

Bakery Explosion Leads to Sweet Settlement

David Huberman, Partner in the Subrogation Department, assisted by Counsel Bill Doerler, recently settled a claim arising from an explosion at a commercial bakery. In the case, the subrogating insurer alleged that the explosion occurred due to negligence associated with the defendant installer's improper wiring of the burner controls on a gas-fueled oven manufactured in Italy.

Before the matter was resolved, the installer brought the Italian oven manufacturer into the case and moved to amend its answer to raise a defense based on an arbitration provision — calling for arbitration in Italy — in the contract between the Italian manufacturer and the insured.

Anticipating that the installer would subsequently move to dismiss the action based on the arbitration provision, David successfully challenged the defendant's attempted amendment, arguing that the proposed amendment was futile because the arbitration provision did not apply to the installer. After defeating the installer's motion to amend, David settled the matter for six figures.

