



## News

### David Schultz Analyzes in ARM Compliance Digest: Judge Grants Plaintiff's Motion to Remand FDCPA Class Action Back to State Court

November 23, 2021

In the November 22, 2021 edition of the *ARM Compliance Digest*, Hinshaw partner David Schultz reports on a case in which a judge lowered the attorney's fees awarded in a Fair Debt Collection Practices Act case by 50%, ruling that a "hyper-technical" violation of the statute that led a jury to award the plaintiff \$200 in damages was fair and reasonable:

*Saxerud v. T-H Professional & Medical Collections* is an excellent example for valuing a case. First, the plaintiff claimed actual and statutory damages for a false statement about the credit reporting status. The jury awarded no actual damages and the judge commented that any such damages was highly unlikely. The jury then awarded only \$200 in statutory damages. The verdict is thus a good indicator of the value for a relative technical violation.

Second, the judge's ruling on the fees is great. He succinctly laid out the factors and then cut the fees by 50% (from about \$30,000 down to \$15,000). The reasons for the reductions hit on things we often see in defending similar cases: (1) damages were at most "modest, (2) the violation was technical, (3) it was a relatively simple matter, (4) Plaintiff's counsel had extensive experience in consumer cases such that there should be efficiencies, (5) "over-lawyering" – the court found it was improper to have two experienced lawyers do a short trial, and (6) the lawyer billed for clerical work.

These rulings can be used with plaintiff's counsel during negotiations and with a judge or mediator in a settlement conference.

[Read the full November 22, 2021 edition of the AccountsRecovery.net Compliance Digest.](#)

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