

[Pollution Exclusions Bar Coverage For Environmental Contamination Suit](#)

Mealey's(R) Litigation Report: Insurance

August 18, 2021

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Cite: 35-39 Mealey's Litig. Rep. Ins. 1 (2021)

Section: Volume 35, Issue #39

Length: 521 words

Dateline: KANSAS CITY, Mo.

Body

A Missouri judge on Aug. 11 granted summary judgment in favor of a number of insurers after determining that under the applicable Missouri law, the policies' pollution exclusions bar coverage for an underlying environmental contamination lawsuit filed against an insured (The Travelers Indemnity Company of America, et al. v. Universal Manufacturing Co., et al., No. 1916-CV01196, Mo. Cir., Jackson Co.).

(Opinion in Section A 03-210818-006Z)

The Travelers Indemnity Company of America filed suit in the Jackson County Circuit Court against Universal Manufacturing Co., 1500 5th Street Partners LLC (5th Street), Fireman's Fund Insurance Co., Great Northern Insurance Co. and Hartford Accident and Indemnity Co., seeking a declaration that no coverage is owed for an underlying environmental contamination lawsuit.

Environmental Contamination

The underlying suit was filed by 5th Street against Universal and alleges that Universal is responsible for environmental contamination discovered at a site in Muncie, Ind., where Universal operated a manufacturing business from 1979 to 2003.

Universal sought coverage from its insurers. Travelers filed the instant suit against Universal, 5th Street and the other insurers, seeking a declaration that no coverage is owed.

Travelers and the defendant insurers filed motions for summary judgment, arguing that Missouri law applies to the policies and that the pollution exclusions in their policies bar coverage for the underlying suit filed against Universal. Universal cross-moved for partial summary judgment, asserting that Indiana law should be applied to all of the insurers' policies.

Judge S. Margene Burnett first determined that Missouri law applies to all the insurance policies at issue because all of the policies were issued in Missouri and Universal's principal place of business was in Missouri.

Pollution Exclusions

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Next, the judge determined that the insurers are entitled to summary judgment on the applicability of the pollution exclusions, noting that "neither Universal nor 5th Street Partners have opposed the Insurers' request for summary judgment based on the pollution exclusions in any of the policies at issue if Missouri law is found to apply."

"Accordingly, this Court grants each of the Insurer's motions for summary judgment in their favor, based upon the pollution exclusions in their policies. This Court, likewise, denies each of Universal's motions for partial summary judgment against the Insurers," the judge concluded.

Counsel

Universal is represented by Carrie Marie Raver of Barnes & Thornburg LLP in Fort Wayne, Ind.

Representing 5th Street are David L. Guevara and James R. A. Dawson of Taft Stettinius & Hollister LLP in Indianapolis.

Travelers is represented by Kenneth C. Nawa of Plunkett & Cooney in Bloomfield Hills, Mich.

Fireman's Fund is represented by William C. Joern of Hinkhouse Williams Walsh LLP in Chicago.

Great Northern is represented by Michael J. Baughman of Cohn Baughman & Serlin in Chicago.

Hartford is represented by Gerald E. Ziebell of Karbal Cohen in Chicago.

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Load Date: August 18, 2021