

G.M. Begins Prevailing in Lawsuits Over Faulty Ignition Switches

By Bill Vlasic April 10, 2016 New York Times



The ignition switch in this Chevrolet Cobalt cut the car's engines, leading to a fatal crash. CreditCooper Firm

DETROIT — After two years of heavy legal and financial consequences, General Motors has finally turned the tide and started winning lawsuits related to the gravest safety crisis in its history.

So far this year, G.M., the nation's largest automaker, has prevailed in three injury lawsuits, including a case dismissed on Friday, in ongoing litigation to resolve hundreds of remaining claims linked to its recall of 2.6 million small cars with faulty ignition switches.

And in a critical fourth case involving a fatal accident, G.M. left nothing to chance in its effort to move past the ignition switch scandal — and settled the case last week before it could go to trial.

It has all been part of G.M.'s methodical march to compensate victims, pay penalties and resolve claims stemming from [its admission](#) in 2014 that employees had known for a decade that faulty ignitions could suddenly cut engine power and disable airbags, often with tragic results.

To date, the company has opened its checkbook and spent more than \$2 billion settling claims, including at least 124 death cases, and paying fines to the Justice and Transportation Departments.

In addition, it has poured billions more into overhauling its safety and engineering procedures, including recalling a record 30 million vehicles for various defects, after discovering the fatal flaw in its ignition switches.

But now, G.M. is entering what it hopes will be the final phase of its legal quagmire.

Two hundred and thirty-five outstanding death and injury claims have been consolidated in Federal District Court in New York, for the purposes of holding six so-called bellwether trials to set parameters for damages in various types of accidents.

Unlike last year, when G.M. settled nearly 400 claims through a program administered by the compensation expert Kenneth Feinberg, the company is fighting some of the bellwether cases.

The first case was [dismissed in January](#) after accusations by G.M. lawyers that the plaintiff had given misleading testimony. The company [won a second case](#) last month when a jury found that a faulty ignition was not responsible for a 2014 accident that injured two people.

On Friday, a third bellwether case involving injuries [was unexpectedly dismissed](#) by plaintiffs' lawyers, giving G.M. another victory.

The company said that it was prepared to go to trial in the case and argue that the ignition switch did not cause or contribute to the accident, which occurred in 2013 in Alabama.

"We have said all along that each case will be tried on its own merits and the burden is on the plaintiffs to prove they have valid claims," said Patrick Morrissey, a G.M. spokesman.

But in a fourth bellwether case, the automaker [chose to avoid a trial](#) that would have been its first involving a fatal accident in a car equipped with a defective ignition switch.

Despite all the litigation stemming from the switches, G.M. has never had to defend itself in open court in a wrongful-death case. The closest it came was last year, when the company [reached a confidential settlement](#) in a Georgia case before it went to trial.

Of the six bellwether cases, G.M. had the most to lose in the lawsuit filed by the wife of James Yingling, a 35-year-old Pennsylvania man who died when he lost control of his [Saturn Ion](#) in 2013.

If it had lost the case, the size of a damage award would have been in the hands of a jury. Instead, G.M. surprised the plaintiff's lawyer with an offer of a confidential settlement.

"I had just finished the 10th version of my opening statement just a few days before they called," said the lawyer, Victor H. Pribanic. "We were ready to go to trial."

But rather than battling G.M. in a Manhattan courtroom, Mr. Pribanic huddled with company lawyers in Philadelphia to reach a settlement that was satisfactory for his client, Nadia Yingling.

"I feel badly we did not get to try this case for all the people in the country who were watching this process," Mr. Pribanic said. "But you have to do the best thing for your client."

G.M. has not commented on why it chose to settle the Yingling case. And the company is saying little about the two remaining injury cases left on the docket in the bellwether process, which should wrap up by the end of this year.