

New Jersey Law Journal

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Litigation *Department* **OF THE** *Year*



WINNER: INSURANCE

Too numerous to caption, Methfessel & Werbel lawyers and support staff sit for a team photograph. Litigation is the only practice area of the firm, which is organized around specialty areas serving the insurance and managed-risk industry.



WINNER: INSURANCE

Leading the Field in Coverage Litigation

Methfessel & Werbel holds to its preeminence in insurance

Founded in 1972, Methfessel & Werbel has grown steadily to its present size of 48 attorneys. Created to serve the insurance industry, it has expanded its reach to serve large self-insured entities, captives and other segments.

The firm's full focus is on litigation. It is staffed entirely by trial attorneys. Some practice in the area of general liability and many are specialists within fields unique to the managed risk industry and the industries they serve.

Methfessel hires entry-level associates solely from judicial clerkships and places them in a structured mentorship program designed to allow them to function independently as trial attorneys within 18 to 24 months. The breadth of cases handled by the firm permits it to expose young associates to trial work very early in their careers and to keep them challenged and developing their expertise over that period of time and thereafter.

The firm has spearheaded much of the development of general litigation and insurance law in New Jersey over the last 40 years. Hundreds of cases it has litigated have culminated in written opinions at all levels in New Jersey, including appellate and trial courts. The firm has been a party to over 150

published appellate decisions in the state and federal courts, and several hundred unpublished. In 2012, the firm handled 25 appellate level decisions.

Among the firm's most significant wins in 2013 was *Perth Amboy Board of Education v. Gartland et al.*, a recovery action arising out of a scheme of fraud perpetrated against the Perth Amboy Board of Education. The board had retained brokers Frank Gartland and Frank Cotroneo to set up a medical management program. The board would deposit money into accounts managed by Cigna, and Cigna would audit and make payments to cover employee health claims. Gartland and Cotroneo convinced Cigna that the board had authorized them to be paid out of these special accounts for extra services they allegedly provided. Over the course of several years, they obtained payments out of the board's account in excess of \$2 million dollars based on forged documents. Cigna claimed that it had no way of knowing the payments were not properly authorized, that its own investigation did not reveal the fraud and that its actions were reasonable. Methfessel lawyers proved to the satisfaction of an arbitrator that Cigna should have known a fraud was occurring, that it had inadequate controls, that its fraud investigation was negligent and that it breached its duty of safeguarding the board's money under its control. The result was a \$1,633,400 arbitration

award against Cigna.

Methfessel's workflow is leveraged by the technology it uses and is subject to constant review. Since the practice is solely litigation, the workflow is applied across the firm and utilized by each and every attorney and paralegal. The firm developed technology that was spun off as a separate company, sold to other firms across the country and eventually sold to a larger competitor.

The firm offers alternative fee arrangements, such as task-based billing, flat fees, contingent fees and reverse contingent fee arrangements to its clients.

The firm recently moved to a 20,000-square-foot facility in Edison. It has a state-of-the-art data center and disaster recovery technology that assures the firm will never be offline. It will shortly have a generator that will fully power the facility in the event of service interruption.

Representative Litigators

• Joel Werbel, who founded the firm in 1972 along with John Methfessel Sr., focuses on the trial of insurance policy defense cases and liability and fire subrogation cases. He is recognized as a leading authority on coverage and insurance fraud issues in New Jersey and has been consulted or called to testify regarding a variety of licensing, coverage, and liability issues before the

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Legislature as well as the New Jersey Department of Banking and Insurance.

- Marc Dembling has more than 25 years of experience in litigating insurance coverage and environmental law issues as well as professional malpractice claims. He has argued many insurance coverage cases before the Supreme Court of New Jersey, including the landmark case of *Brill v. Guardian Life Ins. Co.*, wherein the Supreme Court established the standards for the granting of summary judgment in the New Jersey courts.

- William Bloom handles high exposure general liability defense matters, including catastrophic injury and wrongful death, arising in the context of automobile, construction site, and fall-down accidents, as well as public entity liability, with an expertise on contractual indemnification and additional insured issues. He has taken more than 50 jury trials to verdict.

- Fredric Paul Gallin has been representing the insurance industry for more than 20 years in both New York and New Jersey. He concentrates in the defense of complex civil litigation, with specialization in the areas of first- and third- party coverage, environmental law and significant personal injury and property damage cases, as well as the handling of significant subrogation matters.

- John Methfessel Jr. specializes in the defense of liability litigation on behalf of insurance companies and their insureds, as well as third-

party coverage issues. He speaks frequently at conferences and conventions, addressing new laws or changes to existing laws affecting the insurance industry.

- Eric Harrison, one of the firm's two practice managers, supervises the firm's employment and civil rights litigation department and specializes in the defense of civil rights, employment, special education, insurance coverage and general liability litigation. He is a published author on topics including employment practices, insurance coverage, toxic mold litigation and automobile insurance.

- Edward Thornton specializes in catastrophic injury, legal malpractice as well as dental and medical malpractice cases and the defense of lead poisoning and product liability matters. He handles liability defense trials and appeals on behalf of insurance companies.

- Matthew Werbel represents insurance carriers, insureds, and

self-insureds in the investigation and defense of both first- and third-party claims. He handles cases in several areas, including environmental, fraud, first- and third-party coverage, inland marine, liability and subrogation.

- Stephen Katzman is an insurance defense trial attorney specializing in fraud, property damage, subrogation, coverage and negligence actions. He is a member of the firm's first-party/property team.

- John Knodel has tried more than 85 cases to conclusion before juries throughout New Jersey. He handles every type of personal injury claim, including premises liability, automobile negligence, trucking negligence, failure to provide security, products liability, professional negligence, construction litigation, employment discrimination and environmental, as well as the defense of property damage claims, subrogation and coverage-related issues. ■

Methfessel & Werbel by the Numbers

	Firm-wide	N.J. Office
Department Size (attorneys)	47	47
Department Size as Percentage of Firm	100%	100%
Department Revenue as Percentage of Firm	100%	100%