

Case Name: Audra S. Martin v CSX Transportation, INC, et al.

Date Decided: May 27th, 2009

Originally Filed in: ()

Decided by: (State)

Court: U.S.D.C. Northern District of Ohio

Judge: Judge Katz

Citation: 617 F.Supp.2d 662

Background:

Employee, Audra S. Martin ("Martin") brought action against rail yard owner, alleging personal injuries arising from leak and release of fumes from battery used to charge yard's power supply. Yard owner filed amended third-party complaint against battery manufacturer and seller seeking contribution and indemnification following settlement with employee. On December 13, 2003, Martin alleges that while she was a yardmaster at CSX Transportations ("CSX") rail yard a battery used to power the yard's power supply began to leak and release causing Martin to lose consciousness, fall, and sustain injuries. Martin sued CSX under the Federal Employers' Liability Act ("FELA"). CSX denied liability and filed a third-party complaint against American Power Conversion Corp. ("APCC"), and B & B Battery Inc. ("BB"). CSX and Martin settled their disputes and filed an amended notice stipulating to the dismissal of Plaintiff's claims against CSX, with prejudice, due to a settlement between the party. CSX then filed against APCC for indemnification and contribution. The third-party complaint did not mention the settlement agreement.

Issue:

Did the court grant CSX's motion for indemnification and contribution although CSX and plaintiff had settled, dismissing the case with prejudice.

Overall Issues Discussed or Touched Upon in this Case:

-

Held:

APCC and BB argue that CSX is not entitled to contribution because there is no evidence or averment that their potential liability to Martin was extinguished by the settlement agreement between CSX and Martin. They further contend that the Statute of Limitations protects them from Martin's claims and CSX's contribution claim. This Court held that, although CSX failed to reference the settlement in the Second Amended Complaint, the contribution claim against the third-party defendants is a direct result of the settlement and therefore, central to their claim. The Court take the settlement into consideration as an agreement that extinguished Martin's claims against CSX. Furthermore, BB and APCC, argue that CSX did not plead that there was a release or settlement agreement, that the agreement extinguished APCC and BB's liability,

or the amount of the settlement. The Court denies the Third-party motion to dismiss on the grounds that there is no requirement that they had to be released from the settlement. CSX, in its second amended third-party complaint, states that if it is found liable to plaintiff, Martin, then it is entitled to contribution from APCC and BB to the extent CSX is required to pay an amount in excess of its proportionate share of the liability. Pursuant to Federal Rules of Procedure, which requires notice pleading, a short plain statement of a claim to give defendant fair notice of the claim, this form of pleading is acceptable. APCC and BB further contend that Martin has no viable claims against them because at the time of the settlement agreement the statute of limitations had already expired for potential claims, and thus are protected by CSX's contribution claims. CSX responds that Third-party Defendants may not circumvent the contribution claim and avoid liability by way of the statute of limitations. This Court held however that because of the primary intention of R.C. 2307.25(B) (Ohio's Joint tortfeasor contribution statute), which was to prevent the inequitable situation of a tortfeasor paying contribution to a fellow tortfeasor while remaining subject to liability on the underlying claim. Therefore, according to the Court, APCC and BB were never subject to double jeopardy by CSX and Martin. The expiration of limitations on the underlying claim does not extinguish liability in a subsequent contribution action.

Comments:

When two or more parties cause the injury of an individual then they are considered joint tortfeasors. The plaintiff may then bring action against any one of them. Following a judgment in the plaintiff's favor, the tortfeasor ordered to pay may then sue the other tortfeasors for contribution. Here, CSX settled with Martin the plaintiff. CSX was able to survive MBB and APCC's motions because CSX plead accordingly for contribution in their third-party complaint. Steve Gordon <http://www.gordon-elias.com>