



Sierra Pacific Industries

P.O. Box 496028 • Redding, CA 96049-6028 • (530) 378-8000

Court Awards Sierra Pacific Industries Over \$24 Million in Moonlight Fire Case

For Immediate Release:
February 5, 2014

Contact: Mark Pawlicki
530-378-8000

Anderson, CA – Sierra Pacific Industries (SPI) announced today that Judge Leslie C. Nichols, sitting by appointment by the Chief Justice of California as a member of the Assigned Judges Program, ordered the State of California to pay over \$24 million to SPI for attorneys' fees and costs incurred in defending against the Moonlight Fire lawsuit.

Judge Nichols served as a Superior Court Judge for thirty years, twenty-five years as a Judge of the Superior Court for Santa Clara County and five years in service of the Chief Justice as a member of the Assigned Judges Program. This experience has included every kind of case that comes before a general jurisdiction judge, including complex and coordinated litigation. His judicial experience was preceded by almost seventeen years of trial and appellate law practice, federal and state, including, civil, criminal, family and juvenile court representation, and including death penalty representation on appointment by the California Supreme Court.

In this case, Judge Nichols appears to have awarded the largest monetary sanctions for discovery abuses in the history of the U.S. state or federal court system against a party. Additionally, the Court terminated the action because any remedy short of dismissal would be "inadequate to preserve the fairness of the trial."

The state and several private plaintiffs had alleged that a contract logger hired by SPI had negligently started the Moonlight Fire on private property which spread to the Plumas National Forest and other private holdings on September 3, 2007. The State alleged that the fire was caused by the logger's bulldozer striking a rock, an allegation vigorously contested by all Defendants.

The Court found, in imposing "terminating sanctions," that the California Department of Forestry and Fire Protection (Cal Fire) "engaged in the pervasive

and systematic abuse of California's discovery rules in a misguided effort to prevail against these Defendants," "Had they (Cal Fire) testified truthfully from the start, as required, Defendants would have likely spent nothing, or very little, as the case most likely could not have advanced" the Court added.

"This is a significant victory for SPI and the other defendants in the case" said SPI spokesman Mark Pawlicki. "Although the vast majority of Cal Fire employees conduct themselves with professional integrity, the investigators on this fire did not live up to that high standard," noted Pawlicki. During depositions, Cal Fire's own expert on wild land fire investigations concluded that it was "more probable than not" that the Moonlight investigators engaged in acts of deception while testifying about a primary aspect of their investigation. The Court held, "[I]t is this Court's responsibility to review whether Cal Fire abused the legal process through false testimony of its lead investigator on the Moonlight Fire, Joshua White. This Court finds that Cal Fire, through White, repeatedly did so."

SPI's lead attorney in this case, William R. Warne, a partner in the Sacramento law firm of Downey Brand, stated "After four years of litigation, we are relieved and thankful that justice has finally been done. The Court's Orders speak for themselves."

Sierra Pacific Industries is a third-generation family-owned forest products company based in Anderson, California. The firm owns and manages nearly 1.9 million acres of timberland in California and Washington, and is the second largest lumber producer in the United States. Sierra Pacific Industries is committed to managing its lands in a responsible and sustainable manner to protect the environment while providing quality wood products and renewable power for consumers.

-XXX-