

Thomas Keller sues insurance company over coronavirus business interruption claim for his restaurants

Acclaimed chef requests judgment against Hartford Fire Insurance Company

By Bret Thorn

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Thomas Keller

Chef Thomas Keller has joined the ranks of a small but growing number of restaurateurs who are suing their insurance companies over claims related to the Covid-19 pandemic, his restaurant group said Thursday.

Keller's attorney, John

Houghtaling, on Wednesday evening filed in the Superior Court of California County of Napa for a declaratory judgment on behalf of Keller's business interruption insurance policy against Hartford Fire Insurance Company.

Keller, based in the Napa town of Yountville, is chef and owner of The French Laundry, Per Se, Bouchon, Bouchon Bakery and Ad Hoc + Addendum.

Houghtaling is the majority partner in New Orleans based law firm Gauthier Murphy & Houghtaling LLC. He was selected by Louisiana's attorney general to determine policyholder rights in the aftermath of Hurricane Katrina. He also represented many victims of superstorm Sandy.

The lawsuit requests that the court make a legally binding decision on whether Keller's policy with Hartford allows him to recover business losses incurred in connection with the viral outbreak.

In a release issued by the Thomas Keller Restaurant Group, Houghtaling indicated that Keller's business interruption claim was denied because Hartford said there were no dangerous conditions at the chef's restaurants.

"To avoid payments for a civil authority shut down the insurance industry is pushing out deceptive propaganda that the virus does not cause a dangerous condition to property," Houghtaling said. "This is a lie, it's untrue factually and legally. The insurance industry is pushing this out to governments and to their agents to deceive

policyholders about the coverage they owe."

Keller highlighted the importance of restaurants to the American economy.

"The restaurant industry is the largest private sector employer in America — it's a chosen profession employing more than 15.6 million Americans and contributes \$1 trillion to the economy," he said. "This entire sector is crippled by a nationwide public health shutdown impacting countless livelihoods. We need insurance companies to do the right thing and save millions of jobs."

Most jurisdictions across the country, including the states of California, Nevada and New York, where most of Keller's restaurants are, have ordered restaurants to close their dining rooms. Although some restaurants have shifted their operations to takeout and delivery, many have found that shift to be financially unworkable. Others have closed their restaurants completely for fear of endangering their employees in the face of the pandemic.

In an email anticipating conflict between restaurateurs and insurance companies, attorney Brian Mahany, whose practice includes litigation against insurance companies and lenders, said insurance companies engage in many

delaying tactics when faced with a large number of claims.

"We can assume insurers will act, as they always do, by using their deny-and-delay bullying tactics with small businesses teetering on the edge of survival," he said in an email. "Most just give up and go away. Insurance companies count on that and try a lowball settlement on the rest." ■