

Defense Wins Finding Insurance Company Not Negligent In Coverage

State Farm's insured filed this action against State Farm claiming it was negligent by and through its agent in failing to provide business coverage for him in regards to his automobile that he used in work. The insured claimed that he went to a State Farm office and advised that he wanted coverage that would entitle him to get into buildings to service plants as a horticulturalist and that he drove from business to business and that he needed coverage for his vehicle in regards to his business as well. He claimed that he was very specific and he asked for that specific insurance.

While the insured was traveling to the store to obtain items for his work, he became involved in a very serious accident where he shoved his automobile up onto a curb. Standing next to the automobile was a woman whose legs were completely crushed and partially severed at the time of the accident. Inside the vehicle was her son who was also injured.

The insured and the injured woman went to arbitration and she and her family were awarded close to \$6,000,000. State Farm did not participate in the arbitration nor was State Farm provided notice of the arbitration.

Following the arbitration, the injured woman moved to substitute into the lawsuit filed by the insured against State Farm as the real party in interest. She asserted that she now had a judgment against the insured for close to \$6,000,000 and that the insured had assigned his rights against State Farm to her to attempt to collect from State Farm for wrongfully refusing to provide the insured with a policy that would have covered her injuries and damages.

State Farm opposed the motion to substitute the injured woman into the action as a real party in interest but she was allowed to substitute in and at that time the trial was continued for a number of months.

The injured family collected close to \$1,000,000 in settlement before the trial with State Farm. At trial, the defense was blocked from being able to inquire as to the uninsured motorist or underinsured motorist coverage and monies that were paid. Defendants were also not able to challenge the award of almost \$6,000,000 since that was already a judgment that had been rendered. Thus, defendants could not attack the damages claimed.

The jury rendered a defense verdict after only 50 minutes of deliberation.