## UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA

#### CALVIN HOWARD, ET AL.

#### **CIVIL ACTION**

#### VERSUS

### OFFSHORE LIFTBOATS, LLC, ET AL.

NO. 13-4811 c/w 13-6407 and 14-1188

## **SECTION "E" (5)**

### **ORDER AND REASONS**

Before the Court are two motions to dismiss filed pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure.<sup>1</sup> Both motions were filed by "the K&K Defendants."<sup>2</sup> The first motion to dismiss is with respect to Plaintiff Calvin Howard's claims for punitive damages against the K&K Defendants,<sup>3</sup> and the second motion to dismiss is with respect to Plaintiff Raymond Howard's claims for punitive damages against the K&K Defendants.<sup>4</sup> Both Plaintiffs have filed oppositions to the respective motions.<sup>5</sup> The K&K Defendants then filed a reply memorandum in further support of the motions to dismiss.<sup>6</sup>

The Court has considered the briefs, the record, and the applicable law, and now issues its ruling. For the reasons stated herein, the motions to dismiss are **GRANTED**.

#### **BACKGROUND**

This is a maritime personal injury case. It is undisputed that, on May 16, 2013, Plaintiffs Raymond Howard ("Raymond") and Calvin Howard ("Calvin") were injured during a personnel-basket transfer from the M/V Contender to the deck of the L/B Janie.<sup>7</sup>

<sup>&</sup>lt;sup>1</sup> R. Docs. 341, 343.

<sup>&</sup>lt;sup>2</sup> The motions were filed by K&K Offshore, LLC, and its many insurers—P&M Marine, LLC; Atlantic Specialty Insurance Company; Markel American Insurance Company; ProCentury Insurance Company; Navigators Insurance Company; United States Fire Insurance Company; Lloyds Underwriters; and Torus Insurance Company (UK), Limited. They are referred to herein, collectively, as "the K&K Defendants." <sup>3</sup> R. Doc. 341.

<sup>&</sup>lt;sup>4</sup> R. Doc. 343.

<sup>&</sup>lt;sup>5</sup> R. Doc. 357 (Raymond Howard); R. Doc. 376 (Calvin Howard).

<sup>&</sup>lt;sup>6</sup> R. Doc. 406.

<sup>&</sup>lt;sup>7</sup> See R. Doc. 321; R. Doc. 357 at 1–2; R. Doc. 376 at 1–2.

At the time of the accident, both Raymond and Calvin were employed by Offshore Liftboats, LLC, ("OLB"), the owner and/or operator of the L/B Janie.<sup>8</sup> The M/V Contender was owned and/or operated by K&K Offshore, LLC.<sup>9</sup> As a result of the accident, both Raymond and Calvin filed suit against OLB—their Jones Act employer—alleging, *inter alia*, negligence under the Jones Act and seeking punitive damages. Raymond and Calvin also sued K&K Offshore, a non-employer third party, under the General Maritime Law for negligence and unseaworthiness, as well as for punitive damages.

On October 30, 2015, the K&K Defendants filed the present motions to dismiss under Rule 12(b)(6) of the Federal Rules of Civil Procedure.<sup>10</sup> The motions seek the dismissal of Raymond Howard's and Calvin Howard's punitive damages claims against the K&K Defendants. It is these motions that are presently before the Court.

#### **LEGAL STANDARD**

Federal Rule of Civil Procedure 12(b)(6) provides for the dismissal of a claim if the claimant fails to set forth factual allegations in support of the claim that would entitle the claimant to relief.<sup>11</sup> Those "'[f]actual allegations must be enough to raise a right to relief above the speculative level.'"<sup>12</sup> "To survive a motion to dismiss, a complaint must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'"<sup>13</sup> "A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged."<sup>14</sup> In considering a motion to dismiss, the Court must accept all well-

<sup>&</sup>lt;sup>8</sup> R. Doc. 357 at 1–2; R. Doc. 376 at 1–2. See also R. Doc. 321.

<sup>&</sup>lt;sup>9</sup> R. Doc. 357 at 1–2; R. Doc. 376 at 1–2. See also R. Doc. 321.

<sup>&</sup>lt;sup>10</sup> R. Docs. 341, 343.

<sup>&</sup>lt;sup>11</sup> See Bell Atl. Corp. v. Twombly, 550 U.S. 544, 555 (2007); see also Cuvillier v. Taylor, 503 F.3d 397, 401 (5th Cir. 2007).

<sup>&</sup>lt;sup>12</sup> Gonzalez v. Kay, 577 F.3d 600, 603 (5th Cir.2009) (quoting Twombly, 550 U.S. at 555).

<sup>&</sup>lt;sup>13</sup> Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009) (quoting *Twombly*, 550 U.S. at 570).

<sup>&</sup>lt;sup>14</sup> Id.

pleaded facts as true and draw all reasonable inferences in favor of the non-moving party.<sup>15</sup> The Court need not, however, accept as true legal conclusions couched as factual allegations.<sup>16</sup> "[O]nly a complaint that states a plausible claim for relief survives a motion to dismiss."<sup>17</sup>

#### **DISCUSSION**

The K&K Defendants contend that controlling Fifth Circuit precedent, namely *McBride v. Estis Well Services, LLC*,<sup>18</sup> "has expressly precluded awards for punitive damages related to claims arising under the Jones Act and General Maritime Law."<sup>19</sup> In *McBride*, the Fifth Circuit cited to and relied on the Supreme Court's 1990 decision in *Miles v. Apex Marine Corp.*, which held that "the Jones Act limits a seaman's recovery to pecuniary losses where liability is predicated on the Jones Act or unseaworthiness. Because punitive damages are non-pecuniary losses, punitive damages may not be recovered."<sup>20</sup>

In response, Raymond and Calvin rely heavily on a recent decision of this district, *Collins v. A.B.C. Marine Towing, L.L.C*,<sup>21</sup> which concluded that punitive damages *are* available under General Maritime Law against a non-employer third party.<sup>22</sup> In *Collins,* the court declined to follow the Fifth Circuit's decision in *Scarborough v. Clemco Industries,* which held, in line with *Miles* and *McBride,* that a seaman may not recover punitive damages against either his employer or a non-employer.<sup>23</sup> *Collins* noted that,

<sup>&</sup>lt;sup>15</sup> Lormand v. U.S. Unwired, Inc., 565 F.3d 228, 232 (5th Cir. 2009).

<sup>&</sup>lt;sup>16</sup> Iqbal, 556 U.S. at 678.

<sup>17</sup> Id. at 679.

<sup>&</sup>lt;sup>18</sup> 768 F.3d 382 (5th Cir. 2014) (en banc).

<sup>&</sup>lt;sup>19</sup> R. Doc. 341 at 1–2; R. Doc. 343 at 1–2.

<sup>&</sup>lt;sup>20</sup> McBride, 768 F.3d at 383 (citing Miles v. Apex Marine Corp., 498 U.S. 19 (1990)).

<sup>&</sup>lt;sup>21</sup> See R. Docs. 357 at 4–5; R. Doc. 376 at 4–6. Both Raymond and Howard base their oppositions, in large part, on the *Collins* decision and its reasoning. For the *Collins* decision, see *Collins v. A.B.C. Marine Towing, L.L.C.*, No. 14-1900, 2015 WL 5254710 (E.D. La. Sept. 9, 2015).

<sup>&</sup>lt;sup>22</sup> Collins, 2015 WL 5254710, at \*5-6.

<sup>&</sup>lt;sup>23</sup> Scarborough v. Clemco Indus., 391 F.3d 660, 668 (5th Cir. 2004).

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since the *Scarborough* decision in 2004, the Supreme Court has held—in *Atlantic Sounding Co. v. Townsend*—that a seaman can recover punitive damages for an employer's arbitrary withholding of maintenance and cure.<sup>24</sup> Thus, the *Collins* court concluded that the Supreme Court effectively "call[ed] into question the legal reasoning and conclusions espoused in *Scarborough*" and that, consequently, *Scarborough* had been implicitly overruled.<sup>25</sup> As a result, the *Collins* court found, in the context of a seaman's claims against a non-employer third party where the Jones Act is not implicated, the seaman can recover punitive damages.<sup>26</sup>

However, as even *Collins* recognizes, the *Townsend* decision is specific to the maintenance-and-cure context and does not address whether punitive damages are available for claims of unseaworthiness.<sup>27</sup> In fact, the *Townsend* Court took pains to distinguish maintenance and cure, for which it concluded punitive damages are available, from a seaman's remedies for negligence and unseaworthiness, for which punitive damages are generally not available under *Miles, Scarborough*, and *McBride*.<sup>28</sup> As other courts in this district have recognized, although *Townsend* may give hope to seamen wishing to obtain punitive damages for unseaworthiness claims against their employers and non-employers, "this Court cannot assume the Fifth Circuit has changed its position on personal injury claims falling outside the scope of *Townsend*."<sup>29</sup> Further, the Court

<sup>&</sup>lt;sup>24</sup> See Atlantic Sounding Co. v. Townsend, 557 U.S. 404, 424–25 (2009); see also Collins, 2015 WL 5254710, at \*3–4.

<sup>&</sup>lt;sup>25</sup> Collins, 2015 WL 5254710, at \*5.

<sup>&</sup>lt;sup>26</sup> Id. at \*5–6.

<sup>&</sup>lt;sup>27</sup> Id. at \*3. See also Townsend, 557 U.S. at 419–21.

<sup>&</sup>lt;sup>28</sup> *Townsend*, 557 U.S. at 407. Moreover, *Townsend* also does not reach the issue specific to the present motions, *i.e.*, whether punitive damages are available against a non-employer third party, such as K&K Offshore.

<sup>&</sup>lt;sup>29</sup> Bloodsaw v. Diamond Offshore Mgmt. Co., No. 10-4163, 2013 WL 5339207, at \*1 (E.D. La. Aug. 19, 2013). See also In re International Marine, No. 12-358, 2013 WL 3293677, at \*9 (E.D. La. June 28, 2013); O'Quain v. Shell Offshore, Inc., No. 2:12-cv-01693, 2013 WL 149467, at \*4 (E.D. La. Jan. 14, 2013); In re Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, on April 20, 2010, MDL No. 2179, 2011 WL

notes that the Fifth Circuit's decision in *Scarborough*, which held that a seaman may not recover punitive damages against either his employer or a non-employer, is binding on this Court and has never been overruled. As a result, the Court finds that the punitive damages claims of Plaintiffs Raymond Howard and Calvin Howard against K&K Offshore are not plausible claims for relief in light of binding Fifth Circuit precedent.

# **CONCLUSION**

**IT IS ORDERED** that the motions to dismiss filed by the K&K Defendants, with respect to the punitive damages claims of Plaintiffs Raymond Howard and Calvin Howard, <sup>30</sup> are hereby **GRANTED**.

New Orleans, Louisiana, this 19th day of November, 2015.

SUSIE MOR **UNITED STATES DIST RICT JUDGE** 

<sup>4575696,</sup> at \*11 (E.D. La. Sept. 30, 2011); *Wilson v. Noble Drilling Corp.*, No. 08-4940, 2009 WL 9139586, at \*2–3 (E.D. La. Aug. 12, 2009). <sup>30</sup> R. Docs. 341, 343.