

This was a product liability action arising out of the USAir Flight 427 crash occurring on September 8, 1994, which killed the captain, the first officer, three flight attendants and 127 passengers. Plaintiff USAirways, Inc., had settled the claims of 117 passengers, and the Boeing Company, the manufacturer of the aircraft, had settled claims arising out of the deaths of the crew members. USAirways had also settled claims for property damage and the costs of emergency services and equipment. In addition, USAirways and Boeing had entered into a settlement of any claims possessed by USAirways against Boeing arising out of claims made on behalf of the crash victims. As a part of that settlement, Boeing irrevocably assigned any and all contribution and indemnity rights that it may have had to USAirways.

USAirways, Boeing and Parker-Hannifin Corp., the manufacturer of the aircraft's rudder power control unit, had entered into a claims handling agreement permitting USAirways to investigate, analyze, and settle claims and lawsuits related to the crash while reserving its rights to indemnity and contribution from Parker-Hannifin. USAirways brought this suit against Parker-Hannifin for reimbursement for all or part of the payments which had been provided by USAirways to settle the claims arising out of the deaths of the passengers and crew members, claiming that Parker-Hannifin was primarily liable for the crash of Flight 427.

In this regard, USAirways argued that post-accident investigation and testing had revealed problems with the rudder power control unit in the plane, and that these problems had caused the crash. USAirways contended that because Parker-Hannifin had designed and manufactured the rudder power control unit, it was liable under various theories of product liability. Parker-Hannifin denied liability, claiming that the crash had been caused by the negligence of USAirways or, in the alternative, that any defects existing in the aircraft's flight control system had been caused by Boeing, the manufacturer of the aircraft. Parker-Hannifin had brought Boeing into the case as a third-party defendant.

A jury trial commenced on June 3, 2002. By that time, Parker-Hannifin had already settled its claims against Boeing. On June 28, 2002, the jury rendered a verdict in favor of USAirways. The parties subsequently settled the case.