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# CALIFORNIA SUPREME COURT RELEASES ITS OPINION IN O'NEIL v. CRANE CO.: PRODUCT MANUFACTURERS ARE <u>NOT LIABLE</u> IN STRICT LIABILITY OR NEGLIGENCE FOR HARM CAUSED BY ANOTHER'S PRODUCT

Asbestos litigants have been waiting years for this decision. On January 12, 2012, a unanimous California Supreme Court released its opinion in O'Neil v. Crane Co., holding that "a product manufacturer may not be held liable in strict liability or negligence for harm caused by another manufacturer's product unless the defendant's own product contributed substantially to the harm, or the defendant participated substantially in creating a harmful combined use of the products."

Defendants Crane Co. and Warren Pumps manufactured certain valves and pumps and were sued for wrongful death allegedly caused by asbestos released from external insulation and internal gaskets and packing, all of which were made by third parties and added to the pumps and valves post sale. Plaintiffs claimed the defendants should have been held strictly liable and negligent because it was foreseeable that workers would be exposed to and harmed by the asbestos in replacement parts and products used in conjunction with their pumps and valves. While the Court of Appeal ruled in plaintiffs' favor, the California Supreme Court rejected the plaintiffs' claim and reversed.

## **Strict Liability**

The Supreme Court noted that strict liability has been imposed for three types of product defects: manufacturing defects, design defects and "warning defects." Warning defects described products that are dangerous because they lack adequate warnings or instructions.

Plaintiffs argued defendants' products were defective because they included and were used in connection with asbestoscontaining parts. Plaintiffs also contended defendants should be held strictly liable for failing to warn about the potential health consequences of breathing asbestos dust released from the products used in connection with defendants' pumps and valves. The Supreme Court rejected these claims because (a) any design defect in these specific defendants' products was not a legal cause of the wrongful death, and (b) the defendants had no duty to warn of risks arising from



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other manufacturers' products.

The Supreme Court concluded that "a product manufacturer generally may not be held strictly liable for harm caused by another manufacturer's product. The only exceptions to this rule arise when the defendant bears some direct responsibility for the harm, either because the defendant's own product contributed substantially to the harm ... or because the defendant participated substantially in creating a harmful combined use of the products... ." Plaintiffs argued for an expansion of these exceptions to strict liability on the ground that the use of the products in conjunction with defective products or replacement parts manufactured by someone else was foreseeable. In response, the Court ruled that "foreseeability of harm, standing alone, is not a sufficient basis for imposing strict liability on the manufacturer of a nondefective product, or one whose arguably defective product does not actually cause harm."

#### Negligence

The recognition of a legal duty of care to support a negligence claim depends on the foreseeability of the risk and a weighing of policy considerations for and against imposition of liability.

The Court ruled that even assuming a manufacturer can reasonably be expected to foresee the risk of latent disease arising from products supplied by others years after the product leaves the manufacturer's control, nevertheless strong policy considerations weigh against imposing a duty of care on manufacturers of valves and pumps to prevent asbestos-related disease. The Court found the connection between the defendants' conduct and the injury is "extremely remote" because the defendants did not supply an asbestos product that may have caused decedent's disease and ultimate death. The circumstances that attenuated the connection between the defendants' products and the alleged injury included that the decedent did not work around the defendants' pumps until 20 years after they were sold and he did not develop an injury for nearly another 40 years. The court also found that little moral blame could attach to a failure to warn about dangerous aspects of other manufacturers' products and replacement parts and that imposing a duty here would not be likely to prevent future harm.

Accordingly, the Supreme Court refused to recognize a duty of care in this case.

## **Comment and Evaluation**

This case represents a major victory for numerous classes of defendants in asbestos litigation. The theory of the case should allow certain defendants to escape strict liability via summary judgment/adjudication. The case presents a less strong defense regarding negligence claims as the case's logic was somewhat dependent upon the facts of there being a great length of time between the time the product left the manufacturer and the time the decedent/plaintiff was first exposed to the product, and another great length of time between the time of the exposure and the development of

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disease. However, since many asbestos cases fit a similar fact pattern, this case should be helpful in achieving resolutions of claims favorable to defendants who are charged with liability when a plaintiff or decedent was exposed to asbestos-containing replacement parts or related parts (such as gaskets used to attach product flanges to steam pipe systems) not provided by the product manufacturer. This will be especially true in Navy cases, where most experts agree that machinery, including pumps, valves and steam traps, were overhauled regularly every few years.

For the full decision see: http://www.courtinfo.ca.gov/opinions/documents/S177401.PDF



About the Low, Ball & Lynch Environmental and Toxic Torts Team has been successfully representing defendants in asbestos-related litigation for over 25 years. The Environmental and Toxic Torts Team also handles cases involving chemical spills and toxicity, lead, silica, and Proposition 65.

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