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10 IHG MANAGEMENT (MARYLAND) LLC

11
12 UNITED STATES DISTRICT COURT
13 CENTRAL DISTRICT OF CALIFORNIA
14

15 BRYANT STOREY, individually, and on
behalf of other members of the general
16 public similarly situated,

17 \ Plaintiff,

18 v.

19 LA BOUCHERIE ON 71 and DOES 1-
100,

20 Defendants.
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Case No.

**DEFENDANT IHG MANAGEMENT
(MARYLAND) LLC's NOTICE OF
REMOVAL**

(Los Angeles Superior Court, Case
No. BC678045)

Complaint Filed: October 5, 2017
Trial Date: None Set

**TO THE UNITED STATES DISTRICT COURT FOR THE CENTRAL
DISTRICT OF CALIFORNIA AND TO PLAINTIFF, BRYANT STOREY, AND
HIS ATTORNEYS OF RECORD:**

PLEASE TAKE NOTICE that Defendant IHG Management (Maryland) LLC (“IHG”) files this Notice of Removal, pursuant to 28 U.S.C. §§ 1332(c), 1332(d)(2), 1441(a), 1446, and 1453, to effectuate the removal of the above-captioned action from the Superior Court for the County of Los Angeles to the United States District Court for the Central District of California. This Court has original jurisdiction under 28 U.S.C. Sections 1332(c) and (d)(2) (the Class Action Fairness Act of 2005 (“CAFA”)). Removal is proper for the following reasons:

I. BACKGROUND

1. On or around October 5, 2017, Plaintiff Bryant Storey (“Plaintiff”) commenced a putative class action against “La Boucherie On 71” by filing a complaint in the Superior Court of California, County of Los Angeles (the “State Court Action”). The State Court Action is recorded that court’s docket as Case No. BC678045. A copy of the Summons and Complaint is attached hereto as **Exhibit A**.

2. Plaintiff filed a First Amended Complaint on November 7, 2017, asserting claims for violation of the Unfair Competition Law, Cal. Bus. & Prof Code §§ 17200, et seq. (“UCL”), False Advertising Law, Cal. Bus. & Prof. Code §§ 17500, et seq. (“FAL”), and Consumers Legal Remedies Act, Cal. Civil Code § 1750 (“CLRA”). A copy of the Summons and Complaint is attached hereto as **Exhibit B**.

3. On December 11, 2017, counsel for IHG conferred with Plaintiff’s counsel and informed Plaintiff’s counsel that “La Boucherie On 71” is not the correct defendant and that the correct defendant is IHG. (Declaration of Michael J. Burns (“Burns Decl.”), ¶ 3.)

4. On December 27, 2017, Plaintiff filed the operative Second Amended Complaint (the “SAC”) alleging the same claims, but asserting them against the proper defendant, IHG. The SAC is attached hereto as **Exhibit C**.

1 5. In his SAC, Plaintiff alleges that “[o]n or around September 17, 2017,
2 Plaintiff stayed [and] ate at Defendant’s restaurant” and was “presented with a printed
3 food menu in which he could order from a list of several items.” (Ex. C, SAC, ¶¶ 13-14.)

4 6. Plaintiff claims that the menu stated, in relevant part, “Giant Prawns-25” and
5 “French Onion Soup Au Gratin-14” (*Id.*, ¶ 15). Plaintiff purchased one order of the Giant
6 Prawns and two orders of the French Onion Soup Au Gratin, in addition to other menu
7 items. (*Id.* ¶¶ 16-19.) Plaintiff received his bill, which indicated a subtotal of \$288 and
8 state tax of \$26.64 for a total of \$314.64, which Plaintiff paid. (*Id.* ¶¶ 19-20.)

9 7. Plaintiff alleges that after he paid, he looked at the receipt and discovered
10 that he was charged \$27 for the Giant Prawns and \$16 for each French Onion Soup Au
11 Gratin. (*Id.* ¶ 21.)

12 8. Based on these allegations, Plaintiff asserts three causes of action in his SAC
13 against IHG: (1) violation of the UCL; (2) violation of the FAL; (3) violation of the
14 CLRA. (*Id.*, ¶¶ 53-85).

15 9. The SAC seeks to certify a class of “[a]ll persons who, between the
16 applicable statute of limitations and the present, purchased one or more Class Products in
17 the United State whose items were more expensive than advertised.” (*Id.*, ¶ 38.) The
18 terms “Class Products” is not defined in the SAC.

19 10. Defendant has not secured the consent of the “DOE” defendants before
20 removing this action because Defendant does not know the identity of the “DOE”
21 defendants and has no reason to believe that any of them have been properly served or
22 have voluntarily appeared in this action. *See Fristos v. Reynolds Metals Co.*, 615 F.2d
23 1209, 1213 (9th Cir. 1980) (unnamed defendants sued as “DOES” are not required to join
24 in a removal petition).

25 11. IHG was served through its counsel, who accepted service of the Summons
26 and SAC on January 19, 2018. (Burns Decl., ¶ 6.) A true and correct copy of the Notice
27 of Acknowledgement and Receipt of the SAC is attached hereto as **Exhibit D**.

28 12. On February 16, 2018, IHG answered the SAC in Los Angeles County

1 Superior Court. Attached hereto as **Exhibit E** is a true and correct copy of IHG's
 2 Answer.

3 **II. TIMELINESS OF REMOVAL**

4 13. The time for filing a Notice of Removal does not run until a party has been
 5 formally served with the summons and complaint under the applicable state law "setting
 6 forth the claim for relief upon which such action or proceeding is based" or, if the case
 7 stated by the initial pleading is not removable, after receipt of any "other paper from
 8 which it may be first ascertained that the case is one which is or has become removable."
 9 28 U.S.C. §§ 1446; *Murphy Bros., Inc. v. Michetti Pipe Stringing, Inc.*, 526 U.S. 344,
 10 347-48 (1999) (holding that "a named defendant's time to remove is triggered by
 11 simultaneous service of the summons and complaint").

12 14. This Notice of Removal is timely because it is filed within thirty (30) days
 13 of service of the Summons and SAC, which occurred on January 19, 2018. 28 U.S.C.
 14 § 1446(b); *Murphy Bros., Inc. v. Michetti Pipe Stringing, Inc.*, 526 U.S. 344, 347-48
 15 (1999) (holding that "a named defendant's time to remove is triggered by simultaneous
 16 service of the summons and complaint").

17 **III. CLASS ACTION FAIRNESS ACT ("CAFA") REMOVAL**

18 15. This Court has original jurisdiction of this action under CAFA, codified in
 19 pertinent part at 28 U.S.C. § 1332(d)(2). As set forth below, this action is properly
 20 removable, pursuant to 28 U.S.C. § 1441(a), in that this Court has original jurisdiction
 21 over the action, because the aggregate amount in controversy exceeds \$5,000,000,
 22 exclusive of interest and costs, and the action is a class action in which at least one class
 23 member is a citizen of a state different from that of a defendant. 28 U.S.C. §§ 1332(d)(2)
 24 & (d)(6). Furthermore, the number of putative class members is greater than 100.

25 **A. Plaintiff And IHG Are Minimally Diverse**

26 16. CAFA requires only minimal diversity for the purpose of establishing
 27 federal jurisdiction; that is, at least one purported class member must be a citizen of a
 28 state different from any named defendant. 28 U.S.C. § 1332(d)(2)(A). In the instant

1 case, Plaintiff is a citizen of a state (California) that is different from the state of
 2 citizenship of IHG (which is a citizen of Maryland and Georgia).

3 17. For purposes of determining diversity, a person is a “citizen” of the state in
 4 which he or she is domiciled. *Kantor v. Wellesley Galleries, Inc.*, 704 F.2d 1088, 1090
 5 (9th Cir. 1983) (“To show state citizenship for diversity purposes under federal common
 6 law a party must ... be domiciled in the state”). Residence is *prima facie* evidence of
 7 domicile. *State Farm Mut. Auto Ins. Co. v. Dyer*, 19 F.3d 514, 520 (10th Cir. 1994) (“the
 8 place of residence is *prima facie* the domicile”). Citizenship is determined by the
 9 individual’s domicile at the time that the lawsuit is filed. *Armstrong v. Church of*
 10 *Scientology Int’l*, 243 F.3d 546, 546 (9th Cir. 2000) (“For purposes of diversity
 11 jurisdiction, an individual is a citizen of his or her state of domicile, which is determined
 12 at the time the lawsuit is filed”) (citing *Lew v. Moss*, 797 F.2d 747, 750 (9th Cir. 1986)).

13 18. Plaintiff alleges that he is a citizen and resident of the State of California.
 14 (Ex. C, SAC, ¶ 8.)

15 19. At the time of the filing of this action, and at all relevant times, IHG was a
 16 citizen of a state other than California within the meaning of 28 U.S.C. section
 17 1332(c)(1).

18 20. Pursuant to 28 U.S.C. section 1332(c), “a corporation shall be deemed to be
 19 a citizen of any State by which it has been incorporated and of the State where it has its
 20 principal place of business.” In *The Hertz Corp. v. Friend*, 559 U.S. 77 (2010), the
 21 United States Supreme Court clarified the meaning of section 1332(c). Specifically, the
 22 Supreme Court held that a corporation’s “principal place of business” for determining its
 23 citizenship is the corporation’s “nerve center”:

24 We conclude that “principal place of business” is best read as referring to the
 25 place where a corporation’s officers direct, control, and coordinate the
 26 corporation’s activities. It is the place that Courts of Appeals have called the
 27 corporation’s “nerve center.” **And in practice it should normally be the**
 28 **place where the corporation maintains its headquarters -- provided that**
the headquarters is the actual center of direction, control, and
coordination, i.e., the “nerve center”

1 *The Hertz Corp.*, 559 U.S. at 92 (emphasis added).

2 21. IHG manages the Intercontinental Los Angeles Downtown hotel, in which
 3 the “La Boucherie on 71” restaurant alleged in the SAC is located. (Declaration of Chris
 4 Dunne (“Dunne Decl.”), ¶ 6.) IHG is a Maryland Limited Liability Company. (*Id.*, ¶ 4.)
 5 The majority of IHG’s executive and administrative functions, including corporate
 6 finance and accounting, are performed in Atlanta, Georgia, where its corporate
 7 headquarters are located. (*Id.*, ¶ 5.) IHG’s executive operations are managed from its
 8 Georgia headquarters, including but not limited to, those operations relating to
 9 administering company-wide policies and procedures and general operations. (*Id.*) In
 10 addition, IHG was at all relevant times, organized under the laws of the State of
 11 Maryland. (*Id.*).

12 22. Therefore, IHG was not and is not a citizen of the State of California.
 13 Rather, for the purposes of removal jurisdiction, IHG is a citizen of Maryland and
 14 Georgia.

15 23. Because Plaintiff is a citizen of California and Defendant is a citizen of
 16 Maryland and Georgia, minimal diversity exists for purposes of CAFA.

17 24. Pursuant to 28 U.S.C. § 1441(a), the residence of fictitious and unknown
 18 defendants should be disregarded for purposes of establishing removal jurisdiction under
 19 28 U.S.C. § 1332. *Fristoe v. Reynolds Metals Co.*, 615 F.2d 1209, 1213 (9th Cir. 1980)
 20 (unnamed defendants are not required to join in a removal petition); see also *Soliman v.*
 21 *Philip Morris, Inc.*, 311 F. 3d 966, 971 (9th Cir. 2002) (“citizenship of fictitious
 22 defendants is disregarded for removal purposes and becomes relevant only if and when
 23 the plaintiff seeks leave to substitute a named defendant”). Thus, the existence of Doe
 24 defendants 1-100, inclusive, does not deprive this Court of jurisdiction. *Abrego v. Dow*
 25 *Chemical Co.*, 443 F.3d 676, 679-680 (9th Cir. 2006) (rule applied in CAFA removal).

26 **B. There Are More Than 100 Potential Class Members**

27 25. CAFA requires that the aggregated number of members of all proposed
 28 classes in a complaint be at least 100. 28 U.S.C. § 1332(d)(5)(B).

1 26. According to the SAC, the putative class is composed of **thousands** of
 2 persons. The members of the class are so numerous that joinder of all members would be
 3 unfeasible and impractical.” (Ex. C, SAC, ¶ 42) (emphasis added).

4 27. Moreover, during the class period (2013 through 2017), there were tens of
 5 thousands of food and beverage transactions made at hotel restaurants managed by IHG,
 6 including both -restaurant and room service purchases. (Dunne Decl., ¶ 10.)

7 28. Thus, it is reasonable to assume that the putative class consists of greater
 8 than 100 persons.

9 **C. The Amount In Controversy Exceeds The Statutory Minimum**

10 29. CAFA requires that the amount in controversy exceed \$5,000,000, exclusive
 11 of interest and costs. 28 U.S.C. § 1332(d)(2). Under CAFA, the claims of the individual
 12 members in a class action are aggregated to determine if the amount in controversy
 13 exceeds the sum or value of \$5,000,000. 28 U.S.C. § 1332(d)(6). In addition, Congress
 14 intended for federal jurisdiction to be appropriate under CAFA “if the value of the matter
 15 in litigation exceeds \$5,000,000 either from the viewpoint of the plaintiff or the
 16 viewpoint of the defendant, and regardless of the type of relief sought (*e.g.*, damages,
 17 injunctive relief, or declaratory relief).” Senate Judiciary Committee Report, S. Rep. No.
 18 109-14, at 42 (2005), *reprinted in* 2005 U.S.C.C.A.N. 3, 40. The Senate Judiciary
 19 Committee’s Report on the final version of CAFA also makes clear that any doubts
 20 regarding the maintenance of interstate class actions in state or federal court should be
 21 resolved in favor of federal jurisdiction. *Id.* at 42-43 (“if a federal court is uncertain
 22 about whether ‘all matters in controversy’ in a purposed class action ‘do not in the
 23 aggregate exceed the sum or value of \$5,000,000, the court should err in favor of
 24 exercising jurisdiction over the case Overall, new section 1332(d) is intended to
 25 expand substantially federal court jurisdiction over class actions. Its provision should be
 26 read broadly, with a strong preference that interstate class actions should be heard in a
 27 federal court if properly removed by any defendant.”).

28 30. Plaintiff’s SAC does not allege the amount in controversy for the class he

purports to represent. In cases where a plaintiff has not specified an amount in controversy in a petition, the removing defendant “need only plausibly allege, not detail proof of, the amount in controversy.” *Dart Cherokee Basin Operating Co., LLC v. Owens*, 135 S. Ct. 547, 550 (2014). This Court should not decline jurisdiction unless it appears “to a ‘legal certainty’ that the claim is really for less than the jurisdictional amount.” *St. Paul Mercury Indem. Co. v. Red Cab Co.*, 303 U.S. 283, 289 (1938).

31. In *Standard Fire Ins. Co. v. Knowles*, — U.S. —, 133 S.Ct. 1345 (2013), the U.S. Supreme Court held that the proper burden of proof imposed upon a defendant to establish the amount in controversy is the preponderance of the evidence standard. *Accord Rodriguez v. AT&T Mobility Servs. LLC*, 728 F.3d 975, 977 (9th Cir. 2013) (“the proper burden of proof imposed upon a defendant to establish the amount in controversy is the preponderance of the evidence standard”).

32. In 2011, Congress amended the federal removal statute to specify that, where the underlying state practice “permits recovery of damages in excess of the amount demanded . . . removal of the action is proper on the basis of an amount in controversy asserted . . . if the district court finds, by the *preponderance of the evidence*, that the amount in controversy exceeds the amount specified in section 1332(a).” Pub.L. 112–63, December 7, 2011, 125 Stat. 758, § 103(b)(3)(C) (codified at 28 U.S.C. § 1446(c)(2) (emphasis added)); *accord Abrego v. The Dow Chem. Co.*, 443 F.3d 676, 683 (9th Cir. 2006) (“Where the complaint does not specify the amount of damages sought, the removing defendant must prove by a preponderance of the evidence that the amount in controversy requirement has been met”); *Guglielmino v. McKee Foods Corp.*, 506 F.3d 696, 701 (9th Cir. 2007) (“the complaint fails to allege a sufficiently specific total amount in controversy . . . we therefore apply the preponderance of the evidence burden of proof to the removing defendant”). The defendant must show that it is “more likely than not” that the jurisdictional threshold is met. *Sanchez v. Monumental Life Ins. Co.*, 102 F.3d 398, 404 (9th Cir. 1996) (“where a plaintiff’s state court complaint does not specify a particular amount of damages, the removing defendant bears the burden of establishing,

1 by a preponderance of the evidence, that the amount in controversy exceeds \$50,000.
2 Under this burden, the defendant must provide evidence establishing that it is ‘more
3 likely than not’ that the amount in controversy exceeds that amount”); *Schiller v. David’s*
4 *Bridal, Inc.*, 2010 WL 2793650, at *2 (E.D. Cal. July 14, 2010) (same).

5 33. The burden of establishing the jurisdictional threshold “is not daunting, as
6 courts recognize that under this standard, a removing defendant is not obligated to
7 research, state, and prove the plaintiff’s claims for damages.” *Korn v. Polo Ralph Lauren*
8 *Corp.*, 536 F. Supp. 2d 1199, 1204-05 (E.D. Cal. 2008) (internal quotations omitted); *see*
9 *also Valdez v. Allstate Ins. Co.*, 372 F.3d 1115, 1117 (9th Cir. 2004) (“the parties need
10 not predict the trier of fact’s eventual award with one hundred percent accuracy”).

11 34. It is well-settled that “the court must accept as true plaintiff’s allegations as
12 plead in the Complaint and assume that plaintiff will prove liability and recover the
13 damages alleged.” *Muniz v. Pilot Travel Ctrs. LLC*, 2007 WL 1302504, *3 (E.D. Cal.
14 May 1, 2007) (denying motion for remand of a class action for claims under the
15 California Labor Code for missed meal and rest periods, unpaid wages and overtime,
16 inaccurate wage statements, and waiting-time penalties).

17 35. As explained by the Ninth Circuit, “the amount-in-controversy inquiry in the
18 removal context is not confined to the face of the complaint.” *Valdez v. Allstate Ins. Co.*,
19 372 F.3d 1115, 1117 (9th Cir. 2004); *see also Rodriguez v. AT&T Mobility Servs. LLC*,
20 728 F.3d 975, 981 (9th Cir. 2013) (holding that the ordinary preponderance of the
21 evidence standard applies even if a complaint is artfully pled to avoid federal
22 jurisdiction); *Guglielmino v. McKee Foods Corp.*, 506 F.3d 696, 702 (9th Cir. 2007)
23 (holding that even if a plaintiff affirmatively pled damages less than the jurisdictional
24 minimum and did not allege a sufficiently specific total amount in controversy, the
25 removing defendant is still only required to show by a preponderance of evidence that the
26 amount in controversy exceeds the jurisdictional threshold).

27 36. The SAC seeks relief on behalf of “[a]ll persons who, between the
28 applicable statute of limitations and the present, purchased one or more Class Products in

1 the United State whose items were more expensive than advertised.” (Ex. A, SAC, ¶ 38.)

2 37. The terms “Class Products” is not defined in the SAC, and thus encompasses
3 all menu items offered in all restaurants operating in all United States hotels managed by
4 IHG.

5 38. The statute of limitations for claims under the UCL and FAL is “four years
6 after the cause of action accrued.” Cal. Bus & Prof. Code § 17208. The statute of
7 limitations for CLRA claims is three years. *See* Cal. Civ. Code § 1783.

8 39. As set forth below, the alleged amount in controversy implicated by the
9 class-wide allegations exceeds \$5,000,000. All calculations supporting the amount in
10 controversy are based on the SAC allegations, assuming, without any admission of the
11 truth of the facts alleged and assuming solely for purposes of this Notice of Removal that
12 liability is established.

13 **1. Alleged Overcharge For “Class Products” Purchased In**
14 **Restaurants And Via Room Service**

15 40. There are 70 restaurant outlets in the hotels managed by IHG in the United
16 States. The following table sets forth the total in-restaurant revenues for each year from
17 2013 through 2017:

In-Restaurant Revenue	
2013	\$49,963,171
2014	\$52,028,724
2015	\$51,691,951
2016	\$52,883,706
2017	\$64,940,964
Total	\$271,508,516

26 (See Dunne Decl., ¶ 7.)

27 41. In addition to offering food and beverages for in-restaurant dining, the
28 majority of the restaurants in the hotels managed by IHG in the United States also offer

room service to hotel guests. The following table sets for the total room service revenues for each year from 2013 through 2017:

Room Service Revenue	
2013	\$10,776,065
2014	\$10,535,562
2015	\$10,449,991
2016	\$11,498,960
2017	\$13,880,780
Total	\$57,141,278

(See Dunne Decl., ¶ 8.)

42. Thus, the restaurant revenues for 2013 through 2017 total **\$328,649,794**.

43. In his SAC, Plaintiff alleges that he was overcharged \$6 on a total bill of \$314.64. (See SAC, ¶¶ 15-19.) Thus, Plaintiff alleges that he was overcharged by approximately 1.91% (6/314.64). Assuming that each of the putative class members were similarly overcharged 1.91%, and applying that alleged percentage overcharge to total revenue of \$328,649,794 yields a total amount in controversy of **\$6,267,159**.

44. Based on Plaintiff's allegations that "no violations alleged in this complaint are contingent on any individualized interaction of any kind between class members and Defendant" and that "all claims in this matter arise from the identical, false, affirmative written statements that the price was less expensive, when in fact, such representations were false," that the claims at issue apply to purported "Class Products" and are not limited to the "Giant Prawns" and "French Onion Soup Au Gratin" purchased by Plaintiff, and Plaintiff's counsel's representation that Plaintiff's claims are not limited to the "Giant Prawns" and "French Onion Soup Au Gratin" purchased by Plaintiff (see Burns Decl., ¶ 4), it is reasonable to assume an identical 1.91% overcharge on all transactions. See *Mejia v. DHL Express (USA), Inc.*, No. CV 15-890-GHK JCX, 2015 WL 2452755, at *4 (C.D. Cal. May 21, 2015) ("It is not unreasonable to assume that

1 when a company has unlawful policies and they are uniformly ‘adopted and maintained,’
 2 then the company may potentially violate the law in each and every situation where those
 3 policies are applied . . . and a 100% violation rate is not an unreasonable assumption to
 4 use in estimating the amount in controversy in light of the allegations.”).

5 **2. Punitive Damages**

6 45. Plaintiff also seeks punitive damages. (See Ex. A, SAC at Prayer for Relief,
 7 ¶ (f). Using a conservative punitive to compensatory damage ratio of 2:1, Plaintiff’s
 8 punitive damages would total \$12,534,317. Added to Plaintiff’s potential compensatory
 9 damages/restitution of \$6,267,159, this amount (**\$18,801,476**) is clearly enough to meet
 10 the amount-in-controversy requirement. *See, e.g., Pendergrass v. Time Ins. Co.*, 2010
 11 WL 989154, * 2 (W.D. Ky. 2010) (finding a contract claim over \$35,000 met the amount
 12 in controversy requirement based on the potential of punitive damages and attorney’s
 13 fees); *Brantley v. Safeco Insurance Company of America*, No. 1:11–CV–00054–R, 2011
 14 WL 3360670 (W.D.Ky. 2011) (same).

15 **3. Attorneys’ Fees**

16 46. Plaintiff also seeks attorneys’ fees on his CLRA claim. (Ex. B, FAC, Prayer
 17 for Relief, ¶ (h).) Requests for attorneys’ fees must also be taken into account in
 18 ascertaining the amount in controversy. *Galt G/S v. JSS Scandinavia*, 142 F.3d 1150,
 19 1156 (9th Cir. 1998) (claims for statutory attorneys’ fees are to be included in amount in
 20 controversy, regardless of whether award is discretionary or mandatory); *Brady v.*
 21 *Mercedes-Benz USA, Inc.*, 243 F. Supp. 2d 1004, 1010-11 (N.D. Cal. 2002) (“Where the
 22 law entitles the prevailing plaintiff to recover reasonable attorney fees, a reasonable
 23 estimate of fees likely to be incurred to resolution is part of the benefit permissibly
 24 sought by the plaintiff and thus contributes to the amount in controversy”).

25 47. A reasonable estimate of fees likely to be recovered may be used in
 26 calculating the amount in controversy. *Longmire v. HMS Host USA, Inc.*, 2012 WL
 27 5928485, at *9 (S.D. Cal. Nov. 26, 2012 (“[C]ourts may take into account reasonable
 28 estimates of attorneys’ fees likely to be incurred when analyzing disputes over the

1 amount in controversy under CAFA.”) (citing *Brady v. Mercedes-Benz USA, Inc.*, 243 F.
 2 Supp. 2d 1004, 1010-11 (N.D. Cal. 2002)); *Muniz v. Pilot Travel Centers LLC*, 2007 U.S.
 3 Dist. LEXIS 31515, at *15 (E.D. Cal. Apr. 30, 2007) (attorneys’ fees appropriately
 4 included in determining amount in controversy).

5 48. In the class action context, courts have found that 25 percent of the
 6 aggregate amount in controversy is a benchmark for attorneys’ fees award under the
 7 “percentage of fund” calculation and courts may depart from this benchmark when
 8 warranted. *See Campbell v. Vitran Exp., Inc.*, 471 F. App’x 646, 649 (9th Cir. 2012)
 9 (attorney’s fees appropriately included in determining amount in controversy under
 10 CAFA); *Powers v. Eichen*, 229 F.3d 1249, 1256-1257 (9th Cir. 2000) (“We have also
 11 established twenty-five percent of the recovery as a ‘benchmark’ for attorneys’ fees
 12 calculations under the percentage-of-recovery approach”); *Wren v. RGIS Inventory*
 13 *Specialists*, 2011 U.S. Dist. LEXIS 38667 at *78-84 (N.D. Cal. Apr. 1, 2011) (finding
 14 ample support for adjusting the 25% presumptive benchmark upward and found that
 15 plaintiffs’ request for attorneys’ fees in the amount of 42% of the total settlement
 16 payment was appropriate and reasonable in the case); *Cicero v. DirecTV, Inc.*, 2010 U.S.
 17 Dist. LEXIS 86920 at *16-18 (C.D. Cal. July 27, 2010) (finding attorneys’ fees in the
 18 amount of 30% of the total gross settlement amount to be reasonable); *see also In re*
 19 *Quintas Securities Litigation*, 148 F. Supp. 2d 967, 973 (N.D. Cal. 2001) (noting that in
 20 the class action settlement context the benchmark for setting attorneys’ fees is 25 percent
 21 of the common fund). Even under the conservative benchmark of 25 percent of the total
 22 recovery for the applicable claims, attorneys’ fees alone would be upward of **\$4,700,369**
 23 (25% x \$18,801,476).

24 49. Although IHG denies Plaintiff’s allegations that he or the putative class are
 25 entitled to any relief, based on Plaintiff’s allegations and prayer for relief, and a
 26 conservative estimate based on those allegations, the total amount in controversy far
 27 exceeds the \$5,000,000 threshold set forth under 28 U.S.C. § 1332(d)(2) for removal
 28 jurisdiction.

1 50. Because minimal diversity of citizenship exists, and the amount in
2 controversy exceeds \$5,000,000, this Court has original jurisdiction of this action
3 pursuant to 28 U.S.C. § 1332(d)(2). This action is therefore a proper one for removal to
4 this Court pursuant to 28 U.S.C. § 1441(a).

5 **IV. VENUE**

6 51. Venue lies in the United States District Court for the Central District of
7 California, pursuant to 28 U.S.C. §§ 1391(a), 1441, and 84(c). This action originally was
8 brought in Los Angeles County Superior Court of the State of California, which is
9 located within the Central District of California. 28 U.S.C. § 84(c). Therefore, venue is
10 proper because it is the “district and division embracing the place where such action is
11 pending.” 28 U.S.C. § 1441(a).

12 52. A true and correct copy of this Notice of Removal will be promptly served
13 on Plaintiff and filed with the Clerk of the Los Angeles County Superior Court of the
14 State of California as required under 28 U.S.C. § 1446(d).

15 **V. NOTICE TO STATE COURT AND TO PLAINTIFF**

16 53. Defendant will give prompt notice of the filing of this Notice of Removal to
17 Plaintiff and to the Clerk of the Superior Court of the State of California in the County of
18 Los Angeles. The Notice of Removal is concurrently being served on all parties.

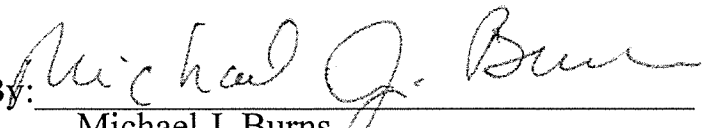
19 **VI. CONCLUSION**

20 54. WHEREFORE, Defendant submits that this civil action be removed from
21 Superior Court of the State of California for the County of Los Angeles to the United
22 States District Court for the Central District of California.

1 DATED: February 16, 2018

Respectfully submitted,

2 SEYFARTH SHAW LLP

3
4 By: 
5 Michael J. Burns
Joseph A. Escarez

6 Attorneys for Defendant
7 IHG MANAGEMENT (MARYLAND)
8 LLC
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