



California Product Liability Law Alert

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COMPONENT PARTS DOCTRINE REAFFIRMED

Following the component parts doctrine employed in the case of Taylor v. Elliot Tubomachinery Co., Inc. (2009) 171 Cal.App.4th 564 (rev. denied), the appellate court in Walton v. The William Powell Co. __ Cal.App.4th __ (2010 DJDAR 5987), vacated a judgment in excess of \$5.6M in favor of the plaintiffs and ordered the trial court to enter judgment for defendant.

Edward Walton claimed he contracted lung cancer as a consequence of his exposures to asbestos while serving in the Navy between 1946 and 1968 and as a result of his post naval employment as a painting contractor. Walton claimed that defendant The William Powell Company, a valve manufacturer, was in part responsible for his illness. The appellate court concluded that Walton failed to produce evidence that Powell supplied any asbestos products incorporated into any of the Powell valves Walton repaired or maintained. Absent such evidence, neither strict liability nor negligence could attach because Powell did not introduce an injury producing product into the stream of commerce.

Despite the failure of his proof, Walton sought to impose liability arguing that as a component manufacturer, Powell remained obligated to protect against the harm suffered. Relying on the component parts doctrine (Restatement 3d of Torts, Section 5: Products Liability) the court affirmed a duty to warn did not attach simply because Powell's metal valves were used in combination with the asbestos laden products to which plaintiff was exposed. Citing Taylor v. Elliot Tubomachinery, the court held the employment of a nondefective component in an injury causing system is not, by itself, sufficient to trigger a duty to warn; this obligation arising only if the component manufacturer participated in the integration of the component into the design of the system.

The court also rejected Walton's claim that liability existed because the valves were defective due to the fact they were designed for use in concert with asbestos gaskets, packing and insulation. Again turning to the component parts doctrine the court stated: generally, the doctrine applies to items such as "raw materials, valves, [and] switches, [which] have no functional capabilities unless integrated into other products." (Rest. 3d Torts, Products Liability, §5, com. a, pp. 130-131.) As explained in the Restatement Third of Torts, Products Liability, the doctrine encompasses such items – provided that they are nondefective in themselves – because "[i]mposing liability would require the component seller to scrutinize another's product which the component seller has no role in developing. This would require the component seller to develop sufficient sophistication to review the decisions of the business entity that is already charged with responsibility for the integrated product." (Rest.3d Torts, Products Liability, §5, com. a, p. 131.).

This rationale highlights the key construct of the doctrine, that a component part has no utility until it is integrated into the final product. Imposing liability because a part in the design may be used in conjunction with an injury producing material would in effect make each component supplier the designer/manufacture of the ultimate product. Such conclusion creates absolute liability and ignores the policy considerations substantiating product liability. As the Walton court advises: "To impose liability on Powell for the hazards associated with asbestos would have obliged it to scrutinize the development of several products – the gaskets, packing, and insulation made by others, and the Navy's shipboard systems – over which it has no control. This would have required Powell to acquire 'sufficient sophistication to review the decisions of the ... entit[ies]' directly responsible for the products in question." (Rest.3d Torts, Products Liability, §5, com. a, p. 131; see also Cadlo v. Owens-Illinois, Inc. (2004) 125 Cal.App.4th 513 at pp. 523-524 [former asbestos insulation manufacturer is not liable for injuries arising from exposure to asbestos insulation it neither designed nor marketed].)

This Alert also serves to remind that the components parts doctrine is being considered by the California Supreme Court which has granted review of the conflicting decisions reached in O'Neil v. Crane (2009) 177 Cal. App. 4th 1019 and Merrill v. Leslie Controls (2009) 179 Cal. App. 4th 262. The former held the subject doctrine did not apply; the latter ruling otherwise. Meanwhile, both Taylor and Walton remain viable law, as the California Supreme Court last year denied review of and a request to depublish Taylor.

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