



PRESS RELEASE

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PA Chamber: new study reinforces need for lawsuit venue reform

HARRISBURG, PA – The **Pennsylvania Chamber of Business and Industry** said a study of the Philadelphia court system reinforces the need to end lawsuit “venue shopping” for all civil liability cases.

Venue shopping occurs when trial lawyers selectively and specifically file lawsuits in areas that may have no relation whatsoever to the cause of action, but are known to have a pro-plaintiff bias – locations with a history of jackpot jury awards or court procedures that favor the party filing the lawsuit.

In Pennsylvania, that jurisdiction is Philadelphia, which was recently dubbed the nation’s No. 1 “judicial hellhole” by the American Tort Reform Association because its court system encourages “litigation tourism” and embraces rules and procedures that favor the party filing the lawsuit. This distinction is supported by a recent study by the International Center of Law and Economics, which determined that accusations of such structural biases are justified.

“Pennsylvania’s legal system should be fair and balanced for all parties,” PA Chamber President Gene Barr said. “The unpredictable climate created by shopping lawsuits to find the most favorable venue further hinders business investment and job creation. The practice is counter to what is needed to create a climate for job creators that encourages real economic recovery and growth.”

The ICLE study focused on Philadelphia’s civil courts and found that most of the cases it examined were filed by out-of-state plaintiffs with no connection to the city or Commonwealth. The study also found that fewer than one in seven cases where the injury or home address was known were filed by plaintiffs residing in Philadelphia, and that the vast majority of the business defendants did not have their principal place of operation in the city or Commonwealth.

The PA Chamber is urging lawmakers to pass H.B. 1976, which is positioned for final passage in the House. The bill would require plaintiffs’ attorneys to file lawsuits in jurisdictions where the cause of action occurred or where the plaintiff resides.

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“Venue shopping ended for medical malpractice claims almost ten years ago,” Barr said. “That action resulted in the Trial Bar and Governor Ed Rendell proclaiming that the state’s medical malpractice crisis was fixed.”

Additionally, Barr said during last year’s debate on joint and several liability reform, supporters of the Trial Bar acknowledged that venue reform for medical liability cases had a tremendous influence on limiting frivolous lawsuits.

“Given the positive impact that venue reform has had on the access to and cost of health care in Pennsylvania, it makes sense to expand this reasonable reform to all civil liability cases.”

Barr said venue reform, combined with enactment last year of the Fair Share Act, will create an environment where job creators can grow and operate without fear of unfair litigation.

“We urge House lawmakers to pass House Bill 1976 and encourage the Senate to do the same in order to continue the momentum on improving Pennsylvania’s legal system,” he said.

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The Pennsylvania Chamber of Business and Industry is the state’s largest broad-based business advocacy organization, with its statewide membership comprising businesses of all sizes and across all industry sectors. The PA Chamber is The Statewide Voice of Business™.