IN THE COURT OF COMMON PLEAS OF PHILADELPHIA
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
CIVIL TRIAL DIVISION

Greenblatt Pierce Funt & Flores, LLC	:	Case ID: 200901437
v.	:	
Thomas More Marrone and MOREMARRONE, LLC	:	
	:	No. 2437 EDA 2025

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OPINION

ERDOS, J. **January 7, 2026**

This appeal arises from a compensation dispute between attorneys pursuant to a settlement agreement on a wage and hour class action. After a bench trial, the Honorable Abbe Fletman awarded damages in favor of Plaintiff/Appellee Greenblatt Pierce Funt & Flores, LLC ("GPFF") on their quantum meruit and unjust enrichment claims. Defendants/Appellants Thomas More Marrone and MOREMARRONE, LLC ("Marrone Defendants") filed a post-trial motion, which this Court granted in part, resulting in an adjustment of the damage award. The Marrone Defendants timely filed this appeal.

FACTS AND PROCEDURAL HISTORY

GPFF brought this action against the Marrone Defendants to recover compensation for work it performed in a wage and hour class action they co-counseled with Mr. Marrone. Ms. Smiley, the named plaintiff in the class action, first hired Ms. Pierce of GPFF to handle a sexual harassment claim. Smiley also had a separate claim for unpaid wages. As unpaid wage class actions were not Pierce's specialty, in 2012 she reached out to Mr. Marrone at the law firm of Caroselli Beachler McTiernan & Conboy LLC ("Caroselli Beachler") to work as co-counsel on the wage claim. They agreed to split the contingency fee 60/40. Findings of Fact and Conclusion of Law, 4/11/25, ¶¶ 7–12.

GPFF and Mr. Marrone filed the wage claim as a class action in 2012 in the Middle District of Pennsylvania.[1] Counsel found potential plaintiffs, answered and requested discovery, and calculated damages. In 2013, Marrone left Caroselli Beachler and joined GPFF. The District Court entered summary judgment against the Smiley plaintiffs. GPFF and Marrone appealed. After oral arguments to the appellate court and while the appeal was pending, Marrone left GPFF in 2015 to start his own firm, MOREMARRONE, LLC. GPFF and Marrone continued working together on the Smiley matter. In 2016, the Third Circuit reversed the lower court's dismissal, and the Smiley action proceeded. Findings of Fact and Conclusion of Law, 4/11/25, ¶¶ 13–57.

By 2018, the working relationship between Pierce and Marrone had become untenable, and Pierce asked Smiley to choose either Pierce or Marrone going forward. Pierce learned through Marrone that Smiley had chosen him. Consequently, Pierce withdrew as counsel and asserted a lien reflecting GPFF's contributions to the case. Findings of Fact and Conclusion of Law, 4/11/25, ¶¶ 58–61.

Marrone hired David Cohen from the Stephan Zouras, LLC law firm as co-counsel to calculate damages in preparation for the settlement conference. In 2019, the Smiley Action settled for $5 million following mediation. Of the $5 million, Marrone and Cohen sought $2 million in attorneys' fees, claiming they were solely responsible for the settlement. They did not seek fees for the work GPFF had performed. Findings of Fact and Conclusion of Law, 4/11/25, ¶¶ 62–75.

The District Court approved the final settlement of $5 million and awarded attorneys' fees of $1,750,000 and costs of $43,423. The funds were directly deposited into a MOREMARRONE escrow account. GPFF became aware of the settlement only when they reviewed the docket. GPFF filed a motion to intervene to enforce its charging lien, which was denied as the fee dispute was collateral to

[1] Bobbi-Jo Smiley, Amber Blow, and Kelsey Turner v. E.I. De Pont De Nemours and Company and Adecco U.S.A., Inc., M.D. Pa., Case No. 3:12-cv-02380.

the Smiley Action. Shortly thereafter, GPFF filed a Complaint in Philadelphia to enforce the charging lien. Findings of Fact and Conclusion of Law, 4/11/25, ¶¶ 76–80.

The only claims that survived summary judgment were the quantum meruit and unjust enrichment claims. Order and Op. for Summ. J., Dkt. at 9/26/23. After a bench trial on June 17 and 18, 2024, Judge Fletman found in favor of GPFF on both claims: awarding $837,602.78, encompassing $451,038.84 for GPFF's lodestar and costs; $209,427.00 in unjust enrichment as 29% of the attorneys' fees awarded in excess of the Marrone Defendants' lodestar; and $177,136.94 for prejudgment interest accruing at 6% from October 20, 2020 through April 11, 2025. The Court also granted declaratory judgment enforcing GPFF's charging lien in connection with the fee award in the Smiley Action.

Judge Fletman retired in the spring of 2025 and Appellants' post-trial motion arrived in front of this Court. The Court adjusted the award due to one erroneous time entry and an overlap of the unjust enrichment and quantum meruit amounts: resulting in a total of $678,366.31, encompassing $445,438.89 for GPFF's lodestar and costs; $89,296.13 in unjust enrichment as 28.4% of the fees awarded in excess of the Marrone Defendants' lodestar; and $143,631.29 for prejudgment interest. Order for Post-Trial Motion, Dkt. at 8/19/25. This appeal followed.

ISSUES

Appellant raises seven errors in his statement of errors filed pursuant to Pa.R.A.P. 1925(b):

1. The trial court erred in denying Defendants' motion for summary judgment on Counts IV (quantum meruit) and V (unjust enrichment) in its September 26, 2023 Order and Opinion, and in holding that GPFF "did not forfeit its right to share in the Smiley Attorney Fee and Cost Award" based on the Court's determination that GPFF "was terminated by the clients [in the Smiley Action]."

2. After trial, the court erred in concluding that the first Recht factor—requiring the existence of "a fund in court or otherwise applicable for distribution"—was satisfied by the total Smiley Action fee award.
3. The trial court erred in finding that GPFF satisfied the second Recht factor by applying an "added value" standard rather than Recht's requirement that a charging lien may be awarded only when the attorney's services "substantially or exclusively" generated the settlement fund.
4. The trial court erred in concluding that GPFF did not waive its right to seek a fee award for its work on the Smiley Action.
5. Even if GPFF were entitled to a quantum meruit award, the trial court erred in calculating damages by (1) awarding GPFF quantum meruit damages for the value of Marrone's fees while a member of GPFF based on a purported contractual right to these fees – i.e., allowing a contract-based recovery under quasi-contract theory; (2) awarding GPFF fees for work performed by another law firm, Caroselli Beachler, with no explanation whatsoever; (3) awarding GPFF recovery of costs beyond what were awarded by the district court in the Smiley Action and, therefore, never received by Defendants; and (4) failing to engage in a fact intensive inquiry into the reasonableness of GPFF's fee and cost request.
6. The trial court erred by finding Defendant Marrone personally liable for the judgment despite acting at all times in his capacity as a member of a limited liability company, MOREMARRONE, the fee award in the Smiley Action being distributed to MOREMARRONE rather than Marrone personally, and GPFF doing nothing to meet its burden of proof to show that Marrone was personally liable.
7. The trial court erred by awarding prejudgment interest when Defendants have fully complied with the Court's November 20, 2020 Order requiring that funds be held in a noninterest bearing

escrow account at GPFF's request and because the damages in this case were not liquidated or certain.

DISCUSSION

I. TERMINATION OF REPRESENTATION

On September 23, 2023, the Honorable Nina Wright Padilla denied Appellant's motion for summary judgment as to unjust enrichment and quantum meruit. Appellant argued that GPFF had forfeited its right to recover any fees and costs in the Smiley action because it voluntarily withdrew from representing the Smiley Plaintiffs.

Upon a client's termination of an attorney-client relationship prior to the occurrence of the contingency set forth in a fee agreement, the client is not relieved of his or her obligation to compensate the attorney for services rendered until the time of termination. Kelly v. Vennare, 2016 WL 1062819 *9 (Pa. Super. 2016), quoting Kenis v. Perini Corp., 682 A. 2d 845, 849 (Pa. Super. 1996). Attorneys forfeit their rights to compensation if they voluntarily and unjustifiably withdraw prior to the completion of a case. Eisenberg v. General Motors Acceptance Corp., 761 F. Supp. 20, 22 (E.D. Pa. 1991).

Once it became clear that Ms. Pierce and Mr. Marrone could no longer continue working together, the Smiley Plaintiffs had to decide which attorney's representation to keep and which to terminate. While GPFF filed a motion seeking leave to withdraw as counsel for the Smiley Plaintiffs, the withdrawal was not "voluntary." Smiley terminated Pierce by selecting Marrone to represent her and the other Smiley Plaintiffs. Given that decision, GPFF was terminated and had no choice but to seek leave to withdraw as counsel. Pierce's initiation of the conversation with Smiley is not enough to support a claim that GPFF voluntarily withdrew or abandoned the clients.

II. RECHT FACTORS

The parties agreed that Recht v. Urban Redevelopment Auth., 168 A.2d 134 (Pa. 1961) is the seminal case in determining whether a charging lien can be asserted and enforced. N.T. 6/17/24 at 26:4–27:4. Under Recht, a charging lien is enforceable if "(1) there is a fund in court or otherwise applicable for distribution on equitable principles, (2) the services of the attorney operated substantially or primarily to secure the fund out of which he seeks to be paid, (3) it was agreed that counsel look to the fund rather than the client for his compensation, (4) the lien claimed is limited to costs, fees or other disbursements incurred in the litigation by which the fund was raised and (5) there are equitable considerations which necessitate the recognition and application of the charging lien." Id. at 138–39. Appellants dispute the fulfillment of the first and second prongs.

A. First Recht Factor

A fund "in court or otherwise applicable for distribution on equitable principles" may also apply to settlement funds that have not yet been distributed. Austin v. Thyssenkrupp Elevator Corp., 254 A.3d 760, 766 (Pa. Super. 2021). This money need not be held in court, but may be held by an attorney or other source for disbursement. See id. at 765–66; Paddick v. Butt, 2018 WL 1991737 (E.D. Pa. 2018). The Smiley Action settled for $5 million, $1.75 million of which was apportioned for attorneys' fees and costs, and the latter was deposited into a MOREMARRONE escrow account. N.T. 6/18/24 at 181:11–18; 223:2–224:25. This escrow account qualifies as a fund that may be subject to a charging lien under the first Recht factor.

B. Second Recht Factor

The second Recht factor requires that the services of the attorney operated substantially or primarily to secure the fund out of which he seeks to be paid. Recht, 168 A.2d at 139. Generally, courts have held that a lawyer who represents a client during most of the litigation operated substantially or primarily to secure the fund. See Austin, 254 A.3d at 766; Smith v. Hemphill, 180 A.3d 773, 777 (Pa.

Super. 1992); Molitoris v. Woods, 618 A.2d 985, 991 (Pa. Super. 1992); but see Recht, 168 A.2d at 601 (lawyer did not substantially or primarily operate to secure a judgment because he "took no part in preparation or trial of the appeal proceeding" but rather worked on an unrelated action).

GPFF represented the Smiley Plaintiffs for nearly six of the eight years the case was litigated. N.T. 6/17/24 at 46:21–22. During this representation, GPFF's lawyers worked as co-counsel with Mr. Marrone and provided essential legal services identifying plaintiffs, participating in discovery, representing the plaintiffs at hearings, devising litigation strategy, and calculating damages. N.T. 6/17/24 at 55:7–13, 60:13–23, 62:25–63:7, 74:18–24, 81:20–82:6, 95:5–8, 97:19–21, 157:24–158:5, 195:13–18, 217:20–23; N.T. 6/18/24 at 9:1–8, 103:22–104:1, 257:11–259:1. GPFF also worked to successfully appeal the unfavorable summary judgment in the Smiley Action to resolve a key legal issue in the case that posed a risk to the Smiley Plaintiffs' recovery. N.T. 6/17/24 at 74:18–24, 95:5–8, 97:19–21; N.T. 6/18/24 at 245:22–246:4.

The only work performed by the Marrone Defendants and new counsel after GPFF's withdrawal was the new damages calculations and participation in the settlement conference. N.T. 6/17/24 at 188:16–24, 202:7–13. At trial, the Court found that Marrone's testimony that David Cohen and his own work alone "achieved [the] result" of the Smiley Action was not credible. Findings of Fact and Conclusion of Law, 4/11/25, ¶ 121. While GPFF was not involved in the mediation leading to settlement, it performed essential litigation services and trial preparation that contributed to the settlement.

III. FEE AWARD WAIVER

Appellant argues that GPFF waived its right to seek a fee award for the Smiley Action because they did not pursue the quantum meruit and unjust enrichment claims in the District Court. Once the Smiley Action was scheduled for a final settlement approval, GPFF filed a motion to intervene to protect its interest in the contingency fee. D-49 Memorandum Opinion Denying GPFF Motion to

Intervene at 2–3. The District Court denied the motion to intervene without prejudice to GPFF's right to file an independent cause of action because GPFF's attorneys' fees claim was collateral to the calculation of attorneys' fees in the Smiley Action. D-49 Memorandum Opinion Denying GPFF Motion to Intervene at 4. GPFF was thus barred from making sure their time and costs were included in the fee calculations. And the fact that GPFF's time was not in the proposed calculation is due to the Marrone Defendants refusing to provide GPFF's time. N.T. 6/17/24 at 214:1–215:10. GPFF is not seeking a new attorneys' fees award from the class settlement, but rather recovery from an existing award. Therefore, no judicial review is required under Federal Rule of Civil Procedure 23(h).

As to the argument that because the Marrone Defendants were not GPFF's clients, any benefit GPFF conferred was to the class members, not the Marrone Defendants, the Pennsylvania Supreme Court has held that "predecessor counsel who is fired by the client before collecting a fee for work on litigation has obviously conferred a benefit upon both the client and successor counsel who concludes the matter and receives a percentage of the proceeds as a fee." Meyer, Darragh, Buckler, Bebenek & Eck, P.LL.C. v. Law Firm of Malone Middleman, P.C., 179 A.3d 1093, 1103 (Pa. 2018). Mr. Marrone was co-counsel, not successor counsel, but he nonetheless benefited from the work GPFF completed before its withdrawal, allowing the case to settle successfully with a sizable fee award.

IV. QUANTUM MERUIT DAMAGES

Quantum meruit is an equitable action, which "is defined as 'as much as deserved' and measures compensation under an implied contract to pay compensation as reasonable value of services rendered." Meyer, Darragh, Buckler, Bebenek & Eck, P.L.L.C. v. Law Firm of Malone Middleman, PC, 95 A.3d 893, 896 (Pa. Super. 2014). Determining the damages in a quantum meruit claim "requires the court to take into consideration the particular circumstances of the case before it, including the complexity of the litigation and the results achieved: '[I]n the absence of a special agreement, an attorney is entitled to be paid the reasonable value of his services. In addition to the labor and time

involved, other factors must be taken into consideration, such as the character of services rendered, the importance of the litigation, the skill necessary, the standing of the attorney, the benefit derived from the services rendered and the ability of the client to pay, as well as the amount of money involved. The question of reasonableness is within the sound discretion of the trial court.'" Angino & Rovner v. Jeffrey R. Lessin & Associates, 131 A.3d 502, 511 (Pa. Super. 2016), quoting Mager v. Bultena, 797 A.2d 948, 960–61 (Pa. Super. 2002).

The Court awarded GPFF quantum meruit damages in the amount of its lodestar plus costs accrued for work on the Smiley Action. The Operating Agreement controls any fee and time arrangement between Marrone and GPFF while he was a member at the firm. Order and Op. for Summ. J., Dkt. at 9/26/23 at 8. Under the Agreement, GPFF owned Marrone's time while he was a partner at GPFF.

Also included was the time when Marrone was working at Caroselli Beachler, prior to him working at GPFF. This amount was included due to the agreement between Marrone and Caroselli Beachler when he left Caroselli Beachler to join GPFF. N.T. 6/17/24 at 148:18–149:4.

Appellants also argue that the Court erred by awarding costs to GPFF beyond what was awarded by the District Court and never received by the Marrone Defendants. However, the Marrone Defendants were responsible for reporting GPFF's costs to the District Court; if they failed to do so accurately because they did not contact GPFF that does not negate the actual costs expended by GPFF to the Marrone Defendants' benefit. See Meyer, 179 A.3d, at 1105 (Pa. 2018) (successor law firm's decision to accept less than previously agreed upon percentage payment from client does not inoculate it against a meritorious quantum meruit claim by predecessor law firm).

Finally, the Court found that the attorneys' rates were fair and GPFF did not unnecessarily bill their time in the Smiley Action. Findings of Fact and Conclusion of Law, 4/11/25, ¶¶ 137–45. Ms. Pierce testified as to GPFF's time sheets and the trial court found her testimony credible. On post-trial

motion, this Court amended GPFF's lodestar due to Pierce's testimony about one error in the timesheets. N.T. 6/17/2024 at 150:13–151:2.

V. INDIVIDUAL LIABILITY

While Appellants argue that Defendant Thomas Marrone acted at all times in his capacity as a member of the limited liability company, Defendant MOREMARRONE, this case began when GPFF brought Mr. Marrone on as co-counsel for the Smiley action back in 2012. At that time Mr. Marrone was at Caroselli Beachler. Mr. Marrone left Caroselli Beachler and joined GPFF in 2013, where he stayed until 2015. Upon leaving GPFF, Mr. Marrone started his own firm, MOREMARRONE. GPFF ceased work on the Smiley matter in 2018. Of the six years GPFF worked on the Smiley matter, for three of them MOREMARRONE did not exist.

VI. PREJUDGMENT INTEREST

Pennsylvania courts have awarded prejudgment interest as of right in contract cases, "but also as an equitable remedy awarded to an injured party at the discretion of the trial court." Somerset Community Hosp. v. Allan B. Mitchell & Associates, Inc., 685 A.2d 141, 201 (Pa. Super. 1996). Appellants argue that because they have been holding funds in a non-interest bearing escrow account pursuant to court order and thus have not benefitted from the funds, and because Appellee's damages were not liquidated or certain, awarding prejudgment interest was inappropriate.

The November 20, 2020 order requiring the creation of the escrow account was a result of Appellee's petition for preliminary injunction. The Marrone Defendants voluntarily set up an escrow account with an amount calculated by them. The order notes that the "establishment of this fund does not bar plaintiff from litigating this matter and procuring evidence to prove its entitlement to a charging lien in excess of the fund amount or its rights to share in attorneys' fees that exceeds the lodestar value used by defendants here."

Our Superior Court has stated that pre-judgment interest "may be awarded 'when a defendant holds money or property which belongs in good conscience to the plaintiff, and the objective of the court is to force disgorgement of his unjust enrichment.'" George M. Axilbund Tr. v. Forman, 268 A.3d 433 (Pa. Super. 2021) (quoting Dasher v. Dasher, 542 A.2d 164, 164–65 (Pa. Super. 1988)). Had Mr. Marrone included GPFF in the attorney's fee calculations submitted to the District Court, Appellee would have had their due long ago.

CONCLUSION

For the foregoing reasons, this Court asks that the judgment be affirmed.

BY THE COURT:

MICHAEL ERDOS, J.

DATE: January 7, 2026