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COMMONWEALTH OF PENNSYLVANIA
HOUSE OF REPRESENTATIVES
JUDICIARY COMMITTEE

In re: House Bills 751 and 752, Protective Court Orders

Stenographic record of hearing held in
Room 140, Main Capitol, Harrisburg,
Pennsylvania

Tuesday, May 26, 1992, 10:00 a.m.

HON. THOMAS R. CALTAGIRONE, CHAIRMAN

MEMBERS OF COMMITTEE

- Hon. Kevin Blaum
- Hon. Michael R. Veon
- Hon. Jerry Birmelin
- Hon. James Gerlach
- Hon. Robert D. Reber, Jr.
- Hon. Chris R. Wogan

Also Present:

- Mary Woolley, Esquire, Republican Counsel
- Kenneth J. Suter, Esquire, Republican Counsel
- David Krantz, Executive Director,
House Judiciary Committee
- Galina Milahov, Research Analyst
- Craig Lehman, Research Analyst
to Representative Veon
- Katherine Em Manucci, Secretary

Reported by:
Emily R. Clark, RPR

1992-102



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Lawrence Coben, Esquire Attorneys Information Exchange Group of American Trial Lawyers Association	4

1 CHAIRMAN CALTAGIRONE: We're ready to start our
2 Judiciary hearing on House Bills 751 and 752, and I would
3 like for the members of the staff and guests that are
4 present and members, if they would please introduce
5 themselves for the record.

6 If you would like to start off, Galya?

7 MS. MILAHOV: Galena Milahov, research analyst
8 for the Committee.

9 MR. LEHMAN: Craig Lehman, research analyst for
10 Representative Veon.

11 REPRESENTATIVE VEON: Representative Veon.

12 CHAIRMAN CALTAGIRONE: Representative
13 Caltagirone.

14 MR. SUTTER: Ken Sutter, Republican counsel.

15 MS. WOOLLEY: Mary Woolley, Republican counsel.

16 REPRESENTATIVE REBER: Representative Reber.

17 REPRESENTATIVE BIRMELIN: Representative
18 Birmelin, Wayne County.

19 MR. KRANTZ: Dave Krantz, executive director of
20 the Committee.

21 CHAIRMAN CALTAGIRONE: At this time I would like
22 to start off with our first two testifants, if they'd like
23 to identify themselves for the record.

24 MR. PHENICIE: My name is Mark Phenicie, Mr.
25 Chairman. I'm legislative counsel for the Pennsylvania

1 Trial Lawyers.

2 To my left and your right is Larry Coben, who
3 will be giving our testimony today.

4 MR. COBEN: Good afternoon. My name's Larry
5 Coben.

6 Mr. Chairman, members of the House Judiciary
7 Committee, I want to thank you for allowing me to appear
8 here today and present testimony on behalf of House Bill 751
9 and 752.

10 I would like to take a moment so that you can
11 understand my background and why I'm presenting the
12 testimony I am today.

13 I am, first, an attorney practicing in
14 Philadelphia, Pennsylvania. My practice is limited to civil
15 litigation, primarily involving products liability cases,
16 and primarily been exclusively representing people who have
17 suffered catastrophic injury.

18 I am a founding member of an organization called
19 the Attorneys Information Exchange Group, which is a
20 subgroup of the American Trial Lawyers Association. We
21 started our group, 10 lawyers from around the country, in
22 1977.

23 The purpose of this group was out of frustration
24 of representing litigants in a specific type of litigation,
25 that is, litigation involving the design of the Ford Pinto.

1 There were in 1976 and '77 approximately 10
2 lawyers in the country who were then representing persons or
3 the families of persons who had either suffered severe burn
4 injuries or died in Ford Pintos. Each of us individually
5 were representing our clients and doing the best we could to
6 acquire information from the Ford Motor Company, and as we
7 shared information, or tried to, around the country, we
8 realized that each of us was experiencing the same problem,
9 and that problem was that individually we were not acquiring
10 the information that we needed to represent the victims of
11 this product.

12 We found that invariably orders referred to
13 differently as confidential orders or confidentiality orders
14 or secrecy orders, were being entered by courts around the
15 country. These orders allowed for two circumstances to
16 exist: First, that individual attorneys representing the
17 victims of this product were unable to verify the accuracy
18 of information being provided by the defendant; second, that
19 each attorney was acquiring different sets of information
20 upon answers to the same questions.

21 As a result of those frustrations, we organized
22 a group to assist each other in the representation of
23 victims of this product. Ultimately that led to a lawsuit
24 and a trial in California, which is well known in which
25 there was a very large verdict against the Ford Motor

1 Company. Of course, that verdict was ultimately compromised
2 for substantially less than the outcome by the jury, but out
3 of it came the outgrowth of the problem with confidentiality
4 and secrecy in litigation.

5 From that, this organization of 10 lawyers now
6 has 600 members around the country. Our purpose is to share
7 information, free of charge, with other attorneys
8 representing victims or the families of victims of different
9 sorts of products. Its purpose is to defeat whenever we can
10 the confidentiality or protective orders that are insisted
11 upon by manufacturers all over the country.

12 I am also here on behalf of The Institute For
13 Injury Reduction. The Institute For Injury Reduction is a
14 nonprofit group that was founded in 1988 by five attorneys.
15 We now have 400 members. We testified before a House
16 Committee similar to this in 1988 for the United States
17 House Committee overseeing the National Highway Traffic
18 Safety Administration.

19 In 1988 I presented testimony to that House
20 Committee regarding the dangers of rear seat lap belts in
21 automobiles; dangers that I as an attorney have become aware
22 of in litigation of cases; dangers that automobile
23 manufacturers were aware of for over 20 years; dangers that
24 the federal government was unaware of because the
25 manufacturers were not obliged to provide the test

1 information to the federal government regarding the rear
2 seat lap belt injuries and deaths.

3 However, in litigation and through The Institute
4 For Injury Reduction, we were able to present both testimony
5 and film presentation to the Committee about the dangers of
6 rear seat lap belts. As a result of that testimony and
7 other research conducted both by The Institute For Injury
8 Reduction, Public Citizen and The Highway Institute For
9 Insurance Safety, the federal government mandated that lap
10 belts be outlawed in the rear seats of cars and that
11 three-point shoulder belts and lap belts be included.

12 That testimony, that information, highlights the
13 problem with secrecy in litigation. What we learned was not
14 new. What we learned was old data, but unfortunately,
15 because of the posture in civil litigation where data is
16 only exchanged upon an agreement of confidentiality, the
17 information was never made public. Instead, for years and
18 years and years, consumers suffered the horrors of that
19 danger.

20 Another very good example of these dangers that
21 are hidden: In 1971, in April of 1971 a secret meeting took
22 place in the Oval Office between John Ehrlichman, Richard
23 Milhouse Nixon, Henry Ford and Lee Iacocca. In that
24 meeting, the transcript of which we have, the president and
25 chairman of the board for Ford Motor Company convinced

1 Richard Nixon to eliminate certain then-pending
2 regulations. Those regulations would have required the
3 installation of air bags for both the passenger and driver's
4 seat in every American car starting in 1974. Those
5 regulations would have required in 1974 that the rear seats
6 of cars include both lap and shoulder belts, and there were
7 dozens of other regulations then pending.

8 As a result of those secret meetings, and as a
9 result of the auto industry being able to hide internal
10 documents disclosing the predicted deaths and injuries by
11 not putting air bags into cars, for 20 years 12 to 15,000
12 people a year died, for 20 years over 100,000 people
13 suffered serious injuries.

14 If confidentiality agreements had not been
15 imposed, if protective orders had not been required by
16 courts for information that was clearly recognizing a public
17 hazard, tens of thousands of peoples' lives would have been
18 saved. I am here today, therefore, to discuss that topic
19 with you, to explain to you why there is a strong necessity
20 for the types of bills that are now pending.

21 This is not a request on behalf of trial
22 lawyers, although I am here at their invitation. It is a
23 request on behalf of the victims, the victims in the past
24 and victims in the future. You see, you can't do anything
25 with this legislation about those who have died, who have

1 been injured in the past, but with this legislation, you can
2 make an effective change of the future.

3 Which of us would have chosen to purchase a Ford
4 Pinto? A Suzuki Samari? Or other drugs that we've now
5 learned hold so many dangers to our loved ones, if we had
6 only had the information that the manufacturers had. But
7 what occurs is that when a civil litigation, piece of civil
8 litigation begins, the defendant manufacturers present an
9 alternative to both the court system and the litigant. That
10 alternative: If you would like our documents to assist you
11 in your litigation, you must sign this secrecy agreement.
12 And if the attorney representing the victim opposes that
13 presentation, then the defendants then go to the court and
14 say to the court, Your Honor, this is a very simple issue to
15 be decided. Simply grant this protective order and we will
16 turn over all of the documents that this attorney needs to
17 represent their client. The court then turns to the
18 attorney and says, why not? Why not simply sign this
19 agreement, get your documents and get on with it and do not
20 bother the court's time?

21 Most attorneys, particularly those that have not
22 been involved in this type of litigation, comply. The
23 dilemma is, you never know what you're giving up. You never
24 know what you're missing. By signing a protective
25 agreement, simply what happens is you accept at face value

1 the information that's been provided to you by the
2 manufacturer. You have no means of verification. You have
3 no means of ascertaining whether or not you're receiving the
4 same documents that someone down the street has received.

5 The court in essence becomes a part of what has
6 become too often a sham. In the materials that we will
7 submit to you today, you will have a copy of a decision
8 reached by a court in Texas involving the Bronco II, and if
9 it's not there we will supplement it and provide it to you.

10 Texas has adopted a statute which is similar in
11 many ways to the bills that are now pending. That statute
12 presumes that information will be provided in litigation and
13 freely disseminable to the public if the information
14 pertains to a public hazard. Now, as a result of that
15 statute, mechanisms were put in place that litigants could
16 challenge the issue of full disclosure.

17 In a Ford case in Texas involving a roll-over of
18 a Bronco II, the plaintiffs and the defendants went at it
19 with the court for approximately three weeks on the basis
20 that the information revealed to the federal government by
21 Ford should be kept confidential, that the information
22 sought in the case should be kept confidential, and that
23 there was no public hazard.

24 After taking testimony for over three weeks, the
25 court entered an order requiring the disclosure of virtually

1 all of the information that had been given to the federal
2 government and deemed confidential by Ford, and had been
3 produced in discovery because of its obvious public health
4 concern.

5 The Ford documentation revealed that that
6 product had a long history of danger, of causing roll-over
7 after roll-over after roll-over. The court deemed this
8 information particularly important for the public, not for
9 other attorneys, but so that people would be able to make a
10 wise decision about their purchases, about the purchases of
11 safe products, so that the hospitals would not be filled
12 with more quadriplegics involved in roll-overs, so that the
13 rehabilitation institutions would not be filled with more
14 brain-damaged victims because of the dangers of this
15 particular product.

16 The Bronco II is just one example of hundreds of
17 products and other types of risks which come into the court
18 system every year, which individual attorneys learn about
19 every year, from Halcion to breast implants, and the list
20 goes on and on and on.

21 The problem is that the consuming public is left
22 out of it. Our court system is intended to be open to the
23 public. Our government is open to the public. Why then
24 have the court systems remained closed?

25 You can find and hopefully you will read an

1 article that I had published recently in the Philadelphia
2 legal paper in which I cite article after article after
3 article, journal article upon journal article, court
4 decision upon court decision, when the courts actually
5 review the issue of confidentiality and spend the time, they
6 reject confidentiality. They reject it as against public
7 interest. They reject it on the basis that the data that's
8 generally sought is not trade secret. The data generally
9 sought is not so confidential that its disclosure to the
10 public will cause any undue harm. They reject it because it
11 is in the best interest of the litigants. To obtain fair
12 resolution, you have to have all of the available relevant
13 information.

14 The bills that you have in this Committee now go
15 a long way towards making that dream a reality in
16 litigation. Florida, Texas and other states, including
17 Virginia, have passed similar litigation. It has not caused
18 any dire consequences to litigants. What it has done,
19 though, is made available to the public what we need, that
20 is, knowledge.

21 How many of you, if you have a young man or even
22 a young girl who would like to play football, would like to
23 know that the football helmet that he or she is wearing is
24 as safe as humanly possible? I'll bet all of you would.
25 How do you find out? Is there any way?

1 I have litigated seven cases to date involving
2 football helmet brain injuries and spinal cord injuries. In
3 each of those cases, I have acquired the internal documents
4 of the manufacturers which disclose the safety advantages
5 and disadvantages of different football helmet models. I
6 wish I could tell you about it. I can't. You can't order
7 me to tell you about it. A judge can't order me to tell you
8 about it. No one can order me to tell you which football
9 helmet will provide the best level of safety for your child
10 or your grandchild. The manufacturers won't tell you.

11 That's wrong. It can be eliminated with bills
12 like this. With bills like this you can rectify a truly
13 important public need, and that is for full disclosure.

14 I think I've essentially tried to summarize the
15 reasons why the bills and this legislation are important.
16 In summary, the best way to I guess look at this legislation
17 is to remember that the court systems are a part of the
18 democratic process. There is no need for secrecy. Only
19 through the sharing of information with attorneys, with
20 courts and with the public will there be a possibility of
21 less litigation, of less harm, of less injury. Thank you.

22 CHAIRMAN CALTAGIRONE: Questions from the
23 Committee?

24 REPRESENTATIVE VEON: Thank you for your
25 testimony. One more of the recent and more controversial

1 item in the national press is this whole issue about breast
2 implants and what was known and when it was known, et
3 cetera. Do you have any comments on that?

4 MR. COBEN: Sure. The background of that is
5 that, you know, the case in which most of the documentation
6 surfaces was a case in California. That piece of litigation
7 was going on for approximately three and a half years.
8 However, the actual data was not revealed until the trial
9 because there was a secrecy agreement. But what happened
10 was much of the data was introduced into evidence at trial.
11 Once it was introduced into evidence it became publicly
12 known, and therefore, disseminable to others.

13 What's really horrible about that situation is
14 the fact that it was not data revealed to the federal
15 government, who presumably it was to supervise these types
16 of devices, and yet, the industry was able legitimately to
17 withhold this information from the federal government under
18 the regulations then existing.

19 So obviously, what happened was that you have a
20 federal agency that is given the task of supervising the
21 safety of a particular product, but because of the nuances
22 of the regulation, had no need for this information,
23 according to the manufacturers, didn't have the information,
24 and it took a piece of litigation to reveal the data.

25 We're talking about probably data that if it had

1 been revealed four or five years earlier, would have saved
2 so many other women of the dilemma that they now face. So
3 it's just one more example of a bad situation.

4 CHAIRMAN CALTAGIRONE: Mary?

5 MS. WOOLLEY: Pardon my ignorance in terms of
6 civil litigation. What is the existing legal authority for
7 a court to enter a protective order right now? Is it in
8 civil procedure?

9 MR. COBEN: Yes. In Pennsylvania there is a
10 specific rule which allows for the court to impose a
11 confidentiality or a protective order under certain
12 circumstances, and it's well defined in some instances, that
13 is, if the party asked to produce certain documents can
14 demonstrate and can prove that it involves a trade secret or
15 commercially sensitive information, the court can impose a
16 confidentiality agreement or an order upon the litigant.

17 MS. WOOLLEY: So I would have a concern, which
18 we frequently face on this Committee, is that we're
19 proposing an amendment to the judicial code which would
20 supersede I think or place further restrictions on a civil
21 procedural rule governing protective orders. I guess one of
22 my concerns would be with the court's authority to suspend
23 procedural statutes that are inconsistent with court rules.

24 MR. COBEN: There's nothing inconsistent with
25 what's being proposed here, actually. Many courts have

1 issued tremendously insightful orders in which they have
2 ruled that the public good outweighs what is purportedly a
3 trade secret, and in fact, in most instances, including a
4 decision by Judge Wettick in Allegheny County, in the
5 Brandom Arty case, Judge Wettick found that none of the
6 information constituted true trade secret, and in fact,
7 found that there was a very important need, public need, for
8 the sharing of the information, and entered an excellent
9 opinion on that subject.

10 MS. WOOLLEY: Has there been any attempt by the
11 members of the trial bar to have the Civil Procedural Rules
12 Committee expand the rule governing protective orders to
13 incorporate some of these standards?

14 MR. COBEN: Not to my knowledge, no.

15 MR. PHENICIE: Not to my knowledge.

16 MS. WOOLLEY: Thank you.

17 CHAIRMAN CALTAGIRONE: Representative Gerlach?

18 REPRESENTATIVE GERLACH: Thank you. Mary was
19 just getting to an area that I was going to inquire about,
20 and that's the trade secret/commercially sensitive issue.

21 In a discovery proceeding I would imagine when
22 it involves a product liability case and a particular
23 product, let's say, the gas tank on a Pinto, during the
24 course of that discovery proceeding I would imagine there
25 would be information developed, if the discovery was adhered

1 to, that would lend itself to a definition of being a trade
2 secret or a commercially sensitive piece of information, yet
3 at the same time would not in and of itself constitute a
4 public hazard or define when a public hazard is being part
5 and parcel of that litigation.

6 Is there some way in your mind to separate out
7 what the intent of this legislation is, that is, to allow
8 for the disclosure of that information for public hazard
9 situations, yet at the same time protect the confidentiality
10 of business litigants to trade secrets and other
11 commercially sensitive areas that ought not to be made
12 public based on that litigation?

13 MR. COBEN: Yes. I think it's not as difficult
14 as it may seem at first blush to do that. For instance, in
15 the case in Texas, many of the documents dealt with design
16 drawings of the Ford Bronco. Those drawings in and of
17 themselves certainly would constitute a trade secret, and
18 the court simply ruled that there was no need to disclose
19 that information.

20 There was other data, including the testing of
21 the product by Ford, which demonstrated its dangers, which
22 should be disclosed. And so it was readily easy for the
23 court to separate out what is trade secret and yet still
24 assist in defining the public hazard.

25 I don't really foresee that as a problem with

1 most products or most other issues.

2 REPRESENTATIVE GERLACH: So that discretion
3 would be up to the trial judge to decide what would be a
4 public hazard and thereby warrant protection from
5 confidentiality as proposed by the legislation, as to what
6 would not be considered public hazard and, therefore, would
7 be subject to a protective order?

8 MR. COBEN: I would think so. And I think in
9 the same instance that the court would always, is always, if
10 you will, empowered to determine what is a trade secret. So
11 the same works that way. Because you see, some things are
12 no longer trade secret by definition. Once a particular
13 product is disclosed to the public, what was a trade secret
14 really by definition is no longer a trade secret. So the
15 discretion remains on both instances.

16 REPRESENTATIVE GERLACH: Okay. I guess I'm
17 looking at House Bill 751, subsection A: No person shall
18 seek and no court shall enter a protective order
19 inconsistent with the provisions of this section, and
20 thereby the scope, no person subject to a protective order
21 shall be forbidden from making any document or other
22 information furnished to that person, and then it describes
23 the various entities that that information can be shared
24 with.

25 Should that particular section be tightened up

1 to define really what information can and cannot be subject
2 to that protective order? Or cannot be subject to that
3 protective order, in line with what we've just been talking
4 about? Because I just get a sense that if the trial court
5 is going to have the discretion to make that determination,
6 very broad language in this kind of legislation might make
7 that very difficult. You see what I'm saying?

8 MR. COBEN: I see what you're saying. I really
9 don't think it's necessary, and the reason I don't is quite
10 frankly, this piece of legislation is more narrow than that
11 adopted in Florida and Texas. Particularly if you look over
12 on the second page in subsection 2, with regard to the
13 disclosure of information to others and to attorneys, this
14 piece of legislation requires that the producing party be
15 placed on notice of to whom the data is being presented.
16 Presumably that will accomplish a number of your concerns.
17 Number one, that is, if there is a trade secret and if the
18 court were to ascertain that a trade secret existed, the
19 people who would be recipients of the information would be
20 bound to an agreement which would require that disclosure be
21 made only with knowledge of the defendant or the producing
22 party.

23 Clearly, I don't think that any litigants would
24 have an objection to, and I don't think a court would be in
25 any way violating the provisions of this act by indicating a

1 trade secret that Ford Motor Company has should not be
2 divulged to General Motors and vice versa. I don't think
3 there's anything in this act which would preclude that kind
4 of a court order. I think it would be consistent with it.

5 Subsection 2, in fact, does limit the sharing of
6 information, much more than I would have hoped to have seen,
7 which is the Florida and Texas law.

8 REPRESENTATIVE GERLACH: I guess what I'm
9 getting at, as you read that scope section, no person
10 subject to protective order shall be forbidden from making
11 any document or other information, ostensibly secured
12 through the discovery process, shall make that furnished to
13 another person pursuant to that, remaining portions of that
14 section.

15 Could you not have a situation thereby where a
16 protective order is issued and as a result of that
17 protective order there may be some materials in there that
18 are both trade secret, commercially sensitive, some of that
19 maybe involving public hazard but some of it not necessarily
20 being a public hazard? Does this subsection really protect
21 the other side of the litigation from the disclosure of
22 nonpublic hazard trade secret and commercially sensitive
23 information which is not what the intent of the legislation
24 is for?

25 MR. COBEN: I do think it does. I think that if

1 you look at those two subsections that are controlling, one
2 and two, it is very restrictive. This is not what I would
3 consider a Sunshine bill, because it is very restrictive in
4 who the disclosures can be made to.

5 This is not going to be publicly disseminated.
6 This is to be disseminated to agencies that are responsible
7 for the product and enforcing and being concerned with
8 safety. It is restricted to other attorneys with similar
9 types of cases. It is not an open free-for-all. So I think
10 it is restrictive.

11 REPRESENTATIVE GERLACH: In the first subsection
12 there on the top of page 2, if the information is disclosed
13 to a federal, state or local regulatory or law enforcement
14 agency or legislative or judicial body, and assuming that
15 those entities hold proceedings in the public, should there
16 be a further restriction that the information shared with
17 those public entities is likewise confidential, although
18 they're shared with those entities through this particular
19 section?

20 MR. COBEN: I certainly think that the House
21 Committee could consider that. I'm not quite sure that you
22 would have the jurisdiction to make such a ruling upon a
23 federal agency like the FDA. If the information was
24 disclosed to the FDA and the FDA decided to conduct hearings
25 on that subject, then certainly they would have the

1 authority to disclose the data at that point.

2 I think that the bill really does accomplish a
3 lot of different things and it does a nice balancing act.
4 You know, I'm a little bit concerned about it, quite
5 frankly, because I'm not sure that it discloses to the
6 public the information. It discloses to representatives of
7 the public the information. I would, with all due respect,
8 take fault with it in that regard.

9 REPRESENTATIVE GERLACH: Okay. Thanks.

10 MR. COBEN: You're welcome.

11 MS. WOOLLEY: Just to clarify further
12 Representative Gerlach's questioning, to make sure that I
13 understand this, my read of subsection one is that the
14 judgment lies with the individual litigant, that if that
15 person reasonably believes -- the standard is reasonable
16 belief -- that the agency or regulatory body, yeah,
17 reasonable belief, I don't know what the rest of the
18 standard is.

19 So that getting back to Representative Gerlach's
20 concern about trade secrets being embraced in a protective
21 order when there's also a public hazard issue, so if I'm the
22 litigant bound by the protective order but I have a
23 reasonable belief that the legislature should have this
24 information, does it make clear, does this law make clear
25 that I may not convey the trade secret information to my

1 legislator? That I can only convey the public hazard
2 information?

3 MR. COBEN: No, it does not.

4 MS. WOOLLEY: What's your judgment on what's
5 appropriate in terms of what I should be able to convey, if
6 I'm bound by the protective order with regard to the trade
7 secrets?

8 MR. COBEN: My judgment is if you have
9 information which is trade secret but constitutes a public
10 hazard, then within the confines of this bill you should be
11 permitted to disclose it to others.

12 MS. WOOLLEY: But the distinction Representative
13 Gerlach made between a trade secret is separate and apart
14 from the public hazard issue.

15 MR. COBEN: I accept that distinction. If, in
16 fact, the trade secret information does not demonstrate the
17 public hazard, then under the language of this bill there
18 would be no basis to disclose it. So I agree with that
19 distinction.

20 But with your example, your question was if the
21 trade secret information evidences a public hazard, then
22 what? Under that scenario I think you're obliged both
23 morally and publicly and legally under this bill to disclose
24 the information.

25 MS. WOOLLEY: But I don't see a standard. I see

1 the public hazard standard clearly enunciated in House Bill
2 752.

3 I don't see enunciated in House Bill 751 in
4 terms of the standard for the litigant to apply when
5 determining when he or she should release the information to
6 a government agency.

7 MR. COBEN: You're correct.

8 MS. WOOLLEY: So there's no standard.

9 MR. COBEN: Other than the language that you
10 read in subsection one, reasonable belief.

11 MS. WOOLLEY: Which is the reasonable belief.
12 But reasonable belief of what? That a public hazard
13 exists? Or that also it falls within the scope of the
14 jurisdiction of the agency?

15 MR. COBEN: Yeah. It's basically that it's
16 information that falls within the scope of the agency,
17 without further definition.

18 MS. WOOLLEY: That's not clear, is it?

19 MR. COBEN: It does not define public hazard in
20 any way.

21 MS. WOOLLEY: Thank you.

22 CHAIRMAN CALTAGIRONE: Questions of any other
23 members or staff?

24 REPRESENTATIVE VEON: Another question. Is
25 there any requirement by the courts to keep track of or come

1 up with an annual number of those protective orders or
2 secrecy orders in place? Is that just an unknown quantity?

3 MR. COBEN: It's an unknown quantity. There
4 have been a few textbooks written on the subject which tried
5 to track the numbers, but there are just too many. And
6 quite frankly, most litigation goes on with an agreed-upon
7 confidentiality order because the attorneys and the
8 litigants do not have time to fight it. We're talking about
9 you could fight a piece of litigation over a question of
10 confidentiality for a year, year and a half. So the most of
11 them are entered without ever recording anywhere that it's
12 been entered.

13 REPRESENTATIVE VEON: Thank you.

14 CHAIRMAN CALTAGIRONE: In your testimony, the
15 written testimony, I was perusing through it, you had
16 indicated that there were a number of qualifying
17 organizations, corporations in Pennsylvania and the United
18 States that are concerned about this type of legislation,
19 opening the court records, responsible corporations. Would
20 you care to name any of them?

21 MR. COBEN: Well, certainly Public Citizen is
22 one such organization. It's a Washington-based nonprofit
23 charitable corporation whose interest is in identifying and
24 becoming involved with litigation which presents public
25 hazards.

1 The Institute For Injury Reduction, the one that
2 I mentioned that I am part of at this time, is involved in
3 this issue.

4 The Sierra Club is another that comes to mind.

5 Those are three that immediately come to mind.

6 CHAIRMAN CALTAGIRONE: Some of the major
7 corporations that would not like to see this legislation get
8 on the books would be who?

9 MR. COBEN: Well, without any hesitation I would
10 tell you that every automobile manufacturer throughout the
11 world would be very unhappy and is very unhappy whenever
12 confidentiality agreements are defeated.

13 Certainly various drug companies, pharmaceutical
14 companies would be very concerned about this issue.

15 I would imagine, although I've not had any
16 direct involvement with this litigation, that tobacco
17 companies would be unhappy with the full disclosure of
18 information concerning its products.

19 Those are some that come to mind.

20 We're really talking about companies that are
21 involved with mass product distribution, that try to
22 coordinate litigation so that what is disclosed in one case
23 is not easily available in another, and to really, really
24 compel every lawyer to reinvent the wheel for their
25 particular client.

1 I must tell you that there can't be anything
2 truly wrong coordinating the information-sharing by
3 litigants. Defendants do it all the time. I mean, in every
4 piece of litigation that I have with an automobile
5 manufacturer, they know exactly what our witnesses testified
6 to in the last case. They share information. There can't
7 be anything wrong with it. It's to the benefit of their
8 clients. It certainly should be to the benefit of the
9 clients who are injured and bringing the lawsuit.

10 So those are the types of companies that would
11 be in opposition to bills like this.

12 CHAIRMAN CALTAGIRONE: I share with you the
13 concern and the belief that the public has a right to know
14 of any dangerous product that has either been on the market
15 or being marketed for the public consumption, and as I
16 vaguely recall in the product liability area that we held
17 some time in the last year or two, it's kind of ironical
18 that many of the products that we've seen taken off the
19 shelves for sale in this country end up being repackaged and
20 marketed in many of the overseas countries, third world
21 countries, as an example, that have no such prohibitions.

22 Any comment on that?

23 MR. COBEN: Well, the dilemma is that as you've
24 mentioned, that it takes maybe five to ten years for the
25 dangers of certain products to surface, like the breast

1 implants and Halcion and other types of products, and once
2 its revealed, even the Ford Pinto, once it's revealed, the
3 consumers have a way, even if the government won't, the
4 consumers have a way of effecting safety of products.
5 What's unfortunate is that then it's not sold here, and
6 sometimes it's marketed elsewhere.

7 I have seen the opposite occur, too. There have
8 been some instances where certain types of drugs are not
9 marketed, for instance, in England, and are yet being
10 marketed here.

11 So it's a problem. The problem is, one, because
12 you have governmental agencies for the most part looking at
13 the data rather than the public, so the public isn't given
14 the choice. And some of the governmental agencies that are
15 making the choices are making the choices with true
16 conflicts in mind, that is, the business interest versus the
17 interest of the consuming public. Why not let the consumer
18 make the choice? That's what this kind of legislation would
19 do.

20 CHAIRMAN CALTAGIRONE: It's interesting you
21 noted in your testimony, also, about the asbestos situation
22 and the case that happened in 1929, and how many years had
23 to go by before that information was really exposed to let
24 the public be ware that there was a definite danger.

25 MR. COBEN: You can look at the asbestos, you

1 can look at DDT as another example. I mean, for 20, 25, 30
2 years the manufacturers of the product were well aware of
3 the dangers of working around and being involved with DDT,
4 and yet, nothing happened. Nothing happened until a book
5 was written called Silent Spring. Then something happened:
6 DDT was removed from the marketplace.

7 CHAIRMAN CALTAGIRONE: Any other questions or
8 comments?

9 (No audible response.)

10 CHAIRMAN CALTAGIRONE: Thank you. Thank you
11 both for your testimony.

12 We'll conclude the hearing for today, and remind
13 members that we do have two more days of hearings on two
14 other issues that we're dealing with on Wednesday and
15 Thursday. Thank you.

16 (Whereupon, the hearing was adjourned at
17 1:43 p.m.)

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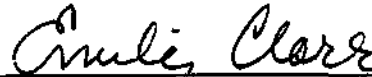
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