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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

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IN RE: CHINESE-MANUFACTURED
DRYWALL PRODUCTS LIABILITY

Docket No. 09-MD-2047
New Orleans, Louisiana
Tuesday, March 26, 2019

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

APPEARANCES:

FOR THE PLAINTIFF:

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FOR THE TAISHAN DEFENDANTS:

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P R O C E E D I N G S

(TUESDAY, MARCH 26, 2019)

(STATUS CONFERENCE PROCEEDINGS)

(OPEN COURT.)

09:01:43 6 THE COURT: Be seated. Call the case.

09:01:45 7 THE DEPUTY CLERK: MDL 2047, *in re: Chinese Drywall*
09:01:49 8 *Manufactured Products Liability* litigation.

09:01:50 9 THE COURT: Liaison counsel make their appearance for the
09:01:52 10 record, please.

09:01:54 11 MR. ROSENBERG: Good morning, Judge Fallon. Harry
09:01:57 12 Rosenberg, liaison counsel for Taishan, BNBM and CNBM.

09:02:04 13 MR. SANDERS: Good morning, Judge. Danny Dysart on
09:02:07 14 behalf of the Knauf defendants.

09:02:10 15 MR. HERMAN: May it please the court, good morning, Judge
09:02:13 16 Fallon. Russ Herman for the PLC and Arnold Levin.

09:02:21 17 THE COURT: Okay.

09:02:22 18 MR. HERMAN: If I might, just as a courtesy matter. We
09:02:28 19 have three partners from Arnold's firm here, we have Parker from
09:02:35 20 the Barrios firm, and the Irpino firm, we have guests from the
09:02:41 21 Colson firm of Miami, Patrick, who will be speaking later, we have
09:02:49 22 Jerry Meunier, we have Skip Lambert, and we have three partners
09:02:56 23 from our firm.

09:02:57 24 THE COURT: Okay. Welcome everybody. Okay. I met a
09:03:03 25 moment ago with lead and liaison counsel to discuss the proposed

09:03:06 1 agenda. We'll take them in the order presented.

09:03:09 2 MR. HERMAN: Yes, your Honor. Item IV, which can be
09:03:20 3 found at page 5, relates to the ongoing issue to be resolved as
09:03:32 4 between the Taishan trial plan for Louisiana and the Louisiana
09:03:40 5 trial plan, and I am going to call on Sandy Duggan of Arnold's
09:03:49 6 firm -- and Christy, are you going to respond? Trial plan.

09:03:54 7 MS. EIKHOFF: We're not arguing that today.

09:03:56 8 THE COURT: No, just informational purposes.

09:03:59 9 MS. DUGGAN: Just in terms of the briefing, your Honor.
09:04:00 10 The plaintiffs have submitted their plan for resolution of the
09:04:03 11 Louisiana *Amorin* cases. And under the court order, the defendants
09:04:07 12 were going to respond to that on April 5th. We've extended it to
09:04:11 13 April 12th, and the plaintiffs will reply within a week. That is
09:04:14 14 set for hearing at the next status conference on April 23rd.

09:04:18 15 Now, when we did file our trial plan, we also filed a
09:04:21 16 motion to extend the remediation damages formula that your Honor
09:04:25 17 entered on April 21, 2017, to former owners, because that order
09:04:31 18 only pertained to current owners. The defendants are going to
09:04:34 19 respond to that motion as well, and we would like them both heard
09:04:37 20 on April 23rd if possible.

09:04:39 21 THE COURT: For those in the audience and on the phone,
09:04:43 22 it's time to move these cases into the trial mode, and so I've sent
09:04:49 23 several thousand back to Florida and about the same amount to
09:04:54 24 Virginia to be tried; and now it's time to try them in New Orleans,
09:05:01 25 Louisiana cases, so we're in the process of teeing those Louisiana

09:05:05 1 cases up, and hopefully we can get to the trials as quickly as
09:05:09 2 possible. Okay.

09:05:13 3 MR. HERMAN: Your Honor, at this juncture I want to
09:05:17 4 indicate again that all of the Court's pretrial orders are on
09:05:25 5 www.laed.uscourts.gov that has a link directly to "Drywall MDL."

09:05:37 6 The next issue, your Honor, is found at page 32, 33
09:05:48 7 relating to Virginia and Florida. And again, I am going to call on
09:05:55 8 Sandy Duggan to introduce Pat Montoya, who will talk about the
09:06:02 9 Florida matters, and Sandy will give a brief statement, or someone
09:06:09 10 will.

09:06:11 11 MR. MONTOYA: Good morning, your Honor. Patrick Montoya
09:06:15 12 on behalf of the Florida plaintiffs.

09:06:17 13 Just to give the Court an update on where we are. As you
09:06:22 14 know, your Honor remanded the *Amorin* cases back to Florida under
09:06:25 15 Judge Cooke. Judge Cooke has set an expedited trial setting for
09:06:29 16 the priority claimants, there are 20 of them, out of the 1,700 that
09:06:33 17 have gone back to Florida. We are engaged in extensive expert
09:06:38 18 discovery at this point. There's a trial date of July 22nd.

09:06:43 19 Also, a key part of Judge Cooke's trial order is what I
09:06:47 20 kind of refer to as a dual track: One is the priority claimants,
09:06:50 21 which are non-remediation damages, and there's the remediation
09:06:54 22 damages track. On the remediation damages track, Judge Cooke has
09:06:57 23 appointed a Special Master who is overseeing the product ID
09:07:01 24 attributions to Taishan. The general overall product ID
09:07:05 25 attributions as to Taishan has been heard by the Special Master

09:07:09 1 already. Individual contests as to the 1,700 claimants set-offs,
09:07:14 2 product ID, etc., those are all set before the Special Master on
09:07:18 3 April 10th, 11th and 12th.

09:07:22 4 By May 31st, according to Judge Cooke's order, the
09:07:25 5 Special Master will issue her report and recommendations as to
09:07:28 6 product identification for all 1,700 claimants, which will then set
09:07:32 7 the stage for the July trials on the priority claimants.

09:07:37 8 THE COURT: Okay. All right. Thanks, Pat.

09:07:39 9 MS. DUGGAN: And one other thing that transpired in
09:07:41 10 Florida, Judge Cooke did stay the non-Florida cases.

09:07:45 11 THE COURT: Yes. And also with Virginia, hopefully we'll
09:07:50 12 do the same thing there. I've been in touch with Judge Cooke. She
09:07:54 13 and I've worked closely together on these matters.

09:07:57 14 MS. DUGGAN: And then in Virginia, your Honor, the
09:07:58 15 parties have fully briefed their plans, competing plans for
09:08:02 16 resolution of 175 Virginia *Amorin* cases, and we are in the process,
09:08:04 17 I understand that the court is scheduling hearings in that matter.

09:08:08 18 THE COURT: Great. Okay. Anything further, Russ, on
09:08:13 19 anything? I know we have attorney's fee issue that's still --

09:08:20 20 MR. HERMAN: May it please the Court, those issues can be
09:08:25 21 found at page 21 to page 27. None of those are set for hearing
09:08:33 22 today. Some are in the process of briefing, and there are some
09:08:43 23 appeals regarding fees in the Fifth Circuit.

09:08:47 24 THE COURT: Right. Okay. Anything else from anybody?
09:08:52 25 Harry, do you have anything?

09:08:54 1 MR. ROSENBERG: No, your Honor.

09:08:55 2 THE COURT: We had a number of matters set for hearing,
09:08:57 3 but those have been continued.

09:08:59 4 MR. ROSENBERG: Correct, Judge.

09:09:00 5 THE COURT: Okay. The next meeting is April 23rd and the
09:09:04 6 following one is May 17th. Is that correct?

09:09:07 7 MR. ROSENBERG: That's correct, your Honor.

09:09:08 8 MR. HERMAN: That's correct, your Honor.

09:09:09 9 MR. ROSENBERG: And, your Honor, the May 17th is, to
09:09:13 10 clarify, is scheduled for the afternoon, as I appreciate -- I'm
09:09:16 11 sorry, in the morning, it was -- I misspoke, I apologize.

09:09:20 12 THE COURT: That's fine. We had it scheduled originally
09:09:22 13 for the 24th but we moved to the 17th.

09:09:25 14 MR. ROSENBERG: Now again for nine.

09:09:27 15 THE COURT: Right, right.

09:09:28 16 MR. ROSENBERG: Sorry about the confusion.

09:09:30 17 THE COURT: That's okay. Anything else? All right,
09:09:33 18 folks. Thank you very much. The court will stand in recess.

09:09:36 19 THE DEPUTY CLERK: All rise.

09:09:37 20 (WHEREUPON, THE PROCEEDINGS WERE CONCLUDED.)

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