

98-38-01

Solo Van Roll-over: Tire Blowout

Verdict:

\$10,294,914

Plaintiff Attorneys:

for Fuller: Brian J. Panish
(Green, Broilet, Taylor, Wheeler, & Panish), Santa Monica (310) 576-1200

for Hunte: H. Neil Margolin
(Margolin & Lipton), North Hollywood (818) 508-7100

Defendant Attorneys:

for Church: Jack J. Tannenbaum
(Staitman, Snyder & Tannenbaum), Encino (818) 981-5300

for Hunte: A. Bennett Combs
(Law Offices of Bennett Combs), Irvine (949) 786-0023

for Fairmont Tire: R. Wesley Beavers
(Koester & Gelman), Anaheim (714) 939-1434

Trial Judge: Henry T. Shatford L.A. Central 8/25/98

Trial Time: 7 Weeks Deliberation Time: 14 Hours

Insurance Co: Church Mutual for the Church and Hunte, Nationwide for Fairmont

Case: Shirlee Fuller, Josephine Hunte and Geoffrey Hunte vs. Greater Bethany Community Church, Geoffrey Hunte, and Fairmont Tire and Rubber Company BC 109 995

Facts:

8/4/93: Plaintiffs were members of the Greater Bethany Community Church in South Central Los Angeles. The church sold video and audiotapes and books in an effort to spread the gospel through their ministry. They participated in national and local gatherings of the Pentecostal churches. The pastor of the church was in charge of the western United States congregations of the Pentecostal churches, and a member on the national and local levels through the Praise Ministry, which was responsible for the sale of tapes, books, and other items used to spread the gospel. Every year a national convention was held. The church sent representatives and set up a booth to sell products of the Praise Ministry. The church owned three vans and one bus, which were used to transport parishioners to and from the church and church meetings and conventions. They also had a "busing ministry" which was responsible for maintenance of the buses and training of the drivers. Prior to leaving on a trip, the church mechanic inspected the van and made repairs. He recommended that all four tires be replaced. The church administrator testified that he was told to replace the tires, but not how many tires to replace. The church mechanic and the church maintenance man both testified that the church administrator was told to replace all four tires. The administrator took the van to Fairmont Tire and Rubber. He testified that he was told three tires needed to be replaced and the remaining tire was "roadworthy." He claimed that as a result, he only purchased three tires. The tire store always recommended replacing radial tires in pairs, and claimed that the church administrator was recommended to replace all four tires. The church administrator denied experience and knowledge of working with tires, but later admitted to having worked for a tire retailer as a tire installer and salesman. The van left the church on August 4, 1993 to drive to Cleveland, Ohio for a national convention. Geoffrey Hunte, the 45-year-old driver of the van, and his wife were to drive straight through to Cleveland without stopping at any hotel to sleep. There were given \$200 for a 2,383-mile trip, and 48 hours to arrive in Cleveland. On August 4, at 2:00 p.m., the left rear tire, which had not been replaced, blew out. The van rolled over. Plaintiff Fuller, a 36-year-old preschool teacher, was sleeping in the front passenger seat of the van when the accident occurred. Plaintiff Josephine Hunte, a 40-year-old bookkeeper, was sleeping in the back of the van. She was tossed about the van during the roll-over. Plaintiff Fuller was ejected from the van. The roof of the van crushed her pelvis and injured her left knee.

Injuries: Shirlee: Pelvic ring disruption, chronic pain syndrome, pneumothorax, closed head injury, and chondromalacia of the left knee. Geoffrey: Fractured right arm. Josephine: Soft tissue neck and back injuries.

Treatment: Shirlee: Two surgeries to her pelvis and one left-knee arthroscopy. **Residuals:** Shirlee: Inability to work and difficulty walking.

Medical Costs: \$116,000 past, \$3,434,778 future

Loss of Earnings: \$81,747 past, \$333,562 future

Contentions:

Plaintiffs claimed Bethany Church failed to maintain the van properly. It placed an unsafe vehicle on the road and failed to provide a properly trained driver. The van was overloaded, which made it more difficult to control during blowout. Geoffrey Hunte failed to operate the van in a safe manner. He lost control and did not get proper rest.

Defendants argued the church was not negligent. They relied on the expertise of the tire company when they did not replace tire which failed. Geoffrey Hunte was a qualified driver. He had driven for the church on many occasions without accident. He was not fatigued. He reacted properly. If Defendants were liable, the tire company should bear the majority of the responsibility. **Defendant Tire Company argued** they do not make trip recommendations, and would not have made the representations claimed by the church. The accident was worsened by Defendant Hunte. He did not follow church driving policy. He drove 24 hours without stopping.

Hunte was not approved to drive. That decision was overruled by the church administrator. Defendant Hunte argued that Plaintiff Fuller did not suffer a head injury, and fully recovered from her injuries. All objective tests such as CT scan, EMG, and x-rays, were normal. Future medical care and assisted living were unnecessary.

Settlement:

Offer: \$1,000,000 from Bethany Church to Fuller, \$200,000 from Tire Company to Fuller, zero to other Plaintiffs
Demand: \$5,000,000 policy limits for all Plaintiffs; \$975,000 CCP 998 for Fuller

Verdict:

\$10,294,914 total plus \$2,563,958 in prejudgment interest
\$10,095,414 for Fuller; \$3,595,414 economic, \$6,500,000 noneconomic plus \$2,563,958 in prejudgment interest
\$135,000 for G. Hunte; \$35,000 economic, \$100,000 noneconomic
\$64,500 for J. Hunte; \$14,500 economic, \$50,000 noneconomic
Defense for Fairmont Tire and Rubber Company
The jury found the Greater Bethany Community Church 97% negligent and Geoffrey Hunte 3% negligent.
Jury Poll: 12-0 on negligence (Church), 11-1 on damages (Church), 9-3 on negligence for Fairmont Tire.

Note:

Defendant's motion for new trial to be heard on 10/14/98.

Plaintiff Experts:

DeCoster, Thomas
Seymore, Castoria
Feder, Keith
Miller, Lawrence
Chandran, Rama E.
Gilberto, Lorraine
Rosenthal, N. Paul
Jennings, William
Stein, Anthony

Orthopedic Surgeon
Pain Management
Orthopedic Surgeon
Physical Medicine
Orthopedic Surgeon
Chiropractor
Neurologist
Economist
Human Factors

Albuquerque, NM
Inglewood
Manhattan Beach
Pasadena
Los Angeles
Riverside
Van Nuys
Northridge
Los Angeles

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98-38-02

Stock Fraud: Information Regarding Start Up Company Verdict:

\$1,475,000

Plaintiff Attorneys:

Nicholas W. Hornberger
(Hornberger, Ghazarians & Brewer), Los Angeles
Gayle Eskridge
(Eskridge & Associates), Torrance

(213) 488-1655

Defendant Attorney:

Ken Keidel
(Gray, York, Duffy & Rattet), Encino

(310) 792-7021

Trial Judge:

Jean Matusinka
Torrance

(818) 907-4000

Trial Time:

12 Days

6/10/98

Case:

Roy Roberts and Dennis Silver vs. Larry Arman, Claudette Arman and Re/Max Rolling Hills
Deliberation Time: 1 1/2 Days Compensatory; 4 Hours Punitive
YC 025 110

Facts:

93-94; Plaintiff Roberts, a 60-year-old manufacturer, and Plaintiff Silver, a 55-year-old airline pilot, invested \$199,000 and \$200,000, respectively, in United R.E.O., Inc. based on the representations of Larry Arman. Arman stated that the corporation was an "S" corporation. He said it had a duly elected Board of Directors, and that it paid all its bills except employee salaries.

Damages: \$399,000 investment

Contentions:

Plaintiffs claimed Arman committed fraud. The corporation had taken trust funds which would make United R.E.O. a "C" corporation. Arman failed to advise Plaintiffs that he and his wife, Claudette, and his wholly owned company Re/Max Rolling Hills, had transferred funds out of United R.E.O. by telephone, checks, and payment of personal expenses. He failed to advise that there were no organizational meetings as noted in the Board minutes. He failed to advise that the corporation documents and tax returns were forged.

Defendants argued they had invested \$500,000 to start up United R.E.O. They were paying themselves back for that expenditure. Larry Arman had little, if any, net worth.

Settlement:

Offer: \$374,000 **Demand:** \$600,000

Verdict:

\$1,475,000 total; \$350,000 compensatory and \$375,000 punitive for Roberts and \$350,000 compensatory and \$400,000 punitive for Silver.

Jury Poll:

10-2 compensatory, 9-3 punitive