



**Contra
Costa
County**

To: Board of Supervisors
From: David Twa, County Administrator
Date: June 7, 2016

Subject: Authorize partial settlement of In Re Lithium Ion Batteries Antitrust Litigation (U.S.D.C. Case No. 13-md-02420-YGR, N.D. Cal.).

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Purchasing Agent, on behalf of the County, to accept a partial settlement in the class action lawsuit, *In Re Lithium Ion Batteries Antitrust Litigation* (U.S.D.C. Case No. 13-md-02420-YGR, N.D. Cal.), as recommended by the Purchasing Agent.

FISCAL IMPACT:

The County will be eligible to file a claim for its proportional share of settlement funds after this lawsuit concludes. The exact fiscal impact is unknown and will depend on (1) the dollar value of the County's purchases of covered batteries and products during the specified period, (2) the number of claims submitted by other class members, and (3) the total amount of settlement funds contributed by all defendants.

BACKGROUND:

In Re Lithium Ion Batteries Antitrust Litigation (U.S.D.C. Case No. 13-md-02420-YGR, N.D. Cal.) is a class action lawsuit that was filed against several manufacturers of lithium ion batteries and products that contain those batteries. The lawsuit arises out of an alleged price-fixing scheme that inflated the

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/07/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Mary N. Piepho, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 7, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stacey M. Boyd, Deputy

Contact: Laura Strobel (925)
335-1091

cc:

BACKGROUND: (CONT'D)

prices of lithium ion batteries and products containing the batteries between January 1, 2000, and May 31, 2011. The lawsuit was filed on behalf of consumers that purchased those batteries and products during that period.

The County received a notice that the plaintiff class has agreed to settle the lawsuit against defendants Sony Corporation and its related entities. The lawsuit will continue against the remaining defendants. This settlement will require the Sony defendants to pay a total of \$19 million into a settlement fund. Those funds will not be distributed to class members until the conclusion of the lawsuit against the remaining defendants. If the County participates and the Court approves this partial settlement, the County will be eligible to file a claim to seek a proportional share of the settlement funds when this lawsuit is over.

The Court has granted preliminary approval of the settlement with the Sony defendants. If the County opts out of the settlement, it will not be eligible to make a claim for its share of settlement funds from the Sony defendants. Participating in the settlement will terminate the lawsuit against the Sony defendants that was brought on behalf of the County, and it will prevent the County from independently litigating against the Sony defendants over claims that were raised or could have been raised in the lawsuit.

For these reasons, the Purchasing Agent recommends that the Board of Supervisors authorize the County's participation in this partial settlement.

CONSEQUENCE OF NEGATIVE ACTION:

The County would not be eligible to be paid its proportional share of settlement funds.