

## Freedom to Pay \$15.5 Million More in Carrier Lawsuit

By KARI HAMANAKA

Irvine-based Freedom Communications Inc. will pay \$15.5 million to settle a long-running lawsuit brought against it by a group of newspaper carriers, taking its total payment in the class-action case to \$30 million.

Freedom, which owns the Orange County Register among other newspapers and specialty publications, was originally ordered to pay \$38 million in damages and unpaid benefits in 2009.

The lawsuit was filed six years earlier by a group of Register newspaper carriers, alleging the Register violated California labor laws.

The initial award was lowered to \$14.5 million after Freedom filed for bankruptcy in late 2009.

The plaintiffs were represented by Daniel Callahan, founding partner of Santa Ana-based Callahan & Blaine.

Callahan was elected chair of Freedom's unsecured creditors committee in the bankruptcy proceedings, where he obtained the right to pursue the second case against Freedom's directors and officers.

The second case would have gone to trial in July.

It's believed that Freedom's directors and officers will be covered by insurance in the settlement.