From Litigation Trends to Mitigation Strategies Examining the Impact of PFAS on Your Business

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Overview of Today's Discussion

- PFAS Background
- Litigation Trends
- Mitigating PFAS Risks



PFAS Background



What Are PFAS?

"PFAS" is an acronym for per- and polyfluoroalkyl substances. They are man-made chemicals characterized by a carbon-fluorine bond.

PFAS have been used for decades to improve the performance, longevity, and durability of products because of their remarkable resistance to heat, oil, water, corrosion, and degradation.

1948

DuPont makes PTFE

commercially

available as "Teflon"

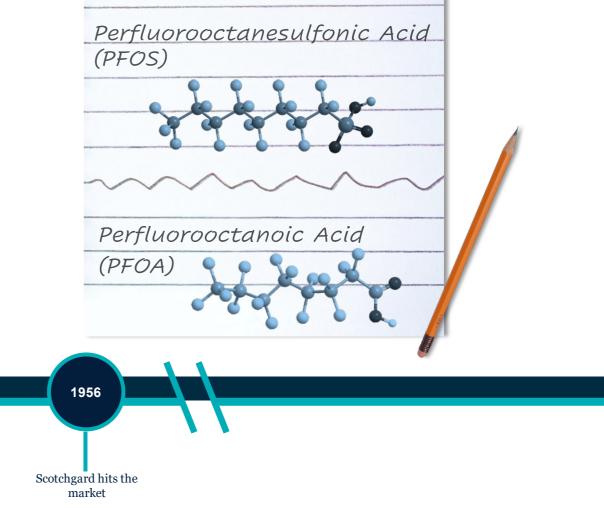
Early

1950s

PFOA and PFOS

manufacturing begins

Two of the most widely used and studied PFAS:



VENABLE LLP

The carbon-fluorine bond is one of the strongest single bonds in chemistry

1938

DuPont scientist

discovers PTFE



Where Might PFAS Be Found in Our Homes?



Source: *Time* magazine

VENABLE LLP

There aren't many places in your home that are PFAS-free. Lon Tweeten for TIME; Getty Images

BY JEFFREY KLUGER 💥 MAY 19, 2023 3:36 PM EDT

Why Are PFAS Under Increased Scrutiny?

The properties that make PFAS so desirable have also led to concerns about their potential impact on the environment, persisting for years in soil and water.

Nearly all people in the United States have measurable amounts of PFAS in their blood.

PFOA and PFOS have been replaced with "shorter chain" PFAS, but those newer PFAS are also under scrutiny

Persistence in the environment has earned PFAS the moniker: "FOREVER CHEMICALS" Late 2000 2006 1990s 2010/2015 PFOA PFOS and PFOA identified Voluntary phaseout in blood samples from the Stewardship Program of PFOS U.S. population launches



Litigation Trends



Understanding the Scope of PFAS Liability



Uses It

Buys It



• • •

Touches It



PFAS Manufacturers Product Manufacturers Product Users Product Sellers Product Importers Landowners (Current and Former) Waste Disposal Companies Passive Receivers





PFAS in the News

The New York Times

Lawyers to Plastics Makers: Prepare for 'Astronomical' PFAS Lawsuits

At an industry presentation about dangerous "forever chemicals," lawyers predicted a wave of lawsuits that could dwarf asbestos litigation, audio from the event revealed.



PFAS in the News



PFAS in Drinking Water: Fabrics Manufacturer Among the Latest Hit With Toxic Tort Suit

C LAW360° BIC Hit With Class Action Over PFAS-Containing Razors

Costco sold baby wipes containing high levels of PFAS, lawsuit claims



Samsung Misled Consumers with PFAS in Smartwatches, Suit Alleges



Cause and Effect: from "Study" to Lawsuit

April 4, 2024:

Using bandages for wound care? Study finds cancer-causing forever chemicals in Band-Aids

Bandages from popular brands like Band-Aid and CVS Health were found to contain dangerous levels of forever chemical 'organic fluorine' linked to negative health effects. Some bandages had detectable levels of organic fluorine, prompting calls for the removal of PFAS from wound care products.

Edited By Alka Jain

Published • 4 Apr 2024, 09:02 AM IST

A new study revealed that <u>bandages</u> from some reputable brands including Band-Aid and CVS Health contain dangerous levels of forever chemical 'organic fluorine' — a strong indicator that consists of per- and polyfluoroalkyl substances and also known as PFAS.

These substances have been linked to many negative health effects, such as decreased immune system performance and vaccine response, infant and child learning and developmental issues, certain cancers, decreased fertility, endocrine disruption, and other effects.

Linda S. Birnbaum, scientist emeritus and former director of the National Institute of Environmental Health Sciences said it is concerning to learn that bandages applied to open wounds could potentially expose adults and children to <u>PFAS</u>.

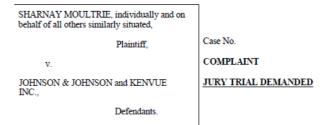
mint



April 10, 2024:

Case 2:24-cv-04757 Document 1 Filed 04/10/24 Page 1 of 34 PageID: 1

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY



26. To enable consumers to avoid the harms associated with PFAS chemicals, Mamavation has commissioned consumer studies on numerous beauty and personal care products, foods and beverages, supplements, menstrual products, clothing, food packaging and parchment paper, baby and children products, electronic equipment, and cleaning and laundry products.

27. Because of known toxicity associated with PFAS, Mamavation commissioned scientific studies on indications of PFAS in bandages, to analyze popular bandages marketed to consumers.

Key Drivers in Litigation Looking Forward

- State-driven identification of contaminated drinking water
- State legislation eliminating or limiting PFAS in consumer products
- Evolution of science on medical causation
- Evolution of testing capabilities
- Further research on exposure pathways (e.g., living near manufacturing plants, athletes playing on turf, food packaging)
- Bankruptcy
- Insurance Coverage



Key Drivers in Litigation Looking Forward

- Product Identification
 - Multiple potential exposure sources
 - Lack of product records
- Theories of Medical Causation
- Statute of Limitations
- Court interpretations of injury and reasonable consumer test in marketing claims
- Sovereign Immunity (military bases or public airports)
- Government Contractor Defense
- Federal Preemption



Dollars and Cents

Extent of Potential Liabilities



Natural Resource Damages





Bio and Medical Monitoring

Personal Injury



Past Remediation Costs





Dollars and Cents

Settlements

AFFF use from early 1960s to 2017; \$15M (property damage) and \$2.5M (personal injury)

PFAS Manufacturers have paid **billions** to settle public water supply contamination claims

\$400M **PFAS User Contamination**)

\$316.5M-\$12.5B

PFAS Manufacturers (AFFF MDL - public water system claims)

Estimated total cost to remediate drinking water systems for U.S. water districts:

\$120 to \$175 billion

https://www.milliman.com/en/insigh t/pfas-liability-estimate-waterdistrict-remediation

\$17.5M

PFAS Manufacturer (AFFF MDL – single class action and PI suits)

ENABLE

\$69.5M **PFAS User** (Public Water **Supply Connection**) (NRD and Groundwater

Settlements are only a fraction of total estimated cost to remove PFAS

from public water

supplies



Mitigating PFAS Risks





Six Areas of Focus



> Insurance Indemnification Agreements Acquisition and Sale Agreements (Land and Business)

Site Investigations Environmental Releases and Discharges Environmental Remediation Waste Disposal

Alternative Chemistries Toxicology and Epidemiology Studies Product Testing



Training Occupational Health and Safety



Warnings and Labeling Advertising Supply Chain Certifications



Compliance

- Stay up to date!
 - Laws are changing rapidly Imperative that companies monitor applicable regulatory developments to understand compliance obligations, applicable expectations, and potential penalties
 - Heightened for those companies doing business in numerous states, particularly where state regulations differ

Lobbying

• Educating regulators about particular PFAS that are of critical importance to the health and well-being of the population, the economy, and/or the security of the U.S.



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Insurance

- Assessment of historical coverage for potential PFAS claims
- Negotiate future coverage for potential PFAS claims

Acquisition and Sale Agreements

- Acquisition and sale of *businesses* with potential PFAS liabilities
- Acquisition and sale of *land* with potential PFAS contamination



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Site Investigations

- Evaluate current and historical site operations
 - manufacturing processes
 - AFFF presence/use
 - Groundwater (e.g., process water) use

Environmental Releases and Discharges

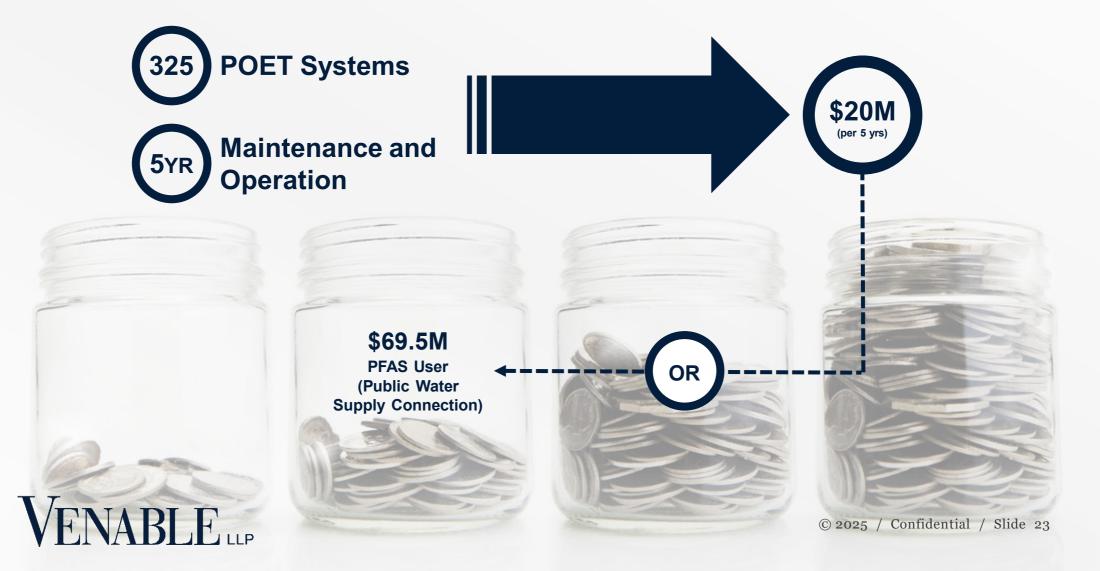
• If PFAS/AFFF used, evaluate source and scope of releases/discharges to the environment

Waste Disposal

- Proper management and disposal of PFAScontaminated media is important
 - But so is clearly defining who is assuming potential future liabilities associated with the disposal

Environmental Remediation

Potential POET System Cost



Environmental Remediation

Potential On-Site Remediation Costs





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Alternative Chemistries

- Environmental Risk vs. Product Risk
 - Toxicology and Epidemiology Studies and Product Testing may not warrant Alternative Chemistries
 - Polymer vs. Non-Polymer PFAS
 - Manufacturing process might alter the analysis



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Training

- From Procurement to PPE (Top-Down Training)
 - Ensure all relevant members of organizational hierarchy, from managers to employees, understand how PFAS impacts their jobs
 - Tailor training by relevant business units, groups, tasks, etc.

Occupational Health And Safety

- Review current EH&S policies and SOPs to ensure continued applicability to emerging contaminants such as PFAS
- Conduct an occupational exposure assessment to identify, evaluate, control, and potentially eliminate PFAS exposures
 - Procurement to PPE...



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Warnings and Labeling Advertising Supply Chain Certifications



Warnings and Labeling

• Address presence/confirm absence of PFAS

Advertising

- False claims/consumer fraud lawsuits are on the rise, with plaintiffs asserting that products contain PFAS notwithstanding claims to the contrary
 - Avoid unqualified claims, such as "clean" and "all natural"
 - Explicitly list what products are "free from"

Supply Chain Certifications

- Investigate and obtain certifications
- Evaluate non-PFAS alternatives
- Develop phaseout timeline and implementation plan



CLE Code



Venable Webinar Series: PFAS Insights

Sign up for Venable PFAS Alerts: https://www.connect.venable.com/49/4351/landin g-pages/pfas-subscription-form.asp **Upcoming Webinars in the Series:**

"PFAS" (Un)Defined: Deconstructing How PFAS Is Defined and the Impact of Broad Definitions on Your Business
Thursday, June 26, 2025 | 1:00 – 2:00 p.m. ET





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