

California Supreme Court Limits Liability for Manufacturers

Today, in *O'Neil v. Crane Co.*, S177401, the California Supreme Court held that a manufacturer of pumps used on Navy vessels could not be held liable for injuries caused by other manufacturers' insulation and packing later used in those pumps. This decision comes after months of briefing from both the plaintiff and defense bars in the asbestos litigation communities.

Facts and Prior History

In the named action,^[1] Patrick O'Neil worked on a Naval aircraft carrier in the 1960s, supervising maintenance of the ship's valves and pumps. According to plaintiffs, his work with those products, which contained asbestos packing, exposed O'Neil to asbestos dust. In 2005, he died of mesothelioma. O'Neil's widow and heirs sued Crane and Warren Pumps for negligence, failure to warn, and strict liability.

The trial court granted the defendants' motions for nonsuit, finding that the manufacturer of a component product is not liable for injuries caused by the finished product unless the component itself was defective. The trial court also found that products were not defective because they posed no danger until asbestos was disturbed. The court of appeal reversed the trial court on both findings. It found the component parts to be separate products, not fungible or multi-use, and not designed to be altered by the buyer. Instead, the pumps and valves were used as designed, with asbestos insulation and packing that had to be removed during repair. Further, because the defendants supplied manuals with their products, they had the ability to warn users of the risks. The appellate court also overruled the trial court's finding that the parts themselves were not defective. It found that the valves and pumps were defective because they were designed to be used with asbestos-containing insulation and packing which would become dangerous under foreseeable use.

Supreme Court Decision

However, today in a defense victory, Justice Corrigan, writing for the Court, reversed the appellate court, holding the trial court's grant of nonsuit proper and the manufacturers not liable. The Court found that plaintiffs' claims that the products were defective



by Shannon M. Nessier

because they included and were used with asbestos-containing parts meritless. Justice Corrigan wrote that no alleged design defect was a legal cause of injury and defendants had no duty to warn of risks arising from others' products. Therefore liability could not be imposed.

California Strict products liability is imposed for harm caused by a defendant's own product. Although O'Neil was exposed to asbestos dust, the insulation and packing that generated this dust was not supplied by Crane or Warren Pumps. Any they might have supplied with the original products had, by the time O'Neil started working on the ship, been replaced. Here, even though the gaskets and packing supplied with the manufacturers' products contained asbestos, none of the original parts were present when O'Neil arrived onboard.

Furthermore, the Court found that there was no evidence that the manufacturers' products required asbestos-containing replacement gaskets or packing. Rather, they were designed that way for the Naval carrier, to accord with the Navy's specifications. As alternative insulating materials became available, the Navy could have chosen to replace the original gaskets and seals with ones that did not contain asbestos, but it did not. The products' mere compatibility for use with asbestos-containing components was not enough to render them defective.

As to the remaining claims, the Court found no duty existed to allow for the imposition of liability. The defendants' failure to warn of the risks associated with the asbestos packing originally included in their products was of no consequence because O'Neil never encountered these original parts. Further, Crane and Warren Pumps had no duty to warn O'Neil of risks associated with the use of *another* manufacturer's asbestos packing; such an extension would mean drastically increasing a manufacturers' obligations under the tort system. The Court was disinclined to so extend the defendants' obligations for third party products.

[1] Two additional matters were held by the Court for its decision on the lead case: *Merrill V. Leslie Controls* and *Hall V. Warren Pumps LLC*.

If you have any questions or would like more information regarding product liability, please contact [Shannon M. Nessier](#) or your Hanson Bridgett [attorney](#).

For more information, please contact:

Shannon M. Nessier, Partner
415-995-5812
snessier@hansonbridgett.com