

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

PATRICIA B. BAUM, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

HARMAN INTERNATIONAL
INDUSTRIES, INCORPORATED, et al.,

Defendants.

) No. 3:17-cv-00246-RNC

) CLASS ACTION

) NOTICE OF NON-OPPOSITION AND
) REPLY IN FURTHER SUPPORT OF
) MOTION FOR FINAL APPROVAL OF
) CLASS ACTION SETTLEMENT,
) APPROVAL OF PLAN OF ALLOCATION,
) AND AWARD OF ATTORNEYS' FEES
) AND EXPENSES

Lead Plaintiff and Lead Counsel respectfully submit this notice of non-opposition and reply in further support of their motion for final approval of class action settlement, approval of the Plan of Allocation, and award of attorneys' fees and expenses. ECF 203.¹

I. PRELIMINARY STATEMENT

In the Second Circuit and this Court, “the favorable reaction of the overwhelming majority of class members to the Settlement is perhaps the most significant factor in our [settlement approval] inquiry.” *Wal-Mart Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 119 (2d Cir. 2005); *see also In re Sturm, Ruger, & Co., Inc. Sec. Litig.*, 2012 WL 3589610, at *5 (D. Conn. Aug. 20, 2012) (same).

Lead Plaintiff is pleased to advise the Court of a uniformly positive reception by the Class to the proposed \$28 million Settlement, Plan of Allocation, and Lead Counsel's fees and expenses application. Pursuant to the Court's Preliminary Approval Order, the Claims Administrator mailed over 37,900 copies of the Notice and Proof of Claim and Release (collectively, “Notice Package”) to potential Class Members and nominees.² In addition, the Claims Administrator caused the Summary Notice to be published in the national edition of *The Wall Street Journal* and over *Business Wire* on July 22, 2022. Murray Decl., ¶12. The Claims Administrator also placed all of the relevant materials on a dedicated website, www.HarmanMergerLitigation.com. *Id.*, ¶14. The deadline for objection was October 20, 2022, and ***no Class Members objected – even past the deadline – to any of the Settlement, Plan of Allocation, or the fees and expenses application. Further, not a single Class Member has chosen to opt out of the Settlement.*** In sum, after an extensive notice process, the unanimously positive reaction from Class Members strongly indicates that the Class supports the

¹ Unless otherwise defined herein, capitalized terms have the meaning ascribed to them in the Stipulation of Settlement, previously filed with the Court on June 23, 2022. ECF 197-3.

² *See* ¶¶4-11 to the previously filed Declaration of Ross D. Murray Regarding Notice Dissemination, Publication, and Requests for Exclusion Received to Date (ECF 206) (“Murray Decl.”) and ¶4 to the accompanying Supplemental Declaration of Ross D. Murray Regarding Notice Dissemination and Requests for Exclusion Received to Date (“Supp. Murray Decl.”).

Settlement, the Plan of Allocation, and the fees and expenses application and that they should all be approved as fair and reasonable.

II. THE REACTION OF THE CLASS STRONGLY SUPPORTS APPROVAL OF THE SETTLEMENT AND PLAN OF ALLOCATION

“The reaction of the Class to the Settlement is a significant factor – perhaps the most significant factor to be weighed in considering its adequacy.” *In re Flag Telecom Holdings, Ltd. Sec. Litig.*, 2010 WL 4537550, at *16 (S.D.N.Y. Nov. 8, 2010). As the Court noted when approving the settlement in *Kemp-DeLisser*, “[a] lack of objection from any class members after members received notice of the settlement ‘is an extremely strong indication’ that the proposed Settlement is fair.” *Kemp-DeLisser v. Saint Francis Hosp. & Med. Ctr.*, 2016 WL 6542707, at *8 (D. Conn. Nov. 3, 2016) (citation omitted); *see also Collins v. Olin Corp.*, 2010 WL 1677764, at *4 (D. Conn. Apr. 21, 2010) (“The Court may approve a proposed settlement even where substantial portions of the class have objected.”) (approving settlement over eighty-five objectors). In this case, ***not a single Class Member*** objected to the Settlement or Plan of Allocation or has requested exclusion from the Class.

This unanimously positive reaction from the Class to the Settlement, together with the relevant factors discussed in Lead Plaintiff’s opening brief, strongly support the Court’s final approval of the Settlement and approval of the Plan of Allocation.

III. THE REACTION OF THE CLASS STRONGLY SUPPORTS APPROVAL OF LEAD COUNSEL’S REQUEST FOR AN AWARD OF ATTORNEYS’ FEES AND EXPENSES

As this Court has held, “the reasonableness of the requested [attorneys’ fee] award is underscored by the favorable reaction of the class.” *Sturm*, 2012 WL 3589610, at *13 (approving fees and expenses where no class members objected to the requested award). Likewise, the lack of objection from the class is “one of the most important factors” in determining the reasonableness of the requested fees and expenses. *Flag Telecom*, 2010 WL 4537550, at *29.

As noted, over 37,900 copies of the Notice Package were mailed to potential Class Members and nominees. Supp. Murray Decl., ¶¶3-4. The Notice reported that Lead Counsel would request a fee award of 31% of the Settlement Amount, plus expenses and interest. See Murray Decl., Ex. A (Notice) at 2. And consistent with the Notice, Lead Counsel has requested an award of attorneys' fees of 31% of the Settlement Amount, plus expenses and interest. No objection to the requested fee and expenses award has been filed.

In addition, the proposed Class includes numerous sophisticated institutional investors with fiduciary duties to protect their beneficiaries' assets.³ None of those sophisticated entities objected to the requested fee and expenses award. See *In re Signet Jewelers Ltd. Sec. Litig.*, 2020 WL 4196468, at *21 (S.D.N.Y. July 21, 2020) (“[T]he lack of objections by institutional investors is notable, and lends further support to approval of the fee request.”) (approving fee and expenses).

The Class' unanimous approval of Lead Counsel's requested award is consistent with, and underscores, its clear reasonableness. In sum, as set forth in greater detail in Lead Plaintiff's opening brief, Lead Counsel's fee request of 31% falls comfortably within the typical range of percentages awarded by courts in this circuit. ECF 203-1 at 17-18. Finally, Lead Plaintiff has approved the amount of attorneys' fees requested, which lends further validity to the reasonableness of the requested award. *Id.* at 25. See, e.g., *Pearlstein v. Blackberry Ltd.*, 2022 WL 4554858, at *11 (S.D.N.Y. Sept. 29, 2022) (“[N]o member of the Class has objected to Class Counsel's request for reimbursement of expenses Accordingly, Class Counsel's request for reimbursement is granted.”).

³ For example, the Harman merger proxy lists Harman's largest stockholders at the time of the merger as Wellington Management Group LLP, The Vanguard Group, Inc., and BlackRock, Inc. See <https://www.sec.gov/Archives/edgar/data/800459/000119312517014190/d299841ddefm14a.htm>.

IV. CONCLUSION

As confirmed by the unanimously positive reaction from the Class and the lack of a single objection or request for exclusion, the \$28 million Settlement Fund for the Class is a highly favorable culmination to the Litigation. Based on the foregoing and the entire record herein, Lead Plaintiff and Lead Counsel respectfully request that the Court: (1) approve the Settlement and Plan of Allocation as fair, reasonable, and adequate and in the best interests of the Class and enter final approval of the Settlement and Plan of Allocation; and (2) grant Lead Counsel’s application for attorneys’ fees and expenses. *See, e.g., Pearlstein*, 2022 WL 4554858, at *4 (an “overwhelmingly positive response by the Class . . . strongly favors approval”).

DATED: November 3, 2022

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify under penalty of perjury that on November 3, 2022, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the email addresses on the attached Electronic Mail Notice List, and I hereby certify that I caused the mailing of the foregoing via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

s/ David A. Knotts

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Mailing Information for a Case 3:17-cv-00246-RNC Baum v. Harman International Industries, Incorporated et al

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Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

- (No manual recipients)