

# ALERT

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## GLOBAL INSURANCE GROUP

News Concerning  
Recent Insurance Coverage Issues



## PRODUCT RECALL: CHILDREN'S MEDICATION

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**O**n April 30, 2010, a unit of Johnson and Johnson, McNeil Consumer Healthcare in Fort Washington, Pa., commenced a voluntary recall in consultation with the U.S. Food and Drug Administration (FDA) of several children's and infant's over-the-counter liquid pain, fever and allergy medications. The products include children's and infant's Zyrtec, Tylenol, Motrin and Benadryl. These medications are manufactured in the United States, and are distributed nationwide as well in Canada, the Dominican Republic, the United Arab Emirates, Fiji, Guam, Guatemala, Jamaica, Puerto Rico, Panama, Trinidad and Tobago and Kuwait.

While no injuries or illnesses have been reported relating to these medications, they are nonetheless being recalled based on certain quality standards. Specifically, the company believes that some of the medications may contain higher concentrations of active ingredients than the package specifies, others may contain inactive ingredients, which do not meet testing requirements, and others may contain tiny

particles. The company and the FDA have stated that any possibility of harm is remote.

This recall comes after Johnson and Johnson commenced recalls in December 2009 and January 2010 of certain products in North America, South America, the United Arab Emirates and Fiji over concerns of chemical contamination.

This string of product recalls could potentially lead to property damage, business interruption and general liability claims. Therefore, it is imperative that insurers issuing both first- and third-party policies monitor this emerging trend.

*Cozen O'Connor is a global leader in representing the insurance industry in all coverage areas. For further analysis of coverage issues involving food and product contamination and product recalls please contact Kevin Haas, Chair of Cozen O'Connor's Food Contamination & Product Recall Practice area, in our New York office ([khaas@cozen.com](mailto:khaas@cozen.com), 212.908.1322).*

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