



A STABLE OF INVESTMENTS  
WENT UP IN FLAMES.

HOSSLEY  EMBRY  
Attorneys and Counselors

## Outsourcing to China Killed Six Horses in New Mexico.

In 2006 a barn fire in the middle of the night at a breeding facility in New Mexico killed 6 prize race horse stallions. Many investors had purchased breeding interests in the stallions so they could either breed their own

mares to them or sell the right to breed to others. Hossley & Embry, represented many of these investors and conducted an investigation that revealed a defect in the motor windings of a Lasko box fan caused the fire.



Hossley & Embry filed a products liability case in the Eastern District of Texas on behalf the various breeding rights investors. Jeff Embry handled the case, and after battling Lasko for discovery in courts from New York to Texas discovered that 35 people had been injured or killed by the same defect. The real root cause was that Lasko had quit making the fan motors in the United States in the early 90's and outsourced that work to a Chinese manufacturer who did not have sufficient quality control and used cheap materials, including poorly



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*CHINA*

insulated copper wiring for the fan motors, which was the cause of the New Mexico fire. Ultimately, the Consumer Product Safety Commission recalled the fans in question. A safety fix was installed to prevent future fires by including a fused cut-off switch in the power plug of Lasko fans.

The case was settled on the eve of trial while Judge Michael Schneider was considering a Motion to Strike Lasko's Defenses resulting from their discovery abuse. Despite having only paid a portion of the breeding fee at the time of the incident, each breeding right owner recovered their investment and the future value of their breedings. Lasko insisted the total settlement amount remain confidential.

The difference between believing  
and proving: hard work.

Hossley & Embry is accepting referrals of  
products liability and personal injury cases  
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