

October 1990

PRODUCT LIABILITY

Verdicts in Massachusetts for 1983-85



Human Resources Division

B-240754

October 26, 1990

The Honorable Richard H. Bryan
Chairman, Subcommittee on Consumer
Committee on Commerce, Science,
and Transportation
United States Senate

The Honorable Doug Walgren
Chairman, Subcommittee on Commerce,
Consumer Protection, and Competitiveness
Committee on Energy and Commerce
House of Representatives

In the mid-1980s, businesses and other organizations reported problems obtaining adequate, affordable liability insurance. In response, nationwide attention was focused on the role of litigation, especially trends in the frequency and size of damage awards in court cases, in contributing to problems concerning the cost and availability of liability insurance. At the same time, the Congress and state legislatures debated whether reforming the tort system (the legal rules and judicial procedures for compensating injured parties) would remedy the insurance problems.

Last year, GAO issued Product Liability: Verdicts and Case Resolution in Five States (GAO/HRD-89-99, Sept. 1989) to assist the Congress in its deliberations on uniform product liability law at the federal level.¹ Currently, however, each state establishes its own legal standards for product liability cases. Reform advocates, therefore, have focused much of their efforts on changing state laws. The resultant activity in the states has been widespread, but has varied considerably from state to state.

In general, policymakers and researchers have noted a persistent lack of information, especially at the state level, on awards and the bases of liability. This lack of information makes both congressional and state deliberations about needed reforms difficult. To facilitate these deliberations, for four of the five states reviewed in our earlier report,² we are providing detailed state-level information on verdicts in product liability

¹Manufacturers involved in interstate commerce have contended that as a result of variations in state laws, they are being held to different liability rules in different states, further complicating estimation of risk for insurance purposes. We found that federal reforms, if sufficiently clear, would make the application of product liability law more uniform in the 50 states. The impact of such federal reforms would depend, however, on the specifics of the legislation enacted.

²We are not issuing a separate report for one of the states, North Dakota, because of the small number of cases in that state.

cases. We are addressing these reports to you because the Subcommittees you chair have recently held hearings and full Committees have reported favorably the proposed legislation to establish uniform product liability laws.³ In this report, we present information for Massachusetts.

Background

Generally, proposed reforms have been designed to remedy alleged problems in the tort system, including increasingly large awards and high litigation costs. Defendants have also claimed that the basis of liability has shifted from liability based on intent or negligence toward a de facto no-fault liability system financed entirely by manufacturers. Data limitations have fueled debate on (1) the magnitude of these problems and (2) whether reforms would alleviate them.

In our earlier report on product liability, we analyzed data on (1) the frequency and size of awards and payments, (2) liability standards used to decide cases, (3) posttrial activities and adjustments to awards, (4) time and cost of litigation, and (5) potential effects of federal reform measures. We collected these data for cases in Arizona, Massachusetts, Missouri, North Dakota, and South Carolina.⁴ Not surprisingly, we found significant differences from state to state.

We concluded that, in general, (1) damage awards in the five states were strongly associated with severity of the injury and, presumably, the underlying economic loss and (2) liability was still based largely on negligence. We found that appeals and posttrial settlement negotiations reduced the size of the majority of awards over \$1 million. Appellate courts also eliminated many punitive damage awards (which are designed to punish flagrant or intentional wrongdoing and to deter others from similar conduct or both). These activities, however, added to the substantial cost and time required to resolve claims.

³In May 1990, the Committee on Commerce, Science, and Transportation reported favorably to the Senate S. 1400, the Product Liability Reform Act of 1989. In June 1988, the Committee on Energy and Commerce reported favorably to the House H.R. 1115, the Uniform Product Safety Act of 1988. In December 1987, the Subcommittee on Commerce, Consumer Protection, and Competitiveness had approved that bill.

⁴We based our selection of states on (1) whether product liability cases could be identified without manually searching thousands of case files, (2) the amount of information already published on product liability litigation in the jurisdictions, and (3) the relative costs associated with obtaining the information. The five states offer a mix in terms of region of the country, degree of urbanization, numbers of manufacturers and manufacturing employees, and tort laws (see Product Liability: Verdicts and Case Resolution in Five States, pp. 76-77).

Product Liability in Massachusetts

Tort reform advocates do not consider Massachusetts to be a problem state in terms of excessive damage awards and inappropriate bases of liability; little effort, therefore, has been expended to reform product liability law in that state. No comprehensive product liability reform bill has been proposed.

There have been some efforts, however, to change tort law in Massachusetts, which would affect product liability cases. Since 1986, several bills to reform tort law have been proposed, but none have been enacted.

GAO's findings in Massachusetts were distinct from those in the other four states in several respects. First, in Massachusetts, the rate at which defendants were found liable was lower than the rates in the other four states. Defendants were found liable in 33 percent of Massachusetts's cases as opposed to 48 percent of cases in the other four states combined. In Massachusetts, there were no awards of punitive damages, which are given to punish flagrant or intentional wrongdoing or to deter similar conduct. Punitive damages were awarded in each of the other four states and, for two states, in 25 percent of cases in which defendants had been found liable. This difference, at least to some extent, occurred because Massachusetts's law limits punitive damage awards to cases of death. But laws in the other four states do not limit the type of injury for which punitive damages can be awarded.

Finally, in Massachusetts, cases took longer to reach verdict than in the other states. Massachusetts cases took over 3-1/2 years to reach verdict as compared with a combined average of just over 2 years in the other four states. Ironically, Massachusetts is one of the two states GAO reviewed that requires prejudgment interest on awards, which is designed, in part, to create the incentive for a quick resolution of cases. Prejudgment interest accrues from the date the complaint is filed to the date of the judgment. Because of the considerable time required to reach verdict, on the average, one-third of the amount awarded at judgment in Massachusetts's cases was prejudgment interest.

Scope and Methodology

In this report we provide information for 66 cases that were resolved through verdicts for 1983-85 in Massachusetts's 14 state superior courts and in the U.S. District Court (federal court) in Massachusetts. Of the 66 cases we studied, 22 were heard in the state courts. We describe

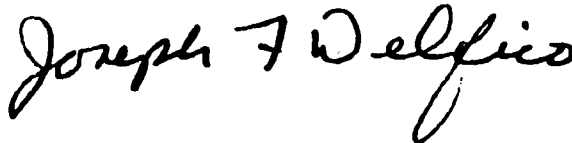
- the accidents giving rise to product liability cases, the parties to the cases, the allegations and demands contained in plaintiffs' complaints,

and the amount of time spent on the cases at each stage — from the accidents to final court actions (see app.I);

- the percentage of cases in which defendants were found liable, the bases of liability, the amount of compensatory and punitive damages awarded, and deductions for comparative negligence (see app. II); and
- the frequency of posttrial adjustments to awards and actual payments made to plaintiffs after verdicts (see app. III).

For a discussion of the methodology used to identify cases and collect data, see appendix IV.

GAO is sending copies of this report to Members of Congress, state legislators and officials, and other interested parties. The report is also available on request. If you have any questions, please call me on (202) 275-6193. Other major contributors are listed in appendix V.

A handwritten signature in black ink that reads "Joseph F. Delfico". The signature is written in a cursive, flowing style.

Joseph F. Delfico
Director, Income Security Issues

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Cases That Went to Verdict: Accidents, Parties, Demands, and Processing Time

Table I.1: Majority of Accidents Involved Machinery

Product type	Number	Percent
Machinery	38	58
Chemical substances	6	9
Vehicles	5	8
Drugs	5	8
Other ^a	11	17
Not specified	1	2
Total	66	102^b

^aThis category includes a variety of products, such as medical devices, ladders, and appliances.

^bThe percentages total more than 100 because of rounding.

Table I.2: Majority of Injured Parties Suffered Personal Injury

Injury type	Number	Percent
Personal injury:		
Permanent partial disability	45	68
Permanent total disability	5	8
Temporary partial disability	4	6
Temporary total disability	2	3
Not specified	3	5
All personal injury	59	90 ^a
Death	4	6
Property Damage	4	6
Total	67^b	101^b

^aPercentages for the five subcategories of personal injury add to more than 89 because of rounding.

^bBecause 1 case involved both personal injury and death, (1) the number of injuries is more than 66, the total number of cases, and (2) the percentages total more than 100.

Appendix I
Cases That Went to Verdict: Accidents,
Parties, Demands, and Processing Time

Table I.3: Typical Injured Party an Adult Male, Married, and Working

Characteristic	Number	Percent ^a
Sex		
Male	47	67
Female	20	29
Not applicable (businesses)	3	4
Total injured parties	70	100
Age category^b		
Children (1-17 years old)	10	14
Adults (18+ years old)	56	80
Not applicable (businesses)	3	4
Not specified	1	1
Total injured parties	70	99
Marital status (adults only)		
Married	28	50
Single	7	13
Divorced, separated, or widowed	3	5
Not specified	18	32
Total adult injured parties	56	100
Employment status (adults only)^c		
Employed full-time	42	75
Employed part-time	4	7
Not working	2	4
Not specified	8	14
Total adult injured parties	56	100

^aPercentages may not add to 100 percent because of rounding.

^bOn the basis of data for 73 percent of the injured parties who were not businesses, the average age was 33 years old.

^cIn 47 percent of the cases, the injuries occurred on the job.

Appendix I
Cases That Went to Verdict: Accidents,
Parties, Demands, and Processing Time

Table I.4: Majority of Plaintiffs Who Went to Verdict Were Those Harmed by Products

Plaintiff type	Number	Percent
Injured parties (includes estates)	64	67
Spouses	24	25
Parents	5	5
Children	2	2
Total	95^a	99^b

^aA total of 145 plaintiffs were named in the complaints in the 66 cases. In just under 90 percent of the cases, all plaintiffs named in the complaints went to verdict. One case, which had 43 plaintiffs at filing and 2 at verdict, accounted for the majority of the reduction in the number of plaintiffs from filing to verdict. In this case, plaintiffs had filed the case as a class action, but were denied that status and tried separately.

^bPercentages do not add to 100 because of rounding.

Table I.5: Majority of Defendants Who Went to Verdict Were Manufacturers

Defendant type	Number	Percent
Manufacturers ^a	75	73
Sellers/distributors ^b	17	16
Other ^c	10	10
Not specified	1	1
Total	103^d	100

^aIn this category, 67 manufactured the finished product and 8, a component part.

^bIn 18 of the cases (27 percent), product sellers were named in the complaints. When the cases went to verdict, 17 sellers remained, a drop-out rate of 6 percent, which is lower than the 32-percent drop-out rate for other types of defendants (see footnote d).

^cThis category includes a variety of types of defendants, including government agencies and employers.

^dA total of 145 defendants were named in the complaints in the 66 cases; 32 percent of defendants did not go to verdict. In about 85 percent of the cases, all defendants named in the complaints went to verdict. For 1 case, 29 defendants were named in the complaint and 6 went to verdict; in another, 11 defendants were named in the complaints and 1 went to verdict. These 2 cases accounted for the majority of the reduction in the number of defendants from filing to verdict.

Appendix I
Cases That Went to Verdict: Accidents,
Parties, Demands, and Processing Time

Table I.6: Most Plaintiffs Resided in Massachusetts and Most Defendants Were Headquartered in Other States

State	Number	Percent
Plaintiff residence		
Massachusetts	91	96
Other states	3	3
Not specified	1	1
Total	95	100
Defendant headquarters		
Massachusetts	17	16
Other states	81	79
Not specified	5	5
Total	103	100

Table I.7: Monetary Demands Increased With Injury Severity

Dollars in thousands				
Type of injury	Number^a	Demand		\$1 million or more (in percent)
		Average	Median	
Wrongful death	3	\$1,322	\$1,500	67
Personal injury:				
Permanent	47	1,537	750	47
Temporary	7	471	350	14
All personal injury	55 ^b	1,376	600	42
Property damage	4	704	400	25
All cases	62 ^c	1,330	600	42

Note: In all cases, plaintiffs requested compensatory damages; in 7 cases, compensatory and punitive damages. Compensatory damages are paid to plaintiffs to replace the losses caused by injury. They consist of economic damages, which cover the actual out-of-pocket expenses incurred by plaintiffs, and noneconomic damages, which cover intangible injuries such as pain and suffering. Punitive damages are given to punish intentional or flagrant wrongdoing and deter others from similar conduct.

^aData were unavailable for 4 cases; 3 cases involved personal injury and 1 case, personal injury and wrongful death.

^bIncludes 1 case in which the severity of injury was unspecified.

^cDemands ranged from \$15,000 to \$11 million.

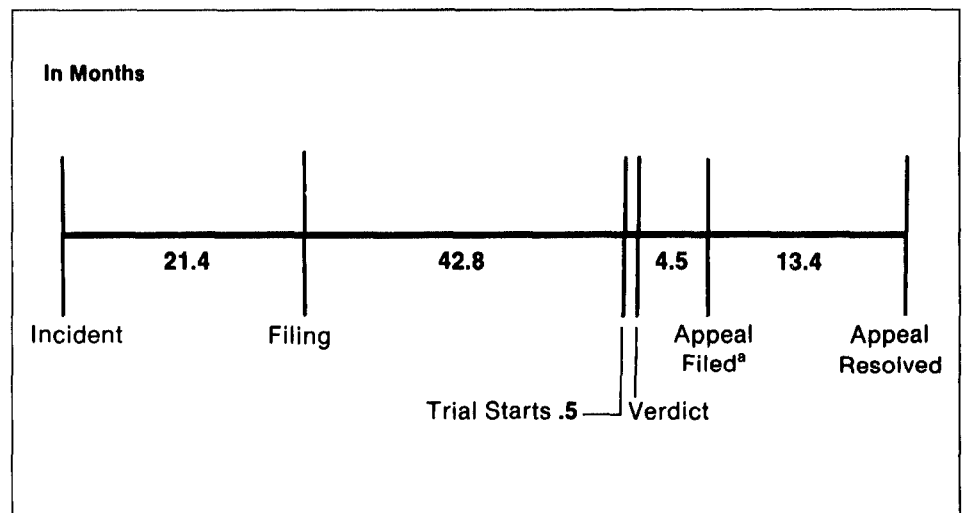
Appendix I
Cases That Went to Verdict: Accidents,
Parties, Demands, and Processing Time

Table I.8: Negligence the Predominant Basis of Liability Claimed by Plaintiffs

Basis of liability	Number	Percent
Negligence, breach of warranty, and strict liability	31	47
Negligence and breach of warranty	24	36
Negligence only	6	9
Negligence and strict liability	2	3
Breach of warranty and strict liability	2	3
Breach of warranty only	1	2
Total	66	100

Note: In Massachusetts, plaintiffs can allege that defendants are liable for different reasons. Most prevalent among these are negligence and breach of warranty. Under negligence, defendants are liable if they did not exercise due care and this lack of care caused the injury. Under breach of warranty, defendants are liable if a product failed to work as expressly or implicitly warranted or promised. Massachusetts has not adopted the standard of strict liability per se, under which many states allow plaintiffs to plead their cases. Under strict liability, defendants are liable if a product was defective and this defect made the product unreasonably dangerous and caused an injury. The plaintiff in a strict liability action need not prove that the manufacturer or seller failed to exercise due care, as is required in a negligence action. Massachusetts's courts have indicated that in the state, breach of warranty covers the same circumstances in which defendants can be held strictly liable in other states. Our data indicate that plaintiffs in 35 cases alleged strict liability, although such allegations are not recognized under Massachusetts law.

Figure I.1: On Average, Cases Took 3-1/2 Years to Reach Verdict and Appeals Took Over 1 Year to Resolve



^aTime between verdict and filing of appeal primarily reflects the time required to resolve parties' motions (requests) to the trial judge (for example, a motion for a new trial or a motion for a reduction in the award). During this time, parties submit briefs (arguments) in support of their positions on the motion(s) and the judge considers and rules on them.

Verdicts: Rate and Size of Awards

Table II.1: Defendants Found Liable in One-third of Cases

Type of injury	Cases	
	Reaching verdict	Defendants found liable
Wrongful death	4	3
Property damage	4	2
Personal injury	58	17
Total	66	22

Table II.2: Liability Rates for Key Defendant Types the Same

Type of defendant	Reaching verdict	Defendants Found liable	
		Number	Percent
Manufacturers	75	22	29
Sellers/distributors	17	5	29
Other ^a	11	5	50
All cases	103	32	31

^aIncludes 1 defendant for whom type was unavailable.

Table II.3: Extremely Large Awards Accounted for Majority of Total Amount Awarded

Dollars in thousands				
Size of award	Cases	Awards		Percent of total awarded
		Average	Median	
Less than \$100,000	12	\$50	\$50	5
\$100,000 to \$999,999	4	187	124	7
\$1 million and over	6	1,616	1,346	87
All cases	22 ^a	505	88	99 ^b

Note: Awards exclude prejudgment interest (see table III.2).

^aAwards ranged from \$15,000 to \$3.1 million and totaled \$11.1 million. All awards were for compensatory damages. Because Massachusetts only allows punitive damages in wrongful death cases, only the 3 wrongful death cases in which defendants were found liable would have qualified for awards of punitive damages.

^bPercentages do not add to 100 because of rounding.

Appendix II
Verdicts: Rate and Size of Awards

Table II.4: Awards Varied by Type and Severity of Injury

Dollars in thousands				
Injury type	Cases	Awards		
		Average	Median	Expected ^a
Wrongful death	3 ^b	\$1,756	\$1,800	\$1,317
Personal injury ^c	17	337	82	99
Property damage ^d	2 ^b	50	50	25
All cases	22	505	88	168

^aExpected award is the average award across all cases, including those won by defendants. Of the three ways of describing the typical award, the expected award is the best indicator of what plaintiffs received across all cases that went to verdict.

^bThe average, median, and expected award can be extremely unreliable when only a few cases are considered.

^cAmong personal injury cases, larger awards were given for permanent disability than for temporary disability. In the 15 cases involving permanent disability in which defendants were found liable, the average award was \$376,000 and the median award, \$92,000. Awards in the 2 cases involving temporary disability were \$47,000 and \$50,000.

^dThe 3 awards in wrongful death cases were for \$402,000, \$1.8 million, and \$3.1 million. The 2 awards in property damage cases were for \$15,000 and \$85,000.

Table II.5: Negligence a Basis of Liability in Three of Every Four Cases in Which Defendants Found Liable

Basis of liability	Number	Percent
Negligence only ^a	9	41
Negligence and breach of warranty ^b	8	36
Breach of warranty only	2	9
Not specified	3	14
Total	22	100

^aUnder negligence, defendants are liable if they did not exercise due care and this lack of care caused the injury.

^bUnder breach of warranty, defendants are liable if the product failed to work as expressly or implicitly warranted or promised.

Appendix II
Verdicts: Rate and Size of Awards

Table II.6: Comparative Negligence Has Small Effect on Total Amount Awarded

Dollars in millions				
Effect on award	Cases	Comparative negligence		Reduction in total award (in percent)
		Award before	Award after	
Comparative negligence found: ^a				
Award unchanged ^b	5	\$1.6	\$1.6	0
Award reduced ^c	7	1.7	1.4	18
All cases	66	11.4	11.1	3

Note: In Massachusetts, if the defendant's liability is based solely on negligence, the award is reduced by the degree to which the plaintiff's negligence was responsible for the injury (that is, comparative negligence). If the plaintiff's negligence exceeds that for all defendants combined, the plaintiff is not entitled to recover any damages.

^aAwards were unchanged because, in addition to negligence, defendants' liability was also based on breach of warranty, to which the principles of comparative negligence did not apply.

^bFor the 7 cases, the average percentage reduction was 48 percent. In 2 cases, because plaintiffs' negligence was more than 50 percent responsible for the injury, they could not recover damages.

Payments: Effects of Statutes and Posttrial Activities

Table III.1: Defendants' Payments to Plaintiffs May Differ From the Initial Awards as a Result of Statutory Limits and Posttrial Activities

Mechanism	Definition/description	Possible effect on award
Statute	Statutes (1) limiting the amount that can be recovered from defendants (for example, requiring that awards be reduced by the amount of prejudgment settlements with other defendants) or (2) specifying that interest be added to the award	May decrease award if statute sets limit (for example, under the law, prejudgment settlements with defendants who did not go to verdict would be deducted from the award) or increase award if statute requires payment of interest (for example, prejudgment interest is paid from the date the case was filed)
Subrogation	The right of a person who is secondarily liable to succeed to the right of the person he or she paid; for example, if an insurer pays the injured under an insurance policy, the company can then recover the amount paid from any subsequent award to the injured	Does not change total amount plaintiff receives; subrogation decreases the amount the defendant pays to the plaintiff; the defendant pays the subrogated amount to the person secondarily liable
Motion (request) to trial judge	Request to the trial judge to either change the verdict or grant a new trial	Trial judge may (1) decrease award (remittitur); (2) increase award (additur); (3) partially or completely overturn the verdict, thereby eliminating some or all awards; or (4) grant a new trial
Appeal	Request that an appellate court determine whether (1) sufficient evidence exists to support the verdict or (2) the trial judge made any major errors in ruling on specific matters	Appellate court may (1) decrease award; (2) increase award; (3) partially or completely overturn the verdict, thereby eliminating some or all awards; or (4) set aside the verdict in whole or in part and remand the case to the trial court for further proceedings
Settlement	Negotiated agreement between parties specifying how the case will be resolved	May increase the payment so that it is more than the award, decrease the payment so that it is less than the award, or specify a payment schedule for the original award

Table III.2: Total Amount Awarded Increased Substantially With the Addition of Prejudgment Interest

Dollars in thousands

Stage	Cases	Awards		Total awarded
		Average	Median	
At verdict	22	\$505	\$88	\$11,100
At judgment ^a	21	736	178	15,500

^aIn each of 5 cases, the trial court judge adjusted the initial award. The net effect of these adjustments was to reduce the number of cases in which awards were made to 21 and the total amounts awarded by less than 2 percent. In 3 of the cases, the judge granted motions made by one of the parties: in 1 case, the judge increased the award amount; in 2 cases, the judge reduced the award amount. In the other 2 cases, because of a statutory requirement, the trial judge reduced the initial award by the amount agreed to in settlements with defendants who had not gone to verdict.

Massachusetts's statute requires that the trial court judge add prejudgment interest to the final award amount. Such interest accrues from the date the complaint is filed to the date of the judgment and is designed to (1) create the incentive for a quick resolution of the claim and (2) compensate the plaintiff for having to sustain the loss while the case is being litigated. The applicable rates of interest for the cases we studied were 12-percent simple interest for personal injury and property damage and 6-percent simple interest for wrongful death. In the 20 cases for which we have data on prejudgment interest, plaintiffs were awarded a total of \$4.6 million in interest and such interest averaged 33 percent of the amount awarded per case. For 1 case with an award of \$1 million, data on prejudgment interest were unavailable.

Appendix III
Payments: Effects of Statutes and
Posttrial Activities

Table III.3: Appeals More Frequent in Cases Plaintiffs Won Than Those Won by Defendants

Winning party	Cases	Appealed	
		Number	Percent
Plaintiff ^a	22	14	64
Defendant	44	13	30
All cases	66	27 ^b	41

^aThe rate of appeals for cases in which the awards were greater than \$100,000 was not greater than the appeals rate for cases in which the awards were less than \$100,000. This was unlike the findings in the other four states we studied.

^bFor 26 cases, we obtained data on the resolution of appeals. In 7 cases, at the request of both parties, the appeal was dismissed prior to an appellate court ruling. In the 19 cases in which appellate courts rendered decisions, the courts affirmed the verdicts in 8 of 10 cases won by defendants and 4 of 9 cases won by plaintiffs. Among reversed cases, appellate courts remanded 2 cases won by defendants and 2 cases won by plaintiffs to the trial court level for further action.

Table III.4: Net Effect of All Posttrial Actions Reduced Payments by 23 Percent

Dollars in thousands

Posttrial action	Cases		Average		Ratio of payment to award ^a
	Number	Percent	Award	Payment	
Plaintiff verdicts					
Reduced	6 ^b	13	\$1,390	\$1,045	.75 ^c
Unchanged	6	13	113	113	1
Defendant verdicts					
Unchanged	31	69	0	0	^d
Increased	2	4	0	13	^d
All cases	45 ^e	99 ^f	\$200	\$155	.77

Note: For purposes of this study, payments were defined as all moneys paid to plaintiffs by defendants who went to verdict, excluding payments for postjudgment interest, legal fees, liens, and pretrial settlements.

^aConsistent with previous research, this is the ratio of payments to awards for a group and not the average of ratios for individual cases.

^bIn 1 case, the payment was reduced as a result of a posttrial settlement. In 2 cases, appellate courts reduced the award amounts. In 3 cases, the reasons for the reductions were unspecified.

^cA reduced payment in 1 case accounted for much of the reduction across all cases. The case had an initial award of over \$1 million and a payment of \$116,000, a reduction of more than 90 percent. Excluding this case, the payment-to-award ratio for the remaining 5 cases with reduced awards was .92 as compared with .75, including the outlier. Considering both cases won by plaintiffs and those won by defendants, the ratio of amount paid to awarded was .93, excluding the outlier.

^dThe ratio is undefined because the base, average awards, is 0.

^eIn the survey of attorneys used to collect this information, we obtained responses for 45 of the 66 cases (see app. IV).

^fThe percentages do not add to 100 because of rounding.

Methodology

Selection of Cases

We gathered data on product liability cases resolved in 1983-85 by a judge or jury verdict. To ensure a sufficient number of cases for our analyses, we examined those that went to verdict during a 3-year period; that is, we treat the 3 years as one period, not three consecutive periods. Since appeals can take years to resolve, we estimated that cases closed in 1985 were the most recent for which we could reasonably expect all appeals to have been resolved.

We examined cases that were resolved in Massachusetts's 14 state superior courts and the U.S. District Court (that is, federal court) for Massachusetts.¹ From the Office of the Chief Administrative Justice, we obtained a listing of product liability cases that had been tried in state superior courts.² We supplemented this information from the Administrative Office of the Massachusetts Court of Appeals on cases appealed since 1983. In total, we found 22 cases that went to verdict in state court. We obtained a listing of cases that were resolved in federal court from the Administrative Office of the U.S. Courts.³ The listing indicated that 44 cases went to verdict in 1983-85.

Data Collection

From the case files maintained by the courts, we obtained background information including descriptions of accidents and parties to the lawsuits; the disposition of the cases against each defendant; the amount of compensatory and punitive damages demanded and awarded; and dates of various stages of case processing, from the date of the accident to final disposition. We also recorded information on posttrial activities, including appeals and settlement negotiations, as well as, when available, their outcomes. To supplement information on appeals, we searched appellate court records, when available, and a computer database that included information on appealed cases nationwide (WESTLAW).

To gather information not consistently available from court files, we sent copies of a questionnaire to plaintiff and defendant attorneys who represented the parties in the cases. Attorneys were asked to report the

¹Cases involving state law can be heard in federal court if (1) all defendants are citizens of states different from all plaintiffs and (2) in 1983-85, at least \$10,000 was claimed in damages. Since April 1989, to be heard in federal court, the amount in controversy must be at least \$50,000.

²Superior courts do not have jurisdiction over cases involving claims under \$7,500, which can be tried in state district court, municipal court, or housing court.

³The Administrative Office's data are generally considered to be the best source for information on product liability cases.

status of the cases, payments made to date, and how the amounts were determined. For questions concerning payments, the questionnaire was designed so that a response from only one side in the dispute provided complete case data. We obtained complete payment data for 45 cases, 68 percent of the 66 cases.

Major Contributors to This Report

Human Resources
Division,
Washington, D.C.

Cynthia A. Bascetta, Assistant Director, (202) 275-0020
Susan E. Arnold, Assignment Manager
Laurel H. Rabin, Reports Analyst

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