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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

IN RE: CHINESE-MANUFACTURED DRYWALL
PRODUCTS LIABILITY LITIGATION

VS. Civil Action No. 09MD2047
Section "L"
New Orleans, Louisiana
December 20, 2018 at 9:00 a.m.

THIS DOCUMENT RELATES TO ALL CASES

TRANSCRIPT OF STATUS CONFERENCE
HEARD BEFORE THE HONORABLE ELDON E. FALLON
UNITED STATES DISTRICT JUDGE

APPEARANCES:

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P R O C E E D I N G S

(Call to order of the court.)

THE DEPUTY CLERK: MDL Number 2047, In Re:
Chinese-Manufactured Drywall Products Liability Litigation.

THE COURT: Counsel, make your appearance for the
record, please.

MR. HERMAN: May it please the Court, good morning,
Judge Fallon, Russ Herman for plaintiffs.

MR. MILLER: Good morning, Judge Fallon, Kerry Miller
for the Knauf group.

MR. ROSENBERG: Good morning, Your Honor, Harry
Rosenberg as liaison counsel for Taishan, BNBK and CNBK.

THE COURT: We're here today for our monthly status
conference. I met a moment ago with the liaison lead counsel
to discuss the agenda. We will take them in the order
presented.

MR. HERMAN: May it please the Court, good morning,
Judge Fallon, Russ Herman.

With regard to Joint Report Number 106, which may be
comparable to the age of some of the people in this
courtroom, the status report is -- will be, of course,
furnished of record. I am going to cover very briefly a
number of matters.

For -- yesterday, Your Honor issued two orders, one
at page 23, denying plaintiff's request for Sixth Amendment.

1 At pages 27 and 28, the special master issued his report, and
2 Your Honor has said January 4th is a deadline at five o'clock
3 p.m. for any oppositions to be filed to that report. And
4 Your Honor yesterday issued a trial plan in a particular case
5 with -- with reference to the only matter of -- matters of
6 note, page 18, of the status conference report, the issue of
7 confidentiality and its history is there. And I understand
8 that argument will be after the conference.

9 Also, Mr. Miller is here regarding a matter that was
10 set regarding Knauf.

11 MR. DYSART: Good morning, Judge, Danny Dysart on
12 behalf of Knauf.

13 On page 28 -- this is Rec Doc 21190 -- this is a
14 motion to extinguish we had filed some months ago and had
15 bumped a couple different times regarding the last remaining
16 Option 2 claims. We are now down to the last two. And we
17 had spoken with plaintiffs' counsel on this matter, and
18 because they're still held up, similar to what we've done for
19 some other claims, we're going to put the last two remaining
20 claims, the funds, into the court's registry and that will
21 allow -- to moot out our motion, number one; but, number two,
22 what it will do is resolve really all the remediation fund
23 issues for Knauf and allow BrownGreer to close out the QSFs
24 in this matter.

25 Again, we've spoken with liaison counsel for the

1 plaintiffs and with Jake Woody at BrownGreer, and we're all
2 in agreement that we will be submitting a motion, an order to
3 the Court, that will allow us to submit the remaining funds
4 from the court's registry from the Knauf fund with a return
5 for the excess going back to Knauf.

6 And then also I believe there are some funds left
7 with respect to the Global and Banner settlements that will
8 be deposited with the court's registry. So we will be
9 submitting that to the Court this week.

10 THE COURT: And that concludes Knauf's interest in
11 the litigation?

12 MR. DYSART: That will conclude Knauf's interest but
13 for -- if matters come up with respect to warranty issues or
14 other appeal issues, but, yes, that concludes Knauf's
15 involvement with respect to the remediation fund.

16 THE COURT: Well, it's been a long haul from the
17 standpoint of at least that aspect of litigation. I'm glad
18 that that aspect is over and we're dealing only with the --
19 with the Taishan, et al., cases.

20 Okay. Thank you very much.

21 MR. DYSART: Thank you.

22 THE COURT: Anything further?

23 MR. HERMAN: May it please the Court, as a matter of
24 professional courtesy, Harry Rosenberg, liaison for
25 defendants, indicated that we have visitors from China both

1 representing the Chinese, both representing parties, and
2 there are a number of lawyers that we have become acquainted
3 with. And they're in back of the courtroom, and we wish them
4 a happy holidays.

5 THE COURT: Well, welcome to you all. I appreciate
6 you being here.

7 The next dates then are -- January 30th is the next
8 conference, and then February the 21st is the one after that.

9 Let's go into the motions then if we -- anything
10 further, Harry?

11 MR. ROSENBERG: Your Honor, just one thing that we
12 discussed in chambers which is that in terms of Louisiana
13 cases, those are moving expeditiously based upon the schedule
14 Your Honor established subject to the other court dates that
15 both the courts in Florida and in Virginia have established
16 as well. So we're in three jurisdictions at the moment, but
17 we're still moving forward with Louisiana matters.

18 THE COURT: Okay. With regard to those cases,
19 Taishan, et al., cases, it looks like we have reached a point
20 where from my standpoint as an MDL judge I have exhausted
21 what I can do for the parties. So what I've done is, I
22 suggested in a remand that a couple of thousand of them be
23 sent back to Florida and then the same number thereabouts
24 sent to Virginia so that they can be tried. And the cases
25 here, from the standpoint of the houses that are here, we'll

1 start the trials, and hopefully by next year we will at least
2 have most of the trials finished because we're going to try
3 them in flights. I think they're trying to do that in
4 Florida and I think also in Virginia, so we'll be trying 10
5 or 15 together. There may be some problem with the punitive
6 damages in some of those states. We don't necessarily have
7 that issue in this matter, but that's been done before.

8 I don't like to try flights with the -- with the
9 bellwether cases because the whole purpose of bellwether is
10 to give the parties an opportunity to see a particular case
11 tried so that they can see how the evidence is presented and
12 things of that nature. But after I've exhausted that
13 opportunity and given the lawyers an opportunity to study the
14 case and look at the case and I realize that it's not going
15 to be resolved short of trial, then I move into the trial
16 mode and that's what we're in now. So we'll be trying -- and
17 I'll be sending cases back, in Texas and also some of the
18 other states so we can get them through, spread around the
19 country so that they can be tried.

20 And some of the other judges in those districts are
21 thinking about breaking them up so they can go faster with a
22 number of judges dealing with them. So we'll try to get them
23 out for you all so that you can get on with other cases.

24 MR. ROSENBERG: I understand, Your Honor. And, of
25 course, flights in 10 or 15 cases may be logistically

1 challenging, if not problematic, to all the parties, Your
2 Honor, but we're prepared to discuss that with the Court at a
3 later date.

4 THE COURT: Yeah. And I invite you to do so. I'm
5 trying to do it so that you can do it. I'm not trying to --
6 I know people can't be in two places at one time, so if you
7 keep me advised of the trial dates, I'll make sure that trial
8 dates don't conflict with those other judges. They've been
9 kind enough to wait and give me an opportunity to do what I
10 can do, but now I'll give them the same courtesy.

11 MR. ROSENBERG: We will, Your Honor. We'll keep the
12 Court advised as always.

13 THE COURT: Thank you, Harry.

14 * * * *

15 (WHEREUPON, the proceedings were adjourned at 9:10 a.m.)

16 * * * *

17 REPORTER'S CERTIFICATE

18 I, Nichelle N. Drake, RPR, CRR, Official Court
19 Reporter, United States District Court, Eastern District of
20 Louisiana, do hereby certify that the foregoing is a true and
21 correct transcript, to the best of my ability and
22 understanding, from the record of the proceedings in the
23 above-entitled and numbered matter.

24 /s/ Nichelle N. Drake
25 Official Court Reporter