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6 *Attorneys for Plaintiff State of Missouri*
7 *And Co-Liaison Counsel for States*

8 **IN THE UNITED STATES DISTRICT COURT**
9 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**

11 IN RE: TFT-LCD (FLAT PANEL)
ANTITRUST LITIGATION

Master File No. 3:07-md-1827 SI
MDL No. 1827

12 This Document Relates to:

13 ALL INDIRECT-PURCHASER ACTIONS

14 *State of Missouri, et al. v. AU Optronics*
15 *Corporation, et al.,*
Case No. 10-cv-03619 SI;

16 *State of Florida v. AU Optronics*
17 *Corporation, et al.,*
Case No. 10-cv-3517 SI; and

18 *State of New York v. AU Optronics*
19 *Corporation, et al.,*
Case No. 11-cv-0711-SI.

EXHIBIT 3 - DECLARATION OF
ANNE E. SCHNEIDER IN
SUPPORT OF THE STATES
ATTORNEYS GENERAL'S
MOTION FOR FEES AND
ADDITIONAL COSTS

Hearing Date: November 29, 2012
Time: 3:30 p.m.
Courtroom: 10, 19th Floor
The Honorable Susan Illston

20
21 I, ANNE E. SCHNEIDER declare under penalty of perjury pursuant to 28 U.S.C. § 1746
22 that the following is true and correct:

23 1) I am an attorney licensed to practice law by the Missouri State Bar and am duly
24 admitted to practice before this Court on a *pro hac vice* basis. I am, and have been since 1988, a
25 duly appointed Assistant Attorney General for the State of Missouri. I am an attorney of record
26 for the State of Missouri in this matter.

27 EXHIBIT 3 - DECLARATION OF ANNE E. SCHNEIDER
STATE OF MISSOURI

MASTER FILE NO. 07-MD-1827-SI
CASE NO. 3:10-CV-3619-SI

1 2) I submit this declaration in support of the State Attorneys General's Joint Motion
 2 for Attorneys Fees and Additional Costs ("States' Motion"). I make this declaration based on
 3 my own personal knowledge. If called as a witness, I could and would competently testify to the
 4 matters stated herein. The time expended by myself and my office in preparing this Affidavit is
 5 not included in the States' Motion.

6 3) Pursuant to the Court's Case Management Order No. 1, the State of Missouri has
 7 maintained contemporaneous records of time spent and the expenses incurred in connection with
 8 this litigation. The Attorney General's Office maintains an internal electronic timekeeping
 9 system that tracks attorney time by the 10th of an hour. A summary of Missouri's time reports,
 10 reflecting monthly hours spent by all timekeeping employees, is contained to the States' Motion
 11 as Exhibit 1-C.

12 4) The following persons employed by the Missouri Attorney General's Office
 13 recorded their hours on a contemporaneous basis through our office's time-keeping system or, in
 14 the case of non-attorneys, independently recorded their hours on a contemporaneous basis. Legal
 15 interns and law clerks recorded their hours, but the value of their hours is not included in our
 16 calculation of fees.

Anne E. Schneider	Assistant Attorney General/Antitrust Counsel	Licensed since 1988 (Case responsibilities from 1/2009 to present)
Andrew Hartnett	Assistant Attorney General	Licensed since 2007 (Case responsibilities from 5/09 to 9/11)
Brianna Lennon	Assistant Attorney General	Licensed since 2011 (Case responsibilities from 8/11 to present)
Rob Almony	Assistant Attorney General	Licensed since 2007 (Case Responsibilities from 11/10 to 8/11)
Brian Bear	Assistant Attorney General	Licensed since 2009 Case responsibilities in 2/11

1	Marsha Presley	Paralegal	Case responsibilities from 6/09 to present
2	Ammon Simon	Intern	Case responsibilities during the summer of 2011.
3	Jacob Westen	Intern	Case responsibilities during the summer of 2011.
4	Robin Caruthers	Intern	Case responsibilities during the summer of 2012.
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6			

7 **Description of Missouri's Work in this Matter**

8 5) The State of Missouri, joined by the States of Arkansas, Michigan, West Virginia
9 and Wisconsin, filed an action in August 2010, alleging an international price-fixing conspiracy
10 by major manufacturers of TFT-LCD panels from at least 1999 through 2006. (See Dkt. No.
11 2693 for current versions of the States' complaint.) Missouri lead and coordinated the drafting
12 effort for this five-State complaint and added its own Missouri-specific counts, including
13 requests for injunctive relief pursuant to Section 16 of the Clayton Act, 15 U.S.C. § 16 for
14 Defendants' violations of Section 1 of the Sherman Act, 15 U.S.C. § 1 and Missouri's antitrust
15 and merchandising practices laws, civil penalties for violations of Missouri's laws, and
16 restitution under Missouri's consumer protection laws, in addition to the recovery of costs of the
17 investigation and prosecution, as provided by both federal and Missouri law.

18 6) I and other Assistant Attorneys General in my office completed a variety of tasks
19 relating to the pre-litigation investigation, the litigation and defense of the claims asserted in the
20 Missouri complaint and our administrative and litigation-related role as Court-appointed Co-
21 Liaison for the States and as the designated liaison for the States participating in Court-directed
22 mediation. The work done by the Missouri Attorney General's Office contributed to both the
23 litigation efforts in the instant actions now being settled and the accomplishment of the several
24 settlements for the benefit of not only Missouri end-purchasers of TFT-LCD panels, but of all of
25 the Settling Plaintiffs.

Pre-Litigation Investigation

1
2 7) The Missouri Attorney General's Office began its investigation into the conduct
3 of the manufacturers of TFT-LCD panels in early January, 2009 when we joined a newly-formed
4 multistate working group to investigate the industry and the conduct underlying recently-
5 announced federal indictments and guilty pleas to charges of unlawful price-fixing activities in
6 the TFT-LCD industry.

7 8) Between January and April, 2009, an Assistant Attorney General participated in
8 the multistate investigation, served civil investigative demands upon the targets, and learned
9 more about the industry. From April through mid-May, I handled the file as we transitioned to a
10 new Assistant Attorney General, Andrew Hartnett, who assumed primary case responsibility
11 through the pre-litigation investigation. During this period we issued additional civil
12 investigative demands to the product manufacturers or direct purchasers, including Dell and
13 Apple. A list of all Missouri's civil investigative demands is included in Exhibit 3-G attached to
14 this Declaration. Not all of the manufacturers complied with our investigative demands. We also
15 talked with state purchasers and collected state purchase data and underlying documents, and we
16 participated in a coordinated review of more than 1.5 terabytes of data collected through the
17 several states' subpoenas. We also reviewed pleadings in the criminal and civil cases and
18 researched potential experts and the expert work already done in the litigation. This coordinated
19 investigation included:

20 a) Issuance of and negotiation of compliance with investigative subpoenas to
21 numerous original equipment manufacturers from whom the Attorneys General believed
22 consumers and states had purchased TFT-LCD products;

23 b) Issuance of and negotiation of compliance with investigative subpoenas to
24 the manufacturers of TFT-LCD Panels and their U.S. subsidiaries and affiliates;

25 c) Negotiation and execution of tolling agreements with several of the
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1 manufacturers of TFT-LCD Panels and their U.S. subsidiaries and affiliates that we
2 believed to be involved in the TFT-LCD cartel;

3 d) Negotiation and execution of settlement agreements with Chunghwa
4 Picture Tubes, Ltd.;

5 e) Participation in person and via videoconference in a proffer session with
6 executives from Chunghwa Picture Tubes, Ltd.;

7 f) Review of voluminous documents produced by Chunghwa Picture Tubes,
8 Ltd.;

9 g) Review of thousands of documents produced by original equipment
10 manufacturers in response to the Attorneys General's investigative subpoenas;

11 h) Review of documents produced by TFT-LCD manufacturers in response
12 to the several states' investigative subpoenas;

13 i) Negotiation and execution of common interest and cost share agreements
14 with the multistate group to ensure investigative efficiency;

15 j) Working with a consulting expert; and

16 k) Drafting a complaint and making arrangements for litigation.

17 9) Missouri agreed to provide leadership for the five States of Missouri, Arkansas,
18 Michigan, West Virginia and Wisconsin. On August 17, 2010, the Missouri Attorney General
19 filed an action, joined by the States of Arkansas, Michigan, West Virginia, and Wisconsin.

20 Litigation

21 10) The Missouri Attorney General's Office provided leadership initially for the five-
22 State group. Then, on November 23, 2010, the Court appointed me and my counterpart in the
23 Florida Attorney General's Office, Nicholas Weilhammer, as Co-Liaison Counsel for the States
24 Attorneys General. (Dkt. No. 2164). The duties associated with our appointment are set forth in
25 Pretrial Order # 1 (Dkt. No. 180), including the responsibility for collecting reports of hours and
26

1 costs incurred by the States that have collectively pursued litigation. Co-Liaison counsel have
2 shared these responsibilities.

3 11) Missouri participated in and provided leadership in litigation activities including
4 drafting of pleadings, attendance at hearings, and pursuing discovery:

5 *Pleadings and Appearances*

- 6 • Drafted the Complaint and Amended Complaint. (Dkt. No. 2693)
- 7 • Negotiated a stipulated agreement by Defendants for waiver of service. (Dkt. No.
8 2046)
- 9 • Filed a Memorandum in Support of Indirect-Purchaser Plaintiffs' Motion for
10 Leave to Amend Complaint when counsel for the Class sought to add a Missouri
11 consumer class as allowed by Section 407.025, Mo. Rev. Stat. (Dkt. No. 2059)
- 12 • Attended case status hearing before Special Master Quinn on November for the
13 purpose of discussing the pre-trial schedule and other issues in the MDL on behalf
14 of the jointly-filing States.
- 15 • Negotiated a stipulation with all other parties to revise the Protective Order,
16 which was entered November 18, 2010 (Dkt. No. 2155) and coordinated the
17 States' joinder in other stipulations.
- 18 • Responded to Defendants' effort to dismiss the Missouri claim. (Combined
19 Response of the States of Missouri, Michigan, West Virginia, and Wisconsin to
20 Defendants' Joint Motion to Dismiss Complaint Dkt. No. 2383)
- 21 • Attending the hearing on Defendants' Joint Motion to Dismiss Complaint on
22 February 18, 2011.
- 23 • Submitted supporting letter joining Indirect-Purchaser Plaintiff's Motion for
24 Abrogation of Protective Order on March 4, 2011 and additional declaration on
25 April 1, 2011, and attending hearing on March 5 before Special Master. (Dkt. No.
26

1 2715)

- 2 • Submitted a letter confirming that Missouri concurred with certification of a
- 3 Missouri consumer class. (Dkt. No. 2966)
- 4 • Assisted class counsel with legal research of Missouri on topics including
- 5 ascertainability standards, aggregate damages, fluid recovery, and damages in
- 6 relation to multiple motions for summary judgment, including Defendants’
- 7 Motion to Decertify the Classes or in the Alternative for Summary Judgment.
- 8 (Dkt. No. 3492)
- 9 • Submitted partial opposition to Defendants’ request to extend discovery as to
- 10 State’s purchasing agency on December 13, 2011 and attended hearing before
- 11 Special Master on December 16, 2011, and obtained modification. (Dkt. No.
- 12 4413)
- 13 • Submitted a letter opposing Defendants’ Expert Deposition Schedule on March 9,
- 14 2012 and attended telephonic hearing before Special Master on March 13, 2012
- 15 which resulted in a modification of the deposition schedule. (Dkt. No.5161)
- 16 • Submitted an opposition to a motion by LG Display to compel production of
- 17 materials related to the work performed by the States’ expert and his consulting
- 18 firm on March 30, 2012 and attended telephonic hearing on April 6, 2012. (Dkt.
- 19 Nos.# 5538 and 5594)
- 20 • Joined in Indirect-Purchaser Plaintiffs, appleEcon LLC’s, John Metzler’s and State
- 21 Attorneys General’s Objection to Special Master’s Order re LG Display’s Motion
- 22 to Compel Compliance with Subpoenas to AppleEcon and John Metzler. (Dkt.
- 23 Nos. 5538 and 5594)
- 24 • Supported the Motions for Preliminary Approval of Settlements with Declarations
- 25 on behalf of the Settling States. (Dkt. Nos. 4424-13)

- Supported the Motion for Final Approval of Settlements with a Declaration on behalf of the Settling States. (Dkt. Nos. 5600-2)
- Supported the Motion for Preliminary Approval of Settlements with Declarations on behalf of the Settling States. (Dkt. Nos. 6141-6)
- Attended hearing on Indirect-Purchaser Plaintiff's and States Attorneys General's Motion for Final Approval on May 18, 2012.

Discovery

- Obtained and reviewed transcripts from more than 110 depositions of fact witnesses and prepared several summaries for the multistate working group, along with the other Settling States.
- Reviewed thousands of documents produced by Defendants as well as the collections of "hot" docs identified by the other Settling States during the investigation and litigation.
- Issued subpoenas to third parties for additional purchase documentation. (See Exhibit 3-G, attached hereto.)
- Joined counsel for the Indirect-Purchaser Plaintiffs in several discovery disputes and "meet and confer" efforts with certain Defendants, including discussions with HannStar, Chi Mei, and LG Display.
- Served on the State's Expert Committee and provided assistance to Florida in preparation for the deposition of the States' expert and the depositions of several of Defendants' experts and attended several by telephone.
- Collected purchase data from state agencies and entities and produced all that was discoverable to Defendants.
- Provided considerable discovery in response to hundreds of requests made by Defendants. Missouri, along with Arkansas, Michigan, West Virginia and

Wisconsin, each responded to more than 73 interrogatories (not counting subparts), 22 requests for production, and 257 requests for admission.

- Defended the depositions of Missouri's purchasing agency and of the third party currently contracted as the Missouri's prime vendor for most of the covered LCD products.
- Prepared and made the following document productions to the Defendants:

State of Missouri Productions of Governmental Entity Purchase Data & Documents	
Production	File Size
Mediation Production 1-7-2011	2.82 GB
Mediation Production 1-14-2011	740 KB
1 st Supplemental Response 9-30-2011	4.22 GB
2 nd Supplemental Response 10-24-2011	961,101 KB
3 rd Supplemental Response 11-4-2011	26,962 KB
4 th Supplemental Response 11-14-2011	1,898 KB
5 th Supplemental Response 11-17-2011	72.5 MB
6 th Supplemental Response 12-2-2011	31.1 MB
7 th Supplemental Response 12-9-2011	55,825 KB
8 th Supplemental Response 1-4-2012	419,720 KB

Leadership in Mediation

12) After the States were ordered to participate in mediation, in January, 2011, I was designated as the Liaison for the States' Attorneys General for purposes of the mediation efforts. Since that designation, I and attorneys in the Florida and California Attorney General's offices have served in leadership roles and participated extensively in all mediation efforts on behalf of the other States with each of the Defendants and counsel for the IPP Class. These mediation

1 activities include the following:

- 2
- 3 • Drafting State submissions or editing joint State-IPP Class submissions to the several
4 mediators, including:
 - 5 a. December 6, 2010 letter to Special Master Martin Quinn describing the States’
6 actions and their commitment to producing damages-related data;
 - 7 b. December 20, 2010 joint letter with the IPP Class to Mediator Eric Green
8 regarding ideas for an effective mediation;
 - 9 c. January 18, 2011 submission to Mediator Eric Green;
 - 10 d. February 8, 2011 joint mediation statement describing the claims brought by
11 the States and the IPP Class and the remedies sought;
 - 12 e. Memoranda to Mediator Green on April 22, 2011 and May 15, 2011;
 - 13 f. August 25, 2011 mediation statement for the States to the Hon. Daniel H.
14 Weinstein; and
 - 15 g. September 30, 2011 mediation statement for the States to the Hon. Daniel H.
16 Weinstein.
 - 17 • In person attendance at numerous mediation sessions with counsel for the IPP Class
18 and Defendants in San Francisco beginning January 2011. See Exhibit 1-A.
 - 19 • Attendance via teleconference at additional mediation sessions, including mediations
20 with counsel for the AUO and LG Defendants in April, 2012.
 - 21 • Scores of telephone conferences with counsel for the IPP Class and the Settling States
22 and the Defendants regarding the terms of the each settlement agreements.
 - 23 • Extensive work drafting and revising the settlement agreements with each Defendant.
 - 24 • Discussions with counsel for the IPP Class and the Settling States, the claims
25 administrator, and the notice expert regarding the distribution plan and notice
26 program affecting members of the class and the States’ *parens patriae* consumers.

- Drafting and revisions to the Notice Plan, the Claims Form, the settlement website and other materials prepared to implement the notice and distribution plan; and,
- Review and editing of the preliminary approval and final approval motions.

Additional Work as Co-Liaison Counsel

13) Missouri shared Co-Liaison responsibilities with Florida and fulfilled the court-ordered duties pursuant the Order for Appointment of Liaison Counsel for State Attorney General Actions (Dkt. No. 2164 dated Nov. 23, 2010), in addition to other legal, organizational and administrative tasks, including the following activities:

- Pretrial coordination of these multiple actions, including communication with the Court and serving as a contact point between the parties and the Court, Special Master, mediators and counsel for the IPP Class, the DPP Class, the DAP actions and the Defendants.
- Maintenance of complete legal files of all documents served and provision of those files to parties within the States' liaison group upon request.
- Preparation and transmittal of copies of orders and notices to the parties in the States' liaison group.
- Coordination of the States' liaison group through planning and conducting weekly telephone calls.
- Working with Liaison Counsel to ensure that the States' liaison group was kept informed of the progress of this litigation as necessary.
- Coordination and dissemination of discovery requests, including written discovery, deposition notices, or subpoenas served in this MDL proceeding.
- Meeting and conferring on potential steps to streamline discovery, including negotiating stipulations in the MDL proceeding.
- Arranging for and monitoring additional grant funds for certain litigation expenses.

- 1 • Creating and operating the multistate cost share fund and running the States' Finance
2 Committee that oversees the cost share fund.
- 3 • Establishing protocols to ensure compliance with the pretrial orders regarding liaison
4 counsel, including the Case Management Order for Individual Action Plaintiffs, Dkt.
5 No. 1727.
- 6 • Preparing the Indirect-Purchaser Plaintiffs' and States Attorneys General's Joint
7 Notice and Motion for Interim Reimbursement of Expenses (Dkt. Nos. 5157-5159)
8 and the States' Motion for Attorneys Fees and Costs filed herewith (none of which
9 time is included this request for fees).

10 **Summary of Missouri's Hours**

11 14) The total number of hours expended to date by Missouri on this investigation and
12 litigation is 3,574.20 attorney hours, 975.98 non-attorney hours. Using the Laffey Matrix as
13 adjusted for the San Francisco results in \$1,448,506.50 in attorney fees and \$99,609.75 in non-
14 attorney fees, for total fees of \$1,548,116.20. Included with this Motion as Exhibits 1-B and 1-C
15 attached to the Joint Declaration of Lizabeth A. Brady and Anne E. Schneider is a more detailed
16 breakdown of Missouri's time and billing rates.

17 15) All of the foregoing time spent by employees of the Missouri Attorney General's
18 office in connection with this litigation was reasonable and necessary and appropriate for the
19 successful litigation and resolution of this action.

20 **Additional Expenses**

21 *Multistate Cost Share's Unreimbursed Expenses*

22 16) I oversee the administration of two litigation-related funds that have been used for
23 the prosecution of the States Attorneys General actions. These funds have paid certain qualified
24 ongoing litigation expenses on behalf of the States Attorneys General in this matter. One fund
25 was established with grants from the National Association of Attorneys General and is required
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1 to be repaid in the event of any recovery. The cost-sharing fund is funded by the participating
2 States Attorneys General through the payment of assessments. The States have already sought a
3 portion of the costs paid through these two funds through the Indirect-Purchaser Plaintiffs' and
4 State Attorneys General's Motion for Interim Reimbursement of Costs. (Dkt. No. 5157-5159).

5 17) However, several additional expenses have been incurred and paid through these
6 funds for which the States are entitled to reimbursement as litigation costs. The States have
7 incurred additional expert-related costs of \$323,625.88, additional transcript costs of \$5,816.40,
8 and additional shared costs, for total additional shared costs of \$338,192.28. A summary of
9 these expenses are set forth on Exhibit "3-A" to this declaration, and copies of the underlying
10 invoices are attached as Exhibits "3-B" following that summary.

11 18) In summary, the Multistate Cost Share incurred a total of \$338,192.28 in
12 additional unreimbursed expenses in connection with this litigation, all of which were reasonable
13 and necessary for the prosecution of his ligation.

14 *Missouri's Unreimbursed Costs*

15 16) The State of Missouri has also incurred additional costs in connection with this
16 litigation that are reimbursable to the Attorney General's Office, including travel expenses for
17 attendance at several court hearings and court-ordered mediation in San Francisco as well as
18 additional miscellaneous expenses. A summary of Missouri's Travel Expenses is attached as
19 Exhibit "3-C" to this declaration, followed by copies of the underlying travel expense reports
20 attached as Exhibit "3-D." A summary of Missouri's other miscellaneous expenses are attached
21 as Exhibit "3-E" with copes of the underlying invoices or similar documentation attached as
22 Exhibits "3-F" following that summary.

23 17) Missouri, individually, incurred \$15,288.00 in additional unreimbursed expenses,
24 all of which were reasonable and necessary for the prosecution of his ligation. Of this amount
25 \$339.70 was for direct payments to vendors, \$1,291.47 was for copying, legal research etc., and
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1 \$13,656.83 was for travel, meals and lodging.

2 18) All of the foregoing costs were incurred by the State of Missouri in connection
3 with this litigation, were reasonable in amount, and were necessary and appropriate for the
4 successful litigation and resolution of this action.

5 I declare under penalty of perjury pursuant to the laws of the State of Missouri that the
6 foregoing statements of fact are true and correct.

7 Executed this 7th Day of September, 2012 in Jefferson City, Missouri.

8
9 /s/ Anne E. Schneider

10 Anne E. Schneider
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