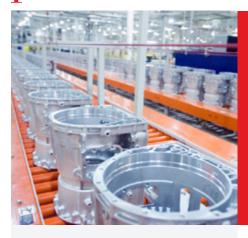
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Product Liability Law Alert

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Ohio Court of Appeals reaffirms component parts doctrine

The component parts doctrine is an important affirmative defense available to an original equipment manufacturer that finds itself a defendant in a products liability lawsuit. Under Ohio law, according to the doctrine, a manufacturer of a component part is not liable for a defect in a completed product unless: (1) the component itself is defective or dangerous, or (2) the component manufacturer constructs or assembles the completed product or substantially participates in the design of the final completed product. <u>Zager v. Johnson Controls, Inc.</u>, 2014-Ohio-3998, 18 N.E.3d 533 (12th Dist.).

Facts

In Zager, the plaintiff was a back-seat passenger in a 1999 Chrysler 300M sedan traveling from Florida to Ohio. While in Florida, the driver fell asleep at the wheel and the vehicle, with a 50-pound cooler in the trunk, struck a construction barrier head on. The impact propelled the cooler into the rear seatback, forcing the plaintiff's body to rotate out of the shoulder seat belt while her head and torso bent over the lap belt. While the other occupants sustained only minor injuries, the plaintiff suffered paraplegia.

Procedural history

The plaintiff filed a products liability lawsuit against Johnson Controls, Inc. (JCI), the manufacturer of the rear seat of the 300M. The plaintiff alleged that the rear seatback was defective because it failed to provide adequate cargo retention, as a result of the failure of a pin which connected the two sides of the rear seat and resulted in the two sides of the seat swinging open like a gate as the cooler entered the rear passenger area.

JCI moved for summary judgment and the trial court granted the motion, finding that the plaintiff had presented insufficient evidence to establish that the rear seat contained a defect as defined by the Ohio Product Liability Act. Further, the trial court found that JCI was not liable under the component parts doctrine. The plaintiff appealed.

The Twelfth District's analysis

Initially, the court confirmed that the R.C. 2307.71(B) language purporting to "abrogate all common law product liability claims or causes of action" should not be read to apply to common law defenses like the component parts doctrine.

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The court then rejected the plaintiff's contention that the component parts doctrine was inapplicable. The plaintiff stated that she had always maintained that it was the rear seatback that was defective, rather than the vehicle itself. The court however, disagreed, finding that the defect complained of – the rear seat's lack of cargo retention – existed only once JCI's seat was integrated into the 300M automobile, the final product. Accordingly, the component parts doctrine was available to JCI as a defense.

Next, the court examined whether the rear seatback was defective in design due to its alleged failure to provide adequate cargo retention, or defective due to inadequate warning that the seatback would not retain cargo. As for the alleged design defect, JCl was required only to "design, develop, and manufacture a rear seatback which met Chrysler's requirements and specifications." Chrysler was responsible for the cargo retention within the 300M and indeed controlled and set all of the safety parameters both for the components and the vehicle itself. Chrysler did not make cargo retention a requirement of the performance of the seat. Therefore, the court found that the plaintiff failed to present a genuine issue of material fact as to its claim that the rear seat was defective. Moving on to the issue of the lack of warning, the court noted that a component manufacturer's duty to warn does not extend "to the speculative anticipation of how manufactured components . . . can become potentially dangerous dependent upon their integration into a unit designed and assembled by another" (citing *Temple v. Wean United, Inc.*, 50 Ohio St.2d 317, 364 N.E.2d 267 (1977), paragraph four of the syllabus). Because JCl had no knowledge regarding the 300M's overall cargo retention system, it could not be liable for failing to warn consumers of any potential for injury.

Finally, the court examined the "substantial participation" exception to the component parts doctrine. The court rejected the plaintiff's contention that (1) JCl substantially participated in the design of the 300M because it knew that the seat was designed to be integrated into the 300M and (2) JCl's frequent and regular communications with Chrysler evidenced its substantial participation in the design of the 300M. The court noted that while JCl had responsibility related to the seat's design, that responsibility was nevertheless limited by Chrysler's specifications, none of which related to cargo retention. For example, the Zager court highlighted a number of facts relevant to this rationale, including that: Chrysler provided JCl with a Statement of Work and other documents that included features, specifications, testing procedures, and the required strength of the seat; JCl had no control over, or responsibility for, safety-related decisions or the manner in which Chrysler provided for cargo retention within the 300M; JCl had no ability to test its seat once integrated into the 300M; JCl's communication with Chrysler during the development of the seat did not relate to the overall design of the 300M nor to Chrysler's system of cargo retention. Moreover, the court found that "it is apparent that these communications related to the design of the seat as a seat, and not the overall design of the 300M nor a design for Chrysler's system of cargo retention." Thus, the court held that the plaintiff failed to present a genuine issue of material fact as to whether JCl substantially participated in the design of the 300M.

Therefore, the court affirmed the judgment of the trial court.

Although the Twelfth District affirmed the trial court's application of the component parts doctrine, on October 29, 2014, the plaintiff noticed her <u>discretionary appeal</u> to the Supreme Court of Ohio, <u>challenging the continued viability of the doctrine</u> in Ohio.

Key takeaways from the Twelfth District's decision

- The component parts doctrine does not excuse the manufacturer of a *defective* component part, but if the defect complained of arises when the component part is integrated into the final product, the component parts doctrine is still available as a defense.
- A component manufacturer is not required to warn end-consumers of anticipated risks associated with the integration
 of a non-defective component part into a final product.
- Evidence that the manufacturer of the final product retained control of that product's design is the best evidence that the component manufacturer did not substantially participate in the design of the final product.

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