

Media Coverage Team Obtains Summary Judgment in Connection with Underlying Defamation Lawsuit

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A White and Williams team recently obtained summary judgment for Mutual Indemnity Company against claims that the media liability carrier was responsible for a default judgment entered against its insured following the insured's bankruptcy. The underlying claimant argued that as an assignee of the insured, he was entitled to recoup his seven-figure verdict against the carrier.

White and Williams successfully argued that the claimant was not an assignee of the defunct insured; nor did he have standing to sue, as the court agreed with the narrow construction of Pennsylvania's direct action statute. The court also found that even if standing did exist, the bankruptcy trustee's failure to have the insured debtor defend itself in the underlying action constituted a material breach of the insurance policy, absolving Mutual of any further coverage obligations under the contract.

The White and Williams team was led by Joshua Mooney, Ed Koch, and Linda Perkins.