

U.S. Supreme Court Rules Employers Cannot Avoid Class Actions By Offering Complete Relief to Plaintiffs

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In a 5-3 decision, the United States Supreme Court affirmed the Ninth Circuit's decision in [Campbell-Ewald Co. v. Gomez](#), holding that an unaccepted settlement offer or offer of judgment providing for an individual plaintiff complete relief does not moot a class action complaint, resolving a split among circuits. However, the Court limited its holding by declining to address "whether the result would be different if a defendant deposits the full amount of the plaintiff's individual claim in an account payable to the plaintiff, and the court then enters judgment for the plaintiff in that amount." The Court's dissenting opinions and concurring opinions suggest actual tender would moot the plaintiff's claim.

The upshot from today's decision is that employers can no longer avoid class action complaints by merely *offering* the individual plaintiff complete relief before class certification. The question remains open as to whether employers can avoid class actions by tendering payment to the plaintiff before class certification. Therefore, if confronted with a class action, you should consult with your Hinshaw attorney about the pros and cons of tendering complete relief to the plaintiff as a defense strategy.

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Topics

Class Action, Class Certification, Supreme Court Of The United States