

**UNITED STATES JUDICIAL PANEL**  
**on**  
**MULTIDISTRICT LITIGATION**

**IN RE: FRANCK'S LAB, INC.,  
PRODUCTS LIABILITY LITIGATION**

MDL No. 2454

**TRANSFER ORDER**

**Before the Panel:**\* Pursuant to 28 U.S.C. § 1407, defendants Franck's Lab, Inc., and Franck's Pharmacy, Inc. ("Franck's") move for centralization of this litigation in the Eastern District of Louisiana. This litigation currently consists of 21 actions pending in six districts, as listed on Schedules A and B.<sup>1</sup> The actions listed on Schedule A primarily involve injuries allegedly caused by pharmaceutical products compounded by the Franck's defendants that were contaminated by fungus or other toxins and resulted in rare eye infections, blindness, and other injuries. Plaintiffs in these tort actions support centralization but request the Central District of California as the transferee district. The action listed on Schedule B is a declaratory judgment action by Evanston Insurance Company ("Evanston") concerning whether it has a duty to defend or indemnify Franck's in connection with the tort actions on Schedule A.

All responding defendants except Evanston support centralization.<sup>2</sup> Evanston represents that it is neutral as to the tort actions, but requests that transfer of the declaratory judgment action be denied. At the hearing session, all parties represented that the declaratory judgment action listed on Schedule B has reached an advanced stage, and should be excluded.

On the basis of the papers filed and the hearing session held, we find that the actions listed on Schedule A involve common questions of fact, and that centralization in the Eastern District Louisiana will serve the convenience of the parties and witnesses and promote the just and efficient conduct of this litigation. All actions share factual questions relating to injuries arising from the alleged contamination of pharmaceutical products compounded and distributed by Franck's Lab and Franck's Pharmacy—primarily, Brilliant Blue G, Triamcinalone, and Avastin—which were the subject of recall notices issued from March through May 2012. Centralization will eliminate duplicative discovery; prevent inconsistent pretrial rulings; and conserve the resources of the parties, their counsel and the judiciary.

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\* Judge Sarah S. Vance took no part in the decision of this matter.

<sup>1</sup> The Panel has been notified of two related actions. These and any other related actions are potential tag-along actions. *See* Panel Rules 1.1(h), 7.1 and 7.2.

<sup>2</sup> The responding defendants are Wells Pharmacy Network and The Cincinnati Insurance Company.

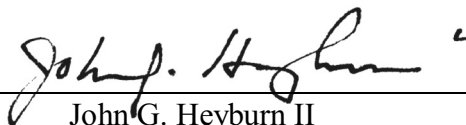
The Panel has reviewed the proceedings in the *Evanston Insurance* declaratory judgment action listed on Schedule B, and determined that it should be excluded in light of the advanced posture of the action. The court recently bifurcated proceedings on the duty to defend and duty to indemnify issues, and dispositive motions on the duty to defend are due this month. All parties are in agreement that, in light of these developments, the action should be excluded, and we agree.

We conclude that the Eastern District of Louisiana is an appropriate transferee district for this litigation. The four actions pending in this district are the most advanced of the tort actions, and this district is more conveniently located to Florida, the locus of events and witnesses. Judge Kurt D. Engelhardt is an experienced transferee judge who we are confident will steer this litigation on a prudent course.

IT IS THEREFORE ORDERED that pursuant to 28 U.S.C. § 1407, the actions listed on Schedule A and pending outside the Eastern District of Louisiana are transferred to the Eastern District of Louisiana and, with the consent of that court, assigned to the Honorable Kurt D. Engelhardt for coordinated or consolidated pretrial proceedings with the actions pending in that district and listed on Schedule A.

IT IS FURTHER ORDERED that transfer of the action listed on Schedule B is denied.

PANEL ON MULTIDISTRICT LITIGATION



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John G. Heyburn II  
Chairman

Kathryn H. Vratil  
Marjorie O. Rendell  
Lewis A. Kaplan

Paul J. Barbadoro  
Charles R. Breyer

**SCHEDULE A**

Central District of California

Cheryl Avakian v. Frank's Lab, Inc., et al., C.A. No. 2:13-01068  
Roy Romero, et al. v. Franck's Lab, Inc., et al., C.A. No. 2:13-01335  
Joseph Cotugno, et al. v. Franck's Compounding Lab, et al., C.A. No. 2:13-01360  
Migdalia Aguilar, et al. v. Franck's Lab, Inc., et al., C.A. No. 2:13-01371  
Levon Jingoian v. Franck's Lab, Inc., et al., C.A. No. 2:13-01468  
Sergio Hambav, et al. v. Franck's Lab, Inc., et al., C.A. No. 2:13-02058  
Ester Gonzalez, et al. v. Franck's Lab, Inc, et al., C.A. No. 2:13-02358  
Ema Arakelian v. Franck's Pharmacy Inc., et al., C.A. No. 2:13-02437  
Natividad Lopez v. Franck's Lab, Inc., et al., C.A. No. 2:13-02445  
Jim Hermanson, et al. v. Franck's Lab, Inc., et al., C.A. No. 5:13-00432

District of Colorado

Randy Brown v. Franck's Lab, Inc., et al., C.A. No. 1:13-00846

Northern District of Indiana

Josephine Bienick v. Franck's Lab, Inc., C.A. No.1:12-00197  
Eldon Wayne McKinley v. Franck's Lab, Inc., C.A. No. 1:13-00060  
Bernice Tharp v. Franck's Lab, Inc., et al., C.A. No. 1:13-00061

Eastern District of Louisiana

Ruth Smith v. Franck's Lab, Inc., et al., C.A. No.2:12-02398  
Michele Laventhal v. Franck's Lab, Inc., et al., C.A. No. 2:12-02608  
James Johnson, Jr. v. Franck's Lab, Inc., et al., C.A. No. 2:12-02738  
Susan Kappelman, et al. v. Wells Pharmacy Network, L.L.C., et al., C.A. No. 2:12-02838

District of Nevada

Howard McMaster v. Franck's Lab, Inc., et al., C.A. No. 3:13-00100  
Brenda Hess v. Franck's Lab, Inc., et al., C.A. No. 3:13-00121

**SCHEDULE B**

Middle District of Florida

Evanston Insurance Company v. Franck's Lab, Inc. et al., C.A. No. 5:12-00603