitrust cases. As a result, Class Counsel was successful in defeating several attempts by Defendants to dismiss this matter. Moreover, Class Counsel successfully moved for class certification, and were preparing these cases for trial at the time of settlement. This factor weighs in favor of the requested fee award.

**4. The Litigation Was Complex and Enduring.**

"[C]omplex and/or novel legal issues, extensive discovery, acrimonious litigation, and tens of thousands of hours spent on the case by class counsel" are "the factors which increase the

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<sup>3</sup> There is a second objection that has been received, but that person never purchased any of the relevant products at issue, and is, therefore, not a class member and thus lacks standing to object. Moreover, that person does not object to Class Counsel's fee request.

complexity of class litigation.” *In re Cendant Corp. Prides Litig.*, 243 F.3d 722, 741 (3d Cir. 2001). Here, this Court witnessed first-hand the number of complex and novel legal issues that arose over the last five years.

During the course of the action, Plaintiffs were faced with several rounds of briefing. These were occasioned by (a) the Supreme Court’s explanation of the pleading standards in *Bell Atl. Corp. v. Twombly*, 550 U.S. 544 (2007), and *Ashcroft v. Iqbal*, \_\_\_ U.S. \_\_\_, 129 S. Ct. 1937, 173 L. Ed. 2d 868 (2009),<sup>4</sup> (b) the Supreme Court’s decision overturning years of law and rejecting the *per se* ban on resale price maintenance agreements and ruling that such agreements are to be judged under the Rule of Reason, *Leegin Creative Leather Prods. Inc. v. PSKS Inc.*, 551 U.S. 877 (2007), and (c) a Third Circuit decision newly interpreting the class certification standards in *In re Hydrogen Peroxide Antitrust Litig.*, 552 F.3d 305 (3d Cir. 2008). This Court granted class certification, in part, for the *McDonough* subclasses after a three-day evidentiary hearing in mid-2009. *McDonough v. Toys “R” Us, Inc.*, 638 F. Supp. 2d 461, 491 (E.D. Pa. 2009).

Moreover, the parties completed merits discovery, which included the review of over one million (1,000,000) pages of documents from Defendants and third parties, more than 30 depositions, and the production by Plaintiffs of their Rule 26(a)(2) expert reports. In fact, in early 2010 in *McDonough*, the Court granted Defendants’ motion to separate the trials by Defendant, and scheduled the first trial against BRU and Medela for January 2011. Dkt. # 662. Accordingly, this factor weighs in favor of a finding that Plaintiffs’ fee request is reasonable.

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<sup>4</sup> See *Babyage.com, Inc. v. Toys “R” Us, Inc.*, 558 F. Supp. 2d 575 (E.D. Pa. 2008) (Brody, J.).

**5. Class Counsel Faced A Risk Of Nonpayment.**

For this factor, some courts appear to weigh the risk of non-payment in the event that defendants go out of business. *See, e.g., In re Rite Aid Corp. Sec. Litig.*, 396 F.3d 294 (3d Cir. 2005). Here, there is some evidence that this risk existed for one or more Defendants. *See, e.g., Declaration of Bengt Lager* (Dkt. # 729). Other courts note that “while this case has been pending, Class Counsel have not received any payment, and, by proceeding on a contingent-fee basis, ran substantial risk of nonpayment....” *Hall v. Best Buy Co.*, 2011 U.S. Dist. LEXIS 31220, at \*51 (E.D. Pa. Mar. 24, 2011). Certainly, here, there was risk that Plaintiffs would not be successful. Antitrust cases are notoriously complex and uncertain. Here, the legal landscape also changed post-*Leegin*, as well as following the Circuit Court’s opinion in *Hydrogen Peroxide* regarding the district court’s review of Rule 23 standards. Accordingly, this factor weighs in favor of Plaintiffs’ requested fee award.

**6. Class Counsel Devoted 81,200.82 Hours To Prosecuting This Action.**

Class Counsel devoted considerable time and effort to prosecuting the class antitrust claims in this case. As set forth in the Plaintiff firms’ fee and expense affidavits and the Class Counsel Decl., Class Counsel reported devoting 81,200.82 hours to prosecuting this case. *See Exhibits 1-2*. Thus, this factor weighs in favor of Plaintiffs’ fee award. *See, e.g., Hall v. Best Buy Co.*, 2011 U.S. Dist. LEXIS 31220, at \*52 (finding this factor weighed in favor of 33% fee award where three firms devoted a combined 1,027 hours to prosecuting the class action).

**7. Awards In Similar Cases Demonstrate That 33-1/3 Percent Is Reasonable.**

As set forth *supra*, fee awards of 33-1/3% are within the range of well-accepted awards in this Circuit. Moreover, this percentage is consistent with awards nationwide. *See, e.g., Menkes v. Stolt-Nielsen S.A.*, 2011 U.S. Dist. LEXIS 7066 (D. Conn. Jan. 25, 2011) (granting fee request of 33 1/3 percent of common fund in class action settlement); *Spann v. AOL Time Warner, Inc.*,

2005 U.S. Dist. LEXIS 10968, 2005 WL 1330937, at \*8 (S.D.N.Y. June 7, 2005) (33.3% fee award); *Maley v. Del Global Techs. Corp.*, 186 F. Supp. 2d 358, 369 (S.D.N.Y. 2002) (33.33% fee award); *In re Blech Sec. Litig.*, 2002 U.S. Dist. LEXIS 23170, 2002 WL 31720381, at \* 1 (S.D.N.Y. Dec. 4, 2002) (33.3% fee award). *See also* Thomas E. Willging, Laural L. Hooper & Robert J. Niemic, *Empirical Study of Class Actions in Four Federal District Courts: Final Report to the Advisory Committee on Civil Rules*, at 69 (Fed. Judicial Ctr. 1996) (“Median rates ranged from 27% to 30%.”); Denise N. Martin, Vinita M. Juneja, Todd S. Foster & Frederick C. Dunbar, *Recent Trends IV: What Explains Filings and Settlements in Shareholder Class Actions?* STAN. J.L. BUS. & FIN. (1996) (“Regardless of case size, fees average approximately 32 percent of the settlement.”). Accordingly, this factor supports Class Counsel’s request.

**8. Class Counsel Prosecuted The Litigation Without Help From the Government or Other Public Agencies.**

Courts in this Circuit are instructed to consider whether Class Counsel had benefitted from “the efforts of other groups, such as government agencies conducting investigations.” *AT&T*, 455 F.3d at 165 (citation omitted). Similar to the situation in *In re Diet Drugs Prods. Liab. Litig.*, 553 F. Supp. 2d 442, 481 (E.D. Pa. 2008), “this case is quite different from the typical antitrust or securities litigation – in which the *Gunter/Prudential* factors are often considered – ‘where government prosecutions frequently lay the groundwork for private litigation.’” *Id.* Here, Class Counsel did not rely at all on “the Government or other public agencies to do their work for them as has occurred in some cases.” *Id.* at 481-82.<sup>5</sup> Accordingly, this factor weighs in favor of Class Counsel’s requested fee award.

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<sup>5</sup> In fact, the Federal Trade Commission (“FTC”) commenced an investigation apparently well after Plaintiffs had begun litigating this case, *see* “Toys ‘R’ Us Faces Federal Antitrust Inquiry,” WALL STREET JOURNAL, October 17-18, 2009, and settled with Toys “R” Us, Inc. for significantly less money than Class Counsel obtained on behalf of the Subclasses, even when only taking into account Toys “R” Us, Inc.’s contribution to the Settlement Fund. *Compare* FTC Press Release titled, “Toys ‘R’ Us to Pay \$1.3 Million Penalty for Violating FTC Order,” dated March 29, 2011, with Exhibit H to the Settlement Agreement.

**9. The Requested Fee Is Consistent With The Percentage Fee That Would Have Been Negotiated In A Private Contingent Fee Arrangement.**

“The 33-1/3% fee requested here is consistent with private contingent fee arrangements in this District.” *Mehling v. New York Life Ins. Co.*, 248 F.R.D. 455, 464 (E.D. Pa. 2008) (citing *Bradburn Parent Teacher Store, Inc. v. 3M*, 513 F. Supp. 2d 322, 340 (E.D. Pa. 2007) (finding a fee of 35% to be consistent with private contingent fee arrangements)); *In re Ikon Office Solutions, Inc.*, 194 F.R.D. 166, 194 (E.D. Pa. 2000), (“[I]n private contingency fee cases . . . plaintiffs’ counsel routinely negotiate agreements providing for between thirty and forty percent of any recovery.”).

**10. The Factor of Any Innovative Terms of Settlement Is Neutral.**

This factor neither weighs in favor of nor detracts from a decision to award fees. *See, e.g., In re Merck & Co. Vytarin ERISA Litig.*, 2010 U.S. Dist. LEXIS 12344 (D.N.J. Feb. 9, 2010) (finding that this factor is neutral when no innovative terms are highlighted).

In sum, nine out of ten *Prudential/Gunter* factors support Class Counsel’s request for a fee award in the amount of 33-1/3 percent of the Settlement Amount, and none of the *Prudential/Gunter* factors counsel against that request.

**C. The Lodestar Cross-Check Confirms the Reasonableness of the Requested Fee.**

Courts in the Third Circuit often examine the lodestar calculation as a cross-check on the percentage fee award. The cross-check is not designed to be a “full-blown lodestar inquiry,” but rather an estimation of the value of counsel’s investment in the case. *Third Circuit Task Force Report, Selection of Class Counsel*, 208 F.R.D. 340, 422-23 (2002) (noting that “[t]he lodestar remains difficult and burdensome to apply, and it positively encourages counsel to run up the bill, expending hours that are of no benefit to the class”). Rather, the Third Circuit recommends the use of the lodestar cross-check “as a means of assessing whether the percentage-of-recovery

award is too high or too low.” *In re Diet Drugs*, 582 F.3d at 544 (citing *Rite Aid*, 396 F.3d at 306-07).

The cross-check analysis is a two-step process. First, the lodestar is determined by multiplying the number of hours reasonably expended by the reasonable rates requested by the attorneys. *See Caudle v. Bristow Optical Co., Inc.*, 224 F.3d 1014, 1028 (9th Cir. 2000). Second, the court determines the multiplier required to match the lodestar to the percentage-of-the-fund request made by counsel, and determines whether the multiplier falls within the accepted range for such a case. Here, the lodestar cross-check confirms that the 33-1/3% request is eminently reasonable.

### **1. Class Counsel’s Lodestar Is Reasonable**

As of May 6, 2011, Class Counsel and staff reported spending a total of 81,200.82 hours working on this case. *See* Exhibits 1-2. As explained in Plaintiff firms’ affidavits and the Class Counsel Decl., the stated hours were incurred by, among other things, investigating the claims against Defendants, reviewing and analyzing the documents, preparing the Complaint and Consolidated Amended Complaint, conducting necessary legal research, briefing Defendants’ motions to dismiss, motions for judgment on the pleadings, and motions for summary judgment, conducting extensive discovery, briefing and presenting plaintiffs’ motion for class certification in a three-day evidentiary hearing, working with experts submitting Rule 26(a)(2) reports, beginning trial preparations, engaging in a mediation and extensive additional settlement negotiations, and preparing the necessary agreements and pleadings related to the Settlement.<sup>6</sup>

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<sup>6</sup> “The lodestar cross-check calculation need entail neither mathematical precision nor bean-counting. The district courts may rely on summaries submitted by the attorneys and need not review actual billing records.” *In re Rite Aid Corp. Sec. Litig.*, 396 F.3d at 306-307; *Prudential*, 148 F.3d at 341 (finding no abuse of discretion where district court “reli[ed] on time summaries, rather than detailed time records”). Of course, Class Counsel will make the detailed billing records available to the Court in camera upon request.

Given these activities, the complexity of the legal issues involved, and the intensity of Defendants' defense, the hours incurred are reasonable. Class Counsel anticipate expending substantial additional hours on this litigation to bring it to a close, for which we will not seek additional compensation; thus, these hours are appropriately taken into account in performing the lodestar cross-check.

The hourly rates charged by Class Counsel are reasonable based on each person's position, experience level, and location. These rates can be based on the prevailing rates in the communities in which Class Counsel practices or on hourly rates obtained by counsel in other complex or class action litigation. *Bouman v. Block*, 940 F.2d 1211, 1235 (9th Cir. 1991) (finding that declarations submitted by counsel of the "prevailing market rate in the relevant community ... [are] sufficient to establish the appropriate [billing] rate for lodestar purposes"); *Mogck v. Unum Life Ins. Co. of Am.*, 289 F. Supp. 2d 1181, 1191 (S.D. Cal. 2003). Taking into account the several factors discussed above, including the result achieved, the complexity and risk of the litigation, and the skill and experience of counsel, Class Counsel's rates are reasonable and appropriate in this case.

Thus, Class Counsel's reasonable hours and reasonable rates produced a lodestar of \$31,839,355.33 as of May 6, 2011.

**2. The Negative Multiplier Requested Here Mitigates in Favor of the Requested Fee**

The negative multiplier, at .36, produced by cross-checking the 33-1/3% requested award against the current reported lodestar of \$31,839,355.33 is well *below* the accepted range in the Third Circuit. *See, e.g., In re Diet Drugs*, 582 F.3d at 544 (finding that a multiplier, in a lodestar crosscheck, in the range of "2.6, 3.4, or somewhere in that neighborhood, it is not problematically high. It is either below or near the average multiplier..."); *Cendant Prides*, 243

F.3d at 735-36, 742 (“strongly suggest[ing]” a multiplier of 3 as the ceiling for an award in a simple case where “no risks pertaining to liability or collection were pertinent”); *Prudential*, 148 F.3d at 341 (“[M]ultiples ranging from one to four are frequently awarded in common fund cases when the lodestar method is applied.”) (internal quotation and citation omitted).

A negative multiplier bespeaks strongly of the risk undertaken by counsel in prosecuting to the trial preparation stage of this complex litigation. The Settlement resolves this litigation before trial and any other steps in the proceedings that would have generated a substantially larger lodestar than presented at this point. “The lodestar multiplier ... was less than one and thus reveals that Class Counsel’s fee request constitutes only a fraction of the work that they billed...” *In re Ins. Brokerage Antitrust Litig.*, 579 F.3d 241, 284 (3d Cir. 2009).

#### **IV. CLASS COUNSEL SHOULD BE REIMBURSED FOR THEIR EXPENSES**

Class Counsel also request reimbursement for the reasonable and necessary expenses advanced to prosecute this litigation since its inception in January 2006. These expenses, totaling \$2,229,775.60, are detailed in the Plaintiff firms’ fee and expense declarations as well Ms. Fegan’s declaration regarding the litigation fund. *See* Ex. 2; Declaration of Elizabeth A. Fegan Regarding Expenses Paid by Plaintiffs from the Baby Products Litigation Fund, attached hereto as Ex. 3. “There is no doubt that an attorney who has created a common fund for the benefit of the class is entitled to reimbursement of . . . reasonable litigation expenses from that fund.” *In re Rent-Way Secs. Litig.*, 305 F. Supp. 2d 491, 519 (W.D. Pa. 2003); *In re Corel Corp. Inc. Secs. Litig.*, 293 F. Supp. 2d at 498 (citation omitted).

The appropriate analysis to apply in deciding which expenses are compensable in a common fund case of this type is whether the particular costs are the type typically billed by attorneys to paying clients in the marketplace. *Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) (allowing recovery of “out-of-pocket expenses that would normally be charged to a fee

paying client”). The categories of expenses for which Class Counsel seek reimbursement here are the type of expenses routinely charged to hourly clients and, therefore, the full requested amount should be reimbursed.

**V. INCENTIVE AWARDS ARE WARRANTED FOR NAMED PLAINTIFFS**

Finally, Class Counsel request that the Court award \$2,500.00 to each Named Plaintiff for the time they have expended in representing the Class members. District courts have “broad discretion to award payment to class representatives for their efforts to benefit the class.” *Hall v. Best Buy Co.*, 2011 U.S. Dist. LEXIS 31220, at \*53-54. “Factors courts use to evaluate the appropriateness of awards include the financial, reputational and personal risks to the plaintiff; the degree to which the Plaintiff was involved in discovery and other litigation responsibilities; the length of the litigation; and the degree to which the named plaintiff benefitted (or not) as a class member.” *Id.*

Here, Named Plaintiffs have diligently fulfilled their obligations as Class Representatives. Throughout the litigation, Named Plaintiffs kept informed of the litigation and communicated with Class Counsel as necessary to assist with the effective prosecution of the case. Plaintiffs responded to discovery, and the McDonough Plaintiffs were deposed. After the mediation, each of the Named Plaintiffs considered the terms of the eventual Settlement. For these reasons, Incentive Awards of \$2,500.00 for each Named Plaintiff are easily warranted.

Such awards are fair and in line with what other courts have awarded in similar cases. *See, e.g., Hall v. Best Buy Co.*, 2011 U.S. Dist. LEXIS 31220 (E.D. Pa. Mar. 24, 2011) (approving incentive award of \$5,000.00 per named plaintiff); *In re CertainTeed Corp. Roofing Shingle Prods. Liab. Litig.*, 269 F.R.D. 468, 476 (E.D. Pa. 2010) (“If the named plaintiff was deposed, the named plaintiff’s incentive payment will be \$5,000; if the named plaintiff was not deposed, the named plaintiff’s incentive payment will be \$2,500”); *In re Am. Investors Life Ins.*

*Co. Annuity Mktg. & Sales Practices Litig.*, 263 F.R.D. 226, 245 (E.D. Pa. 2009) (incentive award of between \$5,000.00 and \$10,000.00 where named plaintiffs prepared for and testified in depositions that exposed their private financial affairs, participated in preparing responses to interrogatories, and produced extensive documents); *Klingensmith v. Max & Erma's Rests., Inc.*, 2007 U.S. Dist. LEXIS 81029, at \*20 n.13 (W.D. Pa. Oct. 23, 2007) (incentive award of \$2,500.00 “as a necessary incentive to aid in enforcement of legislation, and as compensation to an individual willing to contribute her name and time to this purpose”). Thus, Class Counsel respectfully request that the Court award Incentive Awards in the amount of \$2,500.00 for each Named Plaintiff for the valuable services they provided to this litigation as Class Representatives.

## VI. CONCLUSION

For the reasons discussed above, Plaintiffs respectfully request that the Court: (1) award Class Counsel payment of attorneys' fees in the amount of 33-1/3% of the Settlement Amount, plus interest; (2) order reimbursement of litigation expenses incurred by Class Counsel in the amount of \$2,229,775.60; and (3) award Incentive Awards in the amount of \$2,500.00 for each Named Plaintiff.

Dated: May 24, 2011

Respectfully submitted,

s/ Eugene A. Spector

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**CLASS COUNSEL FOR THE  
SETTLEMENT SUBCLASSES**

# **EXHIBIT 1**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF PLAINTIFFS’ CLASS COUNSEL IN SUPPORT OF PLAINTIFFS’  
MOTION FOR FINAL APPROVAL OF SETTLEMENT AND PLAINTIFFS’ MOTION  
FOR AWARD OF ATTORNEYS’ FEES, REIMBURSEMENT OF EXPENSES, AND  
INCENTIVE AWARDS FOR CLASS REPRESENTATIVES**

WILLIAM G. CALDES, of Spector Roseman Kodroff & Willis, P.C.; ELIZABETH FEGAN of Hagens Berman Sobol Shapiro LLP; and MARY JANE FAIT of Wolf Haldenstein Adler Freeman and Herz LLC under penalty of perjury, declares as follows:

1. We have served as counsel for the Class Plaintiffs (“Plaintiffs”) in this action. By Order dated March 3, 2006, Hagens Berman Sobol Shapiro LLP; Spector Roseman Kodroff & Willis, P.C.; and Wolf Haldenstein Adler Freeman and Herz LLC were appointed Co-Lead Counsel for Plaintiffs (together with all Plaintiffs’ counsel of record referred to as “Class Counsel”). We make this Declaration in support of Plaintiffs’ Motion for Final Approval of Settlement with Defendants Toys “R” Us, Inc., Babies “R” Us, Inc., Toys “R” Us-Delaware, Inc., BabyBjörn AB, Britax Child Safety, Inc., Kids Line, LLC, Maclaren USA, Inc., Medela,

Inc., and Peg Perego U.S.A., Inc. (“Motion for Final Approval”), and Plaintiffs’ Motion for Award of Attorneys’ Fees, Expenses, and Incentive Awards for Named Plaintiffs (“Motion for Fees and Expenses”). We have personal knowledge of the matters set forth in this Declaration, and, if called as witnesses, we could and would testify competently thereto.

**I. PRELIMINARY STATEMENT**

2. The purpose of this Declaration is to summarize the factual and procedural history of this litigation, including the investigation and filing of this action, discovery, class certification proceedings, summary judgment proceedings, trial preparation and settlement negotiations.

3. Court-appointed Class Counsel has directed this litigation on behalf of the Plaintiffs from its outset. Class Counsel undertook an extensive investigation of the claims asserted in this litigation before filing complaints against Defendants.

4. This complex class action has been vigorously prosecuted for over five (5) years by Class Counsel, who have expended over 81,200.82 attorney hours in doing so. Class Counsel investigated the facts, developed the theory of liability and filed the initial complaints, without the benefit of any governmental proceeding or investigation.

5. Class Counsel drafted and filed comprehensive and detailed Complaints and Amended Consolidated Complaints on behalf of Plaintiffs in both the *McDonough* and *Elliott* cases.

6. Class Counsel had to respond to material changes in the law concerning the standard of review for antitrust violations relating to Resale Price Maintenance (“RPM”) (*Leegin*), the standard of review for motions to dismiss (*Twombly*) and the standard of review for class certification (*Hydrogen Peroxide*). Plaintiffs prevailed against the Defendants’ motions to

dismiss and successfully argued for the certification of the *McDonough* Subclasses despite these fundamental changes and Defendants' extensive litigation relating to these recent decisions.

7. Class Counsel designed and implemented an extensive class, merits and expert discovery effort, including submitting numerous interrogatories and document requests, conducting more than 30 depositions of Defendants' experts and employees, reviewing and organizing over one million (1,000,000) pages of documents produced in discovery, and undertaking efforts to qualify the relevant documentary and testimonial evidence as admissible for trial. In addition, Class Counsel represented Plaintiffs at their depositions and responded to Defendants' discovery directed to Plaintiffs.

8. Class Counsel also responded to several motions for summary judgment and judgment on the pleadings.

9. Class Counsel twice drafted memoranda in opposition to Defendants' motions to dismiss. The first motions to dismiss were filed before the Supreme Court issued *Bell Atl. Corp. v. Twombly*, 550 U.S. 544 (2007) and *Leegin Creative Leather Products Inc. v. PSKS Inc.*, 551 U.S. 877 (2007). After the *Twombly* and *Leegin* decisions the Court granted Defendants' motions to dismiss without prejudice and Plaintiffs repled their complaint to conform to the dictates of *Twombly*. The Court then denied Defendants' second motions to dismiss.

10. In support of Plaintiffs' motion for class certification, Class Counsel retained and worked with expert economists to analyze and present the economic issues in the litigation; marshaled the evidence to present the facts and expert testimony; challenged the evidence and expert economic testimony proffered by Defendants in opposition to class certification during three rounds of briefing and three rounds of expert reports due to the newly interpreted decision in *In re Hydrogen Peroxide Antitrust Litig.*, 552 F.3d 305 (3rd Cir. 2008); and successfully argued the motion before this Court during a three day hearing.

11. Class Counsel drafted memoranda which defeated Defendants' petitions to the United States Court of Appeals for the Third Circuit for review of this Court's class certification decision pursuant to Federal Rule of Civil Procedure 23(f).

12. Class Counsel then worked with expert economists with respect to the preparation of liability and damages reports, which were served in December 2009. Class Counsel also prepared those expert economists for depositions, and defended a three-day deposition of one of those experts, William S. Comanor, Ph.D., in May 2010.

13. After the Court granted Defendants' motion for separate trials in March 2010, Class Counsel began preparation for several trials, with the first scheduled to begin in January 2011.

14. The extent of the work performed and directed by Class Counsel is further evidenced by more than 700 entries in the Court's docket for this case.

15. Class Counsel also attended many Court status hearings, both in the Court's Chambers and via teleconference.

16. After over five years of hard-fought litigation, Class Counsel successfully negotiated a settlement of \$35,500,000.00 with Defendants to benefit Class Members. Regal Lager's failure to make its agreed upon contribution to the Settlement Fund has resulted in the Settlement Amount being reduced to \$35,240,000.00. Class Counsel has filed a Motion to Enforce the Settlement Agreement against Regal Lager, which is currently pending before this Court.

17. This substantial settlement was achieved for the benefit of Plaintiffs' Classes without the aid of any corresponding investigation or adjudication of Defendants' liability by the U.S. Department of Justice or any other federal government entity.<sup>1</sup>

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<sup>1</sup> In fact, the Federal Trade Commission ("FTC") commenced an investigation apparently well after Plaintiffs had begun litigating this case. *see* "Toys 'R' Us Faces Federal Antitrust Inquiry," WALL STREET JOURNAL, October 17-

18. Consistent with the trend of recent awards, Class Counsel are requesting a total fee award of 33 1/3% of the total settlement funds available to Class Members, plus any interest accrued on that amount. The current estimated amount of the requested fee is \$11,746,667.00. Class Counsel are also requesting reimbursement of expenses of \$2,229,775.60, which were incurred in prosecuting this Litigation, but have not been reimbursed.

## **II. HISTORY OF THE LITIGATION**

### **A. Pleadings and Motions**

19. Without the benefit of any federal governmental proceeding or investigation, Class Counsel investigated the baby products industry, developed the theory of liability and, on January 19, 2006, the first class action complaint in the *McDonough* litigation was filed in this Court alleging antitrust violations in the baby products industry against Defendants.

20. As illustrated below this was a heavily fought and litigated case that dealt with several decisions impacting relevant legal standards as the case proceeded, which led to multiple filings to address those decisions.

21. Class Counsel, filed the First Amended Consolidated Complaint (“ACC”) before this Court on February 8, 2006. Class Counsel named Toys “R” Us, Inc., doing business as Babies “R” Us, Toys “R” Us – Delaware, Inc., and Babies “R” Us, Inc. (referred to collectively herein as “BRU”), as Defendants. Class Counsel filed their ACC on behalf of a class consisting of all persons and entities who purchased one or more baby product manufactured by BabyBjörn AB (“BabyBjörn”), Britax International Ltd. (“Britax”), Kids Line Inc. (“Kids Line”), Medela Inc. (“Medela”), Peg Perego USA (“Peg Perego”), or Maclaren USA Inc. (“Maclaren”) directly from BRU from 1999 through the present.

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18, 2009, and settled with Toys “R” Us, Inc. for significantly less money than Class Counsel obtained on behalf of the Subclasses, even when only taking into account Toys “R” Us, Inc.’s contribution to the Settlement Fund.

22. The ACC did not name BabyBjörn, Britax, Kids Line, Medela, Peg Perego, or Maclaren as co-defendants, but as co-conspirators. Class Counsel, upon further investigation, decided to add BabyBjörn, Regal Lager, Inc. (“Regal Lager”), Britax, Kids Line, Medela, Peg Perego, and Maclaren as co-defendants in addition to BRU. Plaintiffs requested leave to file a Second Amended Consolidated Complaint (“ACC2”).

23. On March 3, 2006, the Court appointed Hagens Berman Sobol Shapiro LLP; Spector Roseman Kodroff & Willis, P.C.; and Wolf Haldenstein Adler Freeman and Herz LLC as Co-Lead Counsel.

24. Also on March 3, 2006, the Court granted Class Counsel’s request to file the ACC2.

25. On March 10, 2006, Class Counsel filed the ACC2 on behalf of the same class described in the ACC but in addition to naming BRU as a defendant also named BabyBjörn, Regal Lager, Britax, Kids Line, Medela, Peg Perego, and Maclaren (referred to collectively herein as the “Baby Product Manufacturers,” and collectively with BRU as the “Defendants”) as co-defendants. The ACC2 alleged, *inter alia*, that Defendants violated federal antitrust law based upon allegations that BRU, a dominant, multi-brand retailer, conspired with the Baby Product Manufacturers to enter into, maintain, and enforce minimum RPM agreements with other retailers of baby products (“Retailers”).<sup>2</sup> The Baby Product Manufacturer-Retailer Agreements prevented the Retailers, on penalty of termination (*i.e.*, being refused supply), from charging prices that were lower than the agreed minimum prices for certain baby products manufactured by the Defendants.

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<sup>2</sup> The agreements between BRU and the Baby Product Manufacturers that the Baby Product Manufacturers would impose minimum resale price maintenance agreements upon the Retailers shall hereinafter be referred to as the “BRU-Baby Product Manufacturer Agreements.” The agreements between the Manufacturer Defendants and the Retailers to maintain minimum resale prices shall hereinafter be referred to as the “Baby Product Manufacturer-Retailer Agreements.” Where appropriate, both types of agreements shall be referred to collectively as “the Agreements.”

26. Shortly after being appointed by the Court, Class Counsel entered into negotiations with counsel for Defendants to promptly and efficiently prosecute this litigation. On May 15, 2006, the Court set a case schedule and ordered fact discovery to commence.

27. On May 24, 2006, all Defendants filed motions to dismiss the ACC2. Also on that date, Britax filed a motion for summary judgment. The Court granted a stipulation that placed the motions to dismiss and the motion for summary judgment on the same briefing schedule. On July 10, 2006, Plaintiffs filed their response in opposition to Defendants' motions to dismiss and Britax's motion for summary judgment. On August 3, 2006, Defendants filed their replies to Plaintiffs' opposition to their motions to dismiss and for summary judgment. On August 11, 2006, with leave of the Court, Plaintiffs filed a sur-reply to Defendants' replies to Plaintiffs' opposition to Defendants' motions to dismiss and Britax's motion for summary judgment.

28. On September 28, 2006, and October 4, 2006, Medela and Maclaren respectively wrote to the Court concerning their motions to dismiss Plaintiffs ACC2; Plaintiffs responded to those letters. In further response, on November 3, 2006, Plaintiffs filed for leave with the Court to file the Third Amended Consolidated Complaint ("AAC3"), which Defendants opposed on December 4, 2006.

29. On November 29, 2006, Plaintiffs filed a motion for leave to file a supplemental response in opposition to Britax's motion for summary judgment. On December 7, 2006, Britax filed a motion for leave to file a reply to Plaintiffs' supplemental response in opposition to their motion for summary judgment. On December 13, 2006, the court granted both Plaintiffs' and Britax's motions for leave to file additional briefs regarding Britax's motion for summary judgment.

30. On December 14, 2006, the Court entered an Order granting Plaintiffs' motion for leave to file the ACC3, and the ACC3 was filed contemporaneously with that decision. In that

same Order, the Court also denied Defendants' motions to dismiss the ACC2 and denied Britax's motion for summary judgment.

31. On January 23, 2007, BabyBjörn filed a motion for summary judgment which Plaintiffs opposed on February 22, 2007. On March 15, 2007, BabyBjörn replied to Plaintiffs' opposition to their motion for summary judgment and Plaintiffs' filed a sur-reply in opposition on April 9, 2007. On May 25, 2007, the Court denied BabyBjörn's motion for summary judgment.

32. On May 21, 2007, the Supreme Court decided *Twombly*, which addressed the proper standard of review for motions to dismiss, directly impacting this case.

33. On May 24, 2007, Regal Lager filed a motion for judgment on the pleadings based upon the *Twombly* decision. On June 8, 2007, all of the other Defendants filed motions for judgment on the pleadings also based upon the *Twombly* decision. On July 26, 2007, Plaintiffs filed their opposition to Defendants' motions for judgment on the pleadings. On August 15, 2007, Defendants filed their replies to Plaintiffs' opposition and on September 7, 2007, Plaintiffs filed their sur-reply in opposition to Defendants' motions for judgment on the pleadings.

34. On July 10, 2007, in another decision that directly impacted this case, the Supreme Court decided *Leegin*, overruling *Dr. Miles Medical Co. v. John D. Park & Sons Co.*, 220 U.S. 373 (1911), and redefining the standard of review for antitrust violations relating to RPM.

35. On October 10, 2007, the Court granted Defendants' motions for judgment on the pleadings without prejudice, and set a schedule for Plaintiffs to file an amended complaint in order to address the recent *Twombly* and *Leegin* decisions.

36. On November 2, 2007, Plaintiffs filed the Fourth Amended Consolidated Complaint ("ACC4").

37. On November 30, 2007, Defendants filed their motions to dismiss the ACC4 and on

January 4, 2008, Plaintiffs filed their opposition. On February 8, 2008, Defendants filed their reply in support of their motion to dismiss and on March 4, 2008, Plaintiffs filed their sur-reply in opposition. On April 23, 2008, oral argument was heard by the Court. On May 20, 2008, the Court denied Defendants' motions to dismiss.

38. On June 3, 2008, Kids Line filed a motion for reconsideration under Fed. R. Civ. Proc. 59(e) in response to the Court's motion to dismiss order. On June 4, 2008, all Defendants filed a motion for interlocutory appeal under 28 U.S.C. § 1292 (b). On June 17, 2008, Plaintiffs filed their opposition to Kids Line's motion for reconsideration, and on June 18, 2008, Plaintiffs filed their opposition to Defendants' motion for interlocutory appeal. On June 27, 2008, Defendants filed their replies to Plaintiffs' opposition to their motions for reconsideration and interlocutory appeal. On July 3, 2008, the Court denied Defendant Kids Line's motion for reconsideration, and on July 15, 2008, the Court denied Defendants' motion for interlocutory appeal.

39. On September 16, 2008, Plaintiffs filed their motion for class certification. On November 17, 2008, Defendants filed their opposition to class certification. On January 9, 2009, Plaintiffs filed their reply in support of class certification.

40. On January 16, 2009, the Third Circuit decided *Hydrogen Peroxide*. As a result of the *Hydrogen Peroxide* decision the Court ordered an additional round of briefing to address this new decision.

41. On February 20, 2009, Defendants filed their reply in opposition to class certification addressing *Hydrogen Peroxide*. On March 27, 2009, Plaintiffs filed their sur-reply in support of class certification addressing *Hydrogen Peroxide*, and on April 29, 2009, Defendants filed a sur-reply in opposition to class certification. Starting on May 27, 2009, the Court held a three day class certification hearing. On July 15, 2009, the Court granted and

denied in part class certification for the Plaintiffs.

42. On July 29, 2009, Defendants (except Regal Lager) filed a joint petition to appeal the Court's class certification decision to the Third Circuit under Fed. R. Civ. Proc. 23(f). That same day, Regal Lager filed a separate petition appealing the Court's class certification decision to the Third Circuit under Fed. R. Civ. Proc. 23(f). On August 10, 2009, Plaintiffs filed their oppositions to the Defendants' joint 23(f) petition, as well as Regal Lager's separate 23(f) petition. On August 17, 2009, the Defendants (except Regal Lager) filed a motion for leave to file a reply in support of their 23(f) petition. On September 3, 2009, the Third Circuit denied Defendants Fed. R. Civ. Proc. 23(f) petition for appeal. The above described class certification proceedings are more fully detailed *infra*, at II.C.

43. On August 14, 2009, Plaintiffs filed a motion for leave to file a fifth amended consolidated complaint ("ACC5") in order to add two new class representatives, which was opposed by the Defendants. On October 6, 2009, Plaintiffs' motion for leave to file the ACC5 was denied by the Court.

44. On December 28, 2009, Class Counsel filed the *Elliott* class action complaint on behalf of purchasers of certain baby products manufactured by the Baby Product Manufacturers and sold at BRU who were not members of the certified subclasses. Prior to the settlement, no further action was taken in the *Elliott* litigation.

45. On November 23, 2009, Regal Lager once again filed a motion for judgment on the pleadings, which Plaintiffs opposed on December 31, 2009. On January 4, 2010, Regal Lager filed a reply in support of its motion for judgment on the pleadings. On March 24, 2010, the court again denied Regal Lager's motion for judgment on the pleadings.

46. On December 4, 2009, Defendants (except Regal Lager) filed a motion to sever the cases or in the alternative to have separate trials by Baby Product Manufacturer. That same day,

Regal Lager filed a motion for separate trials. On January 29, 2010, Plaintiffs filed their opposition to Defendants' motions to sever or for separate trials, and on February 19, 2010, the Defendants filed their replies in support of severance or separate trials. On March 12, 2010, the Court denied Defendants' motion to sever and granted their motion for separate trials.

47. As is apparent from the litigation described above, Class Counsel successfully opposed an inordinate amount of motions by the Defendants.

**B. Discovery Proceedings**

**1. Discovery Directed To Defendants**

48. From the outset of this litigation, Class Counsel pursued document and testimonial discovery in a thorough and efficient fashion.

49. Class Counsel served several discovery requests on Defendants beginning on May 19, 2006, and continuing throughout the litigation, which included numerous document requests, interrogatories, and notices of depositions. Class Counsel also served subpoenas for documents and/or deposition testimony on third parties, including Dwight Anderson and Amazon.com, Inc.

50. Defendants responded and objected to Plaintiffs' document requests and interrogatories, and the parties held a series of meetings and telephone conferences to resolve specific discovery disputes.

51. As a result, Defendants produced more than one million (1,000,000) pages of documents to Plaintiffs, in addition to a large amount of electronic data regarding Defendants' sales, all of which was organized, reviewed and evaluated by Class Counsel and their retained economic experts.

52. Class Counsel investigated and interviewed various electronic discovery consultants and retained one to coordinate and facilitate the discovery efforts. To that effect, Class Counsel

organized initial training sessions and were in constant contact with the consultant throughout the case on many discovery and evidentiary matters.

53. Defendants' massive document production was organized, analyzed and substantively reviewed by an experienced team of attorneys and paralegals over a period of many months. Class Counsel painstakingly reviewed documents with the understanding that price-fixing conspirators often attempt to conceal their conduct, so that it was unclear which documents would provide relevant information or lead to other avenues of inquiry. Important documents were identified and categorized into subject matter files for expeditious retrieval by Class Counsel and their experts when preparing for class certification proceedings, depositions, summary judgment proceedings, and ultimately trial.

54. Important documents were organized into a factual narrative crucial to proving the existence and impact of Defendants' price-fixing conspiracy. For example, Plaintiffs analyzed documents reflecting: (1) inter-Defendant contacts; (2) restrictions or limitations on the pricing of the Defendants' baby products due to RPM; and (3) the impact of the Defendants' RPM policies on revenues and prices.

55. Plaintiffs noticed and took over thirty depositions of representatives of different Defendants and third parties.

56. In preparation for each of these depositions, Class Counsel prepared and utilized witness files, including deposition exhibits, culled from documents reviewed on the electronic database created by Class Counsel.

57. Following each deposition, the attorney(s) who conducted it prepared memos on the deposition, which were circulated and discussed in order for Class Counsel to be informed for upcoming depositions. In addition, Class Counsel held regular and frequent telephone conference calls during which testimony was reviewed, important information was circulated,

and strategies, including emerging lines of examination for upcoming depositions, were discussed.

58. In connection with their deposition program, Class Counsel submitted a motion to the Court requesting permission to take additional depositions over the allotted number in the Court's Case Management Order. Defendants opposed the request and the Court held a conference with the parties. As a result, the Court allowed some of the requested additional depositions and disallowed others.

59. Throughout the discovery period, Plaintiffs worked closely and amicably with Defendants to ensure that the process worked as well as it could. To that effect, the parties conferred through many conferences, phone calls, e-mails and letters. The parties also participated in numerous status conferences and conference calls held by the Court to discuss and resolve discovery issues, including several motions to compel, in an effort to see that the case proceeded without undue delay.

60. Class Counsel's mastery of the facts encouraged Defendants to seriously consider settlement. As a result of Class Counsel's thorough and efficient review of Defendants' documents and deposition testimony, Class Counsel marshaled the evidence needed for the class certification, summary judgment and trial preparation phases of this litigation. Indeed, when settlement negotiations with Defendants began in mid-2010, Class Counsel had already evaluated all of the documents produced in the litigation, as well as all deposition transcripts. Class Counsel's timely and exhaustive efforts to understand the evidence substantially increased the settlement value of this action and, therefore, the benefit to the Class.

## **2. Discovery Directed to Plaintiffs**

61. Defendants served discovery on Plaintiffs beginning on June 2, 2006 and continuing throughout the litigation. Defendants served numerous document requests,

interrogatories, requests for admissions, and deposition notices on Plaintiffs. Class representatives responded to Defendants' discovery requests and produced comprehensive and detailed information about their purchases of baby products.

62. Defendants noticed and conducted depositions of all *McDonough* class representatives, Plaintiffs' class certification expert, and one of Plaintiffs' damages and liability experts.

63. The class representatives were deposed about their purchases of baby products, as well as the case itself. Defendants were trying to demonstrate that the class representatives were not typical of other members of the class within the meaning of Fed. R. Civ. P. 23(a)(3), that they were not adequate representatives of the class within the meaning of Fed. R. Civ. P. 23(a)(4), and that they did not suffer damages as a consequence of the alleged conspiracy.

**C. Class Certification**

64. Class certification was vigorously contested and involved extensive briefing, expert testimony, and a full-blown three-day evidentiary hearing beginning on May 27, 2009.

65. Plaintiffs filed a motion for class certification on September 16, 2008, which demonstrated that: (1) the Class was so numerous that joinder of all members was impracticable; (2) numerous questions of law and fact common to Class Members existed, including that the price-fixing claims asserted involved the same central and common element, namely, whether Defendants acted in concert to raise the price of the Baby Product Manufacturers' baby products, and, if so, the effect or impact of that conspiracy; (3) Plaintiffs' claims were typical of the claims of the putative Class Members, in that all claims were based on the same legal theories; (4) the proposed class representatives would fairly and adequately represent the interests of the Class, and were represented by experienced litigators who would actively and diligently pursue the litigation to its conclusion; (5) common questions of law and fact predominated over any

questions affecting only individual Class Members; and (6) the certification of a class action was superior to other available methods for the fair and efficient adjudication of the claims.

66. Plaintiffs moved for certification of the following class:

All persons nationwide who purchased products manufactured or distributed by Maclaren U.S.A., Inc., BabyBjorn AB, Britax Child Safety, Inc., Kids Line, LLC, Medela, Inc., or Peg Perego U.S.A., Inc. from Toys “R” Us, Inc. d/b/a Babies “R” Us, Babies “R” Us, Inc., or Toys “R” Us-Delaware, Inc. for the period January 1, 1999 to the present.

67. In the alternative, if the Court determined that subclasses were appropriate,

Plaintiffs moved for certification of the following subclasses:

*Medela Purchaser Subclass:* All persons who purchased products manufactured by Medela from BRU for the period July 1, 2000 to the present;

*Baby Bjorn/Regal Lager Purchaser Subclass:* All persons who purchased products manufactured by BabyBjorn from BRU for the period February 2, 2000 to December 31, 2005;

*Britax Purchaser Subclass:* All persons who purchased products manufactured by Britax from BRU for the period January 1, 1999 to the present;

*Kids Line Purchaser Subclass:* All persons who purchased products manufactured by Kids Line from BRU for the period January 1, 1999 to the present;

*Maclaren Purchaser Subclass:* All persons who purchased products manufactured by Maclaren from BRU for the period October 1, 1999 to the present;

*Peg Perego Purchaser Subclass:* All persons who purchased products manufactured by Peg Perego from BRU for the period January 1, 1999 to the present.

68. In support of their motion for class certification, Plaintiffs offered an expert report by William S. Comanor, Ph.D. Dr. Comanor’s class certification report, among other things, comprehensively analyzed and described the structure and nature of the baby product market; discussed Defendants’ business and pricing practices; and concluded that the economic effects of Defendants’ price-fixing conspiracy could be established on a class-wide basis through the use of common proof. Dr. Comanor also opined on the BRU’s dominance in the market for baby products, the existence and scope of Defendants’ RPM policies, and the impact of RPM imposed

at the behest of a dominant retailer as compared with RPM independently adopted and enforced by a manufacturer. Plaintiffs' moving papers and Dr. Comanor's class certification report demonstrated that purchasers of the Baby Product Manufacturers' baby products at BRU, as a group, would be affected by the alleged price-fixing conspiracy and that a class-wide method of determining damages existed.

69. Shortly after the filing of Plaintiffs' class certification motion, Plaintiffs provided to Defendants all materials relating to Dr. Comanor's report required by Fed. R. Civ. P. 26(a)(2). Defendants first deposed Dr. Comanor on October 22, 2008.

70. On November 17, 2008, Defendants served a joint memorandum in opposition to Plaintiffs' class certification motion. Defendants supported their opposition with a Declaration from economist Dr. William C. Myslinski. Among other things, Defendants argued that injury to Class Members and harm to competition could not be established on a class-wide basis through common proof. Class Counsel first deposed Dr. Myslinski on December 11, 2008.

71. On January 9, 2009, after taking Dr. Myslinski's deposition, Plaintiffs responded to Defendants' arguments in their reply memorandum in support of their class certification motion, which was accompanied by Dr. Comanor's reply report concerning class certification. Defendants deposed Dr. Comanor on his reply report on February 4, 2009.

72. On February 20, 2009, Defendants filed their reply in opposition to class certification, addressing the recently issued *Hydrogen Peroxide* decision. Defendants reply was accompanied by Dr. Myslinski's reply report concerning class certification. Class Counsel deposed Dr. Myslinski on his reply report on March 13, 2009.

73. On March 27, 2009, after taking Dr. Myslinski's deposition, Plaintiffs responded to Defendants' reply arguments in their sur-reply memorandum in support of their class

certification motion, which was accompanied by Dr. Comanor's sur-reply report concerning class certification. Defendants deposed Dr. Comanor on his sur-reply report on April 15, 2009.

74. On April 29, 2009, Defendants filed their sur-reply in opposition to class certification. Defendants reply was accompanied by Dr. Myslinski's sur-reply report concerning class certification. Class Counsel deposed Dr. Myslinski on his sur-reply report on May 13, 2009.

75. In preparation for the three day class certification evidentiary hearing beginning on May 27, 2009, Class Counsel traveled to Los Angeles for two-and-a-half days of meetings with Dr. Comanor. During several days prior to the hearing, Class Counsel reviewed exhibits and demonstratives to identify the most persuasive evidence for use at the hearing. At the hearing, Class Counsel effectively argued in support of their motion.

76. In a memorandum and Order dated July 15, 2009, this Court certified Litigation Subclasses and appointed Co-Lead Counsel as Class Counsel. In its Order, the Court dismissed certain class representatives for lack of standing, and also dismissed Kids Line on the same grounds. Based upon its reasoned analysis, the Court amended Class Counsel's proposed subclass definitions and certified the following subclasses:

*Medela Purchaser Subclass:* All persons who directly purchased any Medela Pump In Style breast pump from Babies "R" Us within the U.S. for the period July 1, 1999, to January 19, 2006;

*Baby Bjorn/Regal Lager Purchaser Subclass:* All persons who directly purchased any BabyBjörn baby carrier distributed by Regal Lager from Babies "R" Us within the U.S. for the period February 2, 2000, to April 30, 2005;

*Britax Purchaser Subclass:* All persons who directly purchased any Britax car seat from Babies "R" Us within the U.S. for the period January 1, 1999, to January 19, 2006;

*Maclaren Purchaser Subclass:* All persons who directly purchased any Maclaren stroller from Babies "R" Us within the U.S. for the period October 1, 1999, to January 19, 2006;

*Peg Perego Stroller Purchaser Subclass*: All persons who directly purchased any Peg Perego stroller from Babies "R" Us within the U.S. for the period July 1, 1999, to January 19, 2006.

77. Shortly after the class certification Order was issued, Defendants (except Regal Lager) jointly petitioned the United States Court of Appeals for the Third Circuit to review this Court's certification of the subclasses pursuant to Federal Rule of Civil Procedure 23(f). Regal Lager filed a separate petition with the United States Court of Appeals for the Third Circuit to review this Court's certification of the subclasses pursuant to Federal Rule of Civil Procedure 23(f). On August 10, 2009, Plaintiffs filed an opposition to Defendants' petition, arguing, *inter alia*, that this case did not meet the standard for interlocutory appeal pursuant to Rule 23(f). On September 3, 2009, the Third Circuit denied Defendants' Rule 23(f) petition.

78. On August 14, 2009, following this Court's certification of the subclasses, Plaintiffs submitted a proposed form of notice, to which Defendants objected. Per this Court's Order, Class Counsel and Defendants met and conferred extensively regarding the form and substance of notice to the certified subclasses, resulting in a joint filing with this Court on November 17, 2009, highlighting areas where the parties disagreed. The Court, taking suggestions from the Plaintiffs and Defendants, issued an Order attaching an approved form of notice on December 11, 2009. Revisions to the approved notice were accepted by this Court on January 14, 2010.

**D. Expert Discovery**

79. Class Counsel retained two expert economists, William S. Comanor, Ph.D. and Dr. Martin A. Asher, Ph.D., to prepare merits reports in connection with this litigation. Dr. Comanor was retained to opine upon both liability and damages, while Dr. Asher was retained to opine solely upon damages.

80. Class Counsel worked with Drs. Asher and Comanor with respect to the preparation of liability and damages reports, which were served in December 2009.

81. Class Counsel then prepared Drs. Asher and Comanor for depositions, and defended a three-day deposition of Dr. Comanor in May 2010.

82. Dr. Asher was prepared to be deposed in late-May 2010, but settlement negotiations intensified, leading to a three-day mediation with Professor Eric Green that took place a week prior to Dr. Asher's scheduled deposition. Because those negotiations resulted in the settlement described *infra*, at I.I.E., Dr. Asher's deposition never took place.

**E. Settlement**

83. Plaintiffs' extensive discovery and litigation efforts described above placed Class Counsel in a position to meaningfully assess the facts of this case, the relevant strengths and weaknesses of the claims asserted, and the relative culpability of the Defendants. The settlement reached with the Defendants was finalized only after Class Counsel had conducted an extensive investigation of the underlying facts. Class Counsel's discovery and litigation efforts thus put them in a position to negotiate and maximize recovery for the benefit of the Subclasses.

84. The settlement with the Defendants, which totals over \$35 million, represents an excellent recovery for the benefit of the Subclasses.

85. The settlement was obtained after prolonged and difficult negotiations with Defendants, each of which is represented by highly capable and experienced counsel.

86. Plaintiffs reached an agreement in principle with the Defendants on May 19, 2010, after three days of intense negotiations during mediation with Professor Eric D. Green. Under the terms of the settlement, the Defendants collectively agreed to pay \$35,500,000.00 for the benefit of the Subclasses.<sup>3</sup> The parties informed the Court of the agreement shortly thereafter.

87. Over the course of the next four months, Class Counsel and Defendants' counsel

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<sup>3</sup> As previously noted *supra*, Regal Lager's failure to make its agreed upon contribution to the Settlement Fund has resulted in the Settlement Amount being reduced to \$35,240,000.00. Class Counsel has filed a Motion to Enforce the Settlement Agreement against Regal Lager, which is currently pending before this Court.

engaged in continued, rigorous, and contentious negotiations, on several occasions again enlisting the assistance of Professor Green, ultimately culminating in the execution of a Memorandum of Understanding by the parties on September 29, 2010. Again, the parties informed the Court of the progress made towards the ultimate settlement of the litigation.

88. From the end of September until the end of January, Class Counsel and Defendants' counsel negotiated the terms of the Settlement Agreement, as well as the form of notice, the notice plan, the proposed allocation order, and the form of the proposed preliminary and final approval orders. On January 21, 2011, the parties executed the Settlement Agreement and submitted it to the Court for preliminary approval. On January 31, 2011, the Court granted preliminary approval of the settlement, and ordered the dissemination of notice.

89. Subsequently, in February 2011, the parties amended the Settlement Agreement twice to change the deadline by which payment to the settlement escrow account had to be made by Defendants, ultimately providing thirty-two days from the Court's Order preliminarily approving the settlement for the Defendants to make their payments.

90. On March 7, 2011, three days after the deadline to make its payment had passed, counsel for Regal Lager informed Class Counsel that it would not be making its payment. On March 11, 2011, Regal Lager confirmed that it would not be making its payment. By operation of the Settlement Agreement, Plaintiffs maintain all claims and rights against the delinquent Regal Lager, and on April 14, 2011, Plaintiffs moved to enforce the settlement agreement against Regal Lager. Litigation with Regal Lager is presently ongoing, as Regal Lager has since filed two motions for leave to file another motion for summary judgment, both of which plaintiffs are opposing.

91. Due to Regal Lager's failure to meet its agreed upon obligations, Class Counsel has been forced to incur additional expense and employ additional resources amending the

previously approved forms of notice. Notice to the class has since been issued.

92. Until this application, Class Counsel have not sought attorneys' fees from the Settlement Fund.

**III. ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

93. Class Counsel are requesting a total fee award of 33 1/3% of the total settlement funds available to Class Members, plus any interest accrued on that amount. At this point, the current estimated amount of the requested fee is \$11,746,667.00. A fee award of 33 1/3% of the total settlement funds, plus any interest accrued on that amount, is well within the range of awards approved by this Court and others in this Circuit for class action cases.

94. The request for an award of attorneys' fees and reimbursement of expenses was anticipated and described in the Notice.

95. The requested fee is fair and reasonable. Throughout the case, Class Counsel functioned as a team. The duplication of effort was avoided by the delegation and division of responsibility. Class Counsel's experience in class action and antitrust cases allowed them to identify the complex issues involved in the litigation and to formulate strategies to efficiently and successfully prosecute this large case. Moreover, Class Counsel's readiness, willingness and ability to pursue the case through trial and appeals were valuable in reaching the settlement agreement.

96. Class Counsel faced significant risks in pursuing the litigation, and recovery was far from assured. Class Counsel conducted their own comprehensive investigation of the baby product industry and developed their own theory of liability and damages, without the assistance of a federal investigation, government indictments, or the cooperation of amnesty applicants under the Antitrust Criminal Penalty Enhancement and Reform Act of 2004.

97. Class Counsel received no compensation during the five (5) plus years that the

litigation has been pending. Their fees have been entirely contingent and dependent upon a successful result and an award by this Court.

98. Each Plaintiffs law firm has submitted to Class Counsel a signed declaration setting forth the total hours expended and the lodestar for each partner, associate and paralegal. The cumulative lodestar value of the time of all Class Counsel that has been submitted to Class Counsel, based on historic rates, is \$31,839,355.33.

99. The requested attorneys' fee award of approximately \$11,746,667.00, plus any interest accrued thereon, represents a negative multiplier of approximately .36 of the total reported lodestar, which is well within the range of the prevailing multipliers awarded by the courts in cases of this type.

100. Class Counsel also request reimbursement of the expenses incurred by them in connection with the prosecution of this litigation for which they have not been reimbursed.

101. Class Counsel incurred a total of \$2,229,775.60 in costs and expenses in the prosecution of this litigation.

102. Each Plaintiffs' law firm has submitted to Class Counsel a signed declaration setting forth their total expenditures incurred in connection with the prosecution of this litigation. The declaration submitted by each firm attests to the accuracy of, and provides the basis for, their expenses. Each firm requesting reimbursement of expenses has averred that the expenses are reflected in books and records maintained by the firm.

103. It is respectfully submitted that these expenditures are reasonable and necessary.

We declare under penalty of perjury that the above statements are true and correct.

Dated: May 24, 2011



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WILLIAM G. CALDES

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ELIZABETH FEGAN

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MARY JANE FAIT

We declare under penalty of perjury that the above statements are true and correct.

Dated: May 24, 2011

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WILLIAM G. CALDES



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ELIZABETH FEGAN

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MARY JANE FAIT

We declare under penalty of perjury that the above statements are true and correct.

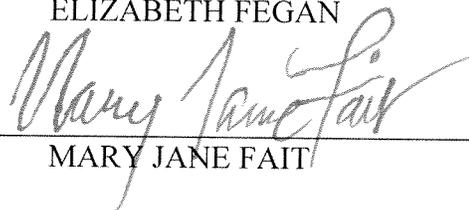
Dated: May 24, 2011

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WILLIAM G. CALDES

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ELIZABETH FEGAN



MARY JANE FAIT

# **EXHIBIT 2**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.
ARIEL ELLIOTT, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.

No. 2:06-cv-0242-AB

No. 2:09-cv-06151-AB

**DECLARATION OF EUGENE A. SPECTOR IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Eugene A. Spector, DECLARE AS FOLLOWS:

1. I am a Partner with the firm of Spector Roseman Kodroff & Willis, P.C. ("SRKW"). I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Co-Lead Class Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. SRKW, as one of the Co-Lead Class Counsel in this case, has participated in every aspect of this litigation from investigating and drafting one of the first complaints in the case to negotiating the settlement of the action. Initially, SRKW investigated possible claims to be asserted, drafted a complaint, participated with plaintiffs' counsel in organizing the case and participated in the drafting of amended complaints. SRKW participated in the preparation of responses to Defendants' motions to dismiss, in the redrafting of the amended complaint in light of the Supreme Court decisions in Twombly and Leegin, in organizing and supervising the discovery taken by Plaintiffs in this litigation, in working with the experts developing reports regarding the impact and damages caused by the alleged misconduct of the Defendants, in drafting the motion for class certification, and in providing additional briefing in support of that motion in light of the Third Circuit decision in Hydrogen Peroxide, in drafting opposition briefs to Defendants 23(f) petitions to the Third Circuit, in drafting responses to motions for summary judgment, and in drafting the settlement related papers, including notice materials. In addition, SRKW lawyers participated in hearings on the various motions, including the two and one-half

days of hearings on class certification, attended and participated in all case management and status conferences, both in person and by telephone, negotiated with Defense counsel regarding scheduling, discovery and briefing issues during the course of the litigation, reviewed and supervised the work of co-counsel firms to whom Class Counsel assigned work, and participated in periodic calls with Co-Lead Class Counsel regarding the conduct of the litigation. SRKW participated in the mediation that led to the agreement in principle to settle this litigation and then participated in the negotiation and drafting of the Memorandum of Understanding, the Settlement Agreement, and notice materials. SRKW also worked closely with the Garden City Group, Inc. in developing notice materials and a notice plan.

5. The total number of hours spent on this litigation through April 30, 2011 by my firm is **20,945.50**. The total lodestar amount for attorney/professional time based on the firm's historical rates is **\$8,136,616.25**. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Attorneys:			
Eugene A. Spector	1996.25	\$725	\$1,341,491.25
Robert M. Roseman	.25	\$700	\$168.75
Jeffrey L. Kodroff	26.00	\$690	\$15,760.00
Jeffrey J. Corrigan	79.50	\$650	\$44,166.25
Jay S. Cohen	6.00	\$625	\$3,498.75
John A. Macoretta	0.75	\$600	\$408.75
William G. Caldes	4631.00	\$590	\$2,261,402.50
David Felderman	51.75	\$540	\$21,477.50
Patrick Howard	1.00	\$325	\$325.00
David J. Cohen	.50	\$400	\$200.00
Raymond Huxen	6318.25	\$425	\$2,623,793.75
Loreal M. McDonald	18.25	\$375	\$6,843.75
Jonathan M. Jagher	14.50	\$425	\$5,061.25
John Valter	36.75	\$300	\$11,025.00
Rachel E. Kopp	3.00	\$375	\$1,125.00
Mary Ann Giorno	26.75	\$400	\$7,568.75

Shannon Gallagher	409.00	\$350	\$143,150.00
Jeffrey Spector	3303.50	\$350	\$950,343.75
Jennifer L. Enck	.25	\$250	\$62.50
Paralegal I:			
Gerri DeMarshall	2573.5	\$200	\$468,077.50
Alicia M. Sandoval	66.25	\$170	\$10,797.50
Chuck Briglia	26.50	\$195	\$4,891.25
Chanell S. Surratt	934.25	\$195	\$158,906.25
Rana H. Sachdev	47.75	\$170	\$7,845.00
Danielle Pearson	.75	\$170	\$127.50
Julie C. Walheim	2.00	\$160	\$320.00
Rosy Briones	140.50	\$160	\$19,693.75
Joanne Moroz	53.75	\$150	\$7,227.50
Greg S. Murray	55.00	\$130	\$7,150.00
Karen S. Omelchuk	122.00	\$145	\$13,707.50
<b>TOTAL:</b>	<b>20945.50</b>		<b>\$8,136,616.25</b>

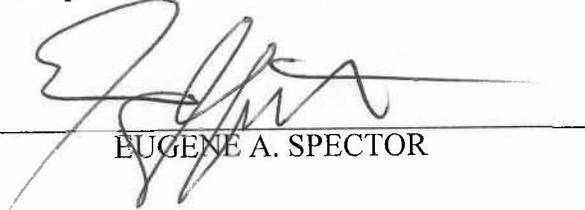
My firm, through April 30, 2011, incurred a total of **\$716,899.35** in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Assessments	\$172,839.90
Meals, Hotels & Transportation	\$21,719.14
Photocopies	\$93,398.69
Postage, Messenger, Overnight Delivery	\$8,967.87
Telephone, Facsimile	\$23,442.95
Filing, Witness & Other Fees	\$1,069.50
Court Reporters	\$4,893.69
Lexis, Westlaw, Online Library Research	\$111,824.56
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Miscellaneous (CD, DVD burned)	\$2,645.05
Experts/Consultants/Investigators	\$276,098.00
<b>TOTAL</b>	<b>\$716,899.35</b>

The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Pennsylvania that the foregoing is true and correct.

Executed this 12th day of May, 2011, at Philadelphia, Pennsylvania.



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EUGENE A. SPECTOR

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

No. 2:06-cv-0242-AB

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

No. 2:09-cv-06151-AB

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

**DECLARATION OF ELIZABETH A. FEGAN IN SUPPORT OF  
PLAINTIFFS' MOTION FOR AN AWARD OF ATTORNEYS' FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, ELIZABETH A. FEGAN, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Hagens Berman Sobol Shapiro LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Co-Lead Counsel in this matter.

3. From the inception of this litigation, counsel for Plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of Plaintiffs and the Class.

4. My firm has participated in this litigation since late 2005 when we began investigating this matter and filed the initial consumer case in 2006 that was ultimately folded into the *McDonough* litigation. As co-lead counsel, the tasks performed by my firm in litigating this case, included: (1) coordinating the cases, drafting consolidated amended complaints and analyzing supporting documents and briefing; (2) conducting and participating in strategy sessions; (3) interviewing potential class representatives, consulting with clients, and responding to Plaintiff discovery requests and interrogatories; (4) reviewing and coding documents; (5) drafting pleadings and papers, including those related to motions to dismiss, motions to compel discovery, motion for class certification, motions for summary judgment, motions for judgment on the pleadings, findings of fact and law, and settlement papers; (6) defending plaintiff depositions; (7) preparing for and taking manufacturer defendants' depositions; (8) leading and coordinating all discovery issues related to defendant manufacturer Medela; (9) working with Plaintiffs' expert Dr. William Comanor with respect to class and merits damages reports and taking and defending multiple rounds of Plaintiffs' expert depositions; (10) analyzing Defendants' expert reports and taking multiple rounds of Defendants' experts' depositions; (11) coordinating, preparing, and reviewing all expert-related discovery; (12) presenting expert testimony at the three-day class certification hearing; (12) preparing and presenting Plaintiffs' position at the three-day class certification hearing; and (3) attending and presenting at the hearing on the motions to dismiss and motion for class certification, numerous court status

conferences, and discovery-related hearings. My firm particularly took the lead role on expert class and merits reports and depositions, the three-day class certification hearing presentations, and substantive class certification briefing, which resulted in an Order certifying the Subclasses. Specifically, my firm spent its time and effort on the following tasks, as computed below:

5. The total number of hours spent on this litigation by my firm is **13,561.75 hours**.

The total lodestar amount for attorney/professional time based on the firm's regular rates is **\$5,678,422.75**. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

NAME	HOURS	RATE	LODESTAR
ELIZABETH FEGAN	2,387.50	\$ 525	\$ 1,253,437.50
IVY ARAI TABBARA	3,691.10	\$ 400	\$ 1,476,440.00
STEVE W BERMAN	5.00	\$ 725	\$ 3,625.00
TIM SCOTT	7.10	\$ 375	\$ 2,662.50
DAN KUROWSKI	116.90	\$ 350	\$ 40,915.00
TIM MAHONEY	23.50	\$ 450	\$ 10,575.00
GEORGE SAMPSON	1,806.10	\$ 550	\$ 993,355.00
DEBRA G. JOSEPHSON	0.85	\$ 315	\$ 267.75
ELAINE BYZEWSKI	1.00	\$ 425	\$ 425.00
SHANNON GALLAGHER	2,394.00	\$ 350	\$ 837,900.00
ANTHONY D SHAPIRO	45.80	\$ 650	\$ 29,770.00
ERIN K FLORY	0.50	\$ 550	\$ 275.00
Paralegal I			
MARK DYKSTRA	3.50	\$ 150	\$ 525.00
ADRIAN GARCIA	12.50	\$ 150	\$ 1,875.00
SHELLEY BAROLET	76.00	\$ 150	\$ 11,400.00
JOYCE EDWARDS	45.30	\$ 150	\$ 6,795.00
CORINNE REED	1.00	\$ 150	\$ 150.00
MARK GOLDSTEIN	18.00	\$ 150	\$ 2,700.00
JENNI BAIN	0.50	\$ 150	\$ 75.00
SHEILA CAREY	3.25	\$ 150	\$ 487.50
TERESA BEATTY	1.75	\$ 150	\$ 262.50
BRIAN MILLER	0.90	\$ 150	\$ 135.00
Paralegal II			
BONNIE McCORMACK	8.50	\$ 170	\$ 1,445.00
LARRY KUNZLER	8.00	\$ 170	\$ 1,360.00

DAWN CORNELIUS	6.00	\$ 170	\$ 1,020.00
ROB HAEGELE	2.15	\$ 170	\$ 365.50
Paralegal III			
CARRIE FLEXER	81.80	\$ 190	\$ 15,542.00
Document Clerks	2,813.25	\$ 350	\$ 984,637.50
<b>TOTAL:</b>			<b>\$ 5,678,422.75</b>

6. My firm incurred a total of **\$369,111.64** in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	\$ 73,188.46
Photocopies	\$ 48,556.29
Postage	
Telephone, Facsimile	\$ 2,202.67
Messenger, Overnight Delivery	\$ 7,435.67
Filing, Witness & Other Fees	\$ 410.00
Court Reporters	
Lexis, Westlaw, Online Library Research	\$ 22,496.81
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessments to Plaintiff's Common Fund	\$ 210,000.00
Public Relations	\$ 4,821.74
<b>TOTAL</b>	<b>\$ 369,111.64</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Illinois that the foregoing is true and correct.

Executed this 24th day of May, 2011, at Oak Park, Illinois.



Elizabeth A. Fegan

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

<p>CAROL M. MCDONOUGH, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:06-cv-0242-AB</p>
<p>ARIEL ELLIOTT, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:09-cv-06151-AB</p>

**DECLARATION OF MARY JANE FAIT IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, MARY JANE FAIT, declares as follows:

1. I am a Partner with the firm of Wolf Haldenstein Adler Freeman & Herz LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. Wolf Haldenstein, as Co-Lead Counsel in this matter, bore responsibility for the prosecution and management of this litigation at every stage. We were engaged in pleading the claims, briefing motions to dismiss those pleadings and preparing for argument on the motions to dismiss; the conduct of full fact discovery including reviewing documents and taking numerous depositions; preparing class certification motions including extensive expert submissions and preparing for and conducting a class certification hearing; expert discovery, opposing defendants' motions to sever and other motion practice, mediation and settlement.

5. The total number of hours spent on this litigation by my firm is 16,846.65. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$6,471,290.75. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Daniel W. Krasner	2.50	\$700.00	\$1,750.00
	1.40	\$750.00	\$1,050.00
	14.90	\$825.00	\$12,292.50
	23.40	\$835.00	\$19,539.00
	7.70	\$850.00	\$6,545.00
<b>Subtotal</b>	49.90		\$41,176.50
Mary Jane Fait	198.00	\$620.00	\$122,760.00
	344.90	\$650.00	\$224,185.00
	265.30	\$695.00	\$184,383.50

	414.50	\$730.00	\$302,585.00
	215.50	\$760.00	\$163,780.00
	20.30	\$775.00	\$15,732.50
Subtotal	1,458.50		\$1,013,426.00
Fred Isquith	1.20	\$660.00	\$792.00
	4.20	\$725.00	\$3,045.00
	108.50	\$775.00	\$84,087.50
	158.00	\$785.00	\$124,030.00
	115.40	\$800.00	\$92,320.00
Subtotal	387.30		\$304,274.50
Frank M. Gregorek	0.80	\$750.00	\$600.00
	7.70	\$760.00	\$5,852.00
Subtotal	8.50		\$6,452.00
Thomas H. Burt	406.80	\$550.00	\$223,740.00
	145.10	\$585.00	\$84,883.50
Subtotal	551.90		\$308,623.50
Mark Silverstein	32.40	\$630.00	\$20,412.00
Julie Swanson	36.60	\$450.00	\$16,470.00
	6.30	\$500.00	\$3,150.00
	7.80	\$525.00	\$4,095.00
	26.30	\$550.00	\$14,465.00
	0.60	\$560.00	\$336.00
Subtotal	77.60		\$38,516.00
Theodore Bell	22.30	\$400.00	\$8,920.00
	1,052.20	\$425.00	\$447,185.00
	832.50	\$450.00	\$374,625.00
	1,510.60	\$475.00	\$717,535.00
	237.50	\$485.00	\$115,187.50
	9.00	\$510.00	\$4,590.00
Subtotal	3,664.10		\$1,668,042.50
Stephen Lewis	114.80	\$400.00	\$45,920.00
Scott Farrell	6.40	\$375.00	\$2,400.00
	15.10	\$425.00	\$6,417.50
	1.20	\$435.00	\$522.00
	0.50	\$460.00	\$230.00
Subtotal	23.20		\$9,569.50

Noah Krasner	2,092.50	\$355.00	\$742,837.50
Ronald Kowalczyk	990.00	\$250.00	\$247,500.00
	32.80	\$380.00	\$12,464.00
Subtotal	1,022.80		\$259,964.00
Lillian Benedict	2,853.60	\$355.00	\$1,013,028.00
Graham R. Clegg	177.80	\$380.00	\$64,564.00
John E. Tangren	36.10	\$315.00	\$11,371.50
	22.80	\$340.00	\$7,752.00
	1.40	\$350.00	\$490.00
Subtotal	60.30		\$19,613.50
Steven Serdikoff	1,188.20	\$355.00	\$421,811.00
Michael D. Yanovsky	14.30	\$310.00	\$4,433.00
	25.30	\$320.00	\$8,096.00
Subtotal	39.60		\$12,529.00
Zachary W. Biesanz	3.00	\$290.00	\$870.00
	4.50	\$300.00	\$1,350.00
	3.00	\$325.00	\$975.00
Subtotal	10.50		\$3,195.00
Beth A. Landes	25.50	\$310.00	\$7,905.00
Noah G. Krasner	192.00	\$350.00	\$67,200.00
Paralegal I			
James Cirigliano	8.50	\$240.00	\$2,040.00
	7.80	\$250.00	\$1,950.00
	0.50	\$260.00	\$130.00
	4.00	\$265.00	\$1,060.00
	3.90	\$280.00	\$1,092.00
Subtotal	24.70		\$6,272.00
Joseph Weiss	5.90	\$235.00	\$1,386.50
	3.80	\$240.00	\$912.00
	1.80	\$250.00	\$450.00
Subtotal	11.50		\$2,748.50
Matthew Mundo	10.00	\$195.00	\$1,950.00

Paralegal II			
Kaveh Dabashi	11.00	\$185.00	\$2,035.00
Laine McDonnell	2,549.75	\$135.00	\$344,216.25
	64.00	\$195.00	\$12,480.00
	18.00	\$210.00	\$3,780.00
Subtotal	2,631.75		\$360,476.25
Jillaine Gill	44.30	\$195.00	\$8,638.50
	43.50	\$205.00	\$8,917.50
	22.60	\$210.00	\$4,746.00
	5.30	\$225.00	\$1,192.50
Subtotal	115.70		\$23,494.50
Elizabeth Lee	11.00	\$205.00	\$2,255.00
TOTAL:	16,846.65		\$6,471,290.75

6. My firm incurred a total of \$466,203.27 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	\$69,875.46
Photocopies	\$33,056.78
Postage	\$161.16
Telephone, Facsimile	\$4,589.36
Messenger, Overnight Delivery	\$5,162.07
Filing, Witness & Other Fees	
Court Reporters	\$23,178.05
Lexis, Westlaw, Online Library Research	\$134,631.20
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	\$8,375.00
Secretarial Overtime	\$2,174.08
Litigation Fund Assessment	\$185,000.00
TOTAL	\$466,203.27

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of ILLINOIS that the foregoing is true and correct.

Executed this 19<sup>th</sup> day of May, 2011, at 55 West Monroe, Suite 1111  
Chicago.

  
\_\_\_\_\_  
**Mary Jane Fait**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.	No. 2:06-cv-0242-AB
ARIEL ELLIOTT, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.	No. 2:09-cv-06151-AB

**DECLARATION OF JAYNE A. GOLDSTEIN IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Jayne A. Goldstein, DECLARE AS FOLLOWS:

1. I am Senior Counsel with the firm of Shepherd, Finkelman, Miller & Shah, LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm’s application for an award of attorneys’ fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs’ Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. My firm assisted in many aspects of discovery including document review, preparing and assisting with identifying documents to be used during depositions, and taking

depositions. My firm assisted with class certification briefing, drafting findings of facts and worked with experts' reports. I also consulted with lead counsel and served as allocation counsel for the *Elliot* class. I continually communicated with my client who was a class representative and reviewed and received her documents.

5. The total number of hours spent on this litigation by my firm is 1,621.55 The total lodestar amount for attorney/professional time based on the firm's current rates is \$544,561.00 The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
<b>Jayne Goldstein</b>	40.20	550.00	\$22,110.00
<b>Andrew Mackerer</b>	1509.55	320.00	\$481,744.00
<b>Jayne Goldstein</b>	53.20	570.00	\$29,640.00
<b>Jayne Goldstein</b>	18.6	595.00	\$11,067.00
Paralegal I			
Paralegal II			
Paralegal III			
Document Clerks			
<b>TOTAL:</b>	1621.55		\$544,561.00

6. My firm incurred a total of \$60,194.94 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

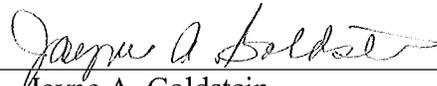
<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	
Photocopies	162.50
Postage	2.52
Telephone, Facsimile	
Messenger, Overnight Delivery	29.92
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Litigation Fund	60,000.00

TOTAL	\$60,194.94
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7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Florida that the foregoing is true and correct.

Executed this third day of May, 2011, at Weston, Florida

  
\_\_\_\_\_  
Jayne A. Goldstein

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.
ARIEL ELLIOTT, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.

No. 2:06-cv-0242-AB

No. 2:09-cv-06151-AB

**DECLARATION OF JAYNE A. GOLDSTEIN IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, JAYNE A. GOLDSTEIN, DECLARE AS FOLLOWS:

1. At all relevant times, I was a partner with the firm of Mager & Goldstein LLP<sup>1</sup>. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm was one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. My firm investigated causes of action, prepared complaint, met with client on numerous occasions, met with various plaintiffs' counsel, participated in fact discovery by coding documents, obtaining client's records, responding to discovery, defending client's deposition and taking depositions.

5. The total number of hours spent on this litigation by my firm is 2,385.75. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$716,960.00. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

NAME	HOURS	RATE	LODESTAR
Lee Albert (P)	43.50	\$550.00	\$ 23,925.00
Lee Albert (P)	171.25	\$530.00	\$ 90,762.50
Lee Albert (P)	56.00	\$510.00	\$ 28,560.00
Jayne A. Goldstein (P)	9.75	\$550.00	\$ 5,362.50
Jayne A. Goldstein (P)	71.00	\$530.00	\$ 37,630.00
Jayne A. Goldstein (P)	38.00	\$510.00	\$ 19,380.00
Carol A. Mager (P)	0.75	\$550.00	\$ 412.50
Carol A. Mager (P)	0.25	\$510.00	\$ 127.50
Marjory P. Albee (A)	10.25	\$475.00	\$ 4,868.75
Bruce D. Parke (A)	35.50	\$330.00	\$ 11,715.00
Michele L. Bloom (A)	409.75	\$290.00	\$118,827.50
Michele L. Bloom (A)	131.75	\$285.00	\$ 37,548.75
Shelley Neiman (A)	113.75	\$290.00	\$ 32,987.50

<sup>1</sup> Mager & Goldstein LLP ceased the active practice of law on September 15, 2008.

Shelley Neiman (A)	154.00	\$280.00	\$ 43,120.00
Amir Stark (A)	614.50	\$280.00	\$172,060.00
Amir Stark (A)	2.25	\$270.00	\$ 607.50
Jonathan B. Pignoli (A)	0.50	\$310.00	\$ 155.00
Billie Lee Sonntag (PL)	152.25	\$170.00	\$ 25,882.50
Drew Albert (PL)	157.50	\$170.00	\$ 26,775.00
Helene Albert (PL)	194.50	\$170.00	\$ 33,065.00
Jayne R. Blatt (PL)	1.25	\$170.00	\$ 212.50
Rebecca A. Holcombe (PL)	6.00	\$170.00	\$ 1,020.00
Ellen Pickering (PL)	11.50	\$170.00	\$ 1,955.00
TOTAL:	2385.75		\$716,960.00

6. My firm incurred a total of \$24,841.25 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	\$ 964.93
Photocopies	535.41
Postage	4.35
Telephone, Facsimile	5.00
Messenger, Overnight Delivery	172.90
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	658.66
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessment	22,500.00
TOTAL	\$24,841.25

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Florida that the foregoing is true and correct.

Executed this third day of May, 2011, at Weston, Florida.

  
\_\_\_\_\_  
JAYNE A. GOLDSTEIN

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

No. 2:06-cv-0242-AB

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

No. 2:09-cv-06151-AB

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

**DECLARATION OF JONATHAN SHUB IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Jonathan Shub, declare as follows:

1. I am a Partner with the firm of Seeger Weiss LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. My firm engaged in drafting pleadings, conducting discovery and engaged in extensive document review and analysis.

5. The total number of hours spent on this litigation by my firm is 3,539.35. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$1,301,093.75. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Shub, Jonathan (P)	1.80	495.00	\$ 891.00
Benedetto, Terrienne (A)	86.00	465.00	42,222.00
George, Scott (A)	.30	415.00	124.50
DeBass, Haile (A)	129.50	365.00	47,267.50
Johnson, Scott (A)	1,382.70	365.00	613,017.50
Waks, Gregory (A)	1,636.75	365.00	597,413.75
Barbara Terra (O)	.70	225.00	157.50
<b>TOTAL:</b>	<b>3,237.05</b>		<b>\$ 1,301,093.75</b>

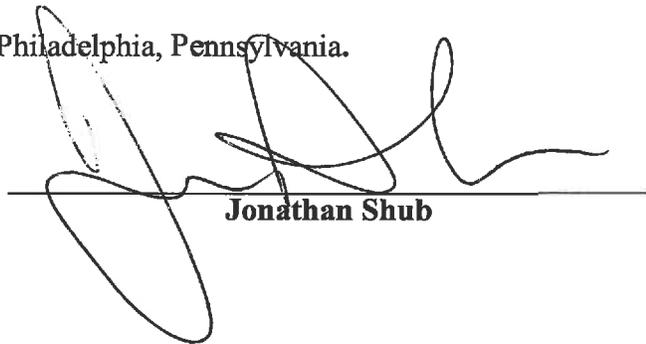
6. My firm incurred a total of \$80,191.08 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Federal Express	\$ 25.17
Litigation Fund	80,000.00
Pacer Research	64.56
Telephone	50.22
Westlaw Research	51.13
<b>TOTAL</b>	<b>\$ 80,191.08</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Pennsylvania that the foregoing is true and correct.

Executed this 3<sup>rd</sup> day of May, 2011, at Philadelphia, Pennsylvania.



**Jonathan Shub**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

<p>CAROL M. MCDONOUGH, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:06-cv-0242-AB</p>
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<p>ARIEL ELLIOTT, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:09-cv-06151-AB</p>
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**DECLARATION OF GARRETT D. BLANCHFIELD, JR. IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, GARRETT D. BLANCHFIELD, JR., DECLARE AS FOLLOWS:

1. I am a partner with the firm of Reinhardt Wendorf & Blanchfield. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm’s application for an award of attorneys’ fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs’ Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. Reinhardt Wendorf & Blanchfield performed various tasks at the direction of lead counsel, including: work with defense counsel for Medela and Maclaren to resolve discovery

issues; defend deposition of client; assist on Opposition to Defendant's Twombly motion; depose certain defendants; summarize depositions of various defendants; reviewed documents produced by defendants; and performed quality control on summaries of reviewed documents.

5. The total number of hours spent on this litigation by my firm is 1800.12. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$579,577.08. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Reinhardt, Mark	1.35	725	878.25
Wendorf, Mark	35.9	675	19,838.00
Blanchfield, Garrett	387.07	620	209,822.33
Penney, Brant	76.40	335	19,111.00
Yard, Roberta	813.6	340	213,033.50
Baillon, Frances	7.45	335	2,495.75
Hayes, Lisa	2.00	335	610.00
Shannon, Gerry	251.50	340	70,062.50
Kosek, Shirley	224.05	195	43,569.75
Schulte, Kathy	0.80	195	156.00
<b>TOTAL</b>	<b>1,800.12</b>		<b>579,577.08</b>

6. My firm incurred a total of \$95,687.09 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	12,117.09
Photocopies	110.80
Postage	5.08
Telephone, Facsimile	40.00
Messenger, Overnight Delivery	53.03
Filing, Witness & Other Fees	40.00
Court Reporters	
Lexis, Westlaw, Online Library Research	821.09
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessments	82,500.00
<b>TOTAL</b>	<b>95,687.09</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Minnesota that the foregoing is true and correct.

Executed this 5<sup>th</sup> day of May, 2011, at St. Paul, Minnesota.

  
\_\_\_\_\_  
**GARRETT D. BLANCHFIELD**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF ARTHUR T. SUSMAN IN SUPPORT OF  
PLAINTIFFS' MOTION FOR AN AWARD OF ATTORNEYS' FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Arthur T. Susman, DECLARE AS FOLLOWS:

I am a partner with the firm of Susman Heffner & Hurst LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

My firm is one of the Plaintiffs' Counsel in this matter.

From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

The type of work performed by my firm throughout the litigation included drafting and filing of the complaint, review discovery requests, draft discovery responses, document review in Philadelphia, research, draft and finalize motion to compel Regal Lager, hot documents review, review, draft and research consolidated amended complaint.

The total number of hours spent on this litigation by my firm is 590.50. The total lodestar amount for attorney/professional time based on the firm's current rates is \$281,332.50. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Arthur T. Susman (P)	20.25	750	15,187.50
Matthew T. Heffner (P)	153.75	500	76,875.00
Matthew T. Hurst (P)	114.75	500	57,375.00
William T. Gotfryd (OC)	68	650	44,200.00
Glenn L. Hara (A)	215.50	390	84,045.00
Sandra L. Pavlat (PL)	18.25	200	3,650.00
<b>TOTAL:</b>	<b>590.50</b>		<b>\$ 281,332.50</b>

My firm incurred a total of \$27,127.75 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	5,160.56
Photocopies	178.46
Postage	50.43
Telephone, Facsimile	1,046.66
Litigation Fund	20,000.00
Lexis, Westlaw, Online Library Research	691.64
<b>TOTAL</b>	<b>\$27,127.75</b>

The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Illinois that the foregoing is true and correct.

Executed this 4th day of May, 2011, at Chicago, Illinois.



Arthur T. Susman

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF RALPH M. STONE IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, RALPH M. STONE, DECLARE AS FOLLOWS:

1. I am a Partner with the firm of Stone Bonner & Rocco LLP, successor firm to Shalov Stone Bonner & Rocco LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I respectfully submit this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. During the course of this litigation, our firm was heavily involved in several aspects of the case. Our firm was among the earliest filers of a complaint in this case, and we participated in early organizational meetings among plaintiffs' counsel. Our client, Jennifer Sullivan, was deposed, and actively participated in discovery, which involved extensive interaction with her. In addition to drafting an initial complaint that was filed in the District of New Jersey, and performing preliminary background work in connection therewith, we reviewed drafts of amended complaints. We reviewed drafts of briefing on motions to dismiss and the motion for class certification. In addition, one of our associates was devoted to a large document review for a period of many weeks.

5. The total number of hours spent on this litigation by my firm is 377. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$143,752.50. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Ralph M. Stone	65.75	495-600	\$33,307.50
Patrick L. Rocco	0.75	475	\$356.25
Thomas G. Ciarlone	2.25	395-425	\$903.75
Amanda C. Scuder	279.25	345-375	\$103,796.25
Paralegal I	21.50	195	\$4,192.50

Paralegal II	6.5	145	\$942.50
Paralegal III	1.75	145	\$253.75
Document Clerks			
TOTAL:			\$143,752.50

6. My firm incurred a total of \$39,495.30 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

EXPENSE CATEGORY	TOTAL
Meals, Hotels & Transportation	\$1,745.30
Photocopies	
Postage	
Telephone, Facsimile	
Messenger, Overnight Delivery	
Filing, Witness & Other Fees	\$250.00
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessments	\$37,500.00
TOTAL	\$39,495.30

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 4<sup>th</sup> day of May, 2011, at New York, New York.



Ralph M. Stone

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF STEPHEN A. SHELLER, ESQ. IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, STEPHEN A. SHELLER, ESQ., DECLARE AS FOLLOWS:

1. I am the Managing Partner of the firm of Sheller, P.C. (f/k/a Sheller, Ludwig & Badey, P.C.). I am submitting this declaration in support of my firm’s application for an award of attorneys’ fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs’ Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. Sheller attorneys filed a Complaint in the *Cory Rupe v. Babies R Us* action in January 2006, then were very actively involved in discovery through the end of December 2006,

including numerous meet and confers with other counsel and evaluating and reviewing documents produced by Defendants.

5. The total number of hours spent on this litigation by my firm is **94.50**. The total lodestar amount for attorney/professional time based on the firm's historical rates is **\$34,345.00**. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
S. George (Atty)	10	\$345	\$3,450
T. Benedetto (Atty)	33.50	\$420	\$14,070.00
S. Johnson (Atty)	47.50	\$345	\$16,387.50
H. Valdez (Paralegal)	3.5	\$125	\$437.50
<b>TOTAL:</b>			<b>\$34,345.00</b>

6. My firm incurred a total of \$2,826.69 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	
Photocopies	
Postage	
Telephone, Facsimile	
Messenger, Overnight Delivery	\$58.29
Filing, Witness & Other Fees	\$250.00
Court Reporters	
Lexis, Westlaw, Online Library Research	\$18.40
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Payment to Plaintiffs' Common Fund	\$2,500.00
<b>TOTAL</b>	<b>\$2,826.69</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the Commonwealth of Pennsylvania that the foregoing is true and correct.

Executed this \_\_\_\_\_ day of May, 2011, at Philadelphia, Pennsylvania.

 5/5/2011  
\_\_\_\_\_  
**STEPHEN A. SELLER, ESQ.**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

No. 2:06-cv-0242-AB

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

No. 2:09-cv-06151-AB

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

**DECLARATION OF ANN D. WHITE IN SUPPORT OF  
PLAINTIFFS' MOTION FOR AN AWARD OF ATTORNEYS' FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Ann D. White, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Ann D. White Law Offices, P.C. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. My firm drafted a complaint, participated in conference calls, negotiated with Defendant Kids Line as part of discovery and worked extensively reviewing documents as part of the discovery phase.

5. The total number of hours spent on this litigation by my firm is 427.50. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$152,702.50. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Ann D. White (P)	54.75	\$530.00	\$29,017.50
Ann D. White (P)	10.75	\$560.00	\$6,020.00
Mandy Roth (A)	1.00	\$340.00	\$340.00
Steve Tyson (A)	361.00	\$325.00	\$117,325.00
Paralegal I			
Paralegal II			
Paralegal III			
Document Clerks			
<b>TOTAL:</b>	<b>427.50</b>		<b>\$152,702.50</b>

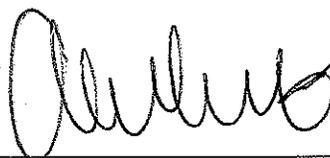
6. My firm incurred a total of \$45.07 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	
Photocopies	\$36.79
Postage	
Telephone, Facsimile	\$8.28
Messenger, Overnight Delivery	
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
<b>TOTAL</b>	<b>\$45.07</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Pennsylvania that the foregoing is true and correct.

Executed this 27 day of April, 2011, at 101 Greenwood Avenue, Fifth Floor, JENKINTOWN.



IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.
ARIEL ELLIOTT, <i>et al.</i> ,  Plaintiffs,  v.  TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i> ,  Defendants.

No. 2:06-cv-0242-AB

No. 2:09-cv-06151-AB

**DECLARATION OF KRISHNA B. NARINE IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, KRISHNA B. NARINE, DECLARE AS FOLLOWS:

1. I am the principal attorney of the Law Office of Krishna B. Narine, P.C. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm’s application for an award of attorneys’ fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs’ Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. During the course of this litigation, this firm engaged in pre-complaint investigation and discovery.

5. The total number of hours spent on this litigation by my firm is 167.75. The total lodestar amount for attorney/professional time based on the firm’s current rates is \$81,945. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Krishna B. Narine	167.75	\$485	\$81,945

6. My firm incurred a total of \$2,586.25 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

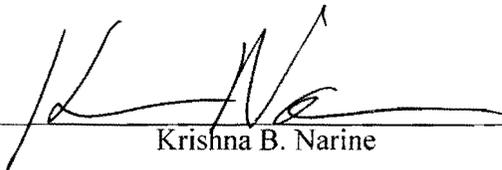
<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	\$86.25
Photocopies	
Postage	
Telephone, Facsimile	
Messenger, Overnight Delivery	
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	

Experts/Consultants/Investigators	
Assessment	\$2,500
TOTAL	\$2,586.25

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Pennsylvania that the foregoing is true and correct.

Executed this 28th day of April, 2011, at Jenkintown, Pennsylvania.

  
\_\_\_\_\_  
Krishna B. Narine

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

<p>CAROL M. MCDONOUGH, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:06-cv-0242-AB</p>
<p>ARIEL ELLIOTT, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:09-cv-06151-AB</p>

**DECLARATION OF STEPHEN M. SOHMER IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, STEPHEN M. SOHMER, DECLARE AS FOLLOWS:

1. I am a Partner with the firm of Sohmer & Stark, LLC. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. Sohmer & Stark investigated Plaintiffs' claims, examined documents and conducted other discovery, reviewed pleadings and conferred with co-counsel regarding litigation strategy and case management.

5. The total number of hours spent on this litigation by my firm is 443.25. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$165,558.75. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Stephen M. Sohmer	297.75	\$385	\$114,633.75
Amir Stark	145.50	\$350	50,925.00
Paralegal I			
Paralegal II			
Paralegal III			
Document Clerks			
<b>TOTAL:</b>	443.25		\$165,558.75

6. My firm incurred a total of \$3,726.80 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

EXPENSE CATEGORY	TOTAL
Meals, Hotels & Transportation	\$3,408.17
Photocopies	34.00
Postage	34.63
Telephone, Facsimile	
Messenger, Overnight Delivery	
Filing, Witness & Other Fees	250.00
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
<b>TOTAL</b>	<b>\$3,726.80</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of New Jersey that the foregoing is true and correct.

Executed this 16th day of May, 2011, at Bloomfield, New Jersey.



STEPHEN M. SOHMER

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS "R" US, INC., d/b/a Babies "R" Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF RONEN SARRAF IN SUPPORT OF  
PLAINTIFFS' MOTION FOR AN AWARD OF ATTORNEYS' FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, RONEN SARRAF, DECLARE AS FOLLOWS:

1. I am a Partner with the firm of Sarraf Gentile LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. The members of this firm conducted the following activities in connection with this litigation: reviewed, researched and edited numerous pleadings, motions and decisions; reviewed documents produced by defendants; met and conferred with counsel for certain defendants regarding discovery matters; prepared for, attended and participated in witness depositions; and, discussed case strategy with Plaintiffs' co-counsel.

5. The total number of hours spent on this litigation by my firm is 1,056.35. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$465,104.25. The hourly rates shown below were the usual and customary rates charged for each individual in all of our cases at the time such work was performed. A breakdown of the lodestar is as follows:

NAME	HOURS	RATES	LODESTAR
Ronen Sarraf	92.60	\$495 to \$525	\$45,873.00
Joseph Gentile	963.75	\$435	\$419,231.25
<b>TOTAL</b>	<b>1,056.35</b>		<b>\$465,104.25</b>

6. My firm incurred a total of \$4,830.83 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

EXPENSE CATEGORY	TOTAL
Meals, Hotels & Transportation	\$2,315.93
Photocopies	
Postage	

Telephone, Facsimile	\$14.90
Messenger, Overnight Delivery	
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessment Payment to Plaintiffs' Common Fund	\$2,500.00
<b>TOTAL</b>	<b>\$4,830.83</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of New York that the foregoing is true and correct.

Executed this 26 day of April, 2011, at New York, New York.

  
 Ronen Sarraf

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF MICHAEL S. TARRINGER IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, MICHAEL S. TARRINGER, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Cafferty Faucher LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. Throughout this case, my firm provided various types of legal services, including work on factual research and drafting of the amended complaints, legal research and writing assistance for pleadings in response to dismissal motions and in support of class certification, review, coding and analysis of discovery documents, participation in discovery conferences with defense counsel, taking depositions, attending court conferences and hearings, and acting as Allocation Counsel on behalf of the McDonough Class case at the settlement phase of the litigation.

5. The total number of hours spent on this litigation by my firm is 4,875.9. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$2,153,950.50. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Patrick E. Cafferty (P)	.8	575.00	460.00
Patrick E. Cafferty (P)	32.8	595.00	19,516.00
Patrick E. Cafferty (P)	2.7	625.00	1,687.50
Patrick E. Cafferty (P)	1.2	650.00	780.00
Ellen Meriwether (P)	4.8	525.00	2,520.00
Ellen Meriwether (P)	23.7	575.00	13,627.60
Ellen Meriwether (P)	3	585.00	1,755.00
Ellen Meriwether (P)	25.7	600.00	15,420.00
Ellen Meriwether (P)	4.8	625.00	3,000.00
Bryan L. Clobes (P)	.8	510.00	408.00

Bryan L. Clobes (P)	5.1	575.00	2,932.50
Bryan L. Clobes (P)	4.1	585.00	2,398.50
Bryan L. Clobes (P)	5.6	600.00	3,360.00
Bryan L. Clobes (P)	1.6	625.00	1,000.00
Bryan L. Clobes (P)	.4	650.00	260.00
William R. Kane (P)	52.5	510.00	26,775.00
William R. Kane (P)	10.1	575.00	5,807.50
Michael J. Willner (P)	12.9	575.00	7,417.50
Michael J. Willner (P)	1.3	600.00	780.00
Jennifer W. Sprengel (P)	.8	585.00	468.00
Jennifer W. Sprengel (P)	.6	600.00	360.00
Jennifer W. Sprengel (P)	.9	625.00	562.50
Jennifer W. Sprengel (P)	.3	650.00	195.00
Michael S. Tarringer (P)	221.8	430.00	95,374.00
Michael S. Tarringer (P)	468.1	475.00	222,347.50
Michael S. Tarringer (P)	584.3	495.00	289,228.50
Michael S. Tarringer (P)	526.5	550.00	289,575.00
Michael S. Tarringer (P)	47.3	575.00	27,197.50
Michael S. Tarringer (P)	5.4	600.00	3,240.00
Melody Forrester (A)	460.4	390.00	179,556.00
Melody Forrester (A)	761.2	450.00	342,540.00
Melody Forrester (A)	370.4	495.00	183,348.00
Christopher B. Sanchez (P)	3.5	425.00	1,487.50
Christopher B. Sanchez (P)	.5	495.00	247.50
Timothy Fraser (A)	65.3	300.00	19,590.00
Timothy Fraser (A)	307.9	350.00	107,765.00
Timothy Fraser (A)	566.4	425.00	240,720.00
Emily Mirsky (A)	.2	475.00	95.00
Ashleigh Latonick (PL)	1	240.00	240.00
Kay Pulido (PL)	3	190.00	570.00
Daniel Leptuck (PL)	39.9	130.00	5,187.00
Daniel Leptuck (PL)	100.9	135.00	13,621.50
Daniel Leptuck (PL)	1.7	200.00	340.00
Daniel Leptuck (PL)	28.1	235.00	6,603.50
Daniel Leptuck (PL)	.2	240.00	48.00
Sharon Nyland (PL)	1	155.00	155.00
Sharon Nyland (PL)	3.1	170.00	527.00
Sharon Nyland (PL)	.5	210.00	105.00
Kathy Hollenstine (PL)	.1	210.00	21.00
Cathryn King (PL)	7.5	115.00	862.5
Cathryn King (PL)	103.2	115.00	11,868.00
TOTAL:	4,875.9		2,153,950.50

6. My firm incurred a total of \$87,862.73 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	3,437.48
Photocopies	419.25
Postage	1.95
Telephone, Facsimile	183.26
Messenger, Overnight Delivery	83.14
Filing, Witness & Other Fees	327.11
Lexis, Westlaw, Online Library Research	910.54
Litigation Fund	82,500.00
<b>TOTAL</b>	<b>87,862.73</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Pennsylvania that the foregoing is true and correct.

Executed this 29th day of April, 2011, in Philadelphia.

  
Michael S. Tarringer

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

<p>CAROL M. MCDONOUGH, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:06-cv-0242-AB</p>
<p>ARIEL ELLIOTT, <i>et al.</i>,</p> <p>Plaintiffs,</p> <p>v.</p> <p>TOYS “R” US, INC., d/b/a Babies “R” Us, <i>et al.</i>,</p> <p>Defendants.</p>	<p>No. 2:09-cv-06151-AB</p>

**DECLARATION OF LEE ALBERT ON BEHALF OF  
MURRAY, FRANK & SAILER LLP IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

## I, LEE ALBERT, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Murray, Frank & Sailer LLP. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. During the course of the litigation, my firm has been involved in the following activities on behalf of the plaintiff class: participating in document review and analysis; meeting with co-counsel; deposition preparation; taking depositions; court appearances; meetings and telephone calls with client, and general discovery issues.

5. The total number of hours spent on this litigation by my firm is 6,976.5. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$2,910,669. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

NAME	HOURS	RATE	LODESTAR
Brian P. Murray	3.5	\$595	\$2,083
	0.5	\$710	\$355
	4.1	\$750	\$3,075
Marvin L. Frank	0.5	\$595	\$298
	16.6	\$710	\$11,786
	14.8	\$750	\$11,100
Jacqueline Sailer	1.0	\$750	\$750
Lee Albert	237.2	\$700	\$166,040
Brian D. Brooks	125.3	\$425	\$53,253
	13.1	\$475	\$6,223
Bridget V. Hamill	525.7	\$425	\$223,423
Angela Finlay	2,437.0	\$425	\$1,035,725
Thomas J. Kennedy	1,847.3	\$425	\$785,103
Neil Gandhi	1,185.7	\$350	\$414,995
Eva Hromadkova	557.0	\$350	\$194,950
Jane Le Claire	1.4	\$160	\$224
	0.5	\$225	\$113
Matthew McManus	5.0	\$225	\$1,125
Molly Gottshall	0.3	\$160	\$48
<b>TOTAL:</b>	<b>6,976.5</b>		<b>\$2,910,669</b>

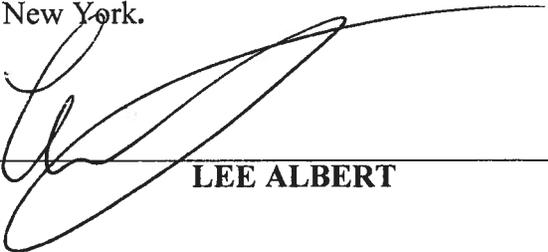
6. My firm incurred a total of \$101,467.25 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Litigation Fund	\$82,500.00
Meals, Hotels & Transportation	\$18,040.96
Photocopies	\$45.00
Postage	\$3.78
Telephone, Facsimile	\$502.13
Messenger, Overnight Delivery	\$331.06
Lexis, Westlaw, Online Library Research	\$44.32
<b>TOTAL</b>	<b>\$101,467.25</b>

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of New York that the foregoing is true and correct.

Executed this May 5, 2011, at New York, New York.

  
 \_\_\_\_\_  
**LEE ALBERT**

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

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CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

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ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF RICHARD A. LOCKRIDGE IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Richard A. Lockridge, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Lockridge Grindal Nauen P.L.L.P (“LGN”). I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm’s application for an award of attorneys’ fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs’ Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. LGN’s primary role in the litigation was document review and coding, including extensive quality control of the coding done by all reviewers which was performed at the request of Lead Counsel. LGN was also a part of the initial investigation of this action and conducted extensive legal research and participated in drafting several of the motions brought and opposed in the litigation.

5. The total number of hours spent on this litigation by my firm is **2,670.75**. The total lodestar amount for attorney/professional time based on the firm’s historical rates is **\$843,401.25**. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

NAME	HOURS	RATE	LODESTAR
W. Joseph Bruckner (P)	14.00	\$550-\$625	\$7,700.00
Gregg M. Fishbein (P)	148.50	\$450	\$67,050.00
Richard A. Lockridge (P)	29.00	\$575-\$650	\$17,137.50
Karen H. Riebel (P)	32.00	\$450-\$575	\$15,200.00
Robert J. Schmit (P)	4.75	\$525-\$575	\$2,493.75
J. Michael Schwartz (P)	10.75	\$500	\$5,375.00
Robert K. Shelquist (P)	2.00	\$475	\$968.75

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Craig S. Davis (A)	94.75	\$300	\$28,425.00
Constance L. Hartel (A)	292.75	\$300	\$87,825.00
Matthew S. Krohn (A)	1,424.50	\$300	\$427,350.00
Nathan D. Prosser (A)	563.50	\$325	\$175,637.50
Jesse J. Klick (LC)	6.75	\$160	\$1,080.00
Katherine S. Rodenwald (LC)	33.00	\$160	\$5,280.00
Heather N. Potteiger (PL)	14.50	\$125-\$175	\$1,878.75
<b>TOTAL:</b>	<b>2,670.75</b>		<b>\$843,401.25</b>

6. My firm incurred a total of **\$104,371.68** in expenses in connection with the prosecution of this litigation. They are broken down as follows:

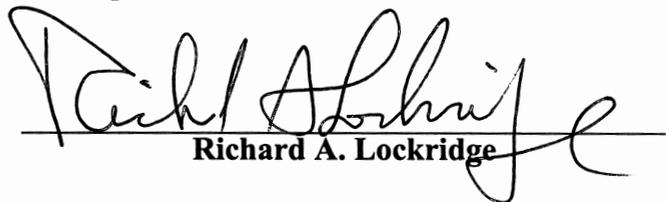
<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	\$21,238.18
Photocopies	\$142.35
Postage	\$1.69
Telephone, Facsimile	\$3.21
Messenger, Overnight Delivery	\$15.38
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	\$470.87
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessments	\$82,500.00

<b>TOTAL</b>	<b>\$104,371.68</b>
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7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the State of Minnesota that the foregoing is true and correct.

Executed this 5th day of May, 2011, at Minneapolis, Minnesota.

  
Richard A. Lockridge

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**DECLARATION OF MARC H. EDELSON IN SUPPORT OF  
PLAINTIFFS’ MOTION FOR AN AWARD OF ATTORNEYS’ FEES,  
REIMBURSEMENT OF EXPENSES AND INCENTIVE AWARD PAYMENTS**

I, Marc H. Edelson, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Edelson & Associates, LLC. I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled action. I am submitting this declaration in support of my firm's application for an award of attorneys' fees and expenses in connection with services rendered in the above-entitled action.

2. My firm is one of the Plaintiffs' Counsel in this matter.

3. From the inception of this litigation, counsel for plaintiffs have aggressively prosecuted this case and vigorously represented the best interests of plaintiffs and the Class.

4. Throughout the course of this litigation Edelson & Associates, LLC participated extensively in discovery committing extensive resources to document review.

5. The total number of hours spent on this litigation by my firm is 3,121.70. The total lodestar amount for attorney/professional time based on the firm's historical rates is \$1,232,130.50. The hourly rates shown below are the usual and customary rates charged for each individual in all of our cases. A breakdown of the lodestar is as follows:

<b>NAME</b>	<b>HOURS</b>	<b>RATE</b>	<b>LODESTAR</b>
Marc H. Edelson	132.90	\$625.00	\$71,410.50
Lin A. Johnson	695.80	\$350.00	\$243,530.00
Lillian Benedict	763.90	\$350.00	\$267,365.00
Liberato P. Verderame	5.00	\$450.00	\$2,125.00
George Brinkeroff	1,524.10		\$647,700.00
<b>TOTAL:</b>	<b>3,121.70</b>		<b>\$1,232,130.50</b>

6. My firm incurred a total of \$82,556.80 in expenses in connection with the prosecution of this litigation. They are broken down as follows:

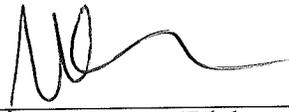
<b>EXPENSE CATEGORY</b>	<b>TOTAL</b>
Meals, Hotels & Transportation	

Photocopies	\$6.80
Postage	
Telephone, Facsimile	\$6.50
Messenger, Overnight Delivery	\$43.50
Filing, Witness & Other Fees	
Court Reporters	
Lexis, Westlaw, Online Library Research	
Class Action Notices/Business Wire	
Mediation Fees (Eric Green)	
Experts/Consultants/Investigators	
Assessments	\$82,500.00
TOTAL	\$82,556.80

7. The expenses pertaining to this case are reflected in the books and records of this firm. These books and records are prepared from expense vouchers, check records, and other documents and are an accurate record of the expenses.

I declare under penalty of perjury under the laws of the Commonwealth of Pennsylvania that the foregoing is true and correct.

Executed this 4th day of May, 2011, at Doylestown, Pennsylvania.




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Marc H. Edelson

# **EXHIBIT 3**

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,  
Plaintiffs,

C.A. No. 2:06-cv-0242-AB

v.

TOYS "R" US, INC., d/b/a/ Babies "R" Us,  
*et al.*,

Defendants.

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

No. 2:09-cv-06151-AB

v.

TOYS "R" US, INC., d/b/a Babies "R" Us,  
*et al.*,

Defendants.

**DECLARATION OF ELIZABETH A. FEGAN REGARDING EXPENSES PAID BY  
PLAINTIFFS FROM THE BABY PRODUCTS LITIGATION FUND**

I, ELIZABETH A. FEGAN, DECLARE AS FOLLOWS:

1. I am a partner with the firm of Hagens Berman Sobol Shapiro LLP ("Hagens Berman"). I am one of the attorneys representing the Plaintiffs and Class Members in the above-entitled actions. My firm is one of the Plaintiffs' Co-Lead Counsel in this matter. The other Co-Lead Counsel include Spector Roseman Kodroff & Willis, P.C. and Wolf Haldenstein Adler Freeman & Herz.

2. At the outset of the litigation, Plaintiffs' Co-Lead Counsel agreed to establish and jointly fund, along with other Plaintiffs' Counsel, a common fund, called the Baby Products Litigation Fund, to finance the larger common costs of prosecuting this litigation. From May 8,

2006 through May 23, 2011, Plaintiffs' Counsel had deposited \$1,280,296.42 into the Baby Products Litigation Fund. Each Plaintiffs' firm has submitted a separate declaration detailing their expenses as well as the amount they contributed to the Baby Products Litigation Fund.

3. Pursuant to an agreement among Co-Lead Counsel, Hagens Berman maintained the checkbook and statements of account for the Baby Products Litigation Fund. All payments made through the Baby Products Litigation Fund were incurred during the course of the prosecution of this action and were authorized by Co-Lead Counsel. This declaration provides the Court with a summary of these expenses. I can also provide the Court with the backup documentation for each such expense at its request.

4. The expenses Plaintiffs' Counsel paid through the Baby Products Litigation Fund can be divided into seven specific categories: (1) Professional Expert and Consulting Services (\$966,015.39); (2) Document Review On-Line Website (\$154,134.00); (3) Foreign Translation Services (\$9,410.00); (4) Deposition Transcript, Video and Other Deposition Related Costs (\$43,086.27); (5) Hearing Materials (\$29,566.63); and (6) Mediation-related Costs (\$37,833.96). Through May 23, 2011, Plaintiffs' Co-Lead Counsel has directed that a total of \$1,240,046.25 in fees and costs be paid through the Baby Products Litigation Fund. The balance in the Fund is \$40,250.17.

**A. Expenses Incurred for Professional Experts and Consulting Services**

5. Plaintiffs' Counsel incurred and paid \$966,015.39 for professional consultants and experts, which was paid out of the Baby Products Litigation Fund. Plaintiffs retained four consultants and/or experts throughout the prosecution of this litigation: (a) Economic Associates; (b) Navigant Consulting; (c) Econ One; and (d) Advanced Analytics and Dr. Marty Asher.

6. The services of these experts, recounted below, were necessary to Plaintiffs' (and the Court's) understanding of the complex issues in the case, and played a vital role in achieving Settlement approved by the Court.

**a. Economic Associates**

7. Plaintiffs retained Economic Associates and its lead expert Dr. William Comanor to analyze and prepare expert reports in support of class certification as well as a merits liability and damages report. Dr. Comanor is an economist and professor of economics at the University of California, Santa Barbara. He is also a professor of health services in the School of Public Health at the University of California, Los Angeles. Dr. Comanor assisted Plaintiffs in preparing three expert reports in support of class certification, which analyzed common antitrust impact and formulaic means for calculating damages on a class-wide basis. He was deposed three times on class certification and testified at the two and half day class certification hearing. After the Subclasses were certified, he assisted Plaintiffs in preparing a damages and liability report. He was deposed by Defendants for three days on liability and damages issues. Dr. Jon Riddle, also an economist, assisted Dr. Comanor in analyzing Defendants' data and preparing these various expert reports. Plaintiffs incurred and paid Economic Associates fees and costs totaling \$549,072.97 for services rendered in this matter.

**b. Navigant Consulting**

8. Plaintiffs retained Navigant Consulting to do an initial economic analysis regarding data availability and potential models demonstrating common antitrust impact. Plaintiffs incurred and paid Navigant Consulting fees and costs totaling \$232,783.71 for services rendered in this matter.

**c. Econ One**

9. After the Subclasses were certified, Plaintiffs retained Econ One and its lead expert Dr. Marty Asher to analyze and prepare an alternate damages report. Plaintiffs incurred and paid Econ One fees and costs totaling \$150,353.71 for services rendered in this matter.

**d. Dr. Marty Asher and Advanced Analytical Consulting Group, Inc.**

10. After Dr. Asher and his support team in this matter left Econ One, Plaintiffs retained Dr. Asher together with Advanced Analytical Consulting Group, Inc., where his former Econ One support team is now located, for purposes of evaluating allocation of the Settlement Fund for purposes of final approval of the class action settlement. Plaintiffs incurred and paid Dr. Asher fees and costs totaling \$6,500.00, and Advanced Analytical Consulting Group, Inc. fees and costs totaling \$27,305.00, for services rendered in this matter.

**B. Document Review On-Line Website**

11. Plaintiffs incurred and paid out of the Baby Products Litigation Fund a total of \$154,134.00 for the document review on-line website hosted by DoeLegal.

**C. Foreign Translation Services**

12. Plaintiffs incurred and paid out of the Baby Products Litigation Fund a total of \$9,410.00 to Crowe Foreign Services, TLS Translation Inc., and Legal Language Services to translate certain foreign documents produced by BabyBjörn AB.

**D. Deposition Transcript, Video and Other Deposition Related Costs**

13. Plaintiffs incurred and paid out of the Baby Products Litigation Fund a total of \$43,086.27 for transcripts and videotapes of some of the depositions taken in this litigation.

**E. Hearing Materials**

14. Plaintiffs incurred and paid out of the Baby Products Litigation Fund a total of \$29,566.63 in fees and costs to Digital Evidence to prepare exhibits that were used at hearings in this matter.

**F. Miscellaneous and Mediation Costs**

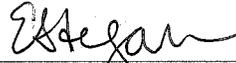
15. Plaintiffs' Counsel incurred and paid out of the Baby Products Litigation Fund a total of \$37,833.96 in miscellaneous expenses, including mediation costs.

16. In May 2010, the parties jointly selected Professor Eric Green from Resolutions LLC to mediate a settlement in this matter. In May 2010, during the course of a three-day in-person mediation attended by both counsel and many of Defendants' top management, the parties reached a tentative agreement on the monetary terms of a proposed settlement. However, it took the parties another four months and hundreds of hours of extensive phone calls and writings through Professor Green to negotiate a Memorandum of Understanding which was signed on September 29, 2010. Thereafter, the parties continued to negotiate the details of the proposed Settlement, by telephone, email and an in-person meeting, until the final Settlement was signed in January 2011. Plaintiffs incurred and paid \$32,149.64 in fees and costs relating to the services of Professor Green.

17. As of today's date, there is a balance of \$40,250.17 in the Baby Products Litigation Fund.

I declare under penalty of perjury under the laws of the State of Illinois that the foregoing  
is true and correct.

Executed this 24th day of May, 2011, at Oak Park, Illinois.



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Elizabeth A. Fegan

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CAROL M. MCDONOUGH, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:06-cv-0242-AB

ARIEL ELLIOTT, *et al.*,

Plaintiffs,

v.

TOYS “R” US, INC., d/b/a Babies “R” Us, *et al.*,

Defendants.

No. 2:09-cv-06151-AB

**CORRECTED [PROPOSED] ORDER**

AND NOW, this \_\_\_\_ day of \_\_\_\_\_, 2011, upon consideration of Plaintiffs’ Motion for Award of Attorneys’ Fees, Expenses, and Incentive Awards for Named Plaintiffs, as well as all objections and other papers submitted in objection to or in support of Plaintiffs’ Motion, Plaintiffs’ Motion is GRANTED. The Court orders as follows: (1) Class Counsel shall be paid attorneys’ fees in the amount of 33-1/3% of the Settlement Amount (\$11,746,667.00), plus any interest accrued on that amount, from the Settlement Fund; (2) Class Counsel shall be paid for their litigation expenses in the amount of \$2,229,775.60 from the Settlement Fund; and (3) each Named Plaintiff shall be paid an Incentive Award in the amount of \$2,500.00 from the Settlement Fund.

**SO ORDERED.**

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Judge Anita Brody