

Coverage Team Obtains Summary Judgment in Faulty Workmanship Case

5.2.17

The White and Williams Insurance Coverage team won another case for its client, successfully obtaining a summary judgment ruling from Judge Stengel of the U.S. District Court for the Eastern District of Pennsylvania, holding that Selective Insurance Company of America (Selective) had no duty to defend a faulty workmanship case. Selective had denied coverage and its insured, a building veneer contractor, filed suit against Selective for breach of contract. The insured contractor argued that Selective had a duty to defend and indemnify it against underlying construction defect claims arising out of the contractor's provision of materials and labor related to the installation of stone veneer at a condominium project. Citing the *Indalex* decision (known to insureds and insurers in Pennsylvania construction defect circles), the insured argued that it faced liability for product defect claims, not merely for construction defect and poor workmanship. The White and Williams team, however, successfully convinced the court that the case was not a product liability case but rather a faulty workmanship case akin to the claims in the leading cases of *Kvaerner* and *Gambone*, in which Pennsylvania courts have held that there is no coverage for claims of faulty workmanship under a Commercial General Liability policy.

White and Williams lawyers Anthony Miscioscia and Steven Urgo represented Selective Insurance Company of America in this case.