

REUTERS LEGAL
Copyright (c) 2020 Thomson Reuters

July 6, 2020

Mass tort TV advertising jumps amid coronavirus pandemic

Nate Raymond

(Reuters) - Television advertising by law firms seeking clients for lawsuits against the makers of drugs and consumer products has escalated in 2020, as prices for ads dropped amid the coronavirus pandemic, according to an attorney ad tracking firm.

Lawyers and referral services have from January to May spent \$67 million on mass tort TV advertising, up 6.6% from the same time last year, when law firms aired fewer spots that cost more money, according to data analyzed by X Ante.

Rustin Silverstein, the firm's president and founder, said the COVID-19 pandemic may have played a role in those trends, as state-ordered lockdowns aimed at slowing the virus' spread may have caused a pullback in advertising from other industries.

Those include movie studios, restaurants and retailers that are typically big advertisers. Their business troubles may explain the cheaper ad rates that law firms have enjoyed while increasing their ad buys, Silverstein said.

Orisana Senatore, senior vice president for research at the U.S. Chamber of Commerce's Institute for Litigation Reform, said the business group also has seen a surge in ads, including those advising consumers they might have claims related to COVID-19.

"People have largely been at home, especially beginning at pandemic, and probably watching more TV than ever before," she said. "So it probably makes sense that plaintiff lawyers would want to capitalize on that."

Brand name and generic versions of Sanofi AG's heartburn drug Zantac rank No. 1 for mass tort ad spending so far this year, with \$22.8 million spent on 31,819 spots, according to X Ante, citing data from ad tracking firm Kantar CMAG.

In May alone, ads costing \$9.1 million were aired concerning Zantac and ranitidine, as it is generically known. The drugs since 2019 have become the subject of lawsuits alleging they contain a known carcinogen and can cause cancer.

Coming in at No. 2 for spending with \$15.8 million for the year and \$4.13 million in May are spots concerning talcum powder, such as Johnson & Johnson's Baby Powder, which thousands of lawsuits claim can cause cancer. J&J denies the allegations.

Zantac and talc in May overtook Bayer AG's Roundup, which for the year still ranks first by total number of ads.

Bayer on June 24 agreed to pay as much as \$9.6 billion to settle about 94,000 lawsuits alleging Roundup and its active ingredient glyphosate cause cancer and another \$1.25 billion to support an agreement to address potential future claims.

Bayer denies the allegations.

The top sponsors of ads in May by dollars were the marketing company Knightline Legal, followed by Goldwater Law Firm in Phoenix, Arizona; Prime Clerk LLC; Davis & Crump in Gulfport, Mississippi; and Ferrer, Poirot & Wansbrough in Dallas, Texas.

Those firms did not respond to requests for comment.

Prime Clerk serves as the court-appointed claims and noticing agent for OxyContin maker Purdue Pharma LP, which filed for bankruptcy last year amid thousands of lawsuits alleging it fueled the U.S. opioid crisis.

Purdue has undertaken a \$23.8 million advertising campaign featuring "Chicago Hope" actor Héctor Elizondo to advertise a July 30 deadline for people who believe they were harmed by opioid manufacturer to file claims against it.

To keep up-dated on the latest news and information regarding the COVID-19 pandemic, the economic impact, and the government's response, at Thomson Reuters' COVID-19 Resource Center, and you can follow Reuters.com or the Reuters App.

© 2020 Thomson Reuters. No claim to original U.S. Government Works.