

Carnahan & Perry, PLC

Arizona Law Update

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ARIZONA CIVIL VERDICTS 2006

As we summarized the 2005 jury verdicts in our June newsletter of that year, the following is our summary of results for 2006. Of 368 verdicts in the courts of the 15 counties, and federal court, the 10 highest ranged from \$41,500,000 (that's right, \$41 with five zeros), to a modest \$4,000,000. Twenty more were over \$1,000,000.

Obviously the facts are crucial to such high awards. In the \$41 million case, a title company recruited a manager and 37 employees from another company. The manager also allegedly took confidential information with her. Not amused, the jury awarded \$6.3 million compensatory and \$35.2 million punitive damages.

Demonstrating again that people react to perceived unfairness, a jury awarded two bounty hunters \$500,000 (each) compensatory and \$4 million (each) exemplary against Southwest Airlines. The two had obtained pre-9/11 approval to carry firearms on a flight. In the air, however, the pilot notified security which arrested the men at the gate. After three days as guests at the county jail, the pair faced federal criminal and FAA civil charges. When asked to explain the situation to the government, Southwest refused absent a release of liability.

Medical-malpractice cases continue to be a difficult proposition for Plaintiffs. Of 111 cases tried in the last three years, 80 were defense verdicts. Eleven for the Plaintiffs, however, were \$1 million or more, with four of \$5 million or more.

Unlike 2005 when defense verdicts were about 50 percent, Plaintiffs prevailed 62 percent

of the time last year in state court. In federal court, it was 50/50.

The average of the 16 verdicts in federal court was almost \$3.5 million with a median over \$500,000 (half higher, half lower.) In state courts, the average was almost \$776,000 with a median of \$50,000

Of the 10 highest verdicts, three were from federal court and the rest from Maricopa County (Phoenix). With these high numbers, the Maricopa average was \$991,000 with a median of about \$71,000. Overall, 60 percent of the verdicts came from Maricopa County.

The number of personal-injury verdicts was double commercial ones. The average commercial verdict, though, was \$1,181,000 plus, with a median of \$190,000. The average injury verdict was \$574,584, reflecting some of the bell-ringers, with a median of about \$31,311.

While rare, awarded in only 11 cases, punitive damages were significant. They ranged from the high of \$35.2 million to \$50,000. Of no surprise, many will be appealed and settled for much less.

What lessons can we take from these cases? Judging from the highest awards, juries respond to misconduct and severe injury. They also reveal the average, garden-variety personal-injury case is valued at about \$30,000. What the dollar figures do not reflect is the number of Plaintiffs sent home empty-handed (38 percent state court, 50 federal), and the pittance they are awarded, if given anything, in the typical soft-tissue, chiropractic runups. They also do not disclose the percentage of fault attributed to both claimants and non-parties by jurors. Overall, then, Arizona is still a good place for the defense to try a case.

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