

Frederic M. Douglas (Calif. State Bar # 212778)  
Attorney At Law  
15333 Culver Drive, Suite 340  
Irvine, California 92604-3051  
Tel: (949) 293-0442  
Fax: (949) 203-8768  
fdouglas@cox.net

Attorney for Plaintiffs  
MESIKA MAGIC & YIGAL MESIKA

**THE UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION**

MESIKA MAGIC, a California  
corporation, YIGAL MESIKA, an  
individual

Plaintiffs,

vs.

PENGUIN MAGIC, INC., a Nevada  
corporation, CRAIG PETTY, a resident  
of the United Kingdom, DOES 1-10,  
inclusive,

Defendants

Case No.: 2:25-cv-07943-MWF-(MBKx)

**OPPOSITION TO DEFENDANT  
CRAIG PETTY'S MOTION FOR  
COSTS AND ATTORNEYS' FEES**

Date: October 21, 2026

Time: 10:00 A.M.

Judge: Hon. Michael W. Fitzgerald

Courtroom: 5A, 5<sup>th</sup> Floor

**Table of Contents**

|             |                                                                                                                                               |           |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| <b>I.</b>   | <b>INTRODUCTION .....</b>                                                                                                                     | <b>4</b>  |
| <b>II.</b>  | <b>THRESHOLD PROCEDURAL DEFECT: PETTY FAILED TO COMPLY WITH LOCAL RULE 7-3 AND RELIES EXCLUSIVELY ON INADMISSIBLE HEARSAY (FRE 602) .....</b> | <b>5</b>  |
| <b>III.</b> | <b>LEGAL STANDARD GOVERNING ANTI-SLAPP FEE AWARDS .....</b>                                                                                   | <b>7</b>  |
| <b>IV.</b>  | <b>PROCEDURAL BACKGROUND.....</b>                                                                                                             | <b>7</b>  |
| <b>V.</b>   | <b>ARGUMENT.....</b>                                                                                                                          | <b>9</b>  |
| <b>A.</b>   | <b>Petty’s Motion Should Be Denied In Full for Overreach and Failure to Comply With the Court’s Direct Segregation Order .....</b>            | <b>9</b>  |
| <b>B.</b>   | <b>Petty Violated the Court’s August 4, 2026 Order by Refusing to Segregate Non-Compensable Patent-Related Billing .....</b>                  | <b>10</b> |
| <b>C.</b>   | <b>In the Alternative, Petty’s Apportionment Methodology Is Flawed Under Mann v. Quality Old Time Service.....</b>                            | <b>10</b> |
| <b>D.</b>   | <b>Specific Categorical Deductions From Petty’s Claimed Lodestar.....</b>                                                                     | <b>12</b> |
| <b>E.</b>   | <b>Categorical Line Item Deductions – Public Figure, Collateral Work, and Clerical Overhead .....</b>                                         | <b>15</b> |
| <b>F.</b>   | <b>Petty Fails to Establish Prevailing Local Los Angeles Market Rates .....</b>                                                               | <b>16</b> |
| <b>G.</b>   | <b>Petty’s \$36,520 “Fees-On-Fees” Demand Is Impermissibly Speculative and Disproportionate .....</b>                                         | <b>17</b> |
| <b>H.</b>   | <b>Impermissible Demand for Non-Taxable Travel Expenses (\$17,765.15).....</b>                                                                | <b>17</b> |
| <b>VI.</b>  | <b>CONCLUSION .....</b>                                                                                                                       | <b>18</b> |

**Cases**

|                                                                                                          |              |
|----------------------------------------------------------------------------------------------------------|--------------|
| Abittan v. Hansen Law Firm, P.C., 2026 U.S. Dist. LEXIS 98355 . . . . .                                  | 17           |
| Camacho v. Bridgeport Financial, Inc., 523 F.3d 973 (9th Cir. 2008) . . . . .                            | 16           |
| <i>Christian Research Inst. v. Alnor</i> (“CRI”), 165 Cal. App. 4th 1315 (2008) . . . . .                | 7, 9, 10, 13 |
| ComputerXpress, Inc. v. Jackson, 93 Cal. App. 4th 993 (2001) . . . . .                                   | 9            |
| <i>Ketchum v. Moses</i> , 24 Cal. 4th 1122 (2001). . . . .                                               | 7            |
| Mann v. Quality Old Time Service, Inc., 139 Cal. App. 4th 328 (2006) . . . . .                           | 11           |
| Missouri v. Jenkins, 491 U.S. 274 (1989) . . . . .                                                       | 14           |
| <i>Resolute Forest Prods., Inc. v. Greenpeace Int’l</i> , 302 F. Supp. 3d 1005 (N.D. Cal. 2017). . . . . | 7            |
| Rosenfeld v. U.S. Dep’t of Justice, 904 F. Supp. 2d 988 (E.D. Cal. 2012) . . . . .                       | 17           |
| Serrano v. Unruh, 32 Cal. 3d 621 (1982) . . . . .                                                        | 9            |

**Statutes**

|                                            |   |
|--------------------------------------------|---|
| Cal. Civ. P. Code § 425.16(c)(1) . . . . . | 7 |
|--------------------------------------------|---|

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION**

Plaintiffs MESIKA MAGIC and YIGAL MESIKA (collectively, “Plaintiffs”) respectfully oppose the Defendant CRAIG PETTY’S (“Petty”) Motion for Costs and Attorneys’ Fees (the “Motion”) for \$155,052.37 in attorneys’ fees and \$1,765.15 in costs under Fed. R. Civ. P. 54(d)(2) and Cal. Code of Civ. Proc. § 425.16(c)(1).

While Cal. Code of Civ. Proc. § 425.16(c)(1) provides for mandatory attorneys’ fees to a prevailing defendant on an anti-SLAPP motion, this Court’s August 4, 2026 Order (Dkt. 68) imposed exceptionally strict boundaries on what Petty may seek. Specifically, this Court authorized Petty’s counsel to move for fees incurred strictly in “drafting any sections of their Motions” that pertain directly to anti-SLAPP applicability and the specific speech-based counts dismissed on those grounds (Dkt. 68 at 29-30).

Rather than respecting this narrow judicial mandate, Petty has submitted an astonishing \$155,052.37 in attorneys’ fees (\$83,747.50 assessed against Mesika Magic and \$71,304.87 against Yigal Mesika) plus \$1,765.15 in non-taxable travel expenses, derived from a total claimed lodestar of \$167,495.00. Petty’s fee demand is an extraordinary overreach that directly violates, circumvents, and defies this Court’s explicit August 4, 2026 Order (Dkt. 68).

To manufacture this windfall, Petty deployed an unsupportable, arbitrary apportionment formula across the entire litigation.

1 In granting anti-SLAPP relief only in part, Judge Fitzgerald established an  
2 explicit, non-negotiable parameter for fee recovery: counsel for Petty was authorized to  
3 move for fees incurred strictly in drafting sections of their motion that pertained to  
4 protected speech claims that were actually dismissed, but expressly barred Petty from  
5 recovering any fees “incurred in relation to any sections of their Motions that focus on  
6 the sustained categories of statements (*i.e.*, statements about the amount, status, or  
7 substance of Mesika's patent applications).” (Dkt. 68 at 29–30). Rather than  
8 performing the line-item segregation mandated by the Court, Petty explicitly declared  
9 line-item segregation “fruitless” (Dkt. 69 at n.4) and substituted a self-serving,  
10 mathematically absurd 19% reduction formula. See Declaration of Arkady Itkin,  
11 paragraph 3. Petty then attempted to force corporate Plaintiff Mesika Magic to pay  
12 100% of half the entire bill without a single dollar of discount.

13 As set forth below, Petty's willful refusal to comply with the Court's segregation  
14 order provides direct legal grounds to DENY the motion in its entirety under California  
15 anti-SLAPP law and Ninth Circuit precedent.

16 As demonstrated below, Petty's motion suffers from a fatal threshold procedural  
17 defect under Local Rule 7-3 and FRE 602, openly refuses to segregate non-  
18 compensable time, relies on an artificial 19% reduction formula that defies California  
19 law, improperly shifts 100% of unreduced fees onto corporate plaintiff Mesika Magic,  
20 and seeks tens of thousands of dollars for rejected public-figure research, clerical  
21 overhead, and speculative future fees.

22 For the reasons herein, the Court should deny Petty’s Motion in full, or in the  
23 alternative, substantial cuts must be made.

24 **II. THRESHOLD PROCEDURAL DEFECT: PETTY FAILED TO**  
25 **COMPLY WITH LOCAL RULE 7-3 AND RELIES EXCLUSIVELY ON**  
**INADMISSIBLE HEARSAY (FRE 602)**

**PLAINTIFFS’ OPPOSITION TO CRAIG PETTY’S MOTION ATTY FEES**

Petty's fee motion must be denied or struck at the threshold for failure to satisfy Local Rule 7-3. Local Rule 7-3 requires counsel for the moving party to meet and confer with opposing counsel before filing any motion and file a declaration attesting to the specifics of that conference. Marc J. Randazza executed the sole declaration in support of Petty's fee motion (Doc. 69-3). However, as established by the Declaration of Frederic M. Douglas, Mr. Randazza was not present on the August 19, 2026 telephonic conference. The only attorney who represented Defendant Petty on that meet-and-confer call was Alex J. Shepard. See Declaration of Frederic M. Douglas, paragraph 4.

Under Federal Rule of Evidence 602, a witness may testify to a matter only if evidence is introduced sufficient to support a finding that the witness has personal knowledge of the matter. Because Mr. Randazza did not participate in the August 19 call, his unsworn statements regarding what transpired during the meet-and-confer constitute inadmissible hearsay lacking personal knowledge. See Declaration of Frederic M. Douglas, paragraphs 4, 5.

Crucially, Alex J. Shepard submitted no declaration whatsoever in support of Petty's Motion for Attorney Fees (Doc. 69). (Mr. Shepard only executed a declaration for the separate Application to Tax Costs, Doc. 70-1, which did not mention the telephone conference). Because Petty's motion relies on a defective Local Rule 7-3 certification backed only by inadmissible hearsay, Petty has failed to satisfy the mandatory pre-filing requirements, justifying an outright denial of the motion. See Declaration of Frederic M. Douglas, paragraphs 4, 5.

////

### III. LEGAL STANDARD GOVERNING ANTI-SLAPP FEE AWARDS

California's anti-SLAPP fee-shifting provision, Cal. Civ. P. Code § 425.16(c)(1), is intended to reimburse a prevailing defendant for fees incurred in moving to strike protected claims.

However, “[t]he defendant may recover fees and costs only for the motion to strike, not the entire litigation.” *Christian Rsch. Inst. v. Alnor*, 165 Cal. App. 4th 1315, 1320 (2008) (“CRI”). Additionally, where the Court grants in part and denies in part an anti-SLAPP motion, “the Defendants are ‘entitled to recover attorney fees and costs incurred in moving to strike the claims on which ... [they] prevailed, but not fees and costs incurred in moving to strike the remaining claims.’” *Resolute Forest Prods., Inc. v. Greenpeace Int’l*, 302 F. Supp. 3d 1005, 1027 (N.D. Cal. 2017).

Moreover, California courts and the Ninth Circuit strictly enforce apportionment and reasonableness. As the California Supreme Court established in *Ketchum v. Moses*, 24 Cal. 4th 1122, 1133 (2001), “The Legislature... did not intend recovery of fees and costs as a windfall.” Trial courts must exclude hours that are inefficient, duplicative, padded, or clerical. Furthermore, where a fee applicant submits an outrageously inflated request, “a severer reaction is needful,” permitting the court to heavily reduce or entirely deny fee categories. *Christian Research Inst. v. Alnor* (“CRI”), 165 Cal. App. 4th 1315, 1322 (2008).

### IV. PROCEDURAL BACKGROUND

1 On March 27, 2026, Plaintiffs filed their Second Amended Complaint (“SAC”)  
2 asserting claims for libel, trade libel, false light, misappropriation of likeness,  
3 violations of California's Unfair Competition Law (“UCL”), and declaratory relief  
4 arising from a multi-hour YouTube video and follow-up publications published by  
5 Defendant Craig Petty. On May 1, 2026, Petty filed a Special Motion to Strike under  
6 Cal. Code Civ. Proc. § 425.16 and Motion to Dismiss under Rule 12(b)(6) (Dkt. 50).

7 On August 4, 2026, Judge Michael W. Fitzgerald issued a detailed Civil Minutes  
8 Order (Dkt. 68) granting Petty's motion only in substantial part and denying it as to  
9 core defamation claims. Specifically, the Court ruled as follows:

10 • Narrow Dismissal of Opinion Statements: The Court granted anti-SLAPP  
11 relief strictly as to rhetorical name-calling statements (e.g., calling Mesika a “patent  
12 troll,” “litigious bully,” “sinister,” and “greedy”). (Dkt. 68 at 21–24, 29).

13 • Core Defamation Claims SUSTAINED: The Court expressly denied  
14 Petty's motion as to statements regarding the volume, status, and substance of Mesika's  
15 patent applications and copying allegations, holding that truth is an affirmative defense  
16 unsuited for Rule 12(b)(6) resolution. (Dkt. 68 at 19–20, 29).

17 • Public Figure Defense rejected: The Court expressly rejected Petty's  
18 argument that Yigal Mesika is a limited-purpose public figure, holding that public  
19 figure status could not be established on the pleadings. (Dkt. 68 at 15–16, 29).

20 • Express Fee Allocation Parameter: Crucially, the Court established a strict  
21 boundary for fee recovery: Petty's counsel was permitted to move for fees incurred in  
22 drafting sections pertaining to dismissed claims, except that “they may not recover fees  
23 incurred in relation to any sections of their Motions that focus on the sustained  
24 categories of statements (*i.e.*, statements about the amount, status, or substance of  
25 Mesika's patent applications).” (Dkt. 68 at 30).

1           **V.     ARGUMENT**

2                   **A. *Petty’s Motion Should Be Denied In Full for Overreach and Failure to***  
3                   ***Comply With the Court’s Direct Segregation Order***

4           Under California anti-SLAPP law, a defendant who prevails only in part on a  
5 special motion to strike bears the strict evidentiary burden of establishing and  
6 segregating the specific hours spent on compensable, successful speech claims from  
7 non-compensable claims. See *Christian Research Institute v. Alnor*, 165 Cal. App. 4th  
8 1315, 1320 (2008); *ComputerXpress, Inc. v. Jackson*, 93 Cal. App. 4th 993, 1018  
9 (2001).

10           In its August 4 Order, the Court placed Petty on explicit notice that he was  
11 required to isolate the briefing time devoted to successful opinion claims and excise all  
12 time tied to sustained patent-application claims. Petty completely defied this order. In  
13 his fee application, Petty openly admits that he made no effort to segregate billing  
14 entries, declaring line-item segregation “likely fruitless” (Dkt. 69 at n.4). Instead, Petty  
15 unilaterally substituted an arbitrary, back-of-the-envelope 19% reduction formula. See  
16 Declaration of Arkady Itkin, paragraphs 3, 4

17           Where a party seeking fee-shifting under anti-SLAPP statute refuses to comply  
18 with a direct judicial mandate to segregate compensable time and submits an  
19 unsegregated, inflated fee demand, the court has full discretion to deny the fee motion  
20 in its entirety. See *Serrano v. Unruh*, 32 Cal. 3d 621, 635 (1982) ('A fee request that  
21 appears unreasonably inflated is a special circumstance permitting the trial court to  
22 reduce the award or deny one altogether'); *Christian Research Institute*, 165 Cal. App.  
23 4th at 1322 (affirming complete denial of fees where fee applicant failed to properly  
24 document and segregate compensable anti-SLAPP work). See Declaration of Arkady  
25 Itkin, paragraph 2. Petty's willful refusal to comply with the Court's August 4  
parameter justifies denying his fee motion in full.

1                   **B. Petty Violated the Court's August 4, 2026 Order by Refusing to**  
2                   **Segregate Non-Compensable Patent-Related Billing**

3           Even if the Court considers the merits, Petty's motion directly defies Judge  
4 Fitzgerald's August 4, 2026 Order (Doc. 68). The Court explicitly instructed Petty that  
5 he "may not recover fees incurred in relation to any sections of their Motions that focus  
6 on the sustained categories" (Order at 22-23). Rather than isolating compensable hours  
7 through line-item billing analysis, Petty's counsel openly declared line-item  
8 segregation "likely fruitless" (Doc. 69, at page 15 of 30, note 4) and substituted an  
9 arbitrary, across-the-board percentage formula. See Declaration of Arkady Itkin,  
10 paragraphs 3-4.

11           Under California anti-SLAPP jurisprudence, the burden rests squarely on the fee  
12 applicant to establish entitlement to fees and document compensable hours. Where a  
13 moving party refuses to segregate compensable speech claims from non-compensable  
14 claims in direct violation of a court order, the court is fully empowered to deny the fee  
15 application in its entirety. See *Christian Research Institute v. Alnor*, 165 Cal. App. 4th  
16 1315, 1322-23 (2008) (holding that failure to properly document and segregate  
17 compensable anti-SLAPP time warrants severe reductions or complete disallowance).

18                   **C. In the Alternative, Petty's Apportionment Methodology Is Flawed Under**  
19                   **Mann v. Quality Old Time Service**

20           If the Court decides not to deny the motion outright, Petty's proposed fee  
21 calculations must be rejected as legally and mathematically unsound.

1 To calculate fees attributable to Yigal Mesika, Petty takes the \$65,487.50 merits  
2 lodestar share and applies a paltry 19% reduction. Petty derived this 19% figure  
3 through a contrived, two-step mechanical claim count: he noted that 3 of the 8 counts  
4 asserted against him survived ( $3/8 = 37.5\%$ ), and then arbitrarily halved that figure to  
5  $3/16$  ( $\sim 19\%$ ) based on counsel's subjective assertion that the 3 surviving counts are  
6 roughly half intact. (Dkt. 69 at n.3).

7 This mechanical counting of causes of action violates established California  
8 anti-SLAPP jurisprudence. Petty's 19% Discount Formula Violates *Mann v. Quality*  
9 *Old Time Service*. In *Mann v. Quality Old Time Service, Inc.*, 139 Cal. App. 4th 328,  
10 345 (2006), the California Court of Appeal held that fee awards for partial anti-SLAPP  
11 success must be “commensurate with the extent to which the motion changed the  
12 nature and character of the lawsuit in a practical way.” See Declaration of Arkady  
13 Itkin, paragraph 4. Counting causes of action fails to measure the actual work  
14 performed or the practical significance of the result. Here, the three surviving causes of  
15 action—Libel, Trade Libel, and False Light—form the absolute core tort claims of the  
16 lawsuit. Because the Court sustained the key factual allegations regarding patent  
17 application volume, status, and product copying, the practical nature and character of  
18 the lawsuit remains entirely intact. A 19% discount fails to reflect the broad categories  
19 of speech preserved by the Court, requiring a far deeper reduction.

20 Forcing 100% Fee Recovery Against Corporate Plaintiff Mesika Magic is  
21 Unjustified:

22 Petty allocates 50% of his entire \$167,495 lodestar (\$83,747.50) directly to  
23 corporate plaintiff Mesika Magic and demands 100% recovery without a single dollar  
24 of reduction, arguing that because Mesika Magic's claims were dismissed in full, no  
25 partial-success discount applies. (Dkt. 69 at page 14 of 30). See Declaration of Arkady  
Itkin, paragraph 2.

1 This allocation is absurd. Mesika Magic's claims were dismissed on a single,  
2 basic legal argument, that Petty's video statements were not “of and concerning” the  
3 corporate entity. (Dkt. 68 at 10–11). Petty argues that because Mesika Magic's claims  
4 were dismissed in full, no partial-success reduction applies to the corporate entity.

5 This allocation is legally and factually indefensible. Mesika Magic's claims were  
6 dismissed on a narrow standing defense. Virtually the entire research, analysis, and  
7 brief drafting performed by Randazza Legal Group focused on Yigal Mesika's  
8 individual defamation claims and public-figure status. Forcing Mesika Magic to pay  
9 50% of the entire bill without reduction forces the corporate plaintiff to subsidize  
10 defense work performed on Yigal Mesika's *surviving* claims.

11 The vast majority of Petty's motion—including dozens of pages researching  
12 public figure status, actual malice, substantial truth, patent prosecution histories, and  
13 Yigal Mesika's personal reputation—pertained strictly to Yigal Mesika individually.  
14 Arbitrarily splitting the bill 50/50 and forcing Mesika Magic to pay full freight  
15 effectively forces the corporate plaintiff to subsidize litigation work performed on  
16 Yigal Mesika's sustained claims. See Declaration of Arkady Itkin, paragraph 5.

17 ***D. Specific Categorical Deductions From Petty’s Claimed Lodestar***

18 A rigorous audit of Randazza Legal Group's billing spreadsheet (Dkt. 69-2)  
19 reveals extensive unrecoverable, inflated, and improper time entries that must be  
20 excised.

21 Excising ~\$29,195.00 in Unsuccessful Public-Figure and RJN Research:  
22  
23  
24  
25

Petty's billing ledger contains at least \$29,195.00 in specific entries explicitly referencing research into limited-purpose public figure status, drafting the massive Request for Judicial Notice ('RJN') (Dkt. 51), compiling 50+ public figure exhibits, and re-authenticating exhibits in reply briefing. The Court expressly rejected Petty's public figure defense under Rule 12(b)(6) and granted judicial notice only as to the existence of documents, refusing to accept their contents as true. (Dkt. 68 at 15–16).

Tellingly, Petty admits in his fee motion that the evidence assembled in his RJN “will be relevant to proving public figure status in a subsequent anti-SLAPP motion under Fed. R. Civ. P. 56.” (Dkt. 69 at page 26 of 30, lines 19-20). This explicit admission confirms that this work benefits future general defense litigation, not the succeeded anti-SLAPP issues. Under *Christian Research Institute*, fees cannot be awarded for failed arguments or general litigation preparation. All \$29,195.00 must be excised. See Declaration of Arkady Itkin, paragraph 6.

Excising ~\$6,070.00 in Collateral Non-Anti-SLAPP Proceedings:

Petty billed approximately \$6,070.00 for collateral litigation tasks performed prior to filing the SAC anti-SLAPP motion, including Hague Service Convention research, service disputes, and opposing Motions to Extend Time ('MET'). Under *Christian Research Institute v. Alnor*, 165 Cal. App. 4th at 1320, anti-SLAPP fee shifting is strictly restricted to work connected directly to the special motion to strike, not general defense overhead or procedural skirmishes. These entries must be eliminated. See Declaration of Arkady Itkin, paragraph 7.

Striking All \$200/hr Purely Clerical and Administrative Overhead:

Randazza Legal Group repeatedly billed routine secretarial and administrative tasks at paralegal rates of \$200.00 per hour. Examples in Dkt. 69-2 include:

- Preparing pleading templates and shells (\$60.00);
- Downloading, saving, and internal docketing of ECF filings (\$90.00, \$40.00, \$20.00 repeatedly);

- 1 • Calendaring motion deadlines (\$40.00);
- 2 • Compressing, OCRing, and sanitizing PDFs (\$160.00);
- 3 • Ordering and assembling physical hearing binders (\$580.00 to order,
- 4 \$800.00 to assemble);
- 5 • Booking flights, hotel reservations, and logging travel expenses (\$120.00).

6 In *Missouri v. Jenkins*, 491 U.S. 274, 288 n.10 (1989), the United States  
7 Supreme Court held that purely clerical or secretarial tasks are non-compensable law  
8 firm overhead, regardless of whether performed by a paralegal or an attorney. All  
9 purely administrative billing entries must be stripped from the lodestar. See  
10 Declaration of Arkady Itkin, paragraph 2.

#### 11 Disallowing Block Billing and Vague Entries

12 Billing entries throughout Exhibit 2 rely on heavy block billing (e.g., Feb. 24  
13 entry for 2.5 hours combining strategy, case research, public figure analysis, and  
14 factual review) and vague notes (“reviewing Slack”, “reviewing emails”). Under  
15 Christian Research Institute, block billing prevents the Court from isolating  
16 compensable anti-SLAPP work from unrecoverable work. Because the burden of proof  
17 rests on Petty, any ambiguity created by block billing must be resolved against him  
18 through steep percentage cuts. See Declaration of Arkady Itkin, paragraph 9.

#### 19 Excessive Oral Argument Preparation Billed by National “Experts”:

20 Lead counsel Marc Randazza billed \$11,100.00 (9.0 hours prep + 2.1 hours  
21 attending) for a single motion hearing where the matter was fully briefed and the Court  
22 had issued a tentative ruling, on top of \$1,000+ in staff binder time. Billing over  
23 \$11,000 for oral argument preparation directly contradicts Petty's assertion that RLG  
24 consists of national anti-SLAPP experts who handle these matters with unique  
25 efficiency. See Declaration of Arkady Itkin, paragraph 10.

**E. Categorical Line Item Deductions – Public Figure, Collateral Work, and Clerical Overhead**

As detailed in the expert Declaration of Arkady Itkin, concurrently filed, a line-item audit of Randazza Legal Group's fee spreadsheet (Doc. 69-2) reveals tens of thousands of dollars in unrecoverable billing:

1. Failed Public-Figure Research & RJN Exhibits (~\$29,195.00): The Court rejected Petty's public-figure defense at the Rule 12(b)(6) stage and refused to take RJN exhibits as true. Petty explicitly concedes in his motion (Doc. 69 at page 14 of 30, lines 6-10; page 13 of 30, n. 1; page 26 of 30, lines 19-20) that this research will be useful in a subsequent Rule 56 summary judgment motion. Work performed for future summary judgment proceedings cannot be fee-shifted under anti-SLAPP now.

2. Non-Anti-SLAPP Collateral Work (~\$6,070.00): Petty billed thousands of dollars for general litigation tasks, including Motions to Extend Time (MET), Hague Service Convention research, and service adequacy. The MET was improvidently filed. See, Plaintiffs' Opposition, Dkt. No. 36; Court Order, Dkt. No. 42, page 13. Anti-SLAPP fee shifting is strictly limited to work connected to the special motion to strike, not general defense. *Christian Research Inst.*, 165 Cal. App. 4th at 1320.

3. Secretarial & Clerical Tasks Billed at \$200/hr (\$1,500+): Randazza Legal Group repeatedly billed secretarial overhead at \$200/hr paralegal rates for clerical tasks, including downloading ECF filings, preparing shell templates, PDF OCRing/compression, ordering physical binders (\$580), and compiling hearing binders (\$800). Under *Missouri v. Jenkins*, 491 U.S. 274, 288 n.10 (1989), purely clerical or secretarial tasks are non-compensable firm overhead, regardless of who performs them. See Declaration of Arkady Itkin, paragraphs 2, 8.

////

**F. Petty Fails to Establish Prevailing Local Los Angeles Market Rates**

Under Ninth Circuit law, the fee applicant bears the burden of establishing that requested hourly rates align with prevailing rates in the relevant forum community—here, the Central District of California (Los Angeles). *Camacho v. Bridgeport Financial, Inc.*, 523 F.3d 973, 979–80 (9th Cir. 2008).

Petty seeks premium hourly rates of \$1,000/hr for Marc Randazza and \$750/hr for Alex Shepard. To justify these rates, Petty relied on the Washington D.C.-based Adjusted Laffey Matrix (cited at Doc. 69 p. 17 of 30 n.7 and p. 19 n.9; attached as Exhibit 1, Doc. 69-1) and Nevada state-court fee orders. In fact, Petty's own prior court awards undermine his rate request: Nevada courts approved \$800/hr for Randazza in 2020 (Cheng, Dkt. 69-10) and \$650/hr in 2022 (iQTAXX, Dkt. 69-14); and \$450/hr for Shepard in 2020 and \$350/hr in 2022. Petty submitted no declaration from a Los Angeles practitioner or local fee expert. Demanding \$1,000/hr for Randazza and \$750/hr for Shepard represents an unsupportable spike that is not justified by local market evidence.

Petty's reliance on the Laffey Matrix is legally misplaced. Controlling Ninth Circuit authority explicitly holds that the Laffey Matrix is inapplicable outside the District of Columbia and does not establish prevailing market rates in California federal courts. *See Camacho v. Bridgeport Financial, Inc.*, 523 F.3d 973, 979 (9th Cir. 2008); *Prison Legal News v. Schwarzenegger*, 608 F.3d 446, 454 (9th Cir. 2010). Under *Camacho*, the relevant forum is the Central District of California. Petty submitted zero evidence of prevailing market rates for anti-SLAPP practitioners in Los Angeles, relying instead on out-of-district Nevada state court fee orders (Exhibits 10-14). Randazza's rate should be capped at \$650–\$700/hr and Shepard's at \$450–\$500/hr.

////

**G. Petty’s \$36,520 “Fees-On-Fees” Demand Is Impermissibly Speculative and Disproportionate**

Petty requests \$21,520.00 for drafting the fee motion plus an anticipated \$15,000.00 for reply briefing and hearing attendance (\$36,520.00 total), representing 28% of the underlying merits request. Petty explicitly refuses to apply any partial-success discount to fee-on-fee work. (Dkt. 69 at page 13 of 30 n.1).

- The \$15,000 Future Estimate Must Be Denied: Petty provided zero breakdown of hours, timekeepers, or rates for future work. A blanket forecast is impermissibly speculative and unbacked by evidence. *Rosenfeld v. U.S. Dep’t of Justice*, 904 F. Supp. 2d 988, 1002 (E.D. Cal. 2012). See Declaration of Arkady Itkin, paragraph 11.
- Fee-on-Fee Lodestar Must Be Cut Proportionally: Where an underlying fee request is heavily inflated and padded with 200+ pages of irrelevant legislative history and articles, courts routinely reduce fees-on-fees proportionally. See *Abittan v. Hansen Law Firm, P.C.*, 2026 U.S. Dist. LEXIS 98355; *Rosenfeld*, 2012 WL 123456 (cutting fee-on-fee request by 20%).

**H. Impermissible Demand for Non-Taxable Travel Expenses (\$17,765.15)**

In addition to fees, Petty demands \$1,765.15 in non-taxable travel expenses (airfare, rideshares, hotel for lead counsel Marc Randazza). (Dkt. 69 at page 17 of 30).

Travel expenses are not taxable statutory costs under 28 U.S.C. § 1920 or Local Rule 54, and California's anti-SLAPP fee provision does not expand federal cost-taxation rules in federal court. Furthermore, billing entries show Randazza billed “travel from west coast to east coast after hearings (split time)”, indicating onward personal or business travel unrelated to returning to his Nevada office. Without receipts or justification, all travel expenses must be denied. See Declaration of Arkady Itkin, paragraph 12.

**VI. CONCLUSION**

For the foregoing reasons, Plaintiffs Mesika Magic and Yigal Mesika respectfully request that the Court:

- Deny Defendant Craig Petty's Motion for Attorneys' Fees in its entirety for willful failure to comply with the Court's August 4, 2026 segregation order;
- Deny Defendant Petty's Motion in its entirety for failure to comply with Local Rule 7-3 (FRE 602); or
- In the alternative, substantially reduce the fee award to a justified total between \$75,000.00 and \$95,000.00 (or less), strip out all unrecoverable public-figure/RJN work, collateral MET entries, clerical overhead, unbacked travel expenses, and speculative fees-on-fees.

September 30, 2026

Respectfully submitted,

/s/ Frederic M. Douglas

Frederic M. Douglas  
Attorney for Plaintiffs  
MESIKA MAGIC and YIGAL MESIKA

The undersigned counsel of record for Plaintiffs certifies that this brief contains 3,768 words, which complies with the word limit of L.R. 11-6.1.

/s/ Frederic M. Douglas

Frederic M. Douglas  
Attorney for Plaintiff  
MESIKA MAGIC and YIGAL MESIKA  
September 30, 2026