

A Crisis & Legal Communications Case Study

The Challenge: Johnson & Johnson, Koch Brothers owned Georgia Pacific and other Fortune 500 companies are employing a controversial legal maneuver called the “Texas Two Step” to avoid paying billions in liabilities to hundreds of thousands of victims who developed terminal mesothelioma and ovarian cancer from exposure to the companies’ asbestos laden baby-powder and drywall products. By using the Texas Two Step, these companies are stripping Americans of their constitutional right to due process and a fair trial, refusing to pay restitution to present and future victims and manipulating bankruptcy laws to shield themselves from billions of dollars of liabilities owed to victims. Johnson & Johnson recently employed the Texas law, moving its headquarters from New Jersey to Texas, splitting itself into two corporate entities, the J&J parent company and prestigious brand and a new shell company with minimal assets. The shell company then moved to a friendly North Carolina bankruptcy court and filed for Chapter 11. The parent company moved back to its headquarters in New Jersey and declared it’s no longer liable for billions in claims. This scheme was accomplished in one day.

Johnson & Johnson, a company worth \$400 billion in stock market value made a net profit of \$38 billion in 2021 and pays \$1 billion a month in dividends to shareholders, walked away from its responsibilities to victims and their families, claiming its new shell company was insolvent. This corporate scheme allows a profitable company to access all the benefits of a bankruptcy court without any of the burdens or responsibilities.

The Koch Brothers, who own Georgia Pacific, faced billions of dollars in mesothelioma cancer liabilities from their products that poisoned workers for decades. They created this scheme several years ago. Their so-called bankrupt shell company is still in bankruptcy court while thousands of waiting victims have died without restitution.

Other Fortune 1000 companies are facing similar liabilities. If this corporate scheme is confirmed in the courts, potentially all victims of dangerous corporate products could eventually be deprived of their constitutional right to trial and financial compensation.

Our Strategy: Twenty plaintiff law firms representing over 100,000 victims hired The TASC Group to create a public relations and communications campaign that would put public pressure on and shame these companies into doing the right thing. The campaign communicated the immoral and unethical facets of the Texas Two Step scheme. The campaign would in effect try these cases in the court of public opinion, bring public pressure to bear on the courts and shed light on the issue for political leaders and members of Congress to act to change the laws. Our strategy involved:

1. Building trusting relationships with reporters at high-profile media outlets who routinely report on legal cases of this nature.
2. Highlighting the voices and stories of victims through off and on-the-record interviews, press statements and published op-eds.
3. Consistently relaying our lawyers’ statements, messaging and talking points to the media and ensuring that they are published in stories.
4. Developing our lawyers’ expertise and thought leadership and helping them become consistent on-going on and off the record sources for reporters.
5. Placing proactive story lines that we pitched to the media in high visibility outlets such as The New York Times, 60 Minutes, NPR, Financial Times, The Wall Street Journal, The Guardian and more.
6. Consistently and rapidly responding to pro Texas Two Step coverage and corporate defense lawyers with our lawyers POV and messaging.
7. Becoming a trusted source for dozens of legal reporters who cover these cases and providing these outlets with dozens of public legal filings, briefs and documents that have enabled them to cover story angles they never were able to cover.

The New York Times

THE WALL STREET JOURNAL.



REUTERS

The Guardian

The Boston Globe

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Results: The TASC Group’s efforts have methodically and systematically shifted media coverage to support our position against the misuse of the Texas Two Step and the abuse by these corporations of bankruptcy courts. Our campaigns have dramatically increased the volume of favorable articles, influenced and changed the attitudes of key legal reporters, creating a core group of journalists who cover our legal updates regularly, and have affected policy outcomes in Congress. Major KPIs include the following:

Earned Media

- [Reuters](#) published a 3,300-word investigative piece resulting in J&J asking a bankruptcy judge to prevent major outlets, like Reuters, from covering opponents of the Texas Two Step. The judge denied their request swiftly and thoroughly.
- [The New York Times](#) covered the decision of J&J's board to not end talc-based baby powder sales worldwide.
- [Financial Times](#) published a piece drawing negative attention to the legal architects of the Texas Two-Step, major law firm Jones Day, a story we proactively generated and pitched.
- [The Wall Street Journal](#), a notoriously hostile outlet to tort attorneys, published a piece focusing on deceased victims who were never compensated due to the Texas Two-Step.
- Over 40 additional pieces of coverage in outlets including [The Guardian](#), [Law360](#), [NPR](#) and more.
- Overall media impressions have surpassed 200 million viewers.

Reporter Relationships

- Established relationships with reporters at Reuters and Financial Times who, as a result, are closely following Texas Two-Step cases and relying on our client’s documentation and filings regularly for their stories.

Op-Eds

- Placed an op-ed in [The Philadelphia Inquirer](#) in the Federal District Court region where the J&J case is being heard written by a single mother and victim who is currently dying from cancer caused by J&J’s baby powder.

Policy

- Influenced [Senator Dick Durbin \(D-IL\), chair of the Senate Judiciary Committee, to criticize the Texas Two Step](#) on the Senate floor and instigated [The Boston Globe](#) editorial page to call for the banning of the Texas Two-Step.

The New York Times

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REUTERS

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