

Press Release

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FOR IMMEDIATE RELEASE

March 17, 2004

WLF BRINGS CAMPAIGN AGAINST ASBESTOS CLAIMS FRAUD TO TEXAS

The Washington Legal Foundation (WLF) filed a petition with the State Bar of Texas requesting an investigation of fraudulent evidence in asbestos cases. In the fifth of a series of filings in jurisdictions across the country, WLF petitioned Texas Bar authorities to investigate the filing of non-malignant asbestos claims that have been based on the results of attorney-sponsored screening programs.

This project is intended to address the attorney misconduct that has contributed significantly to one of the principal crises facing the U.S. civil justice system – the proliferation of asbestos suits on behalf of claimants who are not even impaired. Thirty corporations have filed for bankruptcy since 1990 as the result of asbestos litigation – twenty-two of them since January 1, 2000. The result of these bankruptcies is that the companies' stockholders (including 401(k) participants) lose their investment, the companies' retirees may lose their health benefits, and payrolls are cut back. Victims of serious asbestos-related diseases – legitimate claimants – see their compensation cut off during the bankruptcy period. Moreover, as the asbestos bar seeks new defendants to take the place of bankrupted ones, an ever-greater number of companies are in the path of asbestos litigation.

In its petition, WLF argued that while attempts have been made to address the asbestos litigation crisis through procedural devices such as mass class action settlements, it has become clear that the crisis in its current form has been fueled in large measure by improper recruitment of claimants. These claims frequently originate with mass X-ray screenings organized by plaintiffs' attorneys. The attorneys contract with screening companies that set up a trailer near a place of industrial employment or a union hall. There, workers are offered a free chest X-ray if they sign a contract agreeing to a contingency fee should the attorneys obtain an asbestos recovery.

The petition details that unscrupulous plaintiffs' attorneys frequently retain compliant experts who will find evidence of asbestosis or other asbestos-related conditions whether it is there or not. The petition accordingly requests that Texas bar authorities to initiate an investigation into the practice of mass asbestos screenings and bring disciplinary proceedings where warranted.

In its petition to the Texas State Bar, WLF noted examples of Texas attorneys participating in asbestos screening events, where placards are flashed to passing motorists offering free screenings to solicit clients. WLF also provided information about possible violations of Texas health regulations regarding the use of X-ray equipment by the screening company utilized by the attorneys.

WLF previously filed petitions on this subject with the Attorney Registration & Disciplinary Commission of the Illinois Supreme Court, the Mississippi Bar, the State Bar of Washington, and the State Bar of West Virginia.

In the area of asbestos litigation, WLF has frequently participated in pending lawsuits to present a public interest perspective on the present crisis. Most recently, on February 6, 2004, WLF filed a brief in the Mississippi Supreme Court in *3M Company v. Johnson*, urging it to overturn a record \$150 million asbestos product liability judgment awarded to six men, none of whom was injured. In addition, WLF's Legal Studies Division has published numerous papers from leading practitioners detailing the current crisis in asbestos litigation.

WLF is a non-profit public interest law and policy center with supporters nationwide. Since its founding in 1977, WLF has engaged in litigation and advocacy to defend and promote individual rights and a reasonable and balanced civil justice system. For over 12 years, through WLF SCALES Project ("Stop the Collapse of America's Legal Ethics), WLF has petitioned all the state bars to reform the legal profession regarding abusive contingency fee practices, client solicitation, the disciplinary process, and campaign contributions to elected judges.

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For further information, contact WLF Senior Executive Counsel Paul Kamenar, (202) 588-0302. WLF's petitions are available on its website and www.wlf.org.