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NEWS

Arbitrator awards \$24.5 million to two women who were sex trafficked as minors from Philadelphia hotel

The North American Motor Inns and its former owner Ramara Inc were aware of a "culture of criminal activity," and were negligent in not working to prevent it from happening, a lawsuit said.

by Nick Vadala

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An arbitrator has awarded \$24.5 million to two women who alleged in a lawsuit that they were forced into prostitution as minors at a West Philadelphia hotel.

The women, identified as B.H. and C.A. in court documents, said in the lawsuit against the North American Motor Inns and its former owner, Ramara Inc., that they were sex trafficked from the hotel at 4444 City Ave. in 2013. The hotel and its owners, the complaint alleged, were aware of a "culture of criminal activity" at the location, and were negligent in not working to prevent it from happening.

"What these women went through was horrible. We applaud their bravery in coming forward and vocalizing their experiences," said attorney Nadeem Bezar, who represented the survivors alongside fellow Kline & Specter lawyer Emily Marks.

The lawsuit, which was filed in March 2019, states that B.H. was sex trafficked at the hotel for about two weeks starting in January 2013 when she was 17. C.A. alleged that she was sex trafficked from the North American Motor Inns on about 30 occasions for nearly a year, starting that same month, when she was 16.

The two girls were beaten, threatened, and raped at the hotel, as well as several others in the area, B.H. and C.A. alleged. According to court documents, B.H. escaped her trafficker after calling police in May 2013, and C.A. was "recovered by the FBI" in Northeast Philadelphia in October 2013.

The names of the people who sex trafficked the girls were redacted in court documents to protect B.H. and C.A.'s identities. But both traffickers were arrested and sentenced to prison, with one having been released and the other still serving their sentence, Bezar and Marks said.

Ramara Inc., meanwhile, sold the hotel's property in 2019, Bezar said.

Ramara's attorney, Hugh O'Neill of Thomas, Thomas & Hafer, argued in court documents that another company was leasing the hotel at the time B.H. and C.A. reported they were sex trafficked there.

The company "did not have employees at the hotel and did not maintain a daily presence" there at the time, the filing said, and was essentially a "landlord out of possession of the property." As a result, the filing argued, Ramara is not liable for the damages B.H. and C.A. claimed.

O'Neill did not respond to a request for comment.

Ultimately, arbitrator William Ricci awarded the survivors \$12 million and \$12.5 million, according to court documents. There is a legal mechanism for challenging that award, Bezar said, but he and Marks have not seen that happen in other similar cases.

In a previous case against Ramara and North American Motor Inns, Ricci awarded three women represented by Bezar and Marks a combined \$37.5 million in October. That case alleged that the women, who were not identified in court documents, were sex trafficked at hotels including the North American Motor Inns from late 2011 to mid-2012, when the survivors were between 14 and 16 years old.

B.H. and C.A.'s cases took years to resolve due to factors that included bankruptcy filings by other defendants and the COVID-19 pandemic. The arbitrator's decision involved only Ramara and North American Motor Inns, as other defendants initially named in the complaints had already resolved their cases or are involved in other litigation, Bezar said.

The lengthy litigation, Marks said, was difficult for the survivors, but the award is a "significant victory."

"It is a significant victory to hold this hotel accountable for the open and obvious criminal activity that was happening there," Marks said. "It was important to our clients to do something about it, not only to tell their story, but to make sure this doesn't happen to other young girls."