



Texans For Public Justice

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Buyers Beware of Texas' Tort Moguls

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Words: 820

Texas' richest special-interest group—Texans for Lawsuit Reform—is bankrolling a statewide media blitz that claims that, congratulations, you are now richer because the Texas Legislature made it harder to sue irresponsible individuals and companies.

Let the buyers beware.

Texans for Lawsuit Reform (TLR) directors say their “grassroots” members are “just a bunch of folks.” But the group’s own books reveal that almost half its bulging bank account comes from just 18 multi-millionaires. Are these corporate raiders, developers and toxic chemical magnates funding “tort reform” for your benefit? Or do the big boys behind the curtain have their own agenda?

TLR’s biggest donors are TLR President Richard Weekley and his family. Their fascination with lawsuits may be related to their ownership of one of Texas’ largest homebuilding companies.

David Weekley Homes has been:

- Linked to construction waste in TNRCC-raided illegal dump sites;
- Slapped with a \$221,500 OSHA fine for barring safety inspectors from a Colorado work site; and
- Sued by dozens of angry customers, many of whom allege that their homes have tilted and cracked because they were built on shifty soil with inadequate foundations.

Other leading TLR construction interests include Houston builder Mike Manners (Royce Homes), as well as Dallas-Fort Worth builders Harlan Crow, Robert Folsom and the J.C. Pace family. Texas Workers Compensation Commission data identify construction as Texas’ most deadly industry. But the tort dodgers have urged the Texas Legislature to act to stoke this body count by relieving builders of any responsibility for contract laborers who get killed or injured on their construction sites.

TLR also enjoys heavy financial support from toxic chemical tycoons such as Gordon Cain and William McMinn of the Sterling Group and Dixie Chemical owner S. Reed Morian. At its Pasadena, Texas plant in 1994, Dixie discharged 1.1 million pounds of methyl cyanide, a toxin that attacks the nervous, respiratory and circulatory systems. The EPA also lists Dixie as a “potentially responsible party” for Waller County’s Sheridan Superfund site, a 70-million-gallon toxic soup that will cost \$50 million to clean up.

Other “potentially responsible parties” for this site, include Baroid Corp. and NL Industries, which are owned by another major TLR funder, Dallas corporate raider Harold Simmons. Another

Simmons company, Waste Control Specialists, wants a permit to dump nuclear waste in West Texas' Andrews County. And his NL industries also has been named as a potentially responsible party for Grand Prairie's Bio-Ecology Superfund site and East Texas' Troups State Superfund site.

Lawsuits sure must be out of control if they are being used to make corporate polluters clean up part of their toxic legacies.

Like many tort dodgers, Simmons and his companies are highly litigious. As TLR was ordering the Legislature to weaken Texas' product liability laws in 1995, Simmons' Keystone Consolidated wire company was pushing its own \$2 million product liability suit in federal court. The Keystone suit complained that another company should have put warning labels on filters and gaskets that allegedly damaged Keystone machinery. Apparently, it's not "lawsuit abuse" when corporations or wealthy executives file such suits. "Lawsuit abuse" only occurs when a regular Texan sues a multi-millionaire or corporation before a jury of peers who cannot be bought.

Another major multi-millionaire TLR backer with product liability exposure is San Antonio's James Leininger. Leininger's Kinetic Concepts company makes high-priced, high-tech hospital beds that rotate to prevent bed sores. Patients and nurses have sued the company for injuries that they say they sustained when the kinetic beds dropped or crushed patients. Numerous reports of serious accidents involving the beds have been filed with the Food and Drug Administration.

But if any one top TLR supporter personifies why Texas needs strong tort laws, it is Gallery Furniture owner Jim "Mattress Mac" McIngvale. McIngvale was booted out of the Better Business Bureau in 1994 for selling a rare form of "solid oak" furniture—the kind that contains plywood. "We didn't say it was solid oak all the way through," McIngvale protested.

Given that Gallery's founding business strategy was to provide same-day delivery of low-cost furniture, it's not surprising that the company has been hit with a number of damage suits for employee injuries. But the most tragic suit against McIngvale stems from his ownership of the now defunct Texas Flea Market. Liability laws exist to dissuade people from hare-brained ideas like keeping chained lions at a crowded market. The chained lion at the Texas Flea Market had previously mauled a set of 2-year-old twins and was severely underfed when it penetrated an 8-year-old girl's skull with its fangs in 1987.

A closer look at TLR's top funders sheds light on what might have prompted them to give \$407,500 to the group to fight "lawsuit abuse." These often-dangerous special interests are the best examples around of why Texans need strong tort law protections. Our Legislature—which took \$855,000 from TLR in the last election cycle—would be negligent if it caved in to TLR's demands for even weaker tort laws.

Don't unchain the lions.

Texans for Public Justice is a non-partisan, non-profit, consumer-oriented policy & research organization that focuses on political and corporate responsibility.