

AMERICAN INTERNATIONAL INDUSTRIES (AII)

CASE STUDY

Aggressive Claims Management Saves Manufacturer From Asbestos-Related Litigation

American International Industries (AII) is a leading manufacturer and distributor of innovative, quality beauty and skin care products for men and women. Based in Los Angeles, the company's product lines include a talc-based brand they had acquired back in 1987, which was used by barbershops, beauty salons and consumers for many years.

Beginning in 2006, six lawsuits were filed against AII charging that their talc-based products, either alone or in conjunction with products manufactured by other companies, contained asbestos. The suits charged that the products caused mesothelioma, a rare and fatal form of cancer that can result from inhaling asbestos or exposure to it for a prolonged period of time.

While the AII talc product did not contain asbestos, the suits were filed by attorneys who specialized in asbestos-related litigation and had a successful track record in winning or settling cases for substantial damages. Aggressive litigation by these attorneys had the potential to force AII to settle out of court – resulting in losses of hundreds of thousands of dollars. In addition, AII has an asbestos exclusion in its insurance, so legal fees and damages would directly affect the company's bottom line.

RESISTING FRIVOLOUS CLAIMS

Despite the potential for such significant losses, Theresa Cooper, Executive Vice President at AII, says she was not concerned. She felt confident her third party administrator, INVISION, would do the right thing. "I knew that Dave Casper and INVISION would take care of everything," Cooper said. "Because he knows our company, our brands and our history, and is so well versed in the product liability arena, he knows what to do."

Casper, a Claims Examiner at INVISION, led an aggressive effort to file motions to dispose of each case, avoiding the time and expense of depositions and/or lengthy trials. INVISION used its network of attorneys in each state where the suits were filed to work aggressively in this direction. While the plaintiffs' attorneys continued to try to settle, INVISION advised AII to stand firm and demand that the cases be dismissed.

"When we are faced with claims, Dave will recommend that we settle in some cases, but not in this case. He felt strongly that we should not settle and we followed his advice," Cooper says. "Dave is really our eyes and ears. He's very thorough and never leaves a stone unturned."



COMPANY OVERVIEW

INVISION (www.INVISIONUS.com) is a full-service risk management company and third party administrator (TPA) providing claims, data, and risk management services to insurers, self-insureds and intermediaries throughout the world.

CHALLENGE

Six lawsuits were filed against American International Industries (AII) charging that their talc-based products contained asbestos and caused a fatal form of cancer. Aggressive litigation by a group of attorneys had the potential to force AII to settle out of court – resulting in losses of hundreds of thousands of dollars.

SOLUTION

Dave Casper, a Claims Examiner at INVISION, led an aggressive effort to file motions to dispose of each case, avoiding the time and expense of depositions and/or lengthy trials. INVISION used its network of attorneys and advised AII to demand that the cases be dismissed.

BENEFITS

As a result of INVISION's aggressive efforts, each of the six asbestos cases were dismissed and the legal expenses were minimized. By having the cases dismissed, INVISION decreased the likelihood of future suits being filed against AII.

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CASE STUDY (CONT.)

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MINIMIZING EXPENSES AND PREVENTING FUTURE CLAIMS

As a result of INVISION's aggressive efforts, each of the six asbestos cases were dismissed and the legal expenses were minimized. In addition, by having the cases dismissed – and not settled – INVISION decreased the likelihood of future suits being filed against AII.

"There is quite a network of attorneys who take on asbestos-related litigation and they track companies who have suits filed against them," Casper says. "If we had settled for any amount, it would have opened the door for more frivolous litigation. We wanted to protect AII now and for the future."

"That's the bottom line with Dave Casper and INVISION," Cooper says. "They save us a lot of time and money. TPAs don't come any better."



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ABOUT INVISION

INVISION is a full-service risk management company and third party administrator (TPA) providing claims, data, and risk management services to insurers, self-insureds and intermediaries throughout the world. Through the use of sophisticated Internet-based intelligence and databases, comprehensive investigations and the services of highly qualified claims and legal staff, INVISION delivers responsive service for effective 24/7 claims management. INVISION tailors services specifically to fit each client's needs and handles all forms of Property, Casualty and Workers' Compensation investigations.