

MARKETING 

TECHNOLOGY 

COACHING 

A Powerful Insurance Marketing and Sales Platform Built for Agency Growth



Driving Growth through Technology

**INSURANCE  
JOURNAL**

View this article online: <http://www.insurancejournal.com/news/southcentral/2006/05/30/68943.htm>

## Okla. Couple Awarded \$13 Million in Lawsuit Against State Farm

An Oklahoma couple was awarded nearly \$13 million in a class-action lawsuit after a jury ruled that State Farm Fire & Casualty Co. intentionally underpaid claims from families whose homes were damaged by tornadoes seven years ago.

Donald and Bridget Watkins were among 71 policyholders who sued the insurance company.

The Watkins' attorney, Jeff Marr, said the May 25 jury award suggests that the entire class of plaintiffs deserves nearly \$280 million in punitive damages. He filed a motion requesting trial dates for the remaining class members.

In February 2003, a judge certified the class as all policyholders whose structural damage claims after the tornadoes were adjusted or denied by Bloomington, Ill.-based State Farm while using the opinion of Haag Engineering Co.

The lawsuit alleged in July 2001 that the insurance company "engaged in a wrongful scheme to delay, deny or underpay claims ... by repeatedly and unilaterally engaging the services of Haag Engineering Co. to inspect brick and other structural damage to policyholders' homes."

State Farm knew that Haag was "predetermined" to dispute losses claimed by policyholders, the lawsuit argued.

State Farm spokesman Phil Supple said that the company "fairly and properly" handled the claims of its Oklahoma policyholders. An appeal is planned, he said.

"We are disappointed that we were not allowed to present evidence in this case that would have shown that we helped our policyholders settle their damage claims in a timely manner, by paying what we owed based on the customers' insurance policy," Supple said.

Haag spokesman David Margulies that the allegations against the company are unfounded and that the firm "has a long history of providing unbiased information."

After five weeks of testimony, a jury in Grady County, Okla., awarded the Watkinses \$9.9 million in punitive damages and \$3 million in actual damages.

The verdict could have ramifications for hundreds of Gulf Coast policyholders who have sued State Farm over claims on homes damaged by Hurricane Katrina, Marr said.

But Supple disagreed, saying tornado damage in Oklahoma in 1999 is a different situation from wind and flood damage caused by a hurricane in 2005.

Copyright 2014 Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

**More from Insurance Journal**

[Today's Insurance Headlines](#) | [Most Popular](#) | [Texas / South Central News](#)