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2	UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA
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4	IN RE: FEMA TRAILER
5	FORMALDEHYDE PRODUCTS Docket No. MDL-1873(N) LIABILITY LITIGATION New Orleans, Louisiana
6	Friday, March 20, 2009
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8	TRANSCRIPT OF STATUS CONFERENCE PROCEEDINGS
9	HEARD BEFORE THE HONORABLE KURT D. ENGELHARDT UNITED STATES DISTRICT JUDGE
10	
11	APPEARANCES:
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## PROCEEDINGS

(MARCH 20, 2009)

(MOTION PROCEEDINGS)

THE COURT: All right. You may be seated. First of all, good morning to you all. We changed venues here. They are doing some updating on the technology in the courtroom next door, so Judge Duval has been kind enough to let us use his courtroom so I want to thank him for that.

I did meet with the committees during the last hour and so we have a lot to report to you today, and we'll go ahead and start with what will be Joint Report No. 9.

Who wants to go ahead and take the initial?

MR. WEINSTOCK: Mr. Woods has volunteered.

THE COURT: All right, Mr. Woods.

MR. WOODS: Good morning, your Honor, Justin Woods for the PSC. Section I of Joint Report No. 9. The PLC and the MDLC report there have a total of 95 actions filed thus far or transferred into this MDL proceeding. There is a list here, it's an extensive list, six pages of new suits that were filed by the March 2nd, 2009 deadline in order for individuals to be considered to be a part of the potential pool of bellwether trial plaintiffs.

And this list goes on for six pages, I don't know if, your Honor, what would you like for me to do regarding names?

THE COURT: They will be listed when we file the report,

so I don't think we need to go through them one by one.

Most of them were filed, I'm looking at the dates here,
March the 2nd, there's a couple here from late February, and I see
one or two here from March the 3rd. But these are all newly filed
actions and many of them are Eastern District actions.

MR. WOODS: Yes, your Honor.

THE COURT: Go ahead.

MR. WOODS: Section II, your Honor, is entitled Plaintiff Fact Sheets. Today the PSC office still operates its claims office located at 4731 Canal Street here in New Orleans. To date we've delivered 3,543 completed PFS forms to the defendants.

And there is a correction to the joint report that was submitted to the court. The PSC has cured to date a total of 803 deficiencies, not 231 as cited in the report. And we'll make that correction, your Honor, by the end of this day.

THE COURT: And the number previously to that, right above that, it says that PLC, the Plaintiffs' Liaison Committee has delivered 3,543 completed Plaintiff Fact Sheets to the defendants as of today. Is that correct, Mr. Woods?

MR. WOODS: Yes, your Honor.

THE COURT: And 803 deficiencies have been corrected and supplied to the defendants as we sit here today?

MR. WOODS: Yes, your Honor.

THE COURT: And how many more, do we know how many deficiencies have been identified that need to be corrected at this

point?

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MR. WOODS: I don't have that number, your Honor. We do not. 3

THE COURT: All right. Let's just keeping working in that direction.

For those of you -- well, we are going to stress this a couple of times today, but I think for those of you who are not on the committees, the Plaintiff Fact Sheets must be completed as accurately and as completely as possible. And one of the features of that that is absolutely critical, if at all possible for you to get, is the FEMA ID number. If you're filling out a fact sheet for a plaintiff, it's critical that you have the FEMA ID number, so please tell your clients if they don't have that with them to please look every which place they could possibly imagine. Most of the time it's written, as I understand it from the government, it's written on almost every document that they would get from the government related to the FEMA trailer issue. All right.

MR. WOODS: And further, your Honor, the court entered an order, Pre-Trial Order No. 32, which sets particular deadlines for the completion of PFS forms, and it's most important for individuals or attorneys with large numbers of clients to be very mindful of the percentages that are required and the dates that are required as outlined in Pre-Trial Order No. 32 that was entered on Wednesday, March 18th.

THE COURT: Okay. All right. Motion practice, let me go

ahead and comment on that.

This morning, or yesterday afternoon, it should be docketed this morning, the court denied the motion for direct filing into the MDL. And as I told the attorneys when I did sign that order, I would like us to be able to establish a procedure that expedites filing of cases that are ultimately going to wind up in the MDL while I agreed with -- I think the government opposed the motion, while I agreed with the analysis of law and felt duty bound, of course, to apply it, I would like the parties to continue to discuss ways to expedite the filing of actions either directly into the MDL or see to it that they can be brought here as inexpensively and as quickly as possible.

If we're going to have to file in all of the various venues and jurisdictions and those actions are going to have to either be removed or transferred here or both, removed and then transferred by the other federal district courts here, it's going to take up a lot of time and it's also going to take resources, both judicial and party resources. So I am going to urge the attorneys to try to continue to work on a means that would short circuit that process.

I would like to have granted the motion for direct filing, but I didn't see legally how I could do that over the objection the government's raised. So if you're not familiar with the positions that are taken, you can see in the record the government's objection, which I agree with as a correct analysis of

the law.

The other motion that's pending here relates to the notice of denial of class certification. The parties have submitted a draft of what that notice would be, and there are very few objections to it. But by the end of today, I am going to issue an order that resolves those very few discrepancies between the parties relative to the notice. So you can look for that again by the end of today.

All right. Anything else on motion practice, counsel?

MR. MEUNIER: Nothing on that, Judge. But just if I

might add something about the notice for those who are here, those plaintiff counsel.

From the PSC standpoint, the most important aspect of this notification to form class members is that the denial of certification by this court has legal implications for them in terms of the statute of limitations. And certainly since we are no longer a class action, our duties to these absent claimants is different than it was when we were operating as class counsel.

But I think it is important for plaintiff lawyers here to be aware that the statute is running. But more than that, this court now has agreed to publish a notice or to approve the publication of a notice which will officially and formally notify people of that fact, and therefore it becomes more difficult, I think, for claimants to later take the position that post denial of class cert, they weren't aware that they had to exercise certain

legal rights that they have. I just want to emphasize that for those that are here.

THE COURT: Okay. All right. Let's also talk about -- is there any need to cover the mobile housing? Why don't you give us whatever you can.

MR. MEUNIER: Just report, Judge, that pursuant to your directives, the manufacturers of mobile housing units and part models, these are units other than travel trailers, which do not as a whole comprise a significant percentage of the total inventory at issue in this litigation because they're perceived to be in a different category certainly than the travel trailer manufacturers, have been meeting with the delegation of the PSC in an effort to forego formal discovery and costs associated with discovery and to get to a point where we can have discussion about global resolution.

In that process it's become clear, however, that some claims information is necessary for those discussions to take place. So to some extent we're dependent again on matching activity, dependent again on people filing suit once they're matched, and we do hope that nonetheless that when sufficient matching and claims information is at hand those discussions with the mobile housing manufacturers will be fruitful.

THE COURT: Well, here again, touching on something I said just a few minutes ago, this has come up at every single meeting I've had with the committees as well as these conferences

that we've had. In order to get this case moving quicker than it is on the plaintiffs side, again, you've got to get that information, it's critical. It's the gold standard in this case. Every time we come across an issue in this case where something needs to be done, the first thing I hear from the attorneys is that we don't have sufficient information, we can't match, we don't know which manufacturer, we don't know which third-party contractor is involved.

So this is a threshold matter for those of you who are here representing plaintiffs, it's a threshold matter that you gather that information, and you'll be doing yourself and all of the lawyers, not just the plaintiffs liaison counsel and the committee, you will be doing all of the lawyers a great service. You will be doing the court a great service because we can get the case moving a little quicker. So please try to get that information on the front end.

And I'll sound like a broken record, I'm sure, it will probably come up again before the end of this conference, but the FEMA ID number and any of the information on the fact sheet is critical to get the claim processed guicker.

The next topic on the report is matching the plaintiff to the defendant manufacturer and FEMA contractor. Seems like I just talked about that. But does anybody have anything they want to add on that before I repeat myself once again?

Does anybody have any questions about that? Maybe it is

a good time now to ask if anyone has any questions at all. Yes, sir.

MR. SCHMIDT: Don Schmidt. Your Honor, we received a spreadsheet or something, an e-mail or something to put our clients down to match with the government. Is that true if we sent the names in to the government of the people that resided in the trailer we would be able to get the --

THE COURT: Why don't you come up to the podium.

It's an important question and I am going to let the attorneys respond.

MR. SCHMIDT: I'm Doug Schmidt and I am on the Plaintiffs Steering Committee. We have a number of clients that again we don't have all of the information we need. We want to know if we got some kind of spreadsheet in an e-mail and if we put our client's name down, will the government give us the information as for the manufacturers ID and all of that stuff?

THE COURT: Well, my understanding is that it's not simple, it's not as simple as that. Can they do it, would it be possible for them to do it, I'll let Mr. Miller talk about that. There are a lot of complications to that, so please don't assume that if you give us the name somebody's going to be able to go find this because it's costly, it's time consuming, and it may not, we don't know.

So the first source for that information is going to be your client. And your client, if they come to you and say, well, I

don't remember or I don't know, you're going to have to go through the exercise with them saying you need to go back and get whatever documents you have because it's going to save a lot of time.

So please don't rely on just the fact that you have the name that somebody else is going to go find it because they may not be able to or it's going to take so long that it's going to wind up costing us time, it's going to cost resources that could be put to better use.

Counsel, does anybody want to respond?

MR. MEUNIER: What I heard, Henry can correct me if I'm wrong, the two most important pieces of information are not the name. It's first the location of the unit because first it has to be put in one of the four states in the FEMA system.

MR. SCHMIDT: Location.

MR. MEUNIER: Location of where the unit was: Texas, Mississippi, Louisiana or Alabama. The second thing once you've got the location is the FEMA ID number.

And as we're hearing, and as I've told Judge Engelhardt and I'll say here, a lot of the clients don't have their FEMA ID numbers. But I think it behooves all plaintiff counsel to do everything possible on our end with due diligence to make sure that they don't have, to get it if they have it; and if you're absolutely certain there is no way we can come up with it and then we go to the next step, which is to ask, if with the government's help, we cannot make the match without a FEMA ID number.

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But I think it behooves us to get the ID number from the
client, it is on some information that they received from the
government.
          THE COURT: My understanding is that if you have the FEMA
ID number, you are way ahead on the game board than you would be if
you submitted a name.
         MR. SCHMIDT: I think most of them would have a FEMA ID
number.
          THE COURT: That would be very, very helpful and would
get you much furtherer along with the FEMA ID number.
          MR. SCHMIDT: Another question, your Honor. It's a
little off this topic, but we sent in a number of I-95s. How can
we decide -- how can we find out if the government actually
received it? Does the government keep a list of the I-95s for each
claim that comes in and how can we access that list?
          THE COURT: Let me let Mr. Miller respond to that.
          MR. MILLER: Your Honor, in fact, I received an e-mail
from Mr. Schmidt asking me to list all of his clients who submitted
an I-95. I have to assume Mr. Schmidt knows who he submitted I'95s
on for his clients and the dates that he sent it out to FEMA.
That's the best source. FEMA does not keep a list by attorney.
          To the extent that you provided it, it's considered
Privacy Act information, we're not allowed to release it back to
you.
          You also asked about Mr. Raul Bencomo's list, I can't
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issue that to you even if we had it in terms of the Privacy Act. 1 2 Mr. Bencomo would have to request that. FEMA is the arbiter. When you file an administrative 3 claim, FEMA has the claim and FEMA basically has a right to 4 5 adjudicate the claim, resolve the claim based at that point. 6 If after six months FEMA has not resolved it, you have the right to file suit in this court or the appropriate venue. 7 8 MR. SCHMIDT: I didn't make myself clear on the record. How do I know you received it? I know the data I sent you. 9 10 what if you say, well, I sent 300, I sent it certified mail but 11 there's 20 of them that you said you didn't get them. 12 MR. MILLER: If you sent them certified mail you have the 13 certified mail receipt, that solves the problem. 14 MR. SCHMIDT: I am just saying if -- how do I know that 15 you received them? Do you all keep a list and you could say yes? 16 MR. MILLER: The answer is no, there is no such list. MR. SCHMIDT: Why isn't there a list? 17 18 MR. MILLER: Because I think FEMA has 40,000 claims they 19 received and haven't been able to process them all. 20 THE COURT: As I understand what Mr. Miller is saying, 21 they deal with them individually when they get them, they don't compile them in any kind of list. If you have a green card back 22 23 from the mail that indicates that it's been properly addressed and

there is a signature indicating it's been received, then I think

you're entitled to rely upon that.

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MR. SCHMIDT: Some of ours we sent by Federal Express in bulk. So if they go in bulk by Federal Express, of course they received it and we have that list. But what if they say, well, you've got 300 you sent but we only have 270? Do you know what I'm saying here? I am sending them by Federal Express, they got there. I don't think it's unreasonable to have a list or to log in on the computer, everybody else has computers, to put a person's name down when you received it.

MR. MILLER: Can I just point out this becomes an issue, your Honor. If after the plaintiff files suit, he has filed suit prematurely. As long as you file suit after six months, when you believe it was received and you have the facts that you can prove it, you're going to satisfy the jurisdictional requirements. So you have a Fed-Ex label that shows it was mailed off, you have a list of the claims that were submitted, that's your evidence.

MR. SCHMIDT: Okay. That's all I wanted to know. That's all I needed to know.

THE COURT: Come on up. There was another question in the back row though, too. He had his hand up and then we'll get to your question.

MR. GARSIDE: Good morning, your Honor, Clay Garside on behalf of the family named the Huckabees and the parents of an infant named Dynasty Trang who died in a FEMA trailer in the summer of 2007.

Regarding this issue, I would like to ask the court just

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to take the next step. If the parents of Dynasty Trang just don't have their FEMA ID number, they're not native English speakers, they're basically itinerant workers at this point, they just don't have it. I submitted the information I have, which is everything else, and the government just declined to respond. Do they have to do some due diligence to find it? THE COURT: Submit it to liaison counsel. You've given the names to liaison counsel? MR. GARSIDE: I've given everything except the ID numbers. THE COURT: They'll see what they can do to locate it. But it is going to take some doing for them to find that. If you haven't heard anything, it may not be as simple as just popping in a name and coming up with a number. They will try to find it. My understanding is that they have the name, they will try to find it. But it's going to take some time and it's not nearly as expeditious as if we had numbers on the front end. MR. GARSIDE: Right. THE COURT: The point is, if you can get the number, if your client has documentation, any documentation, you all can scour that documentation, try to identify the number which would be of great help to the court. MR. GARSIDE: I understand. THE COURT: So, look, I can't sit here and respond an inquiry about everybody's separate cases.

MR. GARSIDE: The question basically is the response I believe I got was we decline to look for it because you don't have the FEMA ID number. Is that sufficient, do they have a duty to -- as I understand also --

THE COURT: Your client has a duty to have that number. Your client has a duty. All right. If they don't have it and if that somehow comprises their case, then it comprises their case. If they can find it, they're going to try to find it. I've encouraged them to do so.

But don't come in here, I am not talking to you in particular, don't come here and drop a bunch of names and expect someone else to do the work if there's a way for you to get that number. The number is important. I've said it at least twice already, Mr. Meunier has said it and Mr. Miller has said it.

MR. GARSIDE: I understand.

THE COURT: So if you can get the number, I am talking to everybody, not just you, if you can get the number you're doing yourself and everybody else a world of good. If you can't get the number, get it to liaison counsel, they will see if the government can try to find a number that matches up with that name. Hopefully they will, and in your case I am going to encourage them to do that.

But they don't have a duty to -- in my opinion they don't have a duty to undertake that with regard to every name that they get.

MR. GARSIDE: And in that regard, can I clarify for the people who aren't in the inside, I have no authority to issue any discovery requests, is that correct, as just an individual, you know, plaintiff?

MR. MEUNIER: Let me respond to this, Judge. I think this is a legitimate issue. For those people who have done everything they can as plaintiff lawyers to find the FEMA ID number, which is the way you match, and they can do nothing else and they can't conduct formal discovery and the clock is ticking on the statute of limitation, I think there is an equitable tolling issue here. And I think, with all due respect to the court, it does become incumbent on the defendant which holds the information.

Because remember, once upon a time FEMA had a number you could call and you could give them your name and the location and they would look in their system and they would find the information. So they're the ones holding the information.

I would say with respect to this gentleman, that if there are situations where everything has been done and we can demonstrate to the court due diligence has been exhausted on our end, that I would wrap those cases together, bring an appropriate motion and order, ask the court to direct FEMA, if they're not willing to do it voluntarily, to by a date certain search for and come up with that information. If we can't do anymore and it's in their hands.

THE COURT: The key to what Mr. Meunier just said is due

diligence on the plaintiff's side. If you have done all of that, if you have visited with your client, if you have gotten your client to produce to you all of the documentation they have, if any, some people may not have any, if you've exhausted every avenue to try to get that number, then we are going to try to get that number from whatever sources we can within the government.

But do they have a duty upon the presentation of a name to go and find that number? I am not going to go that far and I don't think that they do. From what I understand from Mr. Miller, they'll try to do that. If you were told that they absolutely won't do it, I suggest to you to get that name to liaison counsel so that they can submit that name to the government based upon the conversation that I had with them this morning.

MR. GARSIDE: Okay. Thank you, your Honor. Thank you.

MR. MILLER: Your Honor, if I can --

THE COURT: Unless it has to do with this, Henry, why don't I go ahead and hear from this gentleman, he's been patiently waiting. Go ahead.

MR. LAMBERT: Thank you, your Honor, Hugh Lambert. Your Honor, during the deposition of one of the no-bid contractors -- and I am not sure if it was CH2M Hill or Bechtel Corporation, I am just not sure, could have been Fluor -- there is a provision in the contract which requires the government to keep electronically on a CD ROM a list of information which was described during the deposition as being on an Excel spreadsheet. And that was required

by these contractors to maintain maintenance logs.

And according to the witness, and I would be happy to present the court at a later time through liaison counsel the particular pages of the deposition testimony that I am asking the court to consider. The information of this ID number, the location, the physical location of the temporary housing unit or emergency housing unit, however you want to phrase it, the individual who occupied that unit, in other words, the head of the household or whatever, the date that that unit was put in service with that individual, if it was decommissioned, the date that it was decommissioned, and all of this is required to be kept electronically by the no-bid contractor. A copy of it is required to be sent to FEMA.

In the contract it's required that that information be held for a certain period of time, and I am not sure exactly how long, two years, maybe three, I don't remember the detail. And the argument is privileged information, Privacy Act. I would ask the court to consider asking the government to provide you with that CD ROM, just you, so that you could view in camera what information is available.

It's also supposed to contain the maintenance complaints. For example, my roof's leaking or whatever, my furnace doesn't work, for that particular unit. If you would look at that and make a determination as to whether or not it can be redacted so as to only provide to the list of individuals who liaison counsel has

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satisfied your Honor that we have the authority to get it so it
doesn't violate any sort of privacy issues, it seems to me like
that would solve a ton of problems with judicial efficiency,
without putting unnecessary hurdles in front of plaintiffs,
allowing the defendants to protect the information that's not
included in this litigation. And if you would look at it and make
the determination if it's really there and that simple, I think
that this whole issue could be resolved. So my --
          THE COURT: I am not quite sure -- I don't have a motion
in front of me such that I would conduct an in camera inspection.
From what you're describing, it wouldn't surprise me if that exists
in the form that you say it does and what the witness testified to.
         MR. LAMBERT: It does.
          THE COURT: But why would I be looking at it at this
point without a discovery request even having been made?
         MR. LAMBERT: Maybe I should make that discovery request.
          THE COURT: Yeah, I think so. And if there's a
dispute --
          MR. MEUNIER: I just asked Mr. Woods if we had a formal
discovery request pending that would cover what Skip is talking
about and the answer is no. But we will file one forthwith,
proceed with a motion to compel if we need to, bring it to the
magistrate and to the court. I think it's an excellent way to
proceed.
          Thank you, Skip.
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MR. MILLER: Your Honor, I had actually discussed this with Mr. Lambert, and, in fact, I suggested that the way to go was Privacy Act prevented us from just handing it, that they basically should request it, and if the court believes the Privacy Act should be waived, then the court can do that.

THE COURT: Right.

MR. MILLER: That was the only way I could handle it.

THE COURT: Okay.

MR. D'AMICO: Your Honor, with respect to Fluor under the Aldridge case, we have requested that information.

THE COURT: Okay. All right. I mean, that's all fine with me. I don't have any problem with any of that. This suggestion that somehow having the FEMA ID number that if plaintiffs' counsel can find the FEMA ID number, I don't view as a hurdle. I think that's the term you used just now that this is somehow a hurdle, I don't view it as a hurdle. Either they have it or they don't. The only way to know if they have it is to look for it. Some people will have it, most people I hope will have it, and some people won't.

But I don't think it's an unreasonable thing for an attorney to ask a client, since you're doing the Plaintiff Fact Sheets anyway, for the FEMA ID number if they have it. And that's where this whole thing begins, regardless of who else has it.

Maybe somewhere in the government's possession, may be somewhere in a third party's possession, may be somewhere in the manufacturer's

possession, but it really starts with plaintiff's counsel getting the appropriate information about his or her client. And I am going to emphasize that you all really need to do that and that's not a hurdle. All right.

MR. MILLER: Your Honor.

THE COURT: Go ahead, Mr. Miller.

MR. MILLER: Your Honor, the two things that I wanted to point out is that there have been approximately I think 42 new complaints filed that named the United States as a party, and I just wanted to advise all plaintiffs counsel that under the Federal Rules of Civil Procedure Rule 4(i) you need to effect service in compliance with those requirements. And until that service is effected, the time period for the United States issuing an answer does not begin to run, and the United States gets 60 days basically from the time the complaint is served.

Secondly, if you don't effect that service within 120 days, the court has the discretion and the ability to dismiss that; and that motion has actually been teed up on some other cases where those cases were eventually voluntarily dismissed.

The second thing is, just to put thing s into perspective, if we do not have the FEMA number, we tried running name searchs back last spring and we were only coming back with a 27 percent match. So if you do not have your FEMA ID number, there is a large risk that we will not be able to match up your client's name. It is in your best interest to get that, as well as the fact

that the Plaintiff Fact Sheets require the plaintiffs to provide that and cert that.

Obviously if they do not have any way to find it and it's impossible for them to do it, we will try to dig up that information for them. But it is a substantial expense to the government if it has to do that, it's multiple searchs, where the FEMA ID number and the state, we can match fairly readily.

As to I think it was the plaintiff's counsel from Mr. -the Huckabees, designated Exhibit 11 was submitted to the
government on March 6th. The problem we had with that is that none
of the claimants names had any FEMA identification number, there
was not one of them. And I basically rejected that and considered
deficient because there were no matches. If, in fact, there is one
person they cannot match up, they've done the due diligence, the
government will attempt to run that search.

But clearly this is not the general rule and that's what I really want to stress here. You need your FEMA ID numbers. Thank you, your Honor.

THE COURT: All right. Mr. Woods.

Oh, okay. Mr. Woods, did you want to add anything or Mr. Meunier?

MR. MEUNIER: I think he worked it out. The only thing on service I wanted to add is that there has been no agreement with manufacturing counsel or contractor defendant counsel to waive service, so all formalities of service are in play and all

plaintiffs counsel should be aware of that with respect to new filings.

THE COURT: Right.

MR. MEUNIER: Judge, I think the next section deals with bellwether trials. This court by prior order has scheduled four trial dates beginning, the first being this September, and those are a matter of record.

On Monday the parties are obliged to submit to the court the names of nominees for bellwether trial plaintiff selection.

The lists are divided by the four manufacturers who are currently scheduled to be in those trials, and pursuant to a discussion with the court this morning that I want certainly all counsel for plaintiffs to be aware of, we now at our request have been afforded by you an opportunity, among the parties, to study the nomination pool on Monday and have some time on our end to perhaps agree on the selection of bellwether trial plaintiffs that we would regard as instructive and propose those names to the court.

And as I appreciate it, we have until Thursday for that process. So following the submission of the names on Monday, we will have until Thursday to come up by agreement, to come to an agreement about bellwether selection. And failing that, we will have an opportunity on Friday to make objections to the nominations made by all parties; and thereafter, as I appreciate it, will go forward depending on whether we have an understanding among ourselves or the court will have to select those plaintiffs.

THE COURT: Right. That's correct. That's the conversation that we had this morning.

So as I understand it, hopefully by the end of next week, assuming you all can agree, we should have the bellwether plaintiffs identified.

MR. MEUNIER: Yes.

THE COURT: Am I correct in that?

MR. MEUNIER: Yes.

THE COURT: And if you can't agree, then I will make a choice, which I will try to do by the end of next week or the week after.

MR. MEUNIER: And in each case, Judge, the plan is to proceed one plaintiff against a single matched manufacturer -- specifically one of the four who has already been designated as holding the largest inventory shares, if you will -- one matched contractor. But I do want to emphasize here for those present that there are four what we refer to as no bid contractors. One of those four Bechtel is not an Eastern District of Louisiana suable contractor, and under the rules of the MDL, the Lexicon doctrine, this court is not empowered to conduct bellwethers as to non-LAED defendants unless that's done by agreement.

So at the moment, we anticipate that the four bellwether trials will be naming three separate manufacturers -- I'm sorry, contractors, one of whom may have to go twice, if you will. And those are Shaw, Fluor and CH2M Hill.

And then in each case also we're obliged to present claims against FEMA that are both ripe, that is six months have passed from Form I-95, and viable under the court's discretionary function immunity ruling which narrowed the theory of fault as to FEMA.

THE COURT: Right. Does anybody have any question about the bellwether, the setting of the bellwether trials and the selection process? Okay.

Let me also point out, this is probably the appropriate place to point out that we have had some defendant manufacturers file for bankruptcy protection. My listing of those, and this will appear in the report that's filed into the record here, but my listing would be Monaco Coach Corporation, R-Vision, Inc., Fleetwood Enterprises, Pilgrim International, Patriot Homes, and a manufactured home defendant Oakwood Homes, LLC, are currently under Chapter 11 bankruptcy protection.

That schedule, by the way, for the bellwether trials is currently set for the first to take place on September 14th, 2009; the second, October 26, 2009; the third, December 7th; and the fourth, January 11th. You might want to amend this, Justin, when you revise, it's 2010 for letter D.

MR. WOODS: Yes, your Honor.

THE COURT: Okay. I meant to mention this in my meeting with the committees this morning, but I would certainly cover this with the group anyway. My intent as we sit here today is to put

together some type of jury questionnaire form that we would send out well in advance of these trial dates. Insofar as what that form would include, I would hope that counsel, you all perhaps have already been discussing it, at least amongst yourselves on each side, but it probably is not too early for you all to be giving that some thought.

I have some sample forms that have been used for cases here in the Eastern District. But in terms of what form we're going to use, it will certainly be a collaborative effort. And so I will ask you all to start giving that some thought. I'll do the same and maybe we can start putting pen to paper sometime between now and our next status conference so that we can have a draft that we can start kicking around as to what we're going to send out for the first bellwether trial. Yes.

MR. BECNEL: Robert Becnel. In conjunction with what Mr. Meunier just said on the trial schedule, I noted the date of January 11, 2010 also, which should be amended as to take Bechtel Corporation out since they're not an Eastern District no-bid contractor.

THE COURT: Yes, I see them. They're listed here and Mr. Meunier just pointed that out so we can probably go ahead and remove them from this listing. Do you have that?

MR. MEUNIER: Yes, we have it, Judge.

THE COURT: All right. Yes.

MR. PERCY: Jim Percy on behalf of Keystone RV, your

Honor. It's my understanding as a result of the chambers conference that the schedule for the trials of bellwether plaintiffs as to the manufacturing defendants, the order, and this is very important to my client and others, would be Gulf Stream is pencilled in as the first scheduled trial, Fleetwood second, Forest River third and Keystone fourth; is that correct, your Honor?

THE COURT: That's correct. That's the order in which they have been identified. In other words, we need to find and we're going to find through the process we've described a little while ago a plaintiff matched to one of those manufacturers to go to trial on those dates that you've associated with each manufacturer.

Now, of course we do have the issue of Fleetwood's bankruptcy and we're going to determine, we haven't determined today, but we've discussed whether or not Fleetwood will actually be a defendant on the second of those bellwether trial dates.

Counsel are going to confer and advise as to whether or not the bankruptcy is going to prevent Fleetwood from being a defendant.

My intent, and I've told the liaison counsel and the committees, is that if Fleetwood is not going to go to trial on that day in light of the bankruptcy, that another defendant -- and counsel can discuss what other defendant could be substituted -- we will identify a case to go to trial for a bellwether trial on that date. So that's the game plan right now.

As of now, Fleetwood is going to remain pencilled in as

the defendant on the second of those dates, which is the October 26th trial date.

MR. PERCY: Thank you, your Honor.

THE COURT: All right. Anybody have any questions about the bellwether trials, the selection process, the scheduling?

We are going to talk a little bit more about discovery at this point. Mr. Meunier, you want to go ahead and cover that?

MR. MEUNIER: Yes. Judge, as reflected in the joint report, which will be filed in the record, the PSC contemplates simultaneous, three simultaneous but separate discovery tracks:

One dealing with general merits issues; one dealing with insurance coverage and limits, which is obviously important given the state of affairs with the bankruptcy filings and in the RV industry; and then third, the bellwether specific plaintiff discovery.

It is critical that there be coordination. We know there will be overlapping depositions and overlapping discovery. We're committed as plaintiffs liaison counsel to do everything we can to prevent there from being conflicting or uncoordinated activity on our end. We're going to organize into teams, we'll have separate teams with separate chiefs all coordinating through liaison to make sure that we don't run into problems with it.

And I think we have a way to do this without involving the court and the magistrate, but it is going to be simultaneous discovery tracks which require coordination. I would ask that any plaintiff attorney who feels the need to conduct discovery or have

discovery conducted on behalf of his or her clients, please coordinate with Justin Woods and me so that we can incorporate those efforts through our organizational structure.

THE COURT: I think that goes back to something that

Mr. Garside had raised. Does that answer your question or did you

want to -- you mentioned discovery and your question was or rather

your statement was I understand that I can't do discovery. I think

Mr. Meunier answered the question; but in case he didn't for the

benefit of everybody, did you have any follow-up on that?

MR. GARSIDE: No, your Honor.

THE COURT: Okay. All right. Thank you. And thank you for raising it, too, because I knew it was coming up later on the agenda but I appreciate you raising it.

MR. WEINSTOCK: Your Honor, the other issue -- I'm sorry,
Andy Weinstock, defense liaison.

The other issue that's come up on match discovery is that the PSC is going to redraft the master written discovery on merits issues to send to the defendants so we can start getting to a resolution of the E-discovery issues and thereafter depositions that need to be taken, obviously with those documents available and not before those documents become available, which would subject the witness to two depositions.

It's my understanding the PSC is going to go back and not only redraft the discovery but redraft the plan in which they want to approach dates and depos and all of that following the written

discovery.

MR. MEUNIER: That's correct, Judge.

THE COURT: All right. And that's an important point. For the sake of the deposition process, we've got to make certain that it's conducted in the proper order and that we don't get the cart before the horse, given that documents are simply going to be essential to the deposition process, we're going to have to make certain that the document discovery is conducted timely and in the appropriate order.

So we're going to try to tee up the document discovery, I guess on all three tracks if I am not mistaken, sooner rather than later so that we don't have to redepose anybody and we certainly wouldn't want to allow anyone, the plaintiff or the defendant, to have to sit for another deposition based upon documents that existed prior to the first but were just never obtained. So let's make sure that when you depose somebody, you depose them with the benefit of all of the information needed to conduct a complete deposition such that there will not be a redeposition.

All right. We also discussed the issue of another master complaint being filed relative to the contractor defendants. I am cognizant of the fact that when they are added as a party to the bellwether trials, the contractor defendants, the entities that are going to participate in each of those bellwether trials will bring Rule 12 motion practice in connection with those trials.

I think what we envision, Mr. Meunier, you can describe

this maybe in more detail better than I can, but what we're contemplating is that there will be Rule 12 issues by the contractor defendants that would be general enough to apply to all plaintiffs. And in the interest of saving time for everybody and resources, certainly so that we don't have piecemeal treatment of these issues by plaintiffs, that those can be raised in response to a future master complaint. And the court's rulings -- they can brief it once, plaintiffs can respond once, we can get those issues resolved.

MR. MEUNIER: Exactly, Judge. As I see the schedule with the bellwether trial schedule being what it is, there will be some 12(b) motion practice by contractor defendants no doubt in response to a bellwether plaintiff selection and the complaint by that bellwether plaintiff. However, the master complaint to us remains a very important administrative tool, and when there are a sufficient number of underlying actions filed which bring forth claims, certainly defendants like the contractors who have not heretofore been before you on a global common basis, we do propose to amend the master complaint, incorporate into it as an administrative device all of those allegations against all of those defendants who have been brought in, and this will give you a chance to dispose as an MDL judge of common issues pursuant to 12(b) motion practice, etc.

Unfortunately, I don't think we're going to be able, as we discussed in chambers, to await dealing with all of the common

issues of the contractor defendants that way because the bellwether trial schedule is going to see to it that we come sooner to that point. But I think we'll end up with a both and situation.

And I am asked from time to time about the master complaint, plaintiff lawyer wanting to know are we going to amend it, what are we going to do with it? We do intend to amend it, we want there to be a sufficient number of underlying cases filed to make the amendment meaningful for the purpose of summarizing presenting issues for common disposition. My thought was, and I think this is reflected actually in an order that might be posted soon by the court, is we will have an announced date certain of August 1 by which we say file your underlying actions, there are good reasons to do so dealing with the statute of limitation, but file your action by that date.

And assuming that we have a sufficient population filed, we will then follow with an amendment to the master complaint which will lead to 12(b) motion practice. But, of course, by then we will have reached some of that with the bellwether trials.

THE COURT: Let me ask you this. The amended complaint as we envision it today, is it going to be more in the way of a supplement such that the claims against the contractor defendants can be stated or is it going to be an amendment that's going to be more encompassing relative to claims against manufacturing defendants or claims again the government? I think we already have a master complaint that covers all of the states involved and all

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of the claims under state law for each of those states.
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              MR. MEUNIER: We're not interested in revisiting with an
     amendment matters that either were or should have been addressed
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    previously as to the government and the manufacturers.
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               THE COURT: Okay. Good.
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              MR. MEUNIER: So I think the amendment is focused on the
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    newly added defendants and the claims against them.
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               THE COURT: So it's again, not to be hypertechnical about
 9
    names, it's more like a supplemental.
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              MR. MEUNIER: It will be supplemental, yes, your Honor.
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              THE COURT: Okay. Supplemental master complaint.
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               Is there anything else on the report, counsel, that any
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    of you all would like to mention?
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              MR. MEUNIER: There is another correction we want to
15
    make.
16
              MR. D'AMICO: Your Honor, as to the, C, page 12 -- Frank
     D'Amico on behalf of the PSC -- the bellwether trial selection
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     discovery. The PSC has made available for deposition one
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     individual, it says two, one was selected by the PSC as their
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     selection so we went forward with one deposition yesterday.
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              THE COURT: And this is on the Forest River case?
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              MR. D'AMICO: Yes. For the limited purpose, because we
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     added new Plaintiff Fact Sheets at the last minute, we allowed this
24
     deposition to go forward.
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              THE COURT: So we need to correct that to say one instead
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of two? 1 2 MR. D'AMICO: That's correct, your Honor. THE COURT: All right. Anything else with regard to the 3 4 report? Mr. Weinstock, anything? 5 MR. WEINSTOCK: No, your Honor. But I believe we agreed 6 in chambers we would remove the attachment, we would take out 7 Section IX, all reference, too. 8 THE COURT: Right. And Mr. Miller, Mr. Dinnell, anything 9 from the government? MR. MILLER: Nothing further from the United States, your 10 11 Honor. Thank you. MR. MEUNIER: Judge, there is a final section 12 13 Miscellaneous in the report, it does deal with something that is 14 important and that is the testing of the units. 15 My understanding from your Honor is that you want these bellwether plaintiff cases to involve units that have been tested. 16 17 That is certainly our expectation and understanding. But to the 18 extent that there is a selected plaintiff whose unit for some 19 reason has not been tested, we do have an agreement with Mr. Miller 20 that expedited efforts will be undertaken to get that unit tested 21 believing that it is somewhere stored by the government and test 22 results might be of some help. 23 THE COURT: Hopefully, yeah, it will be available and can 24 be submitted for testing in short order. There was at one time,

and maybe we don't need to go there today, but there was the idea

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of the statistical analysis, which is still on the table but is not, I would think is not going to be relevant for the bellwether trials.

MR. MEUNIER: That's true, Judge. And it remains to be seen when and how that statistical model will be presented to you for scrutiny. We frankly have invested a lot of time and money in that model and we undertook it, as you know, when the class action was pending because we didn't want any absent claimants in this case to be premised by the fact that the government had dispose of this property and yet by the time that plaintiff came forward, that may have happened and the evidence would be lost.

So what we have is what we believe to be a reasonable model that will substitute for actual test results, a probable result based on the model.

It was my understanding that, at least for this first series of bellwether trials, the court was not inclined to bring the model in to play, if you will. It does introduce Daubert issues, it does introduce a whole different area of scientific analysis, and our belief was that if we proceed at least in the first series of bellwether trials with actual results then later we can address a unit, the results of which would depend on this model coming into evidence.

THE COURT: All right. That's correct.

Let me again open the floor to further discussion about either anything we've already talked about up to this point or any

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new issues that any of you all would like to bring up. Yes,
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    Mr. Schmidt.
              MR. SCHMIDT: Doug Schmidt. I wasn't in the meeting, of
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     course, this morning, and I just wanted to say if you could clarify
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 5
     about filing our lawsuits. We can't file it into the MDL?
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               THE COURT: Can't file directly into the MDL.
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              MR. SCHMIDT: So how does that effect our prescription
    problems?
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 9
              THE COURT: It shouldn't effect your prescription.
     it's a separate issue. You will have to file them in the
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11
     appropriate venue and jurisdiction, whether it's state court or in
     another district of federal court, at which point they're going to
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13
    be undoubtedly removed from state court and then they'll be sent to
14
    the MDL.
15
               So from my point of view, and perhaps from many of your
    points of view, that involves the additional step or steps plus the
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17
     consumption of time and perhaps even the consumption of -- maybe on
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     the defendant's side some fees and costs involved. I would like to
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     see, I would like to see a different process, one that's more
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     streamlined. But we haven't achieved that yet and I can't order a
21
     different procedure --
22
              MR. SCHMIDT: So it has to be agreed on by the government
23
     and the manufacturers before we do that?
24
               THE COURT: In the Vioxx case it was agreed to by the
25
    manufacturer.
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There are other issues that have come up relative to the government's status as a defendant under Federal Tort Claims Act provisions that can't be ignored in my opinion.

MR. SCHMIDT: Now, let me ask you this, your Honor. Are we going to be able to string file these in these other jurisdictions? I mean, if you have 3,000 clients, are they going to make you pay a fee of \$340 each client and so you have to pay \$1 million filing fees which you can put it into an MDL?

THE COURT: I don't know how they do it elsewhere and I don't want to comment on what our clerk's offices are going to require. I certainly hope not. I don't know that there is a prohibition between combining the claims of the plaintiffs in a single action, I hardly think that that would be the case. But that's an issue that you're going to have to take up and perhaps you can work something out between liaison counsel and defense counsel.

MR. SCHMIDT: Not to belabor the point --

THE COURT: It is a good point and it is a laborsome point, so I am glad you're asking this. Look, I am with you that there's got to be a better way to do this, but go ahead.

MR. SCHMIDT: The only thing I would say, I really hope we can put our heads together on this because it's been done in Minnesota with the devices, it's been done all over.

THE COURT: Oh, I know.

MR. SCHMIDT: It's so complicated that we can't get it

going. I mean, justice, let's get justice served. Let's get the ball rolling.

THE COURT: In all of those cases, the ones that you've just mentioned, I don't know the other ones that you're thinking about, but in all of the cases that I have looked at, they did not involve the government as a defendant. And I don't mean to keep putting the goat horns on the government here, but the provisions of law that they are citing relative to Federal Tort Claims Act filing are pretty clear in my mind and it can't be ignored.

MR. SCHMIDT: You don't have the authority to waive it or overrule it?

THE COURT: Not based on what I have read from plaintiffs at this point. I don't think that I can order them to waive a very clear provision of the Federal Tort Claims Act. I can encourage them to do that and I've done that, to either come up with, either agree with the plaintiffs and the defendants to agree to a direct filing mechanism here, which would be my preference; or to come up with some other way to expedite the submission of claims directly into the MDL.

MR. SCHMIDT: I really appreciate your efforts. Thank you, your Honor.

THE COURT: While I am encouraging it as vigorously as I can, I am duty bound not to ignore the law. I am not suggesting that you're saying that I should, but I am just saying having looked at the briefs and when you look at the order I submitted

today, it basically says that for the reasons stated by the government in its brief, I don't feel like I am authorized to do that. If I can be convinced otherwise, I certainly would. But I am sure the government would want to weigh in on it again.

So I am sympathetic to your plight and I am very much open to any resolution of that. From my point of view it slows down the progress of the case; from your point of view you have the issue of financial costs. It's a lot messier, so.

MR. MILLER: Your Honor, Henry Miller for the United States. Just to point out to plaintiffs counsel, what I would suggest, having worked with MDL before, when you file in another jurisdiction, all you have to do is send a letter to the Multidistrict Panel notifying them simultaneously that this case has been filed and it arises out of the same circumstances and facts as this MDL action. The MDL court will then automatically transfer it over so it is not that laborsome as it may seem.

You just have to file your action in the appropriate venue, a Mississippi case, Alabama case or Texas case, immediately shoot a letter up to the MDL panel in Washington, and they will automatically transfer based on that.

THE COURT: The clerks offices should know and are all too willing to send cases here, which is fine with me. I have told the clerks of all three districts in Louisiana and I have told several of the judges in other districts to please, whenever one crosses their desk or their counter, to please tag it to come here

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directly and as promptly as possible. So, you know, I am all in
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     favor of expediting it. They're going to wind up here eventually
    so let's get them here and deal with them here.
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              All right. Anybody have any other issues that we want to
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 5
    talk about before we adjourn? Anything at all? Questions,
 6
    comments?
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              MR. PERCY: Date for the next status conference, your
    Honor.
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              THE COURT: Oh, good point. Let's see. Does anybody
    have any objection to sometime in June or July, a Friday in June or
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    July? Do we need one sooner, do you think, or do you think we need
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    one later than that? I would prefer not to go later.
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              MR. MEUNIER: Judge, I think maybe sooner, maybe May.
              THE COURT: Okay. How does May 8th look for you all?
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15
    need to double check something, May 8th or May 1st.
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              MR. MEUNIER: I think May 8th is better.
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              THE COURT: May 1st actually is not, I'm looking at it
    now, is probably not the best date for me either.
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19
              Let me double check on something on May 8th. If everyone
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    can do May 8th or most of us can do May 8th, does that work?
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              MR. MEUNIER: Yes, your Honor.
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              MR. WEINSTOCK: Yes, your Honor.
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              THE COURT: Let me just double check, Pam's going to
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    check on one thing, and we will do again 8:45 with the committees
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    and 10 o'clock hopefully back in my regular courtroom. They've
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promised me that it's going to be finished by April 17th, but you
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 2
     know how that goes.
 3
               Let me double check when Pam comes back. May 8th looks
     like the best date.
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 5
               The Fifth Circuit Judicial conference starts on May the
 6
     3rd, it's the weekend before and ends, for those of you who might
 7
    be attending or be involved in it, I believe it ends on Wednesday,
 8
    May the 6th.
 9
               Let's go ahead and take May 8th, 8:45 and 10 o'clock.
               And in the meantime if any issues come up, counsel know
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11
     to contact me. All right. Good. Thank you all very much.
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               MR. WEINSTOCK: Thank you, your Honor.
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               MR. MEUNIER: Thank you, your Honor.
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               MR. MILLER: Thank you, your Honor.
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               THE DEPUTY CLERK: All rise.
16
          (WHEREUPON, THE PROCEEDINGS WERE CONCLUDED.)
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## REPORTER'S CERTIFICATE

I, Karen A. Ibos, CCR, Official Court Reporter, United States

District Court, Eastern District of Louisiana, do hereby certify

that the foregoing is a true and correct transcript, to the best of

my ability and understanding, from the record of the proceedings in

the above-entitled and numbered matter.

Laun a Abos

Karen A. Ibos, CCR, RPR, CRR
Official Court Reporter