

Update on State Farm v Pyorre-Wier

The filing of briefs in the Sonoma case for State Farm v Pyorre-Wier has been continued until July 24 for the opening brief and Aug 14 for the responding brief. My understanding is the judge will have 90 days to make a finding after the responding brief is filed, whenever that is.

The Trial Date for the Mendocino trial start was changed to Oct 27 and will probably be delayed again due to the delay in the Sonoma case. The Sonoma Case needs to go first because it is over the issue of whether or not State Farm is responsible for paying our defense costs. State Farm had been paying the defense costs but then quit citing a recent case "Hamied" as reason it was no longer necessary for them to continue paying and ignoring the fact that "Hamied" was not similar to our situation. State Farm also cites their reason for being able to withdraw from our defense is because they filed a reservation of rights when first accepting the claim for our defense costs. However State Farm's reservation of rights reserved the dates of March 1, 1987 through Feb 28, 1999 (144 months) but then paid the claim under the date of Oct 26, 1999 (8 months outside the reserved dates). In addition to all of the above State Farm told the court it was paying the defense costs under "advertising liability" but yet no drafts were made payable under that category. Most of the payments were made under the category of "bodily injury" and some under "property damage". Once this was pointed out to State Farm's attorneys they claimed they have no category for "advertising liability" and that is why they paid as they did.

If the judge in the Sonoma Case rules in our favor then there will be a jury trial set on the bad faith committed by State Farm. The case was bifurcated so the bench trial by the judge is to make a finding if State Farm had a duty to defend. Once the Sonoma Case is settled the Mendocino Case will then deal with the issue of whether State Farm's trade secret claims are valid. Rich Pyorre