

Consumer Protection Group Of The Year: Edelson PC

By Diana Novak Jones

Law360, Chicago (January 16, 2018, 3:31 PM EST) -- Edelson PC defended consumers against everything from unwanted robocalls to nosy sex toys over the last year, with more than \$130 million in settlements demonstrating why the firm was named among Law360's Consumer Protection Practice Groups of the Year.

While the firm continued to build on its reputation for lawsuits dealing with the newest technologies, several of its major cases in the last year showed that industries outside of the tech space aren't safe from Edelson's scrutiny.

"We are picking cases that we think are important, and that we think we can add value to," Edelson partner Christopher Dore told Law360.

And they're bringing those cases to ends that give consumers real benefits. The firm kicked off the year with a \$76 million deal ending a Telephone Consumer Protection Act suit against a Caribbean cruise company that the firm said is earning some class members tens of thousands. The firm believes it is the largest deal under the statute since its enactment in 1991.

That TCPA settlement was followed by four more totaling just under \$31 million, according to the firm.

"We've always taken the position with defendants that we are going to insist on better settlements than other firms," said Jay Edelson, the firm's founder and CEO.

The Caribbean Cruise Line deal, reached just days before the case was set for trial in September 2016, let defendants know the firm is ready to try cases if the right offer doesn't materialize, Edelson said.

"That reinforces the message that we give more generally to defendants, and it's been very helpful for defendants to make efficient decisions," he said.

Amid all its TCPA work, Edelson PC negotiated a settlement valued at nearly \$17 million reached on behalf of members at 24 Hour Fitness.

The deal, announced in March, ended claims the company had promised customers fixed membership



rates but later raised them. The deal gave 250,000 customers the chance to request refunds of the upped fees and cap their fees for life. Class members who don't request the refunds automatically get 10 percent of the fee increase back and three years of capped rates, according to the settlement.

The 27-member firm's success has put it in expansion mode, and it says its plans for 2018 include several suits brought on behalf of cities and counties over the opioid epidemic and major data breaches.

Edelson PC was also tapped by the city of Chicago in late 2017 to take the lead on a lawsuit against Uber after it reported a data breach affecting 57 million users.

"The class action bar has failed when it comes to large-scale data-breach class actions," Jay Edelson said. "We've been starting to work with regulators to bring suits that are going to be more successful than the class actions themselves."

Chicago called on the firm because of its expertise on data privacy issues, a knowledge base it demonstrated through several suits last year.

In September, the firm secured a \$7.6 million settlement in a suit against a magazine publisher over claims it sold data on hundreds of thousands of Michigan readers. The settlement represented the largest ever reached under Michigan's Video Rental Privacy Act, which protects residents' privacy concerning their reading and viewing habits, according to the firm.

And anyone can appreciate why privacy was critical in Edelson's case N.P. v. Standard Innovation Corp., which settled in March. While it might be hard to tell from its benign-sounding name, the Standard Innovation case was a groundbreaking suit involving sex toys.

After Edelson's in-house tech lab allegedly discovered the web-enabled We-Vibe was collecting data on its users without their consent, the firm filed suit. Ultimately, Edelson brought home a \$3.75 million settlement and a promise from the company that it would stop collecting data and destroy any information it had.

That case was "front to back in terms of using our tech skills and in-house lab to understand best what exactly was going on with this item, how exactly it works, and being able to translate that into concrete and maybe unique claims," Dore said. "That personifies what we want to be able to do over here and how we serve class members."

The firm believes that case is the first ever settlement involving the "internet of things" — the world of web-connected objects. And Jay Edelson said he doesn't see any signs of a slowdown in privacy issues involving these products anytime soon.

"Companies are worth billions based only on the fact that they have your data. Silicon Valley has understood the value of people's private information," he said. "In the coming years, that's going to become even more stark."

--Additional reporting by Dave Simpson and Ryan Boysen. Editing by Jeremy Barker.