MINUTE ENTRY FALLON, J. JUNE 14, 2011

## UNITED STATES DISTRICT COURT

## EASTERN DISTRICT OF LOUISIANA

In re: CHINESE-MANUFACTURED \* MDL Docket No. 2047
DRYWALL PRODUCTS \*

LIABILITY LITIGATION \* SECTION L

\*

\* JUDGE FALLON

This document relates to All Cases

\* MAGISTRATE JUDGE WILKINSON

k

\*

\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

The monthly status conference was held on this date in the Courtroom of Judge Eldon E. Fallon. Prior to the conference, the Court met with Liaison Counsel and the Chairs of the Steering Committees. At the conference, Liaison Counsel reported to the Court on topics set forth in Joint Report No. 22. *See* (R. Doc. 9428). The conference was transcribed by Ms. Jodi Simcox, Official Court Reporter. Counsel may contact Ms. Simcox at (504) 589-7780 to request a copy of the transcript. A summary of the monthly status conference follows.

The Court commenced the conference by announcing the Banner entities' class settlement agreement. The agreement was filed on this date in the record of the Court. *See* (R. Doc. 9470-5). Additionally, a press release regarding the agreement was issued this morning. The settling parties filed a Joint Motion for Orders: (1) Preliminarily Approving the Stipulation and Settlement; (2) Conditionally Certifying the Settlement Class; (3) Issuing Class Notice; and

(4) Scheduling a Fairness Hearing. (R. Doc. 9470-3). The Court scheduled the hearing on this Motion to follow the next monthly status conference on July 14, 2011. Responses in opposition are to be filed by June 28, 2011. Plaintiffs' Liaison and Lead Counsel ("PLC") then spoke regarding the details of the agreement. In response, Chair of the Homebuilders' Steering Committee expressed frustration with the exclusion of homebuilder parties from the settlement negotiations and finalization, to which the Court agreed was against its previous direction to the settling parties.

The Insurers' Liaison Counsel spoke next, updating the Court and parties with the status of the insurance claims and motions.

The Chair of the Federal/State Coordination Committee provided a report on the status of Chinese drywall-related litigation in state court, specifically the first state court case filed in Texas, and provided an updated disc to the Court with the state court information. Additionally, the Chair informed the Court of a ruling on the pollution exclusion in the U.S. District Court, Middle District of Florida.

Chair of the PSC discussed the filing of Omnibus Complaint X and a class action complaint against multiple Chinese corporations.

Next, it was announced that mediation of the claims involving the Prichard Housing Authority is scheduled for June 24, 2011.

The Knauf entities' counsel provided an update on the pilot remediation program. Thus far, 260 homes are in the program, 17 homes have been completed, and 60 homes are currently undergoing remediation. The original goal was 300 homes, but counsel predicts surpassing this number shortly with no intent of limiting the number of homes in the program.

The Court then inquired about compensating claimants who have remediated their homes at their own expense. Counsel for the Knauf entities responded that there is a program in the works which will handle the claims arising from these homes, that it is difficult to adopt a uniform protocol because of the unique remediations for each home. PLC stated that the PSC has been collecting information from PSC attorneys about clients who have already remediated their homes.

Next, the PLC informed the Court that six more Knauf entity depositions are scheduled and that these dates and locations would be posted on the Court's website.

With regard to the Taishan entities, PLC noted that a telephone conference was held on June 9, 2011 to discuss with the Court discovery and deposition issues, and that a follow-up conference is scheduled for June 23, 2011. The Court announced it would be in attendance at the next round of Rule 30(b)(6) depositions in Hong Kong. Counsel for the Taishan entities stated he has informed his clients of the current discovery and deposition disputes. The Court commended the Taishan entities' counsel for his work in the litigation.

With regard to the Interior Exterior entities, the parties informed the Court that notice is going out next week in compliance with the Court's Preliminary Approval Order.

At the conclusion of the conference, the Court announced that the August monthly status conference will be held on August 24, 2011, at 9:00 a.m. Parties are to check the Court's MDL website's Calendar page for the conference call information.

http://www.laed.uscourts.gov/Drywall/Calendar.htm.