



‘Litigation Tourism’ Hurts Employers, Jobseekers



By Tiger Joyce

Tourism is Pennsylvania’s second largest industry, annually adding nearly \$17 billion to the state economy. And like other states’ tourism advertising, Pennsylvania’s generally features smiling faces, open spaces and historic places in an effort to woo vacationing families and business conventioners from around the country and beyond.

But according to the American Tort Reform Association’s latest [Judicial Hellholes® report](#), certain judges in the City of Brotherly Love are now seeking to establish their city as a destination spot for all of America’s personal injury lawyers, too. These judges apparently would prefer to change the state’s official tourism slogan from “You Have a Friend in Pennsylvania” to “You Have a Plaintiff-Friendly Judge in Pennsylvania.”

As ATRA reports, defense attorneys are increasingly critical of Pennsylvania’s Complex Litigation Center (CLC), located in the Philadelphia Court of Common Pleas. The CLC handles mass tort litigation filed in state courts, such as thousands of pharmaceutical and asbestos cases, and critics say the CLC’s administration has tilted decidedly against many lawsuit defendants

The trouble seems to have begun when Judge Sandra Mazer Moss, the founder and first Supervising Judge of the CLC, [replaced](#) no-nonsense Judge Allan Tereshko as coordinating judge of the mass tort program in 2009. Judge Tereshko had been the CLC’s coordinating judge since 2001. But Judge Moss has [declared](#) that “it is a new day” in the CLC, while, according to the *Legal Intelligencer*, a “[public campaign](#) to lay out the welcome mat for increased mass torts filings” has been initiated by Common Pleas President Judge Pamela Pryor Dembe.

It appears that Judge Dembe is attempting to keep the court busy after a dramatic drop in the use of the mass tort program when more than 12,000 Fen-Phen cases concluded in 2008. In a March 2009 [interview](#), Judge Dembe reportedly said that the court’s budgetary woes could be eased by making the CLC even more attractive to attorneys, “so we’re taking away business from other courts.”

In addition to generating substantial filing fees for the court, out-of-state lawyers are an economic stimulus for Philadelphia, according to Judge Dembe. These litigation tourists eat at local restaurants, stay in city hotels, and hire local counsel. So it should come as no surprise that Pennsylvania’s big time plaintiffs’ lawyers, such as [Tom Kline](#), are ecstatic about Judge Dembe’s efforts. Out-of-state lawyers are also taking notice, and at least one [believes](#) Judge Moss’s plaintiff-friendly reputation will make it “more likely” that out-of-state lawyers will file their cases in her court.

And the CLC isn’t the only Philadelphia attraction for personal injury lawyers. The number of jury verdicts and judicial rulings of more than \$1 million tripled in the city’s Court of Common Pleas during the first half of 2010, compared to the same period in 2009. Among these was the \$2.23 million award that a Northeast Philadelphia bar, the Empty Glass Café, was ordered to pay the family of a man shot while trying to break up a fight outside the bar.

The small business owner declared bankruptcy, ceased operations, and instructed his lawyer not to defend against the suit, which claimed the bar should have installed metal detectors or had security to prevent patrons from bringing guns *inside*.

What Judge Moss, Judge Dembe and their shortsighted judicial colleagues don’t seem to understand is that, once a state gets a reputation as an anti-business judicial hellhole, employers large and small become increasingly reluctant to expand or relocate there. If the judges doubt this irrefutable fact, they need only look at the recently dismal economic fortunes of California, Illinois, New York and West Virginia, to name just a few such states known for their anti-business civil courts.

Trying to build a litigation tourism industry around jack-pot jury awards is a bit like raising a baby alligator in a bathtub – the bigger it grows, the greater the danger. Lawsuits may generate more fees for the court system and jobs for judges and lawyers, but they can quickly drive businesses and investors away from Pennsylvania, leaving jobseekers who don’t have law degrees out of luck.

Pennsylvania already has one of the most hostile-to-business tax and regulatory environments in the country. So the last thing it needs now is judges in Philadelphia conspiring to build a field of dreams for out-of-state tort lawyers. Only an economic nightmare can ensue.

Gov. Tom Corbett campaigned on a promise to end job-killing, economy-sapping lawsuit abuse, and the General Assembly is already moving forward with a major liability reform measure. But lawmakers should also make a priority of venue reforms that will discourage out-of-state lawyers from filing their lawsuits in Pennsylvania – at the expense of in-state taxpayers and jobseekers.

Meanwhile, all vacationers and conventioners who'd like to visit the beautiful state of Pennsylvania without filing a costly lawsuit are encouraged to do so. They might first want to visit www.VisitPA.com.

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