

December 2024

# Know Your Limits

Your Monthly Wrap-up of **Business Losses**

Presented by **Camargo Insurance**



## Product Liability

### Plaintiffs Awarded \$5.2 Billion in Bottled Water Lawsuit

A Nevada jury awarded several plaintiffs \$5.2 billion after finding that a Las Vegas-based bottled water company's product was responsible for causing liver damage in consumers. The award consisted of roughly \$230 million in compensatory damages and \$5 billion in punitive damages. Juries have previously handed down separate verdicts against the company for \$3.1 billion, \$130 million and \$228 million after hearing the company's product—advertised as “alkalized” drinking water with detoxifying properties—contained hydrazine, a toxic chemical used in rocket fuel. The product was distributed throughout the Southwest, including Nevada, Utah, New Mexico, Arizona and the Los Angeles area, and was delivered to homes. It was recalled in March 2021.

## Cyber Liability

### Hotel Company Agrees to Pay \$52 Million Following Major Data Breaches

A multinational hotel company has agreed to pay \$52 million and strengthen its data security to resolve state and federal claims stemming from data breaches that affected over 300 million customers worldwide. The Federal Trade Commission (FTC) and attorneys general from 49 states and the District of Columbia announced the terms of the separate settlements after they ran parallel investigations into three cyber incidents that took place between 2014 and 2020. During these data breaches, cybercriminals obtained personal information, including passport information and payment card numbers, according to FTC documents. The agency claimed the hotel company and its subsidiary had poor data security practices that led to the breach, which the FBI suspects was carried out by hackers working for a foreign nation. As part of the settlement, the hotel company also agreed to provide its U.S. customers with a process to request that their personal information be deleted.

## Liability

### EV Battery Manufacturer to Pay \$31 Million Settlement After Fire

An electric vehicle (EV) battery manufacturer agreed to a \$31 million settlement with a recycling center after a fire destroyed the facility. Investigators found that the June 2023 fire was started after the recycling center received lithium-ion battery scraps from the EV battery manufacturer's Georgia factory. The facility was not permitted to handle batteries with its recyclables and was unaware it had received the scraps, which were a fire hazard. Firefighters spent four days battling the blaze and used 3 million gallons of water. The settlement included \$20 million in punitive damages and \$11 million in tort-related claims and damages. The manufacturer also had to pay a \$33,000 fine to the Georgia Environmental Protection Division and faces a related lawsuit from the county for its significant use of government resources.

## Liability

### Jury Awards \$129 Million to Family After Fatal School Activity Accident

A Louisiana jury awarded \$129 million to the family of a young girl who was struck and killed by a car while participating in an after-school running club. The running path the group followed crossed two lanes of traffic, and according to the family's attorney, the girl was trying to catch up to her brother when she crossed the lanes and was hit by the car. The jury award came after a five-day trial and consisted of a posthumous award of \$29 million for pain and suffering for the girl and \$50 million in damages for the girl's brother. The parents received \$25 million in damages. The jury determined the school failed to have proper traffic safety controls in place, leading to the girl's death and her brother's mental anguish and distress. The plaintiff's attorney said he expects the defendants in the case, the school and its insurance company, to appeal the ruling.