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TOP BOUTIQUES 2023



FROM LEFT: Partners Sean A. Andrade, Henry H. Gonzalez, Eric D. Mason, and Stephen V. Masterson

Andrade Gonzalez LLP

LOS ANGELES • INSURANCE BAD FAITH

A decade ago, Sean A. Andrade and Henry H. Gonzalez saw a need for a sophisticated, creative firm that could focus on insurance coverage disputes and recovery actions for clients seeking payouts from their insurers. Andrade Gonzalez LLP has since grown to 12 lawyers and has established a successful record of navigating the intricate landscape of insurance litigation.

The founding partners have big law experience. Andrade, formerly an associate at Baker Hostetler LLP, and Gonzalez, formerly an associate at Munger, Tolles & Olson LLP, specialize in work that is rarely mentioned in news stories. Behind the scenes, they obtain millions of dollars in withheld insurance funds after their clients have litigated cases involving wrongful death, catastrophic injuries, sexual abuse, employment class actions, wrongful termination, public entity and administrative law and writs and appeals.

"The insurers send their 5,700-page denial letters, explaining how the fine print in their overly complicated contract with numerous exclusions justifies their standard refusal to pay," said Andrade, the firm's managing partner, noting with a touch of hyperbole how many of Andrade Gonzalez's cases begin. "We get to work — but we're careful about what we say publicly because the underlying cases are often extremely sensitive,

and increased attention makes it more difficult for all involved."

Early on, the firm forged a significant partnership as lead coverage counsel with a major client, the Los Angeles Unified School District, that helped shape its reputation. The ongoing assignment involves highly publicized sexual abuse litigation involving more than 270 former students of a Miramonte Elementary School teacher; to date, the underlying cases have resulted in nearly \$200 million in settlements and defense costs of about \$20 million. *LAUSD v. Ace Property Casualty Insurance Co. et al.*, BC59-3234 (L.A. Super. Ct., filed Sept. 2, 2015).

In a more recently filed matter, the firm was retained to represent the City of Santa Monica in a massive \$200 million insurance coverage dispute with numerous underwriters over sums allegedly owed for claims of sexual abuse by more than 250 plaintiffs. The cases arose from participants in a Police Activities League program dating back decades who alleged they were harmed by city employee Eric Uller. *City of Santa Monica v. Insurance Co. of the State of Pennsylvania et al.*, 30-2022-01261243-CU-IC-CJC (Orange Co. Super. Ct., filed May 23, 2022).

Gonzalez noted that California, in 2020, opened a three-year revival period for statutes of limitations that impacts historical

policies. In many of these cases, that is key, Andrade said. "We could look back at policy language from the 1970s that triggered coverage from the companies that previously denied coverage," he said. "We often handle both liability and coverage for many clients," Gonzalez added.

Andrade said the firm's extensive experience allows it to deal with complex efforts by insurance company defendants to avoid paying for losses. "They try to pile up self-insured retentions" — a form of deductible — "by counting each claimant separately, for instance," he explained. "But we've been around long enough to counter those defenses."

In an appellate matter, the firm asked the 9th U.S. Circuit Court of Appeals to reverse a trial court's dismissal of their claim for national billboard advertising companies over an insurer's alleged bad faith denial of coverage for a complex business dispute. The circuit case is briefed and awaiting oral argument. *National Promotions and Advertising Inc. et al. v. National Surety Corp.*, 22-56046 (9th Cir., filed Nov. 10, 2022). "We enjoy being practitioners in this area," Gonzalez said with Andrade adding, "Every day is an exciting and humbling experience."

— John Roemer