PERSONAL INJURY

Auto v. Bus

Wrongful Death

SETTLEMENT: $3 million.

CASE/NUMBER: Case I.D. Confidential.

COURT/DATE: L.A. Superior Torrance / July 1, 1999.

ATTORNEYS: Plaintiff - Richard B. Koskoff (Booth & Koskoff, Torrance).

Defendant - Patrick A. Long (Long & Williamson, Santa Ana).

TECHNICAL EXPERTS: Plaintiff - Peter Formuzis, Ph.D., economist, Santa Ana.

Defendant - Jubin Merati, economist, Los Angeles.

FACTS: On Nov. 27, 1997, the decedent, a 36-year-old owner and operator of two general merchandise stores in Downey, was driving his automobile in Palos Verdes. The plaintiff's vehicle was struck by the defendant's bus when it crossed into opposing lanes of traffic.

The decedent was killed. The decedent and his wife had been married 17 years at the time of his death. Both were resident aliens from Iran.

The plaintiff widow stepped in to run the stores after the decedent's death. Shortly after the accident, the plaintiff widow closed one of the stores because it was not generating sufficient income.

The decedent's widow and two children, aged 3 and 6, brought this action against the defendant transit company based on negligence. The defendant admitted liability after the plaintiffs dropped their punitive damages claim.

PLAINTIFF CONTENTIONS: The plaintiffs contended that over the five years before the decedent's death, his income averaged between $35,000 and $40,000 per year, but that in 1997, the decedent's earnings were projected to be approximately $100,000, with the bulk of the income being generated in the last five weeks of 1997 after the decedent's death.

The plaintiffs also contended that the defendant could not benefit from any financial resources the plaintiffs' received through their own work in running the store.

The plaintiffs further contended that for the first ten months of 1997, the decedent's income was in the same range as the preceding years, but that, considering the enormous post-death earnings in 1997, the loss of income from the decedent's death was approximately $3 million.

DEFENDANT CONTENTIONS: The defendant contended that the jury should take into account the fact that the plaintiff widow ran the business after the decedent's death and continued to receive a substantial income from it; and that the loss of income, based on the decedent's financial records, was approximately $1.25 million.

INJURIES: Death of a 36-year-old husband and father.

SETTLEMENT DISCUSSIONS: The plaintiffs made a settlement demand for $6.9 million. The defendant made a settlement offer of $3 million three months before the trial began.

OTHER INFORMATION: The judge granted the plaintiffs' motion in limine to exclude all evidence concerning what happened to the business after the accident, based on the principle that the defendant, whose negligence led to the decedent's death, should not benefit from money received by the plaintiffs through their own work.

The case settled after jury selection and just before opening statements when plaintiff accepted the defendants' offer of $3 million, which had been made three months before the trial began.