# Nuclear Verdicts

An Update on Trends, Causes, and Solutions

May 2024





## Contents

Chapter 01

- 1 Executive Summary
- 3 Research Findings
- 4 Top States for Nuclear Verdicts
- 5 Drivers of Nuclear Verdicts
- 5 Real World Implications
- 6 Solutions

Chapter

02

- 7 Nuclear Verdict Trends
- 8 Case Breakdown
- 10 Nuclear Verdicts—Rising Trends
- 14 Preliminary 2023 Data

Chapter

03

- 15 Top States for Nuclear Verdicts
- 19 California
- 20 Florida
- 21 New York
- 24 Georgia
- 25 Illinois
- 27 Washington
- 28 Missouri
- 30 Preliminary 2023 Data

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Chapter 04		Chapter 05		Chapter 06	
31	Fueling	45	Real World	53	Solutions
	Nuclear		Implications	54	Adopt Pre- and Post-
	Verdicts	46	Higher Costs and		Nuclear Verdict Civil Justice Reforms
32	Reptile Tactics		Insurability Problems		
34	The Rise in Noneconomic Damages	49	Unreasonable Demands and Nuclear Settlements	55	Address Misleading Lawsuit Advertising
				57	Promote Sound Science
35	Anchoring Tactics	50	Prolonged Litigation		in the Courtroom
37	Multi-Plaintiff Trials	51	Loss of Confidence in the Rule of Law	58	Adopt Third Party Litigation Funding
39	Inundating the Public and Jury Pool With Ads Touting Nuclear Verdicts				Disclosure and Other Safeguards
				59	Prohibit Manipulation of Juries Through
40	The Rise of Third				Anchoring Tactics
	Party Litigation Funding			59	Adopt the McHaffie Rule
43	Expansion of State Wrongful Death Acts			60	Reject Proposals That Would Fuel More Nuclear Verdicts

O7

Appendix
Appendix
B

61 Conclusion
63 Methodology
65 Frequency and Median Verdicts:
Current and Historic Data Tables

67 Endnotes

## **Executive Summary**

Chapter

Nuclear verdicts—defined as verdicts of \$10 million or more—are on the rise. This paper analyzes nuclear verdicts in personal injury and wrongful death cases over a 10-year period between 2013 and 2022, discussing national and state trends, causes of nuclear verdicts, real-world implications of these verdicts, and solutions to improve fairness in damage awards.

"When excluding the pandemic years, the data shows an upward trend in the frequency of reported nuclear verdicts at all levels over the 10-year study period."

This analysis focuses on these extreme and fundamentally unpredictable verdicts because these jury awards play an outsized role in the civil justice system. They are "nuclear" in the sense that such a verdict can have devastating impacts on businesses, entire industries, and society at large, even when a verdict is later thrown out or substantially reduced by an appellate court. These verdicts can drive up the costs of goods and services, adversely affect the cost and availability of insurance, and undermine fundamental fairness and predictability in the rule of law.

To be sure, cases that result in nuclear verdicts can involve catastrophic, life-long injuries or tragic deaths. Two questions arise in these cases:

Did the defendant's conduct actually cause the plaintiff's injury or did skilled attorneys manipulate jurors into reaching a plaintiff's verdict through tactics that inflame the jury? And how much is a reasonable amount of compensation for an injury?

In many cases, there is no clear and objective way to place a monetary value on the injuries claimed by the plaintiff. Awards in the tens or hundreds of millions. or even billions of dollars, however, are often far afield from serving a truly compensatory purpose. Understanding how and why unsupportable nuclear verdicts can arise, including efforts by members of the plaintiffs' bar to further escalate these verdicts, is essential to recognizing what can and should be done to curb them.

#### Research Findings

This paper analyzes 1,288 nuclear verdicts delivered between January 1, 2013, and December 31, 2022,1 a period that includes the COVID-19 pandemic during which courthouses temporarily closed, delaying trials. It builds upon prior U.S. Chamber of Commerce Institute for Legal Reform (ILR) research, published in 2022, which analyzed nuclear verdicts during the 10-year period from 2010 through 2019.2

A key takeaway of the study is that while nuclear verdicts dropped significantly during the COVID-19 pandemic, they rebounded to near their prior levels by the third quarter of 2021. When excluding the pandemic years, the data shows an upward trend in the frequency of reported nuclear verdicts at all levels over the 10-year study period.

Approximately half of nuclear verdicts during this period were between \$10 million and \$20 million, and over one-third were between \$20 million and \$50 million. The remaining 19% of nuclear verdicts exceeded \$50 million; a group that included 115 "mega" nuclear verdicts of \$100 million or more. Awards at higher levels have become more common since the previous study. There were a record number of mega nuclear verdicts in 2022, which preliminary data indicates was again broken in 2023.3

The median nuclear verdict during the study period was \$21 million, though it was higher in product liability and intentional tort cases. The median nuclear verdict in product liability cases peaked at \$36 million in 2022—a 50% rise over a decade.

The mean nuclear verdict overall was \$89 million, which is considerably higher than the median because it is affected by the most extreme awards. This level is a significant increase from the earlier study, particularly for product liability, auto accident, and other negligence trials.

The study also revealed concentrations of nuclear verdicts with respect to certain types of cases and jurisdictions. Product liability, auto accident, and medical liability cases continue to comprise two-thirds of the reported nuclear verdicts. Juries in state courts, as compared to federal courts, produced the vast majority of all nuclear verdicts.

Only about one-quarter of nuclear verdicts included punitive damages, although, when awarded, they were often extraordinary sums. Economic damages, such as awards for lost income, medical costs, or other expenses, in comparison, accounted for only about 10% of total damage awards. Many reported nuclear verdicts do not include a complete breakdown of each component of damages, but where that information was available it showed that nuclear verdicts consist primarily of awards of noneconomic damages, such as pain and suffering. This means that the lion's share of nuclear verdicts

during the 10-year study period are attributable to subjective damage assessments by jurors that have inflated over time.

## Top States for Nuclear Verdicts

Four states—California, Florida, New York, and Texas—host half of the nation's nuclear verdicts. These states, however, account for roughly one third of the U.S. population, showing their popularity for nuclear verdicts is not just a function of their size.

When comparing the frequency of nuclear verdicts to a state's population, Florida is by far the most susceptible to nuclear verdicts. States such as Georgia and

Washington also host more than their expected share given their size. Seven states reached the Top 10 both in total nuclear verdicts and nuclear verdicts per capita during the 10-year period. Chapter 3 takes a deeper dive into the litigation and factors driving nuclear verdicts in those particular jurisdictions.

The median nuclear verdict in product liability cases peaked at \$36 million in 2022—a 50% rise over a decade.



## Drivers of Nuclear Verdicts

Nuclear verdicts are fueled by a variety of factors inside and outside of the courtroom.

In the courtroom, plaintiffs' lawyers use tactics that manipulate juror behavior and arbitrarily inflate damages. They may, for example, resort to so-called "reptile theory" tactics that aim to instill a sense of fear or danger in jurors' minds, so they lash out at their perceived attackers. Plaintiffs' lawyers may also suggest that jurors award a specific, exorbitant amount of damages or apply a method for calculating damages that will produce a nuclear verdict, knowing that jurors will often rely on such "anchors" in assessing damages even though they are completely arbitrary. Plaintiffs' lawyers also urge courts to combine the trials of multiple, unrelated plaintiffs—whose only connection is that they allege an injury from the same product—because this prejudicial tactic hides inadequacies in individual

cases and substantially raises the likelihood of a jury finding a defendant liable and returning a nuclear verdict.

Outside the courtroom. plaintiffs' law firms and "lead generating" companies may flood the airwaves with lawsuit advertising that touts extraordinary verdicts and shapes potential jurors' views of appropriate compensation. Plaintiffs' lawyers are also increasingly bringing litigation funded by third parties seeking a return on their investment, which not only enables such advertising and speculative claims but also contributes to nuclear verdicts by driving up award demands and widening the gap for parties to negotiate a reasonable settlement.

Finally, in the legislative arena, the plaintiffs' bar is engaged in a campaign

to pass laws that will lead to more nuclear verdicts. These include, for example, expanding damages available in actions such as wrongful death lawsuits and eliminating or weakening existing safeguards on excessive awards, such as statutory limits on noneconomic damages.

## Real World Implications

Nuclear verdicts adversely affect society. The prospect of a nuclear verdict makes it more difficult to fairly resolve claims, leading to unnecessary litigation and appeals. Nuclear verdicts can threaten the viability of a business or the availability of a needed product, or create insurability problems for an entire industry.

For example, due in large part to nuclear verdicts, fewer companies offer

"Nuclear verdicts adversely affect society.

The prospect of a nuclear verdict makes it more difficult to fairly resolve claims, leading to unnecessary litigation and appeals."

insurance to commercial trucking companies and the cost has led many independent businesses to stop operating. Meanwhile, premiums for healthcare professionals in areas known for nuclear verdicts, such as Georgia and Illinois, are rising. Nuclear verdicts resulting from New York's "Scaffold Law" have made it significantly more expensive to build schools and bridges, and difficult to develop needed affordable housing.

More nuclear verdicts also mean more "nuclear settlements," as plaintiffs' lawyers make higher demands, and businesses, understanding the risk, agree to settlement levels that would have been rejected as unreasonable only a few years earlier. This litigation inflation contributes to the increasing costs of everyday items and services—including food, housing, and medical care—and the cost of automobile, homeowners, and commercial insurance. Rising lawsuit costs can also inhibit job growth

and new investments for businesses or industries.

And the wildly varying damage awards to individuals who have experienced similar injuries and losses erode basic confidence in the rule of law.

#### **Solutions**

Legislators can adopt sound civil justice reforms that reduce the likelihood of excessive damage awards before they occur and respond to unjust awards that do occur.

Legislators can, for example, adopt reforms that do not permit lawyers to inappropriately file cases in areas known for nuclear verdicts, but rather where the plaintiff lives or the injury occurred. They can prohibit manipulative trial lawyer tactics, such as arbitrary anchoring arguments, or prejudicial practices, like multi-plaintiff trials, that fuel nuclear verdicts. Legislators and courts can also strengthen standards to screen unreliable scientific evidence used to generate

some of these verdicts.
And they can require
transparency and prohibit
conflicts of interest in third
party litigation funding and
stop misleading practices in
lawsuit ads.

Finally, legislators can reject proposals backed by the plaintiffs' bar that would authorize more subjective forms of damages or weaken or repeal laws that have helped ensure that damages awarded provide reasonable compensation for a plaintiff's injury.

Together, these actions can restore confidence, fairness, and predictability in jury awards.

## Nuclear Verdict Trends

#### Chapter



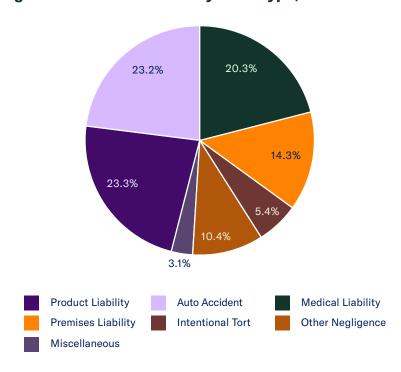
This paper analyzes 1,288 reported nuclear verdicts (jury verdicts of \$10 million or more) in personal injury and wrongful death cases over a 10-year period between January 1, 2013, and December 31, 2022. This period includes the COVID-19 pandemic, during which courts shut down or suspended trials.

#### Case Breakdown

Nationwide, nuclear verdicts in personal injury and wrongful death cases were most frequent in product liability (23.3%), auto accident (23.2%), and medical liability (20.3%) cases. These three areas made up two-thirds of nuclear verdicts in personal injury and wrongful death cases during the 10-year study period. The casetype breakdown has not significantly changed since the prior study.

Product liability trials resulting in multiple nuclear verdicts included cases targeting talcum powder products, herbicides, automobiles, pelvic mesh implants, earplugs, and alleged exposure to polychlorinated biphenyls (PCBs). Asbestos claims and tobacco lawsuits also led to

Figure 1: Nuclear Verdicts by Case Type, 2013 - 2022



dozens of nuclear verdicts during the study period.

Nuclear verdicts stemming from auto accidents arose in a wide range of cases involving severe injuries or deaths. While any auto accident case can involve catastrophic injuries and deaths, cases involving commercial trucks, primarily tractor-trailers, are particularly susceptible to nuclear verdicts.

Approximately one in four auto accident trials that resulted in a verdict of \$10 million or more involved a commercial trucking company.<sup>4</sup>

Common types of medical liability cases resulting in nuclear verdicts include lawsuits alleging that a child was born with permanent injuries due to complications during delivery that a healthcare provider might have avoided or that an elderly resident's death resulted from substandard care at a nursing home.

Premises liability (14.3%), other negligence (10.4%), intentional tort (5.4%), and other claims (3.1%) make up the remaining shares of nuclear verdicts in personal injury/wrongful

death litigation. Premises liability claims encompass a broad range of actions, from workplace injuries falling outside of the workers' compensation system to an injury resulting from a falling tree. "Other negligence" claims include, for example, lawsuits alleging that a business negligently hired or supervised an employee who engaged in criminal conduct or lacked sufficient security to prevent a crime committed by a third party on its property. Intentional tort claims that result in nuclear verdicts are often civil actions against the

perpetrator of a serious crime; however, these cases also sometimes include business defendants. Given the egregious nature of many intentional torts, it is revealing that such serious misconduct comprises a relatively small overall percentage of nuclear verdicts. Awards stemming from negligence or other unintentional conduct and primarily targeting businesses, on the other hand, account for the vast majority of nuclear verdicts.

The case-type percentages vary from year-to-year but



Figure 2: Number of Reported Nuclear Verdicts, 2013 - 2022

did not change significantly over the 10-year period. As discussed in Chapter 3, however, the case mix varies significantly from state to state.

#### Nuclear Verdicts— Rising Trends

When excluding the pandemic years, the data shows an upward trend in the frequency of reported nuclear verdicts at all levels over the 10-year study period.

The number of reported nuclear verdicts fluctuates significantly each year, as can be expected given their unpredictability and outlier nature (Figure 2). As anticipated, the frequency of nuclear verdicts dropped dramatically after courthouses largely shut down when the COVID-19 pandemic began in March 2020. The data indicates that nuclear verdicts rose again in the second quarter of 2021 and quickly returned to near pre-pandemic levels in the third quarter of 2021. The number of reported nuclear verdicts in 2022 was just shy of the record highs set in 2016 and 2018, and likely was still curtailed by judicial backlogs from the pandemic.

### Nuclear Verdicts Are Growing in Size

The size of nuclear verdicts is rising. The median reported nuclear verdict for case types between 2013 and 2022 was \$21 million. Intentional tort cases had the highest median nuclear verdict (\$28.6 million), followed by product liability (\$25 million), miscellaneous cases (\$22.4 million), and auto accident (\$21 million). Medical liability, premises liability, and other negligence verdicts had a \$20 million median over the 10-year study period. The medians for all



Figure 3: Median Nuclear Verdict, 2013 - 2022

**Table 1: Mean & Median Nuclear Verdict** by Litigation Type, 2013 - 2022

Litigation Type	Mean	Median	
Product Liability	\$215.9 Million	\$25.0 Million	
Other Negligence	\$99.8 Million	\$20.0 Million	
Intentional Tort	\$94.6 Million	\$28.6 Million	
Auto Accident	\$46.4 Million	\$21.0 Million	
Medical Liability	\$33.6 Million	\$19.6 Million	
Premises Liability	\$32.5 Million	\$20.0 Million	
Miscellaneous	\$31.5 Million	\$22.4 Million	
All Personal Injury / Wrongful Death	\$88.9 Million	\$21.1 Million	

nuclear verdict case types collectively in 2021 and 2022, were approximately \$23.8 million and \$23.4 million, respectively—levels exceeded only in 2019.

Overall, nearly half of nuclear verdicts (45.9%) were between \$10 million and \$20 million. Around one third of nuclear verdicts (35.6%) were between \$20 million and \$50 million. Awards of \$50 million or more constituted 18.6% of reported nuclear verdicts over the 10-year period. Between 2020 and 2022, however, 25% of nuclear verdicts reached this level.

While the median fluctuates from year to year, the data

shows an upward trend, which is more prominent when excluding pandemic years. Notably, as illustrated in Figure 3, the median nuclear verdict in product liability cases hit a record high of \$36 million in 2022. a rise of 50% from \$24 million in 2013 and significantly higher than the overall median for all other case types that year.

#### **Means and Extremes**

When deciding whether to go to trial or settle a case and, if so, how much is a reasonable settlement amount, businesses must consider the worst-case scenario. While the median nuclear verdict over the 10-year period is about

\$21 million, the mean is substantially higher—\$89 million (Table 1). The higher average verdict results from the occasional award in the hundreds of millions or billions of dollars. Mean computations in this paper exclude, however, a symbolic \$301 billion verdict in a 2021 Texas action alleging a pub oversold alcohol to an intoxicated patron (including \$1.04 billion in "actual damages" and \$300 billion in punitive damages),5 an outlier even for nuclear verdicts.

Compared to the previous study, the mean nuclear verdict for all claims rose from \$76 million (2010-19) to \$89 million (2013-22), largely due to an increase in the size of awards in product liability, auto accident, and other negligence trials.

As illustrated in Figure 2, like other nuclear verdicts, the frequency of mega nuclear verdicts (\$100 million or more) is rising. There were 115 reports of personal injury or wrongful death verdicts at this level during the 10-year study period. This included 96 reported verdicts

between \$100 million and \$500 million, five verdicts between \$500 million and \$1 billion, and 14 verdicts of \$1 billion or more. The risk of a mega nuclear verdict is greatest in product liability actions, which accounted for one third of nuclear verdicts of \$100 million or more. In 2022. there were a record number of verdicts at this level (22). Preliminary data indicates that this record was shattered in 2023.

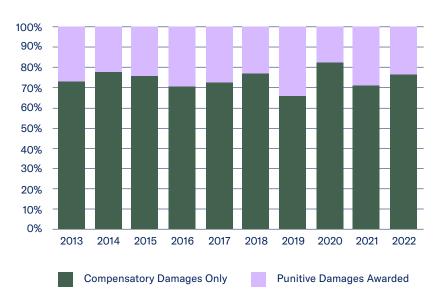
Such extraordinary awards are often significantly reduced by a trial court or reversed on appeal. For example, an \$8 billion punitive damage award in a 2019 Philadelphia product liability trial involving the antipsychotic drug Risperdal was reduced by the trial court to \$6.8 million6 a more than 99.99% reduction—after which the case settled out of court as appeals progressed. These "send-a-message" verdicts are also, in some cases, symbolic and uncollectable, particularly when imposed on an individual or small business. Nevertheless, a business facing litigation must consider the cost of a lengthy appeal that will follow, and the damage to its brand and harm to shareholders from adverse publicity, even if a court ultimately overturns the judgment or reduces the award to a fraction of its original size. When a mega nuclear verdict is reduced or uncollectable, plaintiffs' lawyers often still tout the award in television, social media, and website advertising to solicit clients to bring new cases (discussed in Chapter 4).

#### Punitive vs. Non-**Economic Damages**

Mega nuclear verdicts typically (but not always) include a substantial punitive damage award. For example, all but one of the 14 nuclear verdicts exceeding \$1 billion during the 10-year study period were primarily punitive damage awards. Most "ordinary" nuclear verdicts, however (74% during the 10-year period), are entirely compensatory damages.

The U.S. Supreme Court's adoption of due process safeguards that protect against excessive punitive

**Figure 4: Percentage of Nuclear Verdicts** Including a Punitive Damage Award, 2013 – 2022



damage awards, combined with state legislative reforms, have left personal injury lawyers to seek alternative ways to obtain jackpot judgments. As discussed later in this paper, the result is that some plaintiffs' lawyers purposefully inflame juries and improperly urge them to "send a message" through pain and suffering and other forms of noneconomic damage awards. The data supports this observation. While intentional tort and product liability cases are more likely to include a punitive damages element than other types of litigation, overall, threequarters of reported nuclear verdicts during the 10-year study period did not include a punitive damage award.

As litigators have observed, pain and suffering awards are "the biggest component of most nuclear verdicts" because "[t]he plaintiffs' bar knows how to successfully argue for large noneconomic damages."7

Jury verdict reports do not consistently or uniformly

break down compensatory damages between economic and noneconomic damages. In addition, some states do not require separate awards for economic and noneconomic damages, or they award elements of damages that combine the two. As a result, it is not possible in every case to track the size of the noneconomic damage award or compare the proportion of economic damages and noneconomic damages.

"The U.S. Supreme Court's adoption of due process safeguards that protect against excessive punitive damage awards, combined with state legislative reforms, have left personal injury lawyers to seek alternative ways to obtain jackpot judgments."

More than half of the reported nuclear verdicts in the data set (729 verdicts) include a full breakdown of damage types. Within this subset of data, economic damages, such as amounts

to cover lost income. medical expenses, or other measurable financial losses, accounted for just 10.2% of the total amount awarded in nuclear verdicts during the 10-year study period. Noneconomic damages and punitive damages accounted for 37.4% and 52.4%, respectively. These figures are skewed, however, due to punitive damage awards in the hundreds of millions and billions of dollars. Even including these outliers (but still excluding the \$301 billion verdict discussed above), in seven of the 10 years of subset data, the total amount of noneconomic damages awarded in nuclear verdicts exceeded the total amount in punitive damages. In six of those 10 years, the total amount of noneconomic damages awarded exceeded the total amount of economic damages and punitive damages combined.

#### State Courts vs. **Federal Courts**

Personal injury lawyers have long preferred to try cases in state courts—which they often perceive as having

more plaintiff-friendly judges, jurors, and court rules-than more neutral. federal courts with lifetimeappointed judges.8 The data supports that perception. Nuclear verdicts were far more frequent in state courts than federal courts. State courts hosted nine out of 10 reported nuclear verdicts in personal injury and wrongful death cases during the 10-year study period. Federal courts hosted just 140 of 1,288 reported nuclear verdicts (about 11%) and 15 of 115 reported mega nuclear verdicts (13%). While this may, in part, reflect that most tort claims are decided in state courts, federal courts during the study period, until recently, hosted an increasing number of product liability cases.9

#### **Preliminary** 2023 Data

Preliminary data includes 129 reported nuclear verdicts in 2023 in personal injury and wrongful death cases. As explained in the Executive Summary, this data is still subject to

"Nuclear verdicts were far more frequent in state courts than federal courts. State courts hosted nine out of 10 reported nuclear verdicts in personal injury and wrongful death cases during the 10-year study period."

change because there is often a signficant lag period between when a verdict is rendered and when it is reported and added to a legal research database (see Methodology in Chapter 7). However, based on the preliminary data, the median 2023 nuclear verdict of \$23.8 million has not significantly changed from the preceding two years, a level that is higher than the median from the full 10-year period (\$21.1 million). The preliminary data also indicates a significant upward shift in award levels in 2023. While 45.9% of nuclear verdicts in the 10-year study period were between \$10 million and \$20 million, in 2023, just 31.8% fell in the lowest range. Instead, 44.2% of reported nuclear verdicts were between \$20 million and \$50 million. As noted earlier, the number of reported

verdicts above \$100 million hit an all-time high in 2023 (at least 23). This would represent a near 400% increase in \$100 million-plus verdicts since 2013.

The preliminary data also indicates that the proportion of nuclear verdicts stemming from medical liability trials in 2023 jumped to nearly 30% (from about 20% during the preceding 10 years). This finding is consistent with a recent analysis by TransRe, an international reinsurance company, which found that "2023 blew away every record previously set among high medical malpractice verdicts."10 The proportion of nuclear verdicts in other areas, according to the preliminary 2023 data, did not change significantly, except for premises liability cases, which dropped to about 9% of the total.

# Top States for Nuclear Verdicts

Chapter



Most nuclear verdicts result from trials conducted in a few states. These states produce the highest levels of nuclear verdicts even when accounting for population differences.

California and Florida are virtually tied for generating the most nuclear verdicts over the 10-year period including 2013 through 2022, followed by New York and Texas. Courts in these four states consistently produce half of the nation's nuclear verdicts. Other states that are prone to nuclear verdicts include Georgia, Illinois, and Pennsylvania. Rounding out the Top 10 jurisdictions for most nuclear verdicts are Washington, Missouri, and Ohio. Together, the Top 10 states accounted for nearly three-quarters of all personal injury and wrongful death verdicts over \$10 million during the 10-year study period.

Seven of the Top 10 states for generating nuclear verdicts also ranked in the Top 10 in terms of nuclear verdicts "per capita": Florida, New York, Georgia, California, Illinois, Washington, and Missouri. This "per capita" ranking considers the number of nuclear verdicts based on the average state population during the 10-year study period, according to U.S. Census Bureau data. The per capita computation shows that the larger states produce the highest levels of nuclear verdicts even when accounting for population differences. For example, California's high

"Courts in [California, Florida, New York, and Texas] consistently produce half of the nation's nuclear verdicts."

total of nuclear verdicts is not simply attributable to being the most populous state; California still ranked eighth when taking its large population into account.

Figure 5: Top 10 States by Cumulative Nuclear Verdicts, 2013 - 2022

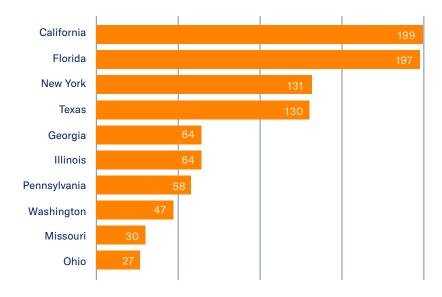


Table 2: Top 10 States by Per Capita Nuclear Verdicts, 2013 – 2022<sup>11</sup>

State	Per Capita Rank	Cumulative Rank (From Figure 5)	Average State Population	Nuclear Verdicts per 100K People
Florida	1	2	20,975,886	0.939
New York	2	3	19,741,604	0.664
Washington	3	8	7,429,799	0.633
Georgia	4	5 (tie)	10,461,694	0.612
New Mexico	5	-	2,096,622	0.572
Rhode Island	6	-	1,068,310	0.562
Wyoming	7	-	581,307	0.516
California	8	1	39,182,465	0.508
Illinois	9	5 (tie)	12,770,239	0.501
Missouri	10	9	6,116,383	0.490

Florida produced significantly more nuclear verdicts during the study period on a per capita basis than any other jurisdiction. Georgia rose from the seventh most frequent state for nuclear verdicts during the 2010-19 period to tying with Illinois—a larger state with a history of nuclear verdictsduring 2013-22. On a per capita basis, Georgia rose from eighth to fourth. Washington joined the Top 10 per capita list, largely as a result of recent nuclear verdicts in trials alleging injuries from PCB exposure.

Texas and Pennsylvania, two states that have among the most nuclear verdicts,

fell just outside the Top 10 per capita list, ranking 12th and 13<sup>th</sup> respectively. Courts in these two states have continued to host verdicts in the hundreds of millions of dollars recently.<sup>12</sup>

New Jersey, which placed eighth in frequency of nuclear verdicts during the previous study period The per capita computation shows that the larger states produce the highest levels of nuclear verdicts even when accounting for population differences.

(2010-19), fell off the Top
10 list (placing 11th). This
drop appears to reflect
that virtually no mass tort
cases went to trial in New
Jersey from the outset of the
pandemic until late 2022,<sup>13</sup>
and that there has been a
substantial backlog of civil
cases in state courts.<sup>14</sup> This
could soon change as trials
resume and as New Jersey
experiences a new surge
of mass tort litigation.<sup>15</sup>

Each state that is a hot spot for nuclear verdicts has its own unique mix of litigation and factors that contribute to the frequency of these extraordinary awards. The discussion below takes a closer look at the seven states that appear on both the Top 10 "total" and "per capita" lists for the 2013 through 2022 period.

#### California

#### 199 Reported Nuclear Verdicts | \$9B Awarded | Median \$22M

California hosted the most reported nuclear verdicts between 2013 and 2022, competing with Florida for the top spot across the study period. As indicated above, California also ranks eighth for nuclear verdicts per capita, demonstrating that the number of nuclear verdicts in the Golden State does not stem from its population but is driven by its liability-friendly laws and courts.

In California, auto accident cases had the lead share of nuclear verdicts (35.2%), while product liability came next (22.6%).

Examples of California's nuclear verdicts since 2020 in the product liability area include asbestos claims brought by workers or their spouses (including \$43.3 million and \$52.1 million verdicts), and a \$107.3 million verdict to the family of a janitor who died after developing mesothelioma, which was later thrown out as unsupported by the evidence and excessive.<sup>16</sup>

There is also a pair of verdicts blaming talcum powder products for plaintiffs' development of mesothelioma (\$26.5 million and \$27.4 million).<sup>17</sup> Still in

recent memory are \$289 million (2018) and \$2 billion (2019) verdicts in cases alleging that using Roundup caused plaintiffs to develop non-Hodgkin's lymphoma.<sup>18</sup> These blockbuster verdicts continued in October 2023 when a San Diego jury returned a \$332 million verdict (including \$325 million in punitive damages) in a Roundup trial.<sup>19</sup>

"As indicated above,
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In addition, in 2023, an Orange County court reached a \$161 million verdict against a motorcycle manufacturer. That verdict came in a trial in which the plaintiff struck an SUV that had abruptly stopped as the other driver attempted to cross three lanes of traffic to turn left out of a shopping center parking

lot. The plaintiff blamed the accident on the failure of the motorcycle's front brake to work properly.<sup>20</sup>

Several recent auto accidents involving truck collisions have resulted in nuclear verdicts at levels including \$45.2 million, \$52.9 million, and \$70.6 million. Perhaps the most extraordinary outcome was a \$36 million verdict in Los Angeles County to the family of a 26-year-old motorcyclist (\$18 million to each parent). The motorcyclist died after he hit a pickup truck that, video reportedly showed, was slowly turning out of a driveway.<sup>21</sup> While the defendant contended that the motorcyclist was going 80 mph on a 35 mph road and had methamphetamine in his system, the jury found the pickup truck driver exclusively responsible for the accident.<sup>22</sup>

In a premises liability case, a California hotel was hit with a \$60 million verdict (to which \$30 million was added in prejudgment interest) in a case alleging its employees failed to

discover that a guest had suffered a brain aneurysm in her room after her husband asked the staff to check on her.<sup>23</sup>

In one area, California is far less prone to nuclear verdicts than other states. Only 5.5% of California's nuclear verdicts dring the study period resulted from medical liability claims (compared to 20.3% nationally). This significant difference may reflect that California's limit on noneconomic damages in healthcare liability actions provides stability in awards and facilitates settlements. That limit stood at \$250,000 since enacted in 1975, but, following a ballot initiative in January 2023, increased to \$350,000 in cases involving injuries and \$500,000 in cases involving a patient death. Those limits will further rise over the next ten years to \$750,000 and \$1 million, respectively, and be subject to a 2% annual inflation adjuster thereafter. These changes will inevitably lead to higher medical liability awards, but California's limits will

continue to constrain nuclear verdicts that can jeopardize the availability of affordable healthcare.

While nuclear verdicts in general occurred across California, Los Angeles County was the most popular area, making up more than one third of the verdicts over \$10 million.

#### Florida

#### 197 Reported Nuclear Verdicts | \$33B Awarded | Median \$19M

That Florida rivals California for the most nuclear verdicts is surprising given that Florida's population is roughly half that of the Golden State. Florida hosts, by far, the most nuclear verdicts per capita.

Nearly two-thirds of Florida's nuclear verdicts in personal injury and wrongful death cases resulted from product liability (39.1%) and auto accident trials (25.9%) during the study period. This is far higher than the proportion of nuclear verdicts coming from product liability cases nationally (23.3%) and slightly higher than auto

"Florida is more prone to punitive damage awards than other states. During the study period, 36.5% of nuclear verdicts in Florida included a punitive damage element compared to 26% nationally."

accident cases (23.2%) overall. The 2020 through 2022 period shows some shifting—the proportion of nuclear verdicts associated with product liability trials slightly declined during that three-year period (34.2%) in Florida, while the share resulting from auto accident trials surged (31.7%).

This mix of cases reflects Florida's continuing, unique tobacco litigation, including a \$43 million verdict in 2021,<sup>24</sup> as well as the aggressiveness of the state's personal injury bar in auto accident cases.

Some of Florida's highest nuclear verdicts in recent years include trucking accidents. For example, an October 2020 Zoom trial resulted in a \$411.7 million verdict against a trucking company in a case involving a motorcyclist who was severely injured

when he attempted to avoid a 45-car pileup ahead of him and crashed into a truck that had stopped in the emergency lane.<sup>25</sup> A jury awarded another \$1 billion against two trucking companies in August 2021, after a semi driver rearended a line of cars that had stopped due to another accident, killing a teenage driver.<sup>26</sup> Another trial stemming from an accident with a city utility vehicle resulted in a \$120 million verdict in May 2021.27

Florida's federal multidistrict litigation over whether combat earplugs adequately protected users from hearing loss and tinnitus resulted in a \$110 million verdict to two plaintiffs in January 2022 (\$55 million each),<sup>28</sup> followed by \$50 million and \$77.5 million verdicts to two other plaintiffs in March and May that year.<sup>29</sup>

Florida is more prone to punitive damage awards than other states. During the study period, 36.5% of nuclear verdicts in Florida included a punitive damage element compared to 26% nationally.

As the study period concludes in 2022, it is too early to evaluate whether Florida's 2023 enactment of landmark tort reform legislation, which included provisions addressing inflated damages for medical care,<sup>30</sup> will curb nuclear verdicts in the Sunshine State.

While courts across the state host trials that have produced nuclear verdicts, Broward County and Miami-Dade County were the most frequent areas for such awards.

#### **New York**

#### 131 Reported Nuclear Verdicts | \$4B Awarded | Median \$20M

Unlike other states, New York's nuclear verdicts are concentrated in premises liability (26%) and medical liability (25.2%) trials, with auto accident cases coming in third (19.9%) during the study period.

A significant contributor to New York's premises liability verdicts is the state's unique 19<sup>th</sup>-century "Scaffold Law," which subjects employers to "absolute liability" in the tort system for falls at construction sites,<sup>31</sup> rather than compensating those who are injured through the workers' compensation

system. Whether a worker's carelessness caused his or her own injury—even if the worker was under the influence of alcohol or drugs while at work—is considered irrelevant to liability.<sup>32</sup> Trials of Scaffold Law claims resulted in a \$48 million verdict in 2022<sup>33</sup> and a \$53.5 million verdict in 2023.<sup>34</sup>

Medical liability cases often result in substantial awards in New York. The

Empire State has the highest payouts in medical liability cases of any state, at \$434 million in 2022, also coming in at first per capita.<sup>35</sup> Historically, New York's medical liability payouts have dwarfed those of the next highest state, Pennsylvania, and rival the payouts of the entire western United States combined.<sup>36</sup> While these figures include payments

A significant contributor to New York's premises liability verdicts is the state's unique 19th-century "Scaffold Law," which subjects employers to "absolute liability" in the tort system for falls at construction sites, rather than compensating those who are injured through the workers' compensation system.



resulting from settlements as well as verdicts, the risk of a nuclear verdict in New York influences settlement demands.

Although product liability cases make up a smaller share of nuclear verdicts in New York than nationwide (13% in New York compared to 23.3% nationally), those awards include verdicts stemming from New York City's active asbestos litigation docket. Three asbestos cases resulted in verdicts ranging between \$15 million and \$28.5 million since 2020, for example. In addition, New York's 2019 "reviver" of decades-old childhood sexual abuse claims has resulted in several substantial verdicts, though it appears that claims against organizations alleging that they failed to prevent misconduct typically settle before trial.

Nuclear verdicts in New York are less likely to include punitive damages than in other states. Just 6.1% of nuclear verdicts in New York between 2013 and 2022 included a punitive damages element, compared to 26% nationwide. This may reflect that while New York does not have a statutory cap on punitive damages, its courts have traditionally permitted them only in cases involving malicious or the most irresponsible conduct.

Instead, New York personal injury lawyers urge jurors to return extraordinary noneconomic damage awards. These anchoring tactics contribute to excessive awards in the Empire State. In recent years, plaintiffs' lawyers have asked New York juries to return amounts as high as \$140 million for pain and suffering.37 In some cases, juries returned the exact amount requested or "compromised" with a still-extraordinary verdict that was clearly influenced by the amount the lawyer urged them to award. Local attorneys observe that these practices are becoming more bold, with plaintiffs' lawyers asking for amounts that, just a few years ago, they

would have been hesitant to offer for fear that a jury would consider the request outrageous.38 These awards are often significantly reduced on appeal,39 however, New York's appellate division has repeatedly declined to consider whether plaintiffs' lawyers may ask for damages at levels state courts have never sustained as "reasonable compensation" in comparable cases.40

For many years, New York appellate courts had maintained a de facto \$10 million limit on noneconomic damages for the most catastrophic of injuries. They did so by applying a state law that permits judges to review whether an award is excessive because it "deviates materially from what would be reasonable compensation."41 This law allows New York courts to objectively compare the amount of prior awards sustained on appeal involving individuals with similar injuries when reviewing the size of a verdict, rather than apply

a vague, plaintiff-friendly "shocks the conscience" approach. Recent verdicts, however, have breached this cap, leading plaintiffs' lawyers to argue in settlement negotiations that the \$10 million limit "is kaput." As a result, nuclear verdicts and settlements are even more likely in New York.

Nuclear verdicts in New York are most common in New York City, Kings County (Brooklyn), and Bronx County.

#### Georgia

#### 64 Reported Nuclear Verdicts | \$6B Awarded | Median \$24M

Georgia has had a series of nuclear verdicts that are concentrated in medical liability (28.1%) and premises liability (25%) cases, followed by auto accident, product liability, and other negligence (15.6% each) trials. After an expected drop-off during the pandemic, Georgia set its record for nuclear verdicts in 2022. Georgia's nuclear verdicts per capita significantly rose from

the earlier study period (2010-19) to the current period (2013-22) when most other states fell because of trial delays during the pandemic. While data for 2023 is incomplete, it already indicates that Georgia broke the record it set the prior year.

"Georgia is one of a handful of states that has codified a rule allowing plaintiffs' lawyers to urge juries to return any amount of damages for pain and suffering, no matter how extraordinary."

Though product liability cases make up a relatively small share of Georgia's nuclear verdicts, its most extraordinary award in recent years is in that sphere. In August 2022, a Gwinnett County jury awarded \$1.7 billion in punitive damages, on top of \$24 million in compensatory damages, against Ford in a trial alleging that a couple would have survived a tragic rollover accident if their pickup truck had a stronger roof. That verdict, which is

on appeal,<sup>43</sup> resulted after a trial court precluded Ford from presenting its defense as a sanction for an expert witness straying into an area that the judge had found off limits. The state attorney general has separately appealed to protect the state's interest in collecting its 75% share of the punitive damage award, as provided by Georgia law.<sup>44</sup>

Georgia has also experienced a string of nuclear verdicts in cases alleging that a business was responsible for a criminal attack on or near its property due to inadequate security. These cases followed a 2017 Georgia Supreme Court ruling that held that businesses can be held liable for attacks that are "foreseeable."45 A recent Georgia Supreme Court ruling upholding a \$43 million verdict against CVS stemming from a robbery attempt in the store's parking lot is likely to make Georgia even more prone to these types of awards. In that case, the court ruled that when a jury

considers foreseeability, it must consider the "totality of circumstances relevant to the premises" on a "caseby-case basis," rather than require a plaintiff to show substantially similar crimes previously occurred on the property. 46 As a result, business owners risk liability simply because they operate in high-crime areas. 47

Wrongful death cases in Georgia are also particularly susceptible to astronomical verdicts because state law uniquely asks jurors to award damages for the "full value of life," which incorporates both economic and noneconomic elements.48 That type of award has led some juries, either due to sympathy for a plaintiff or a desire to send a message to a defendant, to return extraordinary amounts.

In personal injury cases, Georgia juries return awards for "general damages," such as for pain and suffering, without any proof of their amount.<sup>49</sup> Georgia is one of a handful of states that has codified a rule allowing plaintiffs' lawyers to urge juries to return any amount of damages for pain and suffering, no matter how extraordinary.<sup>50</sup> In the CVS case, for example, the plaintiff's lawyer asked for \$57 million in damages and the jury returned a \$45 million award (with 5% of the fault allocated to the plaintiff).<sup>51</sup>

Some other examples of nuclear verdicts in Georgia since 2020 include \$200 million in a product liability action involving a boy who died in a boating accident,<sup>52</sup> \$160 million against Sony Music stemming from a shooting at an Atlanta rap concert,<sup>53</sup> \$127 million against an auto component manufacturer in a case alleging a seatbelt failed to protect a driver,54 \$77 million against an addiction treatment center after a discharged bipolar patient laid down on the interstate,<sup>55</sup> and \$75 million against healthcare providers for failing to diagnose a stroke.56

While some of Georgia's nuclear verdicts, such as the Ford case, include substantial punitive damage awards, Georgia is on par with the experience of other states in that three-quarters of these awards are entirely compensatory damages. As noted, awards for pain and suffering and the full value of life, which are intended to be compensatory but sometimes used to punish a defendant, contribute to Georgia's nuclear verdicts.

Georgia's nuclear verdicts came from across the state, though DeKalb, Fulton, and Gwinnett counties hosted the largest share.

#### Illinois

#### 64 Reported Nuclear Verdicts | \$2B Awarded | Median \$20M

Of the Top 10 states for nuclear verdicts, Illinois had, by far, the largest proportion of medical liability cases (39.1%) during the 10-year study period. This percentage is nearly double the national average (20.3%). Product liability cases were second

most frequent in Illinois (20.3%), followed by premises liability (14.1%). Auto accidents made up a low percentage of Illinois's nuclear verdicts, just 9.4% compared to 23.2% nationally.

Nuclear verdicts in Illinois in 2021 and 2022 included medical liability verdicts of \$14.75 million, \$42.4 million, \$45.3 million, and \$49.5 million. Other nuclear verdicts included \$23 million in an asbestos case, \$18.2 million in an accident in which a truck hit a stopped vehicle, and \$10.8 million in a negligent security case against an apartment building owner.

A notable verdict included \$33.5 million against the Village of Dolton after a driver led police on a highspeed chase, rather than pull over, after he rolled through a stop sign. The jury held the town liable for its officers' failure to abandon the pursuit, awarding the two passengers in the vehicle, one who died and one who was severely injured, \$10 million and \$23 million, respectively.<sup>57</sup>

Illinois' largest nuclear verdict during the 10-year

Legislatively, Illinois is moving in a direction that will make the state more prone to nuclear verdicts.



study period, \$363 million, resulted from a lawsuit alleging that emissions from a medical tool sterilization company's plant led to the breast cancer diagnosis of a woman who lived nearby. It was reportedly the first of 800 lawsuits making similar claims to go to trial. The verdict included \$38 million in compensatory damages and \$325 million in punitive damages. The amount was slightly above the \$346 million the plaintiffs' lawyers urged the jury to award in closing arguments.58

Thus far, preliminary data for 2023 includes reports of at least six nuclear verdicts in Illinois courts, half of which were in medical liability cases, ranging from \$14 million to \$40 million. They also include a \$40.75 million asbestos verdict and a \$43.8 million verdict involving a truck accident.

Legislatively, Illinois is moving in a direction that will make the state more prone to nuclear verdicts. In 2023, the state amended its Wrongful Death Act to authorize punitive damage awards,

which are not subject to any limitation.<sup>59</sup> Two years earlier, Illinois enacted legislation establishing a 6% prejudgment interest rate on personal injury and wrongful death actions, which will effectively make nuclear verdicts even higher.<sup>60</sup>

All but a handful of Illinois' nuclear verdicts in state courts came from the Cook County Circuit Court. Federal courts in Illinois hosted about a dozen nuclear verdicts

#### Washington

#### 47 Reported Nuclear Verdicts | \$2B Awarded | Median \$19M

Washington's nuclear verdicts stemmed primarily from product liability trials (29.8%) and medical liability trials (25.5%). Premises liability trials placed third (17%).

State courts have hosted a series of nuclear verdicts in trials in which teachers, students, and parents allege that exposure to polychlorinated biphenyls (PCBs) in old fluorescent light fixtures at the Sky

Valley Education Center caused neurological and other health conditions. The homeschool education center, roughly 35 miles northeast of Seattle, installed these lights well before the Environmental Protection Agency banned the chemicals in 1979. Monsanto spinoff Pharmacia LLC, which has not produced PCBs for a half-century, disputes the contention that PCB exposure is the source of the plaintiffs' health problems and says the school ignored its repeated warnings since the 1990s to retrofit the lights.<sup>61</sup> These cases have been largely tried in groups in the King County Superior Court. They have resulted in verdicts at astounding levels including \$62 million (2021) and \$21.4 million, \$82 million, and \$275 million (2022). They continued outside the study period with verdicts of \$72 million, \$165 million, and \$857 million in 2023.62 Thus far, these verdicts total about \$1.74 billion.63

Washington also hosted nuclear verdicts in other types of litigation.

For example, in 2021, a Pierce County jury awarded \$91 million against the owner of a convenience store after a robber severely beat a customer who was attempting to call 911.64

"More than half of Washington's nuclear verdicts during the study period originated from King County."

During the 10-year study period, 17% of Washington's nuclear verdicts included punitive damages, a level lower than the national average (26%). Between 2020 and 2022, however, Washington exceeded the national average with nearly 30% of its nuclear verdicts containing punitive damages. This level rises to 38% when including preliminary 2023 data. This is notable because Washington law generally does not permit punitive damages in personal injury claims, allowing them only when specifically authorized by statute.65 Most of these

cases stem from the Sky Valley litigation. In those cases, Washington courts have applied the law of Monsanto's home state, Missouri,66 effectively circumventing this restriction as well as Washington's 12-year statute of repose on product liability claims.<sup>67</sup> Other cases in which Washington courts awarded punitive damage arose under federal statutory or common law.

Washington does not limit noneconomic damages, as the state supreme court invalidated a statutory maximum based on a multiple of the average annual wage and plaintiff's life expectancy in 1989.68

More than half of Washington's nuclear verdicts during the study period originated from King County. Pierce County and the U.S. District Court for the Western District of Washington also hosted several nuclear verdicts.

#### Missouri

#### **30 Reported Nuclear** Verdicts | \$6B Awarded | Median \$26M

Missouri's nuclear verdicts during the 10-year study period stemmed primarily from product liability trials (36.7%), followed by equal shares resulting from medical and premises liability trials (20%).

In 2016, Bloomberg observed that St. Louis had developed a reputation for "fast trials, favorable rulings, and big awards," drawing product liability lawsuits of out-of-state plaintiffs to Missouri.69 For example, Missouri hosted a series of trials stemming from lawsuits alleging that talcum products caused a plaintiff's ovarian cancer, including a \$72 million verdict in 2016,70 a \$110.5 million verdict in 2017,71 and a \$4.69 billion verdict (\$550 million in compensatory damages and \$4.14 billion in punitive damages) to 22 women in 2018.72 A more recent St. Louis talc trial that included three

Nearly half of Missouri's nuclear verdicts during the study period included punitive damages .... Missouri Supreme Court decisions ... diluted the standard for awarding punitive damages and invalidated a statutory cap on them in 2014.

plaintiffs, however, ended in a defense verdict in 2021.73

Nearly half of Missouri's nuclear verdicts during the study period included punitive damages (46.7%). This level indicates that Missouri courts are more prone to awarding punitive damages than other states. Facilitating such a rise, Missouri Supreme Court decisions had diluted the standard for awarding punitive damages74 and invalidated a statutory cap on them in 2014.75

The Missouri legislature responded by raising the burden of proof and adopting a heightened standard for punitive damages in an attempt to restore punitive damages to their intended purpose.<sup>76</sup> That change took effect in late 2020. Yet, there are indications that Missouri's propensity for nuclear verdicts continues.

In November 2023, a Cole County Circuit Court trial resulted in a \$1.56 billion verdict against Monsanto to three plaintiffs who

blamed Roundup for their development of non-Hodgkin's lymphoma. Each plaintiff received \$500 million in punitive damages in addition to compensatory damages of \$5.6 million, \$17.5 million, and \$38 million.<sup>77</sup> The trial court judge later reduced the punitive damage portion of the award by two-thirds from \$1.5 billion to \$549.9 million.78

Another recent notable nuclear verdict, \$745 million (primarily punitive damages), resulted from a case in which a 20-yearold driver who had passed out after inhaling a food propellant crashed his SUV into the plaintiff's car and killed her. The family sued the distributor of the product and the local smoke shop that sold it, claiming that they knew customers purchased the

product, which includes nitrous oxide, intending to get high. A St. Louis County jury found the distributor 70% responsible, the smoke shop 20% responsible, and the driver just 10% at fault.79

#### **Preliminary** 2023 Data

The top states for nuclear verdicts in 2023 in order of frequency, according to preliminary data, are California, New York, Florida, Georgia, Texas, Pennsylvania, Illinois, and Louisiana. If these results hold firm once complete data collection for 2023 is possible, Georgia's movement into the top four, exceeding Texas, a state three times its population, and falling just shy of Florida, will reaffirm that Georgia courts have become particularly prone to excessive awards.

"If these results hold firm once complete data collection for 2023 is possible, Georgia's movement into the top four, exceeding Texas, a state three times its population, and falling just shy of Florida, will reaffirm that Georgia courts have become particularly prone to excessive awards."

## Fueling Nuclear Verdicts

#### Chapter

4

Tactics used by plaintiffs' lawyers—including the ways in which litigation is argued, advertised, and funded—can each contribute to a nuclear verdict. Expansions in the scope of state wrongful death acts and the misuse of procedural rules to hold multi-plaintiff trials also facilitate nuclear verdicts.

There are several factors that contribute to excessive verdicts. Plaintiffs' lawyers engage in tactics that inflame juror emotions, misuse noneconomic damage awards to "send a message" rather than provide reasonable compensation for an injury, and engage in "anchoring," in which they manipulate juries into awarding arbitrarily high amounts. In some instances, courts have combined the claims of multiple plaintiffs into a single trial, which raises serious due process concerns and significantly increases the likelihood of a nuclear verdict. In addition, money poured into advertising to generate mass tort litigation, which often touts and normalizes extraordinary verdicts, and the growing use of outside

funding to underwrite these campaigns also play a part. Legislative efforts to expand damages available under state wrongful death acts, if successful, may fuel more nuclear awards in the future.

#### Reptile Tactics

Plaintiffs' lawyers have embraced "an array of tactics" consistent with the "reptile theory" to manipulate jurors to award damages based on raw emotion and perceived threats rather than the evidence presented at trial.80 These tactics aim to instill a sense of danger in jurors' minds to suggest that unless they render a verdict that "sends a message" and effectively punishes the defendant, they are doing a disservice to the community and

endangering the public and themselves. The idea behind this strategy is to make jurors feel threatened and angry, so they lash out at their perceived attackers.<sup>81</sup>

"Plaintiffs' lawyers engage in tactics that inflame juror emotions, [and] misuse noneconomic damage awards to 'send a message'..."

A 2009 book coauthored by a trial lawyer and a jury consultant, called "Reptile: The 2009 Manual of the Plaintiff's Revolution,"82 is credited with mainstreaming this approach to litigation, even though the pseudoscience underlying the reptile theory has largely been debunked. Nevertheless, these tactics can be persuasive in the courtroom because they elicit strong negative emotions from jurors while diverting jurors' attention away from facts and evidence needed to evaluate whether a defendant is responsible for a plaintiff's injury and, if so, an amount that is reasonable compensation.

By playing to jurors' emotions and making cases less about facts and law, plaintiffs' lawyers may circumvent prohibitions against certain conduct known to inflame juror passions and prejudice. For example, courts widely reject so-called "golden rule" arguments that ask jurors to put themselves in an injured plaintiff's shoes because of the risk jurors' emotions overtake their reasonable consideration of evidence.83 Many courts, though, do not recognize similar prohibitions against other litigation tactics implicated by the reptile theory that have the same effect and fuel nuclear verdicts.

Plaintiffs' lawyers prefer to "try the company" instead of the case. Rather than demonstrate that a defendant's conduct or product caused a plaintiff's injury, if permitted, they introduce evidence of a company's general policies, practices, or alleged lack of compliance with government regulations to portray the business as a threat to public safety. For example, in trials involving truck accidents, plaintiffs' lawyers often pursue direct negligence claims against the defendant company—alleging a failure to adequately screen applicants or supervise employees—even when the employer stipulates that if a jury finds its driver negligently caused the accident, it will accept liability (through the vicarious liability doctrine of respondeat superior).

Plaintiffs' lawyers will also, if allowed, bring other incidents or accidents to the attention of the jury, even if those situations have little or no relation to the case before the court.

For example, in the \$1.7 billion Georgia verdict against Ford in 2022, the plaintiffs' lawyers presented police reports and a slideshow of photos taken from 79 other severe rollover accidents involving Ford vehicles, imploring the jury to "stop the maiming of innocent citizens." The plaintiffs' lawyers, however, never established any similarity between the accidents or the roof design causing those injuries, which is one of many issues now on appeal.84

A \$557 million verdict in Texas against Union Pacific in 2023, including \$500 million in punitive damages, provides another recent example of the reptile theory at work. In that instance, the jury awarded the astronomical verdict after the plaintiffs' attorneys reportedly told the jury of 66 other rail-related deaths and 400 other injuries in Texas during the year the accident occurred, including five deaths and 51 nonfatal injuries in Harris County.85 They also alleged that the train's lights were

not bright enough to meet federal regulations and that the operator failed to follow the company's own policy of taking the "safe course" when in doubt by immediately engaging the emergency brake.86 The jury found the railroad 80% responsible for the plaintiff's tragic injuries, even though, according to court documents and reports, the plaintiff sat on the tracks, intoxicated, at about 2:30 a.m., and did not respond to bells, gates, and whistles at the crossing.87

# The Rise in Noneconomic Damages

It is no accident that many nuclear verdicts are comprised primarily of an award of noneconomic damages such as pain and suffering. Plaintiffs' lawyers' ability to manipulate juror determinations of this notoriously difficult-to-measure component of damages has led to a transformative increase in these awards. Historically, noneconomic damage

awards were modest and rarely exceeded a claimant's economic damages.88 That began to change in the 1950s as plaintiffs' lawyers developed strategies to enlarge noneconomic awards.89 By the 1970s, pain and suffering awards had become the largest part of tort damages.90 The push for higher pain and suffering awards appears to have experienced a resurgence over the past three decades, after the U.S. Supreme Court intervened to address a trend of punitive damages "run wild."91

In a series of decisions, the Supreme Court adopted constitutional constraints on punitive damage awards.92 Perhaps most significantly, the Court indicated that "few awards exceeding a single-digit ratio between punitive and compensatory damages ... will satisfy due process" and that, in cases involving substantial amounts of compensatory damages, a lesser ratio "can reach the outermost limit of the due process guarantee."93 Meanwhile,

states adopted judicial and statutory safeguards, such as requiring clear and convincing evidence to support a punitive damage award, providing for bifurcation of liability and punitive damages phases of trials, and placing caps on damages. As a result of these court rulings and legislative reforms, excessive punitive damage awards became more prone to remittitur by trial courts and reversal on appeal.

Personal injury lawyers have responded by placing greater emphasis on obtaining higher awards for pain and suffering and other noneconomic damages. Unlike punitive damages, pain and suffering awards are typically subject to imprecise and ineffective standards of review, such as whether the amount is so high that it "shocks the conscience" of the court or is clearly a result of passion and prejudice. Fewer states have generally applicable statutory limits on noneconomic damages than for punitive damages.94

"Some plaintiffs' lawyers have sought to further fuel the rise in noneconomic damages by manipulating the purpose of these damages, which is to compensate for an injury, to, instead, punish a defendant."

Some plaintiffs' lawyers have sought to further fuel the rise in noneconomic damages by manipulating the purpose of these damages, which is to compensate for an injury, to, instead, punish a defendant.95 By improperly suggesting jurors blur the lines of compensation and punishment to "send a message" to a defendant, lawyers may inflate a noneconomic damage award and avoid constitutional and other limitations on punitive damages.

### **Anchoring Tactics**

Personal injury lawyers continue to aggressively ask jurors to award everhigher sums. In most states, courts permit them to suggest a specific sum or offer a method of calculating damages as

part of closing argument to a jury. These suggested damages-known as "anchors"—are arbitrary, and often extraordinary, yet can have a profound impact on jurors.96 The anchor proposed by the plaintiffs' lawyer creates a psychologically powerful baseline for jurors struggling with assigning a monetary value to difficultto-define damages such as pain and suffering.97 Once a plaintiffs' lawyer drops the anchor, jurors often either accept the suggested amount or "compromise" by negotiating it upward or downward.98 While any category of damages may be influenced by anchoring, the practice has the greatest impact on noneconomic damages because these awards are highly subjective and not easily quantified by a dollar amount.99

Anchoring can include simply asking the jury for a specific amount (a "lump sum"), say \$50 million<sup>100</sup> or \$200 million.<sup>101</sup> More often, "to make large amounts more palatable," plaintiffs' lawyers "argue that the jury should fix the plaintiff's compensation at a set amount per day, week, month, or year, and then multiply that amount by the length of time remaining in the plaintiff's life expectancy" (referred to as a "per diem" argument).102 In some cases, the lawyer links the proposed amount or formula to some other aspect of the case, however irrelevant to the claimant's pain and suffering. 103 This may be the amount the defendant compensated its CEO<sup>104</sup> or its trial experts.<sup>105</sup> Whatever the approach, the goal is to prompt the jury to reach a multi-million dollar pain and suffering award.

Empirical evidence has repeatedly demonstrated that "the more you ask for, the more you get." 106 Whether it is an automobile negligence or medical liability trial, studies have found that jurors presented

with an anchor return verdicts that are far larger than the amount they would have returned when left to decide a reasonable amount of damages on their own.<sup>107</sup> Studies show that both use of a specific sum or mathematical formula lead juries to reach awards that are double<sup>108</sup> or quadruple<sup>109</sup> the amount they would have awarded

if left to determine a just and reasonable award on their own. Plaintiffs' lawyers are well aware of the effectiveness of this tactic.<sup>110</sup>

By comparison, defense counsel are often reluctant to offer a counter-anchor because suggesting an amount of money that the jury should award could be viewed as a concession of liability and the effectiveness of suggesting a lower amount is uncertain.<sup>111</sup> Even if a defendant counters an absurdly high request, "the plaintiff's counsel hopes that jurors will split the difference between the two numbers, which still allows a nuclear verdict to occur."<sup>112</sup>

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Typically plaintiffs' lawyers have wide latitude to use anchoring tactics, but sometimes they go so far that they push the limits of what courts will tolerate. For instance, in 2023, the Texas Supreme Court ordered a new trial after a plaintiffs' lawyer, in a tragic automobile accident case. referenced the values of objects with no connection to the case, including the \$71 million cost of an F-18 fighter jet and the \$186 million auction price of a coveted painting.<sup>113</sup> The lawyer then suggested that the jury award the families, for mental anguish and loss of companionship, two cents per mile per decedent for every one of the 650 million miles the company's trucks drove during the year of the accident (because "I've been trying to give this company and their lawyers my two cents worth"). In that instance, the court observed that the jury awarded \$39 million, an amount that matched the "two cents" suggestion "within one-half of one percent."114 The Texas Supreme Court found that

"In practice, plaintiffs' lawyers use consolidation to obtain 'well-established tactical benefits' of a joint trial that increases the likelihood of a nuclear verdict by substantially prejudicing defendants and denying them a fair trial."

these "unsubstantiated anchors," combined with other improper tactics, required a new trial.<sup>115</sup>

Only about one-third of states prohibit or limit anchoring practices by placing constraints on the use of "lump sum" arguments, "per diem" arguments, or both. 116 As a result, while the Texas Supreme Court acted in this case, these baseless and misleading arguments are allowed in many courtrooms around the nation to generate nuclear verdicts.

#### **Multi-Plaintiff Trials**

Another manipulative tactic used by plaintiffs' lawyers to generate nuclear verdicts involves trial consolidation. Court rules of procedure generally permit trial judges to consolidate actions that

involve common questions of law or fact where doing so would promote judicial economy and not result in prejudice.117 In theory, trial consolidation provides a neutral means to address common issues among multiple cases efficiently. In practice, plaintiffs' lawyers use consolidation to obtain "well-established tactical benefits" of a joint trial that increases the likelihood of a nuclear verdict by substantially prejudicing defendants and denying them a fair trial.118

Plaintiffs' lawyers have persuaded some judges to consolidate the claims of multiple plaintiffs who are strangers to one another but allege injury from the same product. By consolidating unrelated plaintiffs' claims in a joint

trial, plaintiffs' lawyers are able to have a jury hear cumulative evidence of the defendant's alleged wrongdoing, regardless of whether evidence presented in one plaintiff's case is relevant—or would even be admissible<sup>119</sup>—in another plaintiff's case. As courts have recognized, this creates an obvious potential for jury confusion and bias against defendants.<sup>120</sup>

Consolidation can allow evidence used to prove one plaintiff's case to mask weaknesses in another plaintiff's case, blur important legal issues, or simply overwhelm jurors with information. Also, by combining multiple cases for trial, a jury may unjustly assume that if each plaintiff is making similar accusations, such as that a defendant did something wrong or a product is defective, those allegations must be true. In addition, attorneys may use multi-plaintiff trials to gloss over doubts about whether a diverse range of medical conditions are all tied to exposure to a

substance or product.<sup>121</sup>
Hearing cumulative evidence from multiple plaintiffs of defendants' alleged wrongdoing in a single trial can also generate greater juror animosity against defendants, which can improperly contribute to punitive damage awards and facilitate other litigation tactics (e.g., reptile theory) used to inflame jurors and lead to extraordinary verdicts.

Juries are significantly more likely to find for the plaintiff and render a larger damages award in multiplaintiff trials than when cases are tried individually.<sup>122</sup> For example, a 2019 study of all multi-plaintiff product liability trials in federal court multidistrict litigation (MDL) proceedings during the previous 10 years reported that juries found in favor of plaintiffs more than 78% of the time in multi-plaintiff MDL trials, compared to less than 37% in single-plaintiff MDL trials.<sup>123</sup> The study further found that multiplaintiff trials resulted in substantially greater awards of damages, which "raise

significant fairness and due process concerns."124

The nuclear verdicts data further shows the effect of multi-plaintiff trial consolidation. Several of the largest verdicts in the nation during the past decade occurred after a trial judge consolidated unrelated plaintiffs' product liability actions. For example, the \$4.69 billion talc verdict in 2018 was a consolidation of the claims of 22 plaintiffs. 125 A few years earlier, a Dallas jury awarded more than \$1 billion in a joint trial of six unrelated plaintiffs' cases involving hip implants.<sup>126</sup>

Between 2020 and 2023, multi-plaintiff trials resulted in nuclear verdicts in product liability cases alleging injuries from PCB exposure (ranging from \$72 million to \$857 million in Washington),127 Roundup (\$1.56 billion verdict in Missouri),128 3M Combat Arms earplugs (\$110 million verdict in Florida)<sup>129</sup> and talcum powder products (\$787 million verdict in New Jersey).<sup>130</sup> An appellate court later threw out the

New Jersey judgment due to flaws in the expert testimony presented to the jury.<sup>131</sup>

That a procedural maneuver may increase a trial's potential to result in a nuclear verdict provides reason enough for courts to reject the practice.

Nevertheless, plaintiffs' lawyers continue to aggressively pursue trial consolidations as a way to put a thumb on the scales of justice and significantly improve the likelihood of a nuclear verdict irrespective of claims' merits.

# Inundating the Public and Jury Pool With Ads Touting Nuclear Verdicts

The public has become accustomed to viewing advertisements on television, social media, and elsewhere suggesting it is normal for plaintiffs to receive verdicts and settlements in the hundreds of millions or billions of dollars. The amounts advertised often are



White Heart Legal TV Spot, "Talcum Powder: Various Cancers," published in June 2023 on Facebook, Twitter, and YouTube, Source: iSpot.tv.

misleading because they tout nuclear verdicts without disclosing that trial courts promptly slashed these amounts or that the awards are likely to be further reduced or overturned on appeal.

For example, a Texas attorney advertised a \$1.25 billion "verdict/judgment" in a case on a billboard without disclosing that the plaintiff received no money at all, and that no attempts to collect the judgment were made. In 2022, the Texas Supreme Court amended the rules for Texas lawyers' communications about case results to

require disclosure of "the amount actually received by the client" where the lawyer "knows that an advertised verdict was later reduced or reversed, or never collected, or that the case was settled for a lesser amount." 133

Lawsuit advertising has expanded well beyond billboards into a multi-billion dollar industry. Plaintiffs' lawyers and companies that specialize in advertising and amassing claims (known as "lead generators") spend around \$1 billion each year on television ads alone. 134 Many of these ads publicize nuclear verdicts and create a false impression

that these amounts are reasonable and that this is what many claimants can expect to receive.

For example, for years, advertising for litigation alleging that the commonly used weed killer Roundup causes non-Hodgkin's lymphoma "bombarded" the jury pool with television and radio ads in local media.<sup>135</sup> Prospective jurors, inundated with such ads, responded according to the trial lawyer playbook, as there have been multiple verdicts in the hundreds of millions or billions of dollars. In January 2024, a Philadelphia jury awarded \$2.25 billion to a single plaintiff, which followed a \$1.56 billion verdict only a few months earlier in Cole County, Missouri.136 These verdicts. in turn, followed several others exceeding a hundred IN A JANUARY 26, 2024 VERDICT, \$2.25 BILLION DOLLARS

WAS AWARDED TO A MAN WHO CLAIMED HE DEVELOPED CANCER DUE TO USING ROUNDUP BRANDED WEED KILLER.

MONSANTO ROUNDUP LEGAL HELPLINESM 800-276-0660

Wagstaff Law Firm TV Spot, "Monsanto Roundup Legal Helpline," published in March 2024 on Facebook. Source: iSpot.tv.

million dollars, including a \$332 million San Diego verdict and a \$175 million Philadelphia verdict.<sup>137</sup>

Advertising campaigns touting awards to support these and other mass tort litigations omit that some awards are presumptively unconstitutional due to their size alone. As a result, the public is less likely to learn the ultimate outcome of

cases after post-trial motions and appeals, or find out that a confidential settlement followed for a substantially lower amount. Yet, the constant barrage of ads—built strategically around the lifecycle of a litigation to maximize investment<sup>139</sup>—continues to desensitize the public and potential jurors to nuclear verdicts.

# The Rise of Third Party Litigation Funding

Outside investors looking to transform lawsuits into investment vehicles are increasingly a driving force behind nuclear verdicts.

"...[T]he constant barrage of ads—built strategically around the lifecycle of a litigation to maximize investment—continues to desensitize the public and potential jurors to nuclear verdicts."

Hedge funds, institutional investors, foreign sovereign wealth funds, and wealthy individuals front enormous sums of money to law firms in exchange for a portion of any recovery the firm may obtain. These investors view large-scale third party litigation funding (TPLF) as a lucrative opportunity to obtain substantial returns that are not tied to economic or market conditions.<sup>140</sup> The prospect of obtaining a share of a nuclear verdict makes this investment vehicle more attractive.

Although lawsuit funders "have long operated under a veil of secrecy," their business model has become harder to hide as TPLF has transformed into a multibillion dollar industry.<sup>141</sup> The U.S. Government Accountability Office found that TPLF investments by dedicated commercial litigation funders "more than doubled" from 2017 to 2021.142 According to data collected from major litigation funders, they alone had \$15.2 billion

invested in U.S. litigation in 2023.<sup>143</sup> TPLF investments could reach \$31 billion by 2028.144

Large dedicated commercial litigation funders invest about two-thirds of their resources in "portfolio" litigation rather than individual cases,145 which includes funding mass litigation. Hence, TPLF plays a key role in bombarding the public with lawsuit ads that can mislead and desensitize viewers about nuclear verdicts.

As experts on litigation finance have explained, TPLF is "reshaping every aspect of the litigation process—which cases get brought, how long they are pursued, when are they settled."146 An outside funder's presence turns what is traditionally a negotiation between two opposing parties into a multi-party affair with an often undisclosed "behind the scenes" constituent interested solely in maximizing a return on investment. Accordingly, TPLF may unreasonably

prolong cases and frustrate settlements-a new paradigm that leading funders recognize "make[s] it harder and more expensive to settle cases."147

Further, like a gambler playing with house money, TPLF may fuel speculative mass tort lawsuits that chase nuclear verdicts. Funders recognize that by bankrolling a portfolio of lawsuits, they can spread the cost of litigation and reduce the downside risks of pursuing questionable claims in a particular case for a chance at a financial windfall. In this regard, funders' interests may conflict with the plaintiff whose case is treated as an investment vehicle, who may not want to go "all in" on a jury trial to achieve the greatest possible return rather than accept a prompt and reasonable settlement.

The full measure of how TPLF distorts litigation and potentially "turns the American justice system into a financial playground"<sup>148</sup> is also unclear because these

Further, like a gambler playing with house money, TPLF may fuel speculative mass tort lawsuits that chase nuclear verdicts. Funders recognize that by bankrolling a portfolio of lawsuits, they can spread the cost of litigation and reduce the downside risks of pursuing questionable claims in a particular case for a chance at a financial windfall.

investments typically occur in secret and are not disclosed to courts or parties. What is clear though is that TPLF increasingly provides the fuel to power the mass tort litigation machine and the explosion of nuclear verdicts.

# Expansion of State Wrongful Death Acts

In addition to manipulating the ways in which lawsuits are argued, advertised, and funded, the plaintiffs' bar has sought to change the laws that help prevent excessive awards. Personal injury lawyers across the nation have set their sights on expanding the scope of state wrongful death acts, which govern claims for damages by family members of those who died as a result of negligent or other tortious conduct.149

States adopted wrongful death acts to address the unfairness of common law rules that completely barred recovery after a person's

death. In codifying a cause of action, legislators were cognizant that opening the door to awards of pain and suffering and other subjective damages in cases arising out of potentially tragic and emotionally charged circumstances could lead to excessive damage awards. These laws developed methodically to circumscribe who can sue and what types of damages that individual can recover. Some state laws also establish upper limits on certain types of damages or incorporate other statutory limits on damages to reduce the potential for excessive awards.150

Personal injury lawyers have engaged in a nationwide lobbying campaign to expand the scope of wrongful death acts and eliminate existing damage

limitations. While it is common for state wrongful death acts to authorize recovery of pecuniary damages, such as the decedent's lost income or the value of services no longer provided, states vary significantly in their treatment of forms of noneconomic damages that comprise significant portions of most nuclear verdicts. Personal injury lawyers have looked to expand already amorphous categories of noneconomic damages, for instance "loss of comfort, society, and companionship" of the decedent, to create additional "soft damages" categories for "grief and anguish" or "emotional distress." Their goal is to create multiple distinct categories of noneconomic loss for juries to separately award damages that will add up to a nuclear verdict.

"[Plaintiffs' lawyers'] goal is to create multiple distinct categories of noneconomic loss for juries to separately award damages that will add up to a nuclear verdict."

For example, legislation in New York that Governor Kathy Hochul has twice vetoed<sup>151</sup> proposed authorizing new categories of noneconomic damages for loss of love, companionship and consortium, as well as grief, in a state that already produces among the most nuclear verdicts in the nation.152 Governor Hochul recognized as much in her veto message, stating the legislation represented an "extraordinary departure from New York's wrongful death jurisprudence" that could "result in significant unintended consequences."153

In some instances, plaintiffs' lawyer lobbying efforts have succeeded in expanding damages available under wrongful death acts. For example, in 2023, Minnesota authorized broader wrongful death recoveries, and Maine increased its wrongful death caps on loss of companionship damages and punitive damages.<sup>154</sup> Delaware and Illinois,

meanwhile, amended their wrongful death statutes to add the threat of punitive damages.<sup>155</sup>

This trend continued in 2024, with Colorado substantially increasing its existing noneconomic damage limits and New Hampshire significantly raising its statutory limits on loss of consortium damages in wrongful death cases.<sup>156</sup> Meanwhile, a bill advanced in Maryland that, as introduced, would have eliminated the state's limit on noneconomic damages in personal injury and wrongful death cases. It was amended to instead nearly double the limit (which automatically increases each year), passing the Senate before it ultimately failed.<sup>157</sup>

These amendments and other expansions of state wrongful death acts and generally applicable statutory limits do not appear to be supported by any evidence indicating that claimants are not receiving

fair compensation. Indeed, the prevalence of nuclear verdicts in "Top 10" states such as New York and Illinois suggests otherwise and shows that the push for more money in wrongful death actions emanates from personal injury lawyers, not the public.

# Real World Implications

## Chapter



Nuclear verdicts adversely affect society in many ways. They can drive up the costs of goods and services, create insurability problems, inhibit job growth and new investments for businesses or industries, deplete judicial resources, and—perhaps most significantly—undermine confidence in the rule of law.

A jury verdict in a personal injury or wrongful death action that awards tens or hundreds of millions of dollars against a business or other civil defendant often has far-reaching implications. For a relatively small business, the verdict may threaten its viability, and with it the jobs of its employees and potentially others in a community whose livelihoods are connected to the business. A massive verdict can also loom large over a business's operations during the months or years before it is reduced on appeal or settled for a substantially lower amount, delaying the hiring of new workers and other investments that build the business.

For larger businesses, a nuclear verdict can disrupt an entire industry or sector of the economy in addition

to the adverse impacts on the business, its employees, and the public. For example, the multiple nuclear verdicts involving the weed killer Roundup (discussed in Chapter 3) affected the continued availability and use of the world's most popular weed killer.<sup>158</sup> The product plays an invaluable role in agriculture worldwide, especially as a growing population increases the demand for food.<sup>159</sup> Concerns about the product driven by litigation rather than sound science, even led Sri Lanka to ban glyphosate and other chemical pesticides,

which sparked such an agricultural and economic crisis, including protests by farmers, that the country quickly reversed course.<sup>160</sup>

Nuclear verdicts can also cause a host of other problems that reverberate throughout society.

# Higher Costs and Insurability Problems

Higher costs of lawsuits brought about by inflated damage awards make it more costly to make a product or service available to consumers.

"Nuclear verdicts introduce unexpected costs that may dramatically exceed and distort ranges of reasonable compensation for an injury. This may significantly increase the cost of insurance, pricing some individuals or entities out of the insurance market altogether ..."

The outlier nature of a nuclear verdict can impose substantial added costs in an unpredictable manner that is unrelated to market forces such as the cost of a product's raw materials or labor for a service. As a result, consumers may ultimately bear higher costs and increased volatility as opposed to what they reasonably expect to pay for everyday items and services.

This unpredictability also creates insurability problems. Insurers underwrite policies based on expected costs given particular risks. Nuclear verdicts introduce unexpected costs that may dramatically exceed and distort ranges of reasonable compensation for an injury. This may significantly increase the cost of insurance, pricing some individuals or entities out of the insurance market altogether, or make certain types of insurance so risky and unpredictable that insurers back away from underwriting policies.

In some instances, nuclear verdicts may exceed the limits of a defendant's insurance policy, leaving the insured to cover the remainder of the damages out of pocket. This can be particularly difficult for small businesses, which may not have the financial resources to cover such costs.

#### **Trucking**

The trucking industry, which is essential to the availability of countless goods, provides an example of how nuclear verdicts can overwhelm an industry and cause insurability problems. A 2020 study by the American Transportation Research Institute of hundreds of trucking accident cases reported significant increases in the frequency and amount of multi-million dollar verdicts from 2005 to 2019.161 It explained that nuclear verdicts have contributed to dramatic increases in insurance costs for all motor carriers, which caused a number of motor carriers to go out of business.162 The

remaining motor carriers must incorporate higher insurance costs into the transportation rates they charge entities throughout the supply chain, which are costs ultimately reflected in higher consumer prices for transported goods.<sup>163</sup>

The insurance cost rises spurred by nuclear verdicts are becoming unaffordable,164 leading many more trucking companies to shut down in recent years.<sup>165</sup> Other companies, due to the rising cost, are scaling back on excess insurance coverage, putting them at risk of bankruptcy should a serious accident occur.<sup>166</sup> Nuclear verdicts were also a likely contributor to a major insurer's decision to pull out of the commercial auto excess and surplus insurance market in 2023.167

#### **Health Care**

Rising nuclear verdicts adversely affect the costs and insurability of other essential services such as the provision of health care. The potential for verdicts at these levels have led

plaintiffs' attorneys to make eight-figure settlement demands, resulting in a widening gap between what insurers view as reasonable compensation based on historic levels and the need to take more cases to trial.168 The cost of higher settlements, verdicts, defending claims, and increasing unpredictability are reflected in rising insurance premiums for doctors and other medical professionals.

According to data from the Medical Liability Monitor, a national publication that analyzes liability insurance premiums, premiums for doctors in some areas known for nuclear verdicts, including counties in Illinois and Georgia, have substantially increased. 169 While inflation and claim severity contributed to the rise, "Nuclear verdicts are a real driver of the industry's underwriting losses and remain top of mind for every malpractice insurance company," said Michael Matray, editor for the Medical Liability Monitor.<sup>170</sup> The increasing

liability risk may exacerbate physician shortages, which are projected to worsen in the future.<sup>171</sup>

#### Construction

Greater frequency and amounts of nuclear verdicts can also more acutely affect costs and insurance in specific states based on particular laws. For example, New York has experienced spiraling costs of construction projects due to nuclear verdicts and settlements resulting from the state's Scaffold Law (discussed in Chapter 3).<sup>172</sup> This law singlehandedly increases the costs of every construction project in the state. Several estimates conclude the law approximately doubles insurance costs without providing any clear safety benefit for workers.<sup>173</sup> Most insurers will not underwrite policies for New York construction projects at all, and those that do often restrict or exclude coverage for Scaffold Law claims.174

These added costs and insurability problems

adversely affect projects ranging from school construction to affordable housing. The higher insurance costs necessitated by this law "mean[] less money for roads. SUNY facilities. and other worthwhile construction projects sponsored by State agencies" as well as fewer classrooms and less money to improve public facilities, according to the New York Building Congress.<sup>175</sup> Likewise, the New York State Association for Affordable Housing says the Scaffold Law has "contributed to skyrocketing insurance rates and driven most insurance companies from the New York market—adding substantial costs to general liability coverage for affordable housing developments."176 The New York State School Boards Association has estimated that the Scaffold Law costs upstate schools \$200 million annually, largely due to higher insurance costs, as

the number of carriers

writing liability policies covering the Scaffold Law is dwindling.<sup>177</sup>

These are only a few of the ways nuclear verdicts burden society through inflated costs. The reality is that these awards permeate innumerable aspects of every Americans' daily lives. They increase the costs of food, housing, health care and other valued goods and services, as well as insurance for things such as a car, home, or other property. While some jurors and members of the public might think of a nuclear verdict as "sticking it" to a business, the reality is that they are sticking added layers of costs to themselves and their community, too.

## Unreasonable Demands and Nuclear Settlements

The prospect of a nuclear verdict may incentivize plaintiffs' lawyers to make unreasonable settlement demands. After all, if plaintiffs' lawyers feel emboldened enough to ask a jury to return a verdict



... [N]uclear verdicts can lead to a spiral of inflated "nuclear settlements," which are typically confidential and unreported.

of hundreds of millions of dollars in a case,<sup>178</sup> it is not a stretch to demand similarly exorbitant amounts from a defendant outside of public view. In fact, the vast majority of lawsuits are settled or dismissed before reaching a verdict.<sup>179</sup>

When valuing a case, lawyers on both sides consider verdicts in cases involving similar injuries and comparable plaintiffs. A personal injury lawyer is likely to use nuclear verdicts to seek amounts that are beyond levels that reasonably and fairly compensate a client for his or her injury—using them as ammunition in settlement discussions with mediators, insurers, and defense counsel.180 When evaluating such demands, defendants must factor in the rising risk of a nuclear verdict, even if it has strong defenses to the suit. As a result, nuclear verdicts can lead to a spiral of inflated "nuclear settlements," which are typically confidential and unreported. What settlement data is available

confirms that average and median settlement amounts increased by more than 65% and 70% respectively, in the decade ending in 2022.<sup>181</sup> As one prominent plaintiffs' lawyer observed, "Large verdicts drive the settlement value of cases .... It's as simple as that." <sup>182</sup> These inflated settlements, like nuclear verdicts, can increase the costs of goods, services, and insurance.

In addition, situations arise in which the parties cannot resolve their claims outside of a courtroom because of the wide gap in expectations. Greater frequency and amounts of nuclear verdicts can widen this expectations gap by expanding the range between what actually compensates a party for an injury and what amount of recovery a plaintiffs' lawyer may nonetheless believe is attainable with an impressionable jury. Parties, therefore, may be more likely to litigate claims that in the past would have settled for a reasonable amount and

perpetuate a cycle in which plaintiffs' lawyers keep increasing demands.

For example, in a recent case involving a severe workplace injury, Philadelphia's reputation as a hotspot for nuclear verdicts reportedly led the plaintiff's attorney to demand between \$51 million and \$101 million as the litigation moved forward.<sup>183</sup> Defense attorneys observe that in areas prone to nuclear verdicts, "It has gotten to the point where vou can't even mediate a case because the demands are so crazy today."184

#### **Prolonged Litigation**

When parties cannot reach a settlement due to a widening gap in expectations caused by the prospect of a nuclear verdict, more cases will go to trial. Such litigation, which may last years, wastes the time and resources of the judiciary as well as those of plaintiffs and defendants. It demands the time of a judge, jurors, attorneys, and witnesses.

If a jury returns an extraordinary amount, rather than end the litigation, the nuclear verdict is just the beginning. Following the verdict, the case moves on to motions for remittitur (to reduce the verdict) or for a new trial. A defendant will typically appeal a moderate reduction in the award by the trial court resulting in a smaller, but still excessive, verdict. On the other hand. a substantial reduction of the award to a reasonable level is likely to lead a plaintiff's lawyer to appeal.

"If a jury returns an extraordinary amount, rather than end the litigation, the nuclear verdict is just the beginning."

Even if the case ultimately reaches a reasonable amount through post-trial litigation or a settlement, the parties will have spent significant and unnecessary sums to arrive at this result. The plaintiff may wait years before receiving any recovery. Achieving this result may also needlessly exhaust significant judicial resources (both trial and appellate)—with a concomitant effect on other litigants in other matters perhaps only to arrive at a "reasonable" verdict that could or should have occurred in the first place. The result is inefficiency across the board for parties and the judiciary.

For example, in one of the largest nuclear verdicts in the 10-year study period, a Philadelphia jury awarded \$8 billion to a plaintiff who took the antipsychotic drug Risperdal, which allegedly caused him to develop breasts and gain weight. The plaintiff commenced the action in 2013 and obtained a \$1.75 million compensatory damages award in 2015, which was reduced to \$680,000 in 2016. He then obtained an \$8 billion punitive damages award in 2019.185 The trial

court reduced the punitive award to \$6.8 million in 2020,<sup>186</sup> prompting further appeal until the case settled eight years after it was filed.<sup>187</sup> Had the case not settled, it would likely have gone on for more than a decade.188

#### Loss of Confidence in the Rule of Law

When nuclear verdicts are permitted to stand, such as when appellate courts decline discretionary review, it can understandably shake confidence in the rule of law. A defining characteristic of a stable and just society is that the law is applied even-handedly. This includes subjecting defendants to liability, and awarding damages, in a fair, consistent, and predictable manner.

When a defendant must pay radically different sums to compensate individuals for the same or a substantially similar injury, it undermines the rule of law. There is no rational explanation for

why one person should recover \$100 million in compensatory damages for an injury when another person with a comparable injury or loss is fairly compensated by a \$5 million award. The American legal system is not a lottery to dole out jackpot awards, yet nuclear verdicts push it in that direction.

Loss of confidence in fairness and predictability in the rule of law may sound abstract, but it has very real societal implications. People start businesses, invest in new technologies, and endeavor to enter markets in the United States based on a fundamental belief in an uncorrupted legal system. For example, a survey of

senior corporate lawyers and executives revealed that 89% of respondents agreed that a state's litigation environment is likely to impact important business decisions, including where to locate or to do business. When damage awards increasingly display signs of lawlessness, the incentives shift to do business elsewhere.

When a defendant must pay radically different sums to compensate individuals for the same or a substantially similar injury, it undermines the rule of law.



# Solutions

# Chapter Chapter

The factors that fuel rising nuclear verdicts provide a blueprint for reforms. Legislators can take a variety of actions to prevent inflated awards before they occur and to respond to nuclear verdicts that occur in spite of safeguards. No single reform will stop all nuclear verdicts, but a comprehensive approach that addresses core causes of nuclear verdicts can mitigate the trends seen during the 10-year study period.

## Adopt Pre- and Post- Nuclear Verdict Civil Justice Reforms

There are many ways to curb nuclear verdicts, both before and after unsound damages are awarded, through the adoption of traditional civil justice reforms.<sup>190</sup>

A key to promoting fairness and predictability before a nuclear verdict is to ensure jurors hear evidence at an appropriate time, not when it is likely to lead to an unjust result. In this regard, legislators can adopt laws to bifurcate aspects of jury trials so that a jury only considers potentially inflammatory evidence in the right context. Several states have adopted laws to require a trial court,

upon request, to bifurcate a jury's consideration of compensatory and punitive damage claims. These laws help ensure that evidence supporting a punitive award does not improperly lead the jury to find a defendant liable when it did not cause a plaintiff's injury or to inflate a compensatory award to punish a defendant.<sup>191</sup> For example, in 2021, Texas adopted a law in commercial motor vehicle accident cases allowing for bifurcated trials so that liability and compensatory damages are assessed in a separate phase before any potential jury consideration

of evidence supporting exemplary damages.<sup>192</sup>

Additionally, legislators can codify the separation of noneconomic damages and punitive damages to require trial judges to better police the presentation of evidence to a jury. For example, the Ohio Legislature, cognizant of the misuse of noneconomic damage awards, enacted legislation that prohibits a jury from considering evidence of wrongdoing, misconduct, guilt, or other evidence offered for the purpose of punishing a defendant when determining noneconomic damages.<sup>193</sup>

"A key to promoting fairness and predictability before a nuclear verdict is to ensure jurors hear evidence at an appropriate time, not when it is likely to lead to an unjust result."

Another approach to curbing nuclear verdicts before they occur is to ensure that cases are heard in an appropriate venue, not simply steered by plaintiffs' lawyers to a forum with a history of unpredictable nuclear verdicts. Venue reform appears increasingly important in light of rising nuclear verdicts because juries having little or no connection to a case may believe they can award any amount of damages without adversely affecting their community.

Legislators can also enact laws that respond directly to nuclear verdicts. For example, states have adopted limits on pain and suffering awards to provide that some amount of noneconomic damages is "enough" to reflect the reality of a serious injury. 194 In 2023, Iowa enacted new noneconomic damage limits of \$1 million for clinics and \$2 million for hospitals in medical liability actions involving severe injuries or deaths.<sup>195</sup> Governor Kim Reynolds indicated

that the law is intended to protect rural hospitals from nuclear verdicts.<sup>196</sup> Two states—lowa and West Virginia—recently enacted noneconomic damage limits specifically to address the frequency of nuclear verdicts in cases involving commercial vehicles, though in Wisconsin Governor Tony Evers vetoed similar legislation.<sup>197</sup>

In addition, some states place statutory limits on punitive damages, either as a total amount or a multiple of compensatory damages, as a legislative judgment that some amount of punishment of a defendant adequately deters future misconduct. Because noneconomic and punitive damages comprise the bulk of damages in most nuclear verdicts, these civil justice reforms provide a legislative backstop that promotes greater predictability in what damages are ultimately awarded.

Legislators can adopt other reforms that help curb unsound nuclear verdicts, such as by prohibiting the multiple imposition of punitive damages for the same conduct. Such laws can prevent duplicative nuclear verdicts comprised mainly of punitive damages in product liability or other cases. Legislators should also make clear that punitive damages represent an exceptional remedy which, if included as part of a large verdict, must not be disproportionate to the alleged harm.

## Address Misleading Lawsuit Advertising

As discussed earlier. some personal injury firms and "lead generating" companies inundate the public with advertising that touts nuclear verdicts, even where those verdicts are substantially reduced or overturned by an appellate court or later settled for a substantially lower amount. In doing so, these ads portray to potential jurors a highly distorted picture of the civil justice system and what constitutes fair compensation for an injury.

Ads celebrating nuclear verdicts can also endanger the public by incorrectly suggesting that the use of a product, such as a prescription drug or medical device, is so dangerous that people are being compensated for physical injuries to the tune of many millions of dollars. Such advertising has been shown to prompt individuals to stop taking needed medications

or using medical devices without consulting their doctor, leading to incidents of injury and even death.<sup>200</sup>

Legislators can address both the adverse public health effects of misleading lawsuit advertising and the misleading portrayal of damage awards that seed the ground for unsound nuclear verdicts by regulating lawsuit advertising. Seven states have enacted legislation to combat misleading lawsuit ads, including Florida, Kansas, Louisiana, Indiana, Tennessee, Texas, and West Virginia.<sup>201</sup> Legislation can focus on the deceptive advertising of nuclear verdicts by requiring clear disclaimers about product safety, past case results, depictions of events, or any statements that promise

Ads celebrating nuclear verdicts can also endanger the public .... Such advertising has been shown to prompt individuals to stop taking needed medications or using medical devices without consulting their doctor, leading to incidents of injury or event death.



or imply a lawyer's ability to obtain results in a matter.<sup>202</sup> By ensuring that only truthful and complete information about product safety risks and recovered damages are included in lawsuit advertising, states can help protect the public and recalibrate incorrect public perceptions that contribute to inflated damage awards.

# Promote Sound Science in the Courtroom

The most common types of personal injury and wrongful death cases that resulted in nuclear verdicts during the 10-year study period, namely product liability, auto accident and medical liability cases (discussed in Chapter 2), often involve the admission of expert testimony. Many cases turn on whether a jury believes an expert with respect to key issues such as whether a product caused an alleged injury or whether a driver or doctor acted negligently. Consequently, when expert evidence is not based

on sound science or is otherwise unreliable, it can mislead jurors into awarding a nuclear verdict.

For example, in 2020, a New Jersey jury returned an award of \$37.3 million in compensatory damages and \$750 million in punitive damages (reduced to \$166.5 million) to four plaintiffs who blamed baby powder for their mesothelioma diagnoses. An appellate court overturned that verdict, finding the trial court had failed to perform its gatekeeping role in admitting the testimony of three of the plaintiffs' expert witnesses.<sup>203</sup>

Legislators and, where appropriate, courts, can strengthen expert evidence standards so that jurors only hear expert testimony based on reliable scientific principles and methods that the expert reliably applies to the facts of the case. In federal courts, where nuclear verdicts are far less common, Federal Rule of Evidence 702 instructs judges to screen unreliable expert evidence.<sup>204</sup>

In December 2023, amendments to the Federal Rules of Evidence took effect that address ways in which courts had misapplied the rule. New commentary in the amended rule clarifies that: (1) the proponent of expert testimony must establish its admissibility to the court by a preponderance of the evidence before it is presented to a jury; and (2) an expert should avoid assertions of a degree of scientific certainty if the methodology is subjective and potentially subject to error.<sup>205</sup> The effect of these changes should be that courts regularly evaluate whether proposed expert testimony is reliable before trial, rather than send scientifically unsound theories to the jury by finding that flaws influence the weight of the testimony rather than its admissibility.

States should likewise strengthen their expert evidence rules, such as by following the amended federal rule that took effect at the end of 2023, and curb nuclear verdicts based on misleading and unreliable scientific evidence.

## Adopt Third Party Litigation Funding Disclosure and Other Safeguards

The proliferation of TPLF arrangements that fuel speculative mass tort litigation and drive up settlement demands provides another area in which legislators and courts can take action.

First, legislators and judges should require disclosure of TPLF agreements. Plaintiffs' lawyers enter these agreements with funders in secret. Defendants, other parties, and the court typically do not know that an outside funder may be exerting influence behind the scenes. As discussed, these arrangements can affect crucial issues regarding the resolution of a case and may pressure a law firm to chase a

nuclear verdict, as firms must share any recovery with an undisclosed party that expects the highest return on its investment. Legislators and judges should require those who receive funding from third parties to automatically disclose such agreements. Defendants already regularly disclose insurance agreements in litigation.<sup>206</sup> In addition, many federal courts have adopted local rules that require parties to disclose others with a financial interest in the litigation, so that judges can consider any potential conflicts of interest.<sup>207</sup>

Second, legislators should address ethics concerns raised when an outside party has a financial interest in litigation. They should, for example, prohibit funders from influencing a party's selection of an attorney, choices about litigation strategy, or settlement. Legislation should also

ensure that litigation funders do not drive up damages by referring plaintiffs to specific healthcare providers who may unnecessarily prolong care, charge excessive amounts, or even conduct unnecessary surgeries.<sup>208</sup>

Third, legislators can protect plaintiffs by making certain that they are aware that their attorney has committed to sharing their recovery with a third party and prohibiting funders from taking a larger share of the recovery than an injured plaintiff receives.

In recent years, several federal courts have required disclosure of TPLF in all cases,<sup>209</sup> representative actions such as class actions,<sup>210</sup> or in specific mass tort litigation.211 Wisconsin was the first state to require disclosure of all TPLF agreements through legislation in 2018.<sup>212</sup> Since then, Indiana, Montana, and West Virginia followed by passing legislation that both requires disclosure and adopts safeguards

"Defendants, other parties, and the court typically do not know that an outside funder may be exerting influence behind the scenes." for litigation funding arrangements.<sup>213</sup>

# Prohibit Manipulation of Juries Through Anchoring Tactics

A clear way to prevent a jury from latching onto an arbitrary amount of damages suggested by a plaintiffs' lawyer for pain and suffering or another form of noneconomic loss is to prohibit highly influential, manipulative arguments. Judges generally have discretion to bar or limit courtroom arguments that are inflammatory, misleading or unsupported by evidence, but instructing a jury after-the-fact that it should not consider a suggested damages sum or calculation method because the suggestion is only argument and not evidence does not adequately solve the problem. As a practical matter, it is virtually impossible for a jury to move on from a proposed damages award after the plaintiffs' lawyer has dropped a damages anchor.

The better approach is for state legislators to take these baseless and manipulative arguments off the table for use in jury trials. This can be accomplished by something as straightforward as a onesentence reform stating that no party or counsel may refer to a specific dollar amount, state a range, or offer a formula to suggest to the jury an amount to award for noneconomic damages.<sup>214</sup>

"As a practical matter, it is virtually impossible for a jury to move on from a proposed damages award after the plaintiffs' lawyer has dropped a damages anchor."

State legislatures have shown interest in addressing the use of anchoring tactics that contribute to nuclear verdicts. In 2024, the Oklahoma Senate passed legislation to prohibit anchoring, but the bill did not advance in the House.<sup>215</sup> Legislators introduced similar bills in at least

two other states, Indiana and Missouri, during that session.<sup>216</sup> Legislation of this type enables jurors to decide on their own the amount of noneconomic damages, if any, a plaintiff should receive free from undue influence that can drive a nuclear verdict.

# Adopt the McHaffie Rule

Several states have adopted a doctrine known as the "McHaffie rule" (named for a Missouri Supreme Court decision),<sup>217</sup> which streamlines trials and limits a tactic used by plaintiffs' lawyers to obtain nuclear verdicts. Courts have primarily applied this doctrine in auto accident cases involving commercial motor vehicles, but it may apply in other contexts in which an employer is subject to liability for an employee's conduct.

The tactic used by some plaintiffs' lawyers is to allege direct negligence claims against an employer—that it was negligent in hiring or supervising an employee,

or entrusting an employee with a vehicle. They pursue these direct negligence claims even when a defendant stipulates that the driver involved in the accident was its employee, was acting in the scope of his or her employment, and, if that employee's negligence caused the accident, the employer will be liable for the plaintiff's injuries. Plaintiffs' lawyers pursue direct negligence claims to distract the jury from who was actually responsible for an accident and, instead, pull in evidence of completely unrelated accidents or company policies to vilify a company as "an unsafe operator" with a "poor safety culture."

Courts in many states have ruled that an employer that accepts responsibility for the actions of an employee cannot also face direct negligence claims.<sup>218</sup>
Once an employer stipulates that the person involved was an employee acting within the scope of employment, the issue at trial is whether

the employee's negligence caused the plaintiff's injury. If so, the employer is liable under the doctrine of respondeat superior.

Courts applying the McHaffie rule reason that additional direct negligence claims are redundant and unnecessary, and could result in a double recovery or prejudicial evidence being admitted against the employer.<sup>219</sup>

Recently, legislatures in two states—lowa (2023) and Texas (2021)—codified this rule.<sup>220</sup>

## Reject Proposals That Would Fuel More Nuclear Verdicts

As discussed in Chapter 3, personal injury lawyers and their lobbyists are engaged in a nationwide campaign to expand damages available under wrongful death acts. These efforts include seeking to expand who is eligible to sue, permit broader forms of noneconomic damages (such as compensation for grief or mental anguish),

authorize punitive damage awards, and eliminate or increase statutory limits on awards. In addition, the plaintiffs' bar continues to press state legislatures to raise or eliminate generally applicable limits on noneconomic damages.

Policymakers should carefully consider the full range of damages already available to plaintiffs and their families under current law when considering such proposals. They should also keep in mind that the purpose of the tort system is to provide reasonable compensation for an injury. As the data shows, the largest portion of nuclear verdicts comes from noneconomic damages, due to their highly subjective nature and deferential appellate review. Authorizing new forms of damages for emotional harms or eliminating statutory maximums is a recipe for excessive awards.

# Conclusion

## Chapter



This analysis of nuclear verdicts in personal injury and wrongful death cases over a 10-year period between 2013 and 2022 shows that, after an expected decline during the pandemic, the frequency of nuclear verdicts has quickly returned to prior levels.

Legislators and judges can respond to factors that often combine to produce extraordinary and unsustainable awards.

Legislators can adopt civil justice reforms that ensure damages are reasonable, prohibit "anchoring" practices, and prevent forum shopping to jurisdictions known for nuclear verdicts. It is also critical that they reject bills that go in the wrong direction by authorizing new forms of subjective damages or weakening or repealing existing safeguards.

The judiciary can play a role by requiring trial experts to support their proposed testimony with sound science. Judges can also prevent misuse of noneconomic damage awards to punish defendants and reject proposals to hold multi-plaintiff trials or other prejudicial trial tactics.

Other factors that exacerbate this situation should also be addressed, such as misleading lawsuit ads that reinforce distorted views of product safety and what is a reasonable amount of damages as well as undisclosed funding of litigation by profit-driven investors.

"The consequences of allowing nuclear verdicts to continue to proliferate will be increasingly felt throughout society."

Understanding the types of cases and jurisdictions in which concerns regarding nuclear verdicts appear most acute can also help inform the development of specific policy responses. Considering that the Top 10 jurisdictions over the 10-year study period accounted for nearly three-quarters of the reported nuclear verdicts, and that

many of these jurisdictions also had the highest concentrations of nuclear verdicts on a per capita basis, those jurisdictions are prime candidates for targeted reforms.

The consequences of allowing nuclear verdicts to continue to proliferate will be increasingly felt throughout society. More litigation will ensue and take longer to resolve. Businesses will need to incorporate rising lawsuit costs into their products and services while simultaneously facing increasingly unpredictable liability. These higher costs and greater unpredictability will trigger higher insurance costs, potentially creating insurability problems. All the while, individuals and businesses will increasingly lose confidence in a fair and predictable civil justice system. These adverse consequences are reversible and now is the time for action.

# Methodology

Appendix



The findings presented in this paper are primarily based on an Institute for Legal Reform-developed database (ILR database) of 1,288 reported verdicts of \$10 million or more in personal injury and wrongful death cases during a 10-year period between January 1, 2013, and December 31, 2022.

The ILR database, first developed in 2022, initially included verdict reports between January 1, 2010, and December 31, 2019. This paper adds three years of verdict reports to that database (2020, 2021, and 2022), which includes the pandemic period in which courts shut down or delayed trials. We then shift our study window to 2013-2022, to maintain a 10-year period for the sake of clarity. Data from 2013-2022 can be found in Appendix B. The ILR database also includes preliminary data for nuclear verdicts reported in 2023, which, early in 2024, was incomplete due to the typical gap between a verdict and its inclusion in online sources.

The information in the ILR database originates from the LexisNexis jury verdicts and settlements database (Lexis JV database). The Lexis JV database includes verdict reports collected

from federal and state courts in every state. The Lexis JV draws from 718 individual proprietary and licensed sources, such as ALM, Dolan Media, Mealey Publications, Matthew Bender & Company, and American Association for Justice publications, as well as LexisNexis' content and media reports. Lexis JV database reports include a case summary; identify the parties, injuries, and dates involved; and indicate the case resolution and damages awarded (often, but not always, broken down by types of damages). While the sources used to develop the ILR database likely capture verdicts over \$10 million at a high rate, no jury verdict database captures all verdicts in every court.

The ILR database does not include nuclear verdicts in areas outside of personal injury and wrongful death litigation, such as employment, environmental, or intellectual property litigation. The ILR database is also limited to verdicts, specifically. It does not include individual settlements, many of which are confidential and unreported, nor does it include class action or mass tort settlements.

Damage awards included in the ILR database reflect the amounts awarded by the jury. These amounts do not reflect adjustments by the trial court or on appeal, such as a reduction of the verdict as excessive or the addition of pre-judgment interest.

Cases that involved multiple claims were categorized based on the primary theory of liability. For example, cases involving auto accidents that alleged the injury resulted from a defect in the vehicle were categorized as product liability claims, even if they also included a negligence claim against a driver.

Frequency and Median Verdicts: Current and Historic Data Tables

**Appendix** 



The table below includes the frequency and median verdict levels in millions of dollars for all personal injury and wrongful death nuclear verdicts collected between 2010 and 2022.

Year	Nuclear Verdicts	Overall Median	Products Liability Median	Auto Median	Medical Liability Median	Premises Median	Other Negligence Median	Intentional Tort Median
2010	148	\$19.3	\$23.0	\$15.2	\$20.0	\$15.0	\$12.5	\$35.8
2011	136	\$17.1	\$20.0	\$15.5	\$20.4	\$13.7	\$17.8	\$25.4
2012	103	\$18.8	\$18.0	\$14.3	\$19.0	\$17.6	\$17.8	\$28.5
2013	124	\$23.2	\$24.0	\$28.0	\$22.0	\$22.5	\$18.8	\$26.8
2014	115	\$17.7	\$20.0	\$17.4	\$14.5	\$16.8	\$14.3	\$30.6
2015	133	\$20.5	\$17.2	\$20.5	\$19.6	\$24.1	\$16.3	\$20.7
2016	166	\$20.0	\$21.5	\$18.6	\$19.2	\$17.1	\$15.0	\$34.1
2017	143	\$20.6	\$23.2	\$23.5	\$19.4	\$18.6	\$24.8	\$52.0
2018	167	\$22.9	\$32.6	\$18.0	\$23.2	\$18.9	\$30.3	\$22.1
2019	141	\$24.5221	\$35.1	\$24.8	\$18.5	\$18.0	\$14.2	\$64.4
2020	45	\$20.0	\$14.1	\$22.5	\$15.2	\$38.6	\$20.0	\$15.1
2021	94	\$23.8	\$23.0	\$20.9	\$27.8	\$29.3	\$18.7	\$23.9
2022	160	\$23.4	\$36.1	\$25.0	\$18.0	\$21.4	\$21.0	\$65.0

# Endnotes

- A full discussion of the data collection and methodology used to develop this report is provided in Appendix A.
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- See, e.g., Alaska Stat. Ann. § 09.17.010; Colo. Rev. Stat. Ann. § 13-21-102.5; Haw. Rev. Stat. Ann. § 663-8.7; Idaho Code Ann. § 6-1603; Md. Code Ann., Cts. & Jud. Proc. § 11-108; Miss. Code Ann. § 11-1-60(2)(B); Ohio Rev. Code Ann. § 2315.18; Tenn. Code Ann. § 29-39-102. Michigan limits noneconomic damages in product liability actions. Mich. Comp. Laws § 600.1483. Some of these laws include significant exemptions, such as lifting the statutory limit on noneconomic damages in cases of catastrophic injury.

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- <sup>216</sup> S.B. 134 (Ind. 2024); S.B. 987 (Mo. 2024).
- <sup>217</sup> McHaffie v. Bunch, 891 S.W.2d 822, 826 (Mo. 1995).
- See, e.g., Elrod v. G & R Const. Co., 628 S.W.2d 17, 19 (Ark. 1982); Diaz v. Carcamo, 253 P.3d 535, 544 (Cal. 2011); Prosser v. Richman, 50 A.2d 85, 87 (Conn. 1946); Clooney v. Geeting, 352 So. 2d 1216, 1220 (Fla. Ct. App. 1977); Bartja v. Nat'l Union Fire Ins. Co., 463 S.E.2d 358, 361 (Ga. Ct. App. 1995); Wise v. Fiberglass Sys., Inc., 718 P.2d 1178, 1181-82 (Idaho 1986); Sedam v. 2JR Pizza Enterprises, LLC, 84 N.E.3d 1174, 1178-79 (Ind. 2017); Houlihan v. McCall, 78 A.2d 661, 664-65 (Md. 1951); Nehi Bottling Co. v. Jefferson, 84 So. 2d 684, 686 (Miss. 1956); Karoon v. New York City Transit Auth., 241 A.D.2d 323, 324 (N.Y. App. Div. 1997); Plummer v. Henry, 171 S.E.2d 330, 333 (N.C. Ct. App. 1969); Jordan v. Cates, 935 P.2d 289, 293 (Okla. 1997); LaPlant v. Snohomish County, 271 P.3d 254. 256-58 (Wash. Ct. App. 2011); Bogdanski v. Budzik, 408 P.3d 1156, 1162-64 (Wyo. 2018); see also Dewit v. UPS Ground Freight, Inc., 2017 WL 2903347 (N.D. Fla. 2017) (rejecting a direct negligence claim as duplicative when the employer admitted vicarious liability); Adele v. Dunn, No. 2:12-cv-00597, 2013 U.S. Dist. LEXIS 44602, at \*6, 2013 WL 1314944, at \*2 (D. Nev. Mar. 27, 2013) (finding that "Nevada would adopt the majority rule such that, in situations in which a motor carrier admits vicarious liability for the conduct of a driver, direct claims of negligent entrustment or negligent training and supervision against a motor carrier would be disallowed where those claims are rendered superfluous by the admission of vicarious liability."); Scroggins v. Yellow Freight Sys., Inc., 98 F. Supp. 2d 928, 931 (E.D. Tenn. 2000) (applying Georgia law); Hackett v. Washington Metro. Area Transit Auth., 736 F. Supp. 8, 9-11 (D.D.C. 1990) (rejecting direct negligence claims under District of Columbia law).
- See generally Richard Mincer, The Viability of Direct Negligence Claims Against Motor Carriers in the Face of Admission of Respondeat Superior, 10 Wyo. L. Rev. 229, 232 (2010) (observing that direct claims against an employer, such as negligent entrustment and training, "were originally intended to provide a potential means of recovery in situations where vicarious liability is otherwise unavailable").

- See S.F. 228 (Iowa 2023) (codified at Iowa Code § 668.12A);
  H.B. 19 (Tex. 2021) (codified at Tex. Civ. Prac. & Rem. Code § 72.054).
- In the previous edition of this paper, the overall median nuclear verdict for 2019 was reported as \$24.6 million.

  This amount has been corrected to \$24.5 million.

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