

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

IN RE DOMESTIC AIRLINE TRAVEL
ANTITRUST LITIGATION

This Document Relates To:

ALL CASES

**MDL Docket No. 2656
Misc. No. 15-1404 (CKK)**

**ORDER APPROVING PLAINTIFFS' MOTION FOR FINAL
APPROVAL OF SETTLEMENT AGREEMENTS WITH
SOUTHWEST AIRLINES CO. AND AMERICAN AIRLINES, INC.
(May 9, 2019)**

Pending before this Court is Plaintiffs' [299] Motion for Final Approval of Settlement Agreements with Southwest Airlines Co. ("Southwest") and American Airlines, Inc. ("American") On December 20, 2017, Plaintiffs entered into a settlement with Southwest ("Southwest Settlement") whereby Southwest was to provide a payment of \$15 million and cooperation, in exchange for a release of claims and a dismissal from this pending class action litigation. This Court preliminarily approved the Southwest Settlement on January 3, 2018. *See* Order, ECF No. 197. On June 14, 2018, Plaintiffs entered into a settlement with American ("American Settlement") whereby American was to provide a payment of \$45 million and cooperation, in exchange for a release of claims and a dismissal from this pending class action litigation. The Court preliminarily approved the American Settlement on June 18, 2018. *See* Order, ECF No. 249.

On August 2, 2018, Plaintiffs filed a [257] Motion for Approval of Settlement Notice Program, which combined notice for the Southwest and American Settlements. The Notice Program proposed that notice to the approximately 100 million members of the Settlement Classes

(as defined herein) be provided through direct notice via email, and supplemented by notice through national publications, an earned media program, an online outreach program and digital advertising. On August 22, 2018, the Court approved Plaintiffs' proposed Settlement Notice Program. *See* Order, ECF No. 267. The Court determined that the notice was "the best notice practicable under the circumstances of this case," in compliance with Fed. Rule Civ. P. 23 and due process. *See* Memorandum Opinion, ECF No. 268. Upon provision of notice to Class Members, there was an opportunity for them to opt out of and/or to file objections to the proposed Settlements. Objections received by Class Members were recorded on the Court's docket. *See* Appendix A, ECF No. 334-1. Plaintiffs filed their [334] Omnibus Response to the Objections. The Court held a Fairness Hearing on March 22, 2019, to consider Plaintiffs' [299] Motion for Final Approval of the Settlements and the Objections. During the Fairness Hearing, the Court heard oral argument from Plaintiffs' Interim Class Counsel, counsel for Southwest and counsel for American, as well as two Class Members who had filed Objections to the proposed Settlements.

The Court, having reviewed the [299] Motion for Final Approval of Settlements, the Southwest Settlement, the American Settlement, the Objections filed by Class Members, and the record in this case, including statements made at the March 22, 2019 Fairness Hearing, hereby finds that the two Settlements should be approved, for the reasons explained in more detail in the accompanying Memorandum Opinion. Accordingly, it is this 9th day of May 2019,

ORDERED, ADJUDGED, and DECREED THAT:

1. The Southwest Settlement and the American Settlement are attached hereto, as Exhibits A and B, and are incorporated by reference.
2. The Court has jurisdiction over the subject matter of this litigation, and all actions within this litigation (collectively, the "Action") and over the parties to the Settlement

Agreements, including all members of the Settlement Classes (“Class Members”) and the Settling Defendants, Southwest and American.

3. Pursuant to Federal Rule of Civil Procedure 23(g), the Court hereby confirms that Cotchett, Pitre & McCarthy and Hausfeld LLP, who were appointed as Plaintiffs’ Interim Class Counsel, are appointed as Settlement Class Counsel and that Plaintiffs Boston Amateur Basketball Club, Katherine Rose Warnock, Cherokii Verduzco, Kumar Patel, Samantha White, Howard-Sloan Koller Group Inc., Breanna Jackson, Stephanie Jung, Elizabeth Cumming, and Steven Yeninas are appointed to serve as Class Representatives on behalf of the Settlement Classes.
4. Pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3), the Court adopts the parties’ stipulation that the following Classes are certified for settlement purposes only:

- a. Southwest Settlement Class

All persons and entities that purchased air passenger transportation services for flights within the United States and its territories and the District of Columbia from Defendants or any predecessor, subsidiary or affiliate thereof, at any time between July 1, 2011 and December 20, 2017. Excluded from the class are governmental entities, Defendants, any parent, subsidiary or affiliate thereof, Defendants’ officers, directors, employees, and immediate families, and any judges or justices assigned to hear any aspect of this action.

- b. American Settlement Class

All persons and entities that purchased air passenger transportation services for flights within the United States and its territories and the District of Columbia from Defendants or any predecessor, subsidiary or affiliate thereof, at any time between July 1, 2011 and June 14, 2018. Excluded from the class are governmental entities, Defendants, any parent, subsidiary or affiliate thereof, Defendants’ officers, directors, employees, and immediate families, and any judges or justices assigned to hear any aspect of this action

5. The person and entities identified in the attached Exhibit C (which was provided by Plaintiffs) have requested exclusion from one or both of the Settlement Classes. Those

persons and entities listed are not included in or bound by this Order if they have timely and validly excluded themselves. Such persons and entities are not entitled to any recovery of the money obtained through these Class Settlements.

6. The parties have indicated that the Settling Defendants provided notice of the proposed Settlements to the appropriate state and federal government officials pursuant to 28 U.S.C. § 1715.
7. The Court GRANTS the Plaintiffs' [299] Motion for Final Approval of the Settlement Agreements. The Court approves and confirms the Settlements and finds that, within the meaning of and in compliance with the applicable requirements of Federal Rule of Civil Procedure 23 and the case law in this Circuit, both Settlements are, in all respects, fair, reasonable, and adequate to the Settlement Classes. Both Settlements resulted from arm's-length negotiations between highly experienced counsel who adequately represented the class; the Settlements treat class members equitably relative to each other; and the relief provided in the Settlements is adequate in light of the costs and risks of continued litigation and the benefits of cooperation, and the proposed manner in which claims for relief will be processed and relief will ultimately be distributed to the Settlement Classes under a plan of allocation (which will entail notice and an opportunity to make claims/objections). The Settlement Funds (\$60 million cumulatively collected from Southwest [\$15 million] and American [\$45 million]) will not be distributed until the Total Funds Available for Distribution (amount collected from all Defendants at the conclusion of the entire case) has been determined.
8. Plaintiffs' request for an award of attorneys' fees and future litigation expenses have both been stayed until further Order of this Court.

9. Without affecting the finality of this Order in any way, this Court hereby retains continuing jurisdiction over:

- a. implementation of these settlements and any distribution to members of the Settlement Classes pursuant to further orders of this Court;
- b. disposition of the Settlement Funds (which does not involve the Settling Defendants, as per the language of the Settlements);
- c. determining attorneys' fees, costs, expenses, and interest;
- d. the Action until Final Judgment contemplated hereby has become effective and each and every act agreed to be performed by the parties all have been performed pursuant to the Settlements;
- e. hearing and ruling on any matters relating to the plan of allocation of settlement proceeds; and
- f. all parties to the Action and Releasing Parties, for the purpose of enforcing and administering the Settlements and the mutual releases and other documents contemplated by or executed in connection with the Settlements.

10. The Court hereby DISMISSES WITH PREJUDICE the action against the Settling Defendants, Southwest and American, with each party to bear their own costs and fees, including attorneys' fees, except as provided in the respective Settlements.

11. The Court incorporates by reference and adopts all the release provisions found in the Settlements attached to this Order as Exhibits A and B.

IT IS SO ORDERED

DATED: May 9, 2019

_____/s/_____
COLLEEN KOLLAR-KOTELLY
UNITED STATES DISTRICT JUDGE