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Workers Receive \$100 Million in Punitive Damages for Injuries Suffered From Chemical Exposure

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Ten British Petroleum workers were awarded \$100 million dollars by a federal jury for [injuries and damages](#) related to contamination at one of the company's plants. According to reports, all but \$300,000 of the \$100 million award were for [punitive damages](#).

A spokesman for BP stated that "We are shocked and outraged by today's verdict, and we will appeal... The verdict, and punitive damages award in particular, is utterly unjustified, improper and unsupportable."

BP clearly will appeal and its chances of success are pretty good. The ration of 333 to 1 punitive damages to compensatory damages is a pretty high ration by any standard. In addition, Texas courts often caps punitive damages at \$200,000 per plaintiff.

On the other hand, this case is exceptional in a number of respects. First, BP has a history of safety violations at the subject plant where 15 workers were killed in 2005 in an explosion at the plant. The company settled for \$2 billion in damages and was ordered to pay an additional \$50 million in criminal fines. The company is currently fighting an \$87 million fine imposed earlier this year by OSHA for safety violations. The jury obviously found that BP's behavior represented a pattern of behavior suggesting willful, wanton or reckless conduct. The jury verdict may also have represented passion and prejudice over reason and justice, which in New Mexico is a basis for reversal of punitive damages awards.

Whether the verdict is overturned on appeal or not, it should get the attention of BP since there remain 133 additional workers who have made claims related to the same toxic chemical release in 2007. The lawyer for the injured workers stated that he had offered to settle early on for \$10,000 per worker. BP countered with \$500 per worker stating that they had suffered no injuries. The lawyer for the workers stated that he had not wanted to try the case but BP's lack of reasonableness in refusing to budge from its \$500/worker offer forced him to trial.

Hopefully, the case sends a message to other corporate defendants who all too often refuse to acknowledge any responsibility for their actions. Punitive damages are a way offorcng a defendant to acknowledge its wrongdoing and to prevent future such conduct. Punitive damages act as a deterrent to future bad behavior similar to the behavior that caused the injuries. In addition, they often deter future bad behavior in the bad faith settlement of claims as obviously occurred here. The BP verdict's legality and impact in New Mexico will be explored in a follow up article.

