

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

IN RE:	PROPULSID	:	MDL NO. 1355
	PRODUCTS LIABILITY LITIGATION	:	
		:	
		:	SECTION: L
		:	
THIS DOCUMENT RELATES TO ALL CASES		:	JUDGE FALLON
		:	MAG. WELLS ROBY
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**JOINT REPORT NO. 68 OF
PLAINTIFFS' AND DEFENDANTS' LIAISON COUNSEL**

Plaintiffs' Liaison Counsel (PLC) and Defendants' Liaison Counsel (DLC) jointly submit this Joint Report No. 68 in preparation of the October 14, 2008 Monthly Status Conference. To participate via telephone, dial-in information may be accessed on the Court's website at <http://propulsid.laed.uscourts.gov/>.

I. State Liaison Counsel/MDL Resolution Program II

The enrollment requirements have been met for the State Settlement Program (Propulsid II). Escrow Agreements have been executed and Defendants have funded the various funds. The claims, medical records and claimant memoranda deadlines have passed. Administrative claims are being processed and disbursements have begun. The Special Master's Office has begun clearing claims for defense briefing, and the defendants have begun submitting defense

memoranda. The parties will be prepared to discuss this further at the October 14, 2008 Monthly Status Conference.

II. Trust Account

No deposits have been made into the Trust Account since the last Status Conference.

III. MDL Mediation and Resolution Program

The deadline for enrollment and the submission of Claim Forms for the First MDL Resolution Program has expired.

The Court has scheduled a Medical Panel Orientation on October 14, 2008 for a new doctor panelist member that will take the place of a panelist member. The parties will be attending the Medical Panel Orientation on October 14, 2008.

The Special Master's office continues to review Claims Forms to determine if the Forms meet the qualifying criteria for submission to the Medical Panel set forth in the Term Sheet. The Special Master's office advises that it will be submitting a Status Report to the Court in advance of the monthly status conference. The Special Master continues to notify the attorneys for the claimants that have deficiencies. Thus far, in Propulsid I, the Special Master has submitted 2,307 Tier I, II and III claims to the Medical Panel for review. Of the 2,307 claims the Defendants have treated 2,021 on an expedited basis. Twenty-one (21) of the tiered claims submitted to the Panel have been found eligible by the Panel, and the Special Master has made those awards. Two hundred and twenty-seven (227) tiered claims are still in review by the Panel, 195 of which are considered expedited by the Defendants. The Special Master will report to the Court regarding the current status of claim administration.

On April 29, 2008 the Court entered an Order regarding the waiver of the 6% MDL assessment fee as to those claimants found eligible by the Medial Panel. As for those claimants who have already received awards as of April 14, 2008 and whose awards were subject to the 6% assessment, the Clerk of the Court remitted a check to the Special Master to reimburse those claimants for such assessment and further, the balance of the awards, the holdback 50% of the award, was paid out from the Settlement Fund to each claimant that was found eligible for an award, and who had previously received 50% of their award. As to all awards made after April 14, 2008, the 50% holdback remains in place.

Defendants continue to submit a list of plaintiffs/claimants whose records have already been obtained by defendants in whole or in part, so when necessary, the parties, the Special Master and the attorneys for these plaintiffs/claimants can expedite the submission and review of the Claim Forms for these individuals.

The parties have agreed on a select number of cases that will be subject to a second review, 9 of which have been deemed eligible for awards.

The weekly telephone conference with the Special Master, PLC, DLC and SLC continues to take place to discuss a number of administrative issues germane to the Resolution Program.

The parties will be prepared to discuss these issues further at the October 14, 2008 Monthly Status Conference.

IV. Attorney's Fees Issues

On November 23, 2005, the Court issued an Order and Reasons regarding the Emergency Motion for Distribution of Attorney's Fees with full reservation of rights to all attorneys who may claim any right to common fees and expense reimbursement. On December 5, 2005,

Daniel E. Becnel filed a Motion to Reconsider the Motion. The matter has been reset for hearing on September 24, 2008 at 9:00 a.m.

On March 2, 2006 Dumas & Associates Law Corporation filed a Motion for Common Benefit Fees and Expenses Reimbursements. On April 4, 2006, the PLC filed a response to the motion. The hearing date has not been set.

On August 5, 2008, Robert J. Caluda and A.J. Rebennack filed a Motion for Leave to File Motion for Reimbursement of Costs for Common Benefit to the Class and Committee. The PSC filed an opposition to the motion on October 6, 2008. A hearing date has not yet been set. The parties will be prepared to discuss this further at the status conference on October 14, 2008.

Respectfully submitted,

/s/ MONIQUE M. GARSAUD
JAMES B. IRWIN, T.A. (La. Bar No. 7172)
QUENTIN F. URQUHART, JR. (La. Bar No. 14475)
KIM E. MOORE (La. Bar No. 18653)
MONIQUE M. GARSAUD (La. Bar. No. 25393)
IRWIN FRITCHIE URQUHART & MOORE, LLC
400 Poydras Street, Suite 2700
New Orleans, Louisiana 70130
Phone: (504) 310-2100
Fax: (504) 310-2101
LIAISON COUNSEL FOR Defendants,
JANSSEN, L.P. AND JOHNSON & JOHNSON

DRINKER BIDDLE & REATH LLP
THOMAS F. CAMPION
SUSAN M. SHARKO
500 Campus Drive
Florham Park, NJ 07932-1047
Phone: (973) 549-7300
Fax: (973) 360-9831

-and-

DRINKER BIDDLE & REATH, LLP
CHARLES F. PREUSS
DONALD F. ZIMMER, JR.
50 Fremont Street, 20th Floor
San Francisco, CA 94105-2235
Phone: (415) 591-7500
Fax: (415) 591-7510
**CO-LEAD COUNSEL FOR Defendants,
JANSSEN, L.P. AND
JOHNSON & JOHNSON**

/s/ Leonard A. Davis
RUSS M. HERMAN, T.A. (La. Bar #6819)
LEONARD A. DAVIS, #14190
JAMES C. KLICK, #7451
HERMAN, MATHIS, CASEY, KITCHENS & GEREL, LLP
820 O'Keefe Avenue
New Orleans, Louisiana 70113
Phone: (504) 581-4892; Fax: (504) 561-6024
LIAISON COUNSEL FOR PLAINTIFFS

DANIEL BECNEL, JR.
106 W. Seventh Street
Reserve, LA 70084-0508
Phone: (504) 536-1186
Fax: (504) 536-6445

JAMES DUGAN
650 Poydras Street
Suite 2150
New Orleans, LA 70130
Phone: (504) 648-0180
Fax: (504) 648-0181

ARNOLD LEVIN
510 Walnut Street, Suite 500
Philadelphia, PA 19106-3875
Phone: (215) 592-1500
Fax: (215) 592-4663

STEPHEN B. MURRAY
909 Poydras Street, Suite 2550
New Orleans, LA 70112
Phone: (504) 525-8100
Fax: (504) 584-5249

J. MICHAEL PAPANTONIO
316 S. Baylen Street, Suite 600
P.O. Box 12308
Pensacola, FL 32581
Phone: (850) 435-7000
Fax: (850) 435-7020

CHRISTOPHER A. SEEGER
One William Street
New York, NY 10004
Phone: (212) 584-0700
Fax: (212) 584-0799

BOB F. WRIGHT
556 Jefferson Street, Suite 500
Lafayette, LA 70502-3668
Phone: (337) 233-3033
Fax: (337) 232-8213

CHARLES S. ZIMMERMAN
651 Nicollet Mall
Suite 501
Minneapolis, MN 55402
Phone: (612) 341-0400
Fax: (612) 341-0844
PLAINTIFFS' STEERING COMMITTEE

CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing Joint Report No. 68 of Plaintiffs' and Defendants' Liaison Counsel has been served upon all parties by electronically uploading the same to LexisNexis File & Serve, and that the foregoing was electronically filed with the Clerk of Court of the United States District Court for the Eastern District of Louisiana by using the CM/ECF system which will send a Notice of Electronic Filing on this 8th day of October 2008.

/s/ LEONARD A. DAVIS

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

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Monthly Status Conference
October 14, 2008- 9:00 a.m.

AGENDA

Current Matters:

1. State Liaison Counsel
2. Trust Account
3. MDL Mediation & Resolution Program
4. Attorney's Fees Issues