

\$35M settlement reached

Lead attorney: Funds a 'big boost' for people, businesses that suffered losses

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By MARGARET GIBBONS, Times Herald Staff
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COURTHOUSE — An overall \$35-million settlement was announced Thursday in behalf of more than 100 individuals and businesses who sustained damages in the 2001 fire at the former Continental Business Center in Bridgeport.

With a jury into its sixth hour of deliberations following an approximate five-week Montgomery County trial, the last of 16 defendants settled in the class-action litigation.

“We are very satisfied with the entire settlement,” said [Shanin Specter](#), the lead attorney in the class-action litigation sparked by the largest-ever fire in the county.

Specter said his economic expert estimated loss of property and income by the individuals and businesses was \$30 million to \$41 million.

“So a settlement of \$35 million will be a big boost to all those who suffered losses,” said Specter, whose firm of Kline & Specter in Philadelphia along with the Norristown law firm of High, Swartz, Roberts & Seidel represented the individuals and businesses.

The \$35-million settlement represents the entire settlement from all of the defendants.

The lone defendant remaining in the case prior to this week was Universal Electrical Services Co., a Souderton industrial electrical contracting firm.

Lawyer Anthony Sherr, who represented the firm at trial, said that when it appeared that the jurors were having a difficult time reaching an agreement, Specter agreed to accept the settlement offer his client had made prior to trial.

“I would say we won,” said Sherr.

The former business center complex, located off the banks of the Schuylkill River, was made up of buildings constructed more than 100 years ago and had operated as a textile mill until it abruptly closed its doors around 1980.

The Bushar Corp. purchased the 26-acre property in 1983, renovating it and retrofitting it for a wide variety of small businesses, which needed affordable space for offices, manufacturing and storage.

The fire broke out May 15, 2001, and raged for more than 14 hours before being brought under control. It continued to smolder for days. More than 500 firefighters from some 60 different fire departments spent time at the site.

Three buildings were destroyed. Some businesses were totally destroyed while others were partially destroyed with still others sustaining minor damage.

Law enforcement officials, who investigated the fire, contended that the blaze originated in an electrical panel box.

During the trial, experts alleged the circuit breakers in the panel sustained damage from floodwaters some 18 months prior to the fire. In 1999, the Schuylkill River flooded, submerging some of the buildings under 50 inches of river water.

The class action litigation alleged negligence against 16 defendants including the center's owner, current and past tenants, the manufacturer of the electrical panel box, electrical contractors and insurance company inspectors.

Before the week-long jury selection process began, Judge Steven T. O'Neill and lawyers from both sides were in court for about six weeks resolving all pre-trial matters.

It was during this period that 14 of the defendants reached settlement agreements in the case. The 15th defendant settled mid-way through the trial.