

# PROVEN

## solutions

TO PRODUCT LIABILITY AND MASS TORT CLAIMS



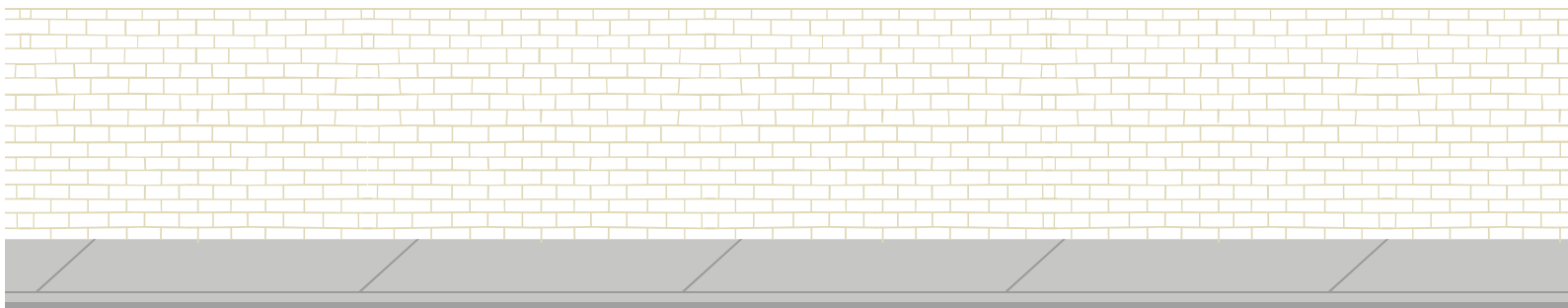
Companies facing costly litigation from legacy asbestos, environmental pollution, and other long-tail claims require experts who can quickly and confidently determine the right course of action. Product liability claims in the manufacturing, pharmaceutical, building materials, and other industries continue to distract and drain important company resources. Navigant has implemented proven solutions to offset these costs through insurance recovery efforts, to manage risk through transparent quantification of potential future exposure, and to improve defense strategies with cost effective claims management and data analysis tools.

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# EXPERT GUIDANCE

## ABOUT NAVIGANT

Navigant (NYSE: NCI) is a specialized, global expert services firm dedicated to assisting clients in creating and protecting value in the face of critical business risks and opportunities. Through senior level engagement with clients, Navigant professionals combine technical expertise in Disputes and Investigations, Economics, Financial Advisory and Management Consulting, with business pragmatism in the highly regulated Construction, Energy, Financial Services and Healthcare industries to support clients in addressing their most critical business needs. Navigant has offices in over 43 cities in North America, Europe and Asia.



## RESULTS

## CHALLENGE

**RECOVERING VALUE FROM HISTORICAL INSURANCE**

## SOLUTION

Coverage counsel was involved in litigation against dozens of historical insurers regarding general liability coverage for asbestos claims. Our professionals were brought in to model a number of different allocation theories related to known past and estimated future liabilities. The analysis served a dual purpose by helping counsel define an optimal litigation strategy and facilitate settlement negotiations. We prepared insurer specific settlement packages noted for the clarity and transparency regarding the value associated with each insurance policy. **Navigant actively participated with coverage counsel in many of the settlement negotiations, ultimately realizing more than \$400M in successful settlements with client's insurers.**

## CHALLENGE

**QUANTIFYING RISK OF FUTURE LIABILITIES**

## SOLUTION

Navigant assisted a client in preparing future cost projections for asbestos and other long-tail claims using two different forecasting models, actuarial and historical trend, to quantify separate ranges of scenario outcomes. Both models examined and incorporated the historical claim data and our team also performed an industry-based estimation for the future liabilities coming from several subsidiaries. Our estimation analysis incorporated risk weighted probabilistic modeling to define the expected value and various confidence intervals. This model was used for negotiations involving the company's domestic insurers and London solvent schemes of arrangement. **The settlement packages created by Navigant have helped the client achieve over \$50M in settlements.**

## CHALLENGE

**PROVIDING ACCURACY OF FOUNDATIONAL DATA**

## SOLUTION

A policyholder was involved in a coverage dispute with a number of its insurers related to reimbursement of costs for a large mass tort. Navigant was retained by outside counsel to amalgamate several electronic datasets as well as hundreds of paper invoices to create one cohesive database containing information related to nearly 15,000 invoices for over \$90 million in legal and expert witness costs. Our professionals provided various analyses and summary reporting of the data and supported multiple fact witnesses with information and exhibits. **Navigant testified via written submission and also served as an expert witness in the rebuttal of testimony of two fee auditors retained by the insurers.**



## CONTACT

PATRICK MCGRATH

312.583.5748

pmcgrath@navigant.com

TODD MENENBERG

206.292.2381

tmenenberg@navigant.com

Navigant's Product Liability and Mass Tort team provides companies and their counsel with sophisticated modeling tools and know-how to manage their liability claims and effectively resolve insurance disputes. Our proprietary policy allocation system and liability estimation model apply to a broad variety of claim types and have led to the resolution of more than \$4 billion in claims with U.S. domestic, London Market and other foreign insurers.

### CLAIM EXPERIENCE

- » Asbestos Bodily Injury
- » Building Products / Defects
- » Environmental Contamination
- » First / Third Party BI and PD
- » Hearing Loss
- » Repetitive Stress Injury
- » Silicosis Bodily Injury
- » Solvent / Deleterious Exposures
- » Lead / Benzene Exposures
- » Medical Devices
- » Pharmaceutical / Life Sciences Products
- » Other Product Liabilities
- » Catastrophic Losses

### WHAT WE DO

- » Accumulate and analyze policy data
- » Verify historical foundational data/costs
- » Estimate future and pending liabilities
- » Model policy allocation scenarios
- » Analyze policy commutations and buy-backs
- » Coverage-in-place insurer billing
- » Assist in settlement negotiations
- » Advance claims in solvent schemes of arrangement
- » Evaluate insolvency risks
- » Evaluate exhaustion and cash flow needs
- » Collect and analyze claims data
- » Analyze legal cost expenditures and hourly rates
- » Provide expert testimony



experience

DELIVERING VALUE

NAVIGANT