

# J&J Can't Resolve Mass Talc Lawsuits Through Subsidiary's Bankruptcy, Judge Rules

*A bankruptcy judge rejected Johnson & Johnson's use of chapter 11 to resolve thousands of talc ovarian cancer lawsuits.*

PENSACOLA, FL, U.S.A., July 31, 2023 /EINPresswire.com/ -- Today, U.S. Chief Bankruptcy Judge Michael Kaplan dismissed Johnson & Johnson (J&J) subsidiary LTL Management LLC's second bankruptcy petition (Case No.: 23-12825). The ruling has thwarted J&J's plan to wield Chapter 11 as a means for resolving around 50,000 lawsuits alleging the company's talc products caused claimants to develop ovarian cancer.



A judge has thrown out Johnson & Johnson subsidiary LTL Management's Bankruptcy Petition, saying it did not meet the "good faith" requirement under U.S. Bankruptcy Code.

The judge's opinion stated:

“

This decision is a major obstacle for corporate hustlers who want to again victimize consumers already injured through nothing short of callous indifference.”

*MIKE PAPANTONIO, ATTORNEY,  
LEVIN PAPANTONIO RAFFERTY*

"Simply put, the Debtor does not meet the more exacting gateway requirement implemented by the Circuit with respect to 'good faith' under 11 U.S.C. §1112(b), which would allow LTL to take advantage of the tools available under the Bankruptcy Code to resolve its present and future talc liabilities."

#### Statements From Plaintiffs' Counsel

Plaintiffs' counsel reflected on the ruling as it pertains to current trends in corporate legal defense tactics.

"In the last few years, there has been an effort by Corporate America to hide from their responsibilities in bankruptcy court after doing untold damage to American consumers," said [Mike Papantonio](#), senior attorney and shareholder at Levin Papantonio Rafferty law firm. "This

decision is a major obstacle for corporate hustlers who want to again victimize consumers already injured through nothing short of callous indifference."

LPR Attorney Chris Tisi, a member of the Plaintiffs' Steering Committee in the national talc MDL ([MDL 2738, In Re: Johnson & Johnson Talcum Powder Products Marketing, Sales Practices and Products Liability Litigation](#)) and a committee representative of the Official Committee of Talc Claimants (TCC), spoke to the meaning the court's decision has for claimants.

"We applaud the court's decision to dismiss this bankruptcy and allow women and families who have ovarian cancer the right to present their case to a jury of their peers," Tisi said. "There's nothing more American than a right to a jury trial."

LPR Attorney Cameron Stephenson, who is actively involved in the national talc litigation, commented on how the court's decision translates to corporate accountability.

"This is the decision I expected because it is the right decision, plain and simple," Stephenson remarked. "Johnson & Johnson is a \$500 Billion company. Neither they nor their fraudulent shell corporations should be able to hide in bankruptcy. Our legal system is designed to be a system of justice, not a system of corporate avoidance of liability. Johnson & Johnson hurt and killed women. They were finally forced to pull the product from the market. Now, they should be forced to be financially accountable for the lives they ruined."

#### Statement From the Official Committee of Talc Claimants

The TCC issued a statement on Judge Kaplan's decision, which included the following:

"The Committee has consistently contended the tort system is the rightful place for these claims to be resolved. Today's ruling validates the Committee's belief that J&J manipulated the bankruptcy system by using the 'Texas Two-Step' legal maneuver and wrongfully sought to manufacture financial distress in its 'Legacy Talc Liabilities' (LTL) Management subsidiary, solely to carry out a bad faith bankruptcy case. The company will now face the full weight of its conduct in the appropriate judicial forums."

#### About MDL 2738 - [Talcum Powder Lawsuits](#)

MDL 2738 comprises nearly 50,000 individual talcum powder lawsuits from individuals who allegedly developed ovarian cancer or mesothelioma after regular, prolonged use of Johnson's Baby Powder and Shower to Shower body powder. The lawsuits claim that Johnson & Johnson deceptively marketed the talc-based products for feminine hygienic use without disclosing talc's carcinogenic properties.

Sara Stephens  
Levin Papantonio Rafferty

+1 281-744-6560

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

[Instagram](#)

[YouTube](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/646961551>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2023 Newsmatics Inc. All Right Reserved.