



# Introduction & Background

Trial lawyers and aggregators increasingly spend large sums of money on television, digital, and print advertising to recruit new clients for class action lawsuits. In the 4th Quarter of 2020 alone, it is estimated that more than \$237 million were spent on more than 3.1 million television ads for local legal services or soliciting legal claims across the United States. Much of this advertising is conducted by aggregators: businesses that recruit potential plaintiffs and then sell their information to law firms.

Consumers see doomsday ads about the lethal effects of medications or even general medical injury, and can consequently stop use of medicines prescribed by their health care providers. This is often done without consulting their doctor, resulting in health problems for patients and increasing litigation risk for product manufacturers.

These over-the-top advertisements from personal injury attorneys with catchy jingles and toll-free numbers pose a serious danger. These ads undermine the simple notion that physicians and health care providers – not personal injury lawyers or the "aggregators" who run the ads for the lawyer – should dispense medical advice.

Trial lawyers continue to pump significant money into these ad buys because, armed with more clients, they can boost settlements and payouts when they go after large corporations. This ultimately leads to larger contingency fees for the lawyers themselves.



The ads do more than help recruit clients, however. They can also influence the thinking of citizens who may serve on a jury in lawsuits. A survey conducted by Trial Partners, Inc. found that 90% of jurors would be somewhat or very concerned if they saw an advertisement claiming a company's product injured people. Additionally, 72% of jurors agreed somewhat or strongly that if there are lawsuits against a company claiming its products injured people, then there is probably truth to the claim – showing just how great an impact these ads can have.

APRIL 2021

AMERICAN TORT REFORM ASSOCIATION . WWW.ATRA.ORG



## Louisiana Spending by Medium

In the 4th Quarter of 2020, \$12.359 million were spent on advertisements for legal services and/or soliciting legal claims in Louisiana. A vast majority (77%) of that spending went toward television advertisements, while outdoor advertisements such as billboards accounted for just under 22%. Radio accounted for a mere 0.41% of local legal services advertising spending.

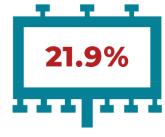
#### **ACROSS LOUISIANA IN Q4 2020**

# \$12M IN LEGAL ADS WERE ON TV, RADIO, & OUTDOOR ADS

(LIKE BILLBOARDS)



of spending on legal services ads went towards **TV ads** during this time.



of all spending on legal services ads went towards **outdoor ads** during this time.



#### **How Louisiana Compares**

Local Legal Services TV Advertising in Louisiana Compared to Local Legal Services TV Advertising Nationally

In the 4th Quarter of 2020, \$237.28 million total were spent on 3,164,429 advertisements for legal services and/or soliciting legal claims aired on local broadcast networks in the 210 local media markets across the United States. Louisiana accounted for 4% of all spending with more than \$9.59 million spent in the state. Louisiana also accounted for 5.6% of all local legal services TV ads that aired in the country during that quarter with 178,921 ads.

Louisiana accounts for a disproportionate amount of legal services TV advertisements and spending on those ads considering that the state makes up less than 1.5% of the nation's population.

In addition to the local legal services television advertisements, an additional 17,488 legal services advertisements aired on national cable and broadcast networks and during nationally syndicated across the country television at a cost of \$29 million.

#### IN LOUISIANA

# LEGAL SERVICES ADS RAN MORE FREQUENTLY

THAN ADS FOR MANY POPULAR ADVERTISERS IN Q4 2020



Local legal services ads ran 10 times as often as ads for domestic car dealerships.

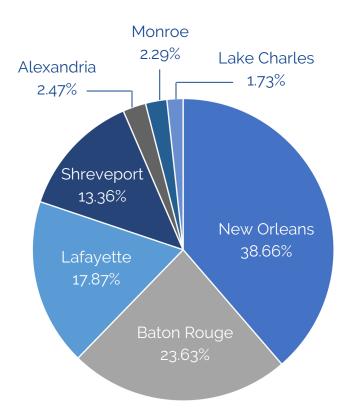


60 times as many legal services TV ads ran locally October – December as ads for pizza restaurants.

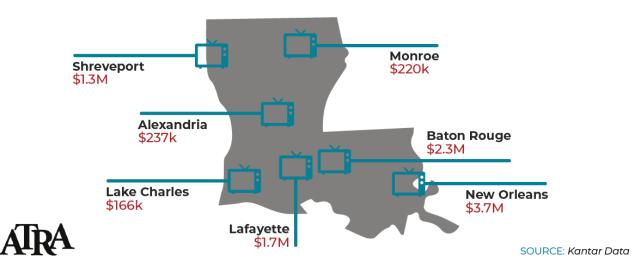


### TV Ad Spending by City

Both spending and the amount of TV ads aired in each major media market in Louisiana align fairly closely with the percentage of the state's population that resides in each area. Not surprisingly, spending and the number of ads aired in New Orleans are somewhat disproportionate, with more than 38% of all spending on local legal services TV ads occurring within the New Orleans media market to air more than 36% of all TV ads, while the metropolitan area accounts for only 27% of the state's total population, approximately.



# \$9.5M+ SPEND IN LOUISIANA





### **Law Firm Spending**

#### TV Ad Spending by Top Law Firm Advertisers

Three law firms accounted for more than half of all spending on local legal services television advertising in Quarter 4 of 2020. They also accounted for nearly 70% of all local legal services television ads that aired during the time period, airing more than 120,000 TV ads between the three law firms in the three-month span.

Law Firm	\$ Spent	# of Ads
Dudley DeBosier Attorneys	\$2,094,100	37,481
Morris Bart Attorney	\$1,971,000	59,059
Gordon McKernan Attorney	\$1,233,000	24,652



Attorney Morris Bart spent approximately \$100,000 airing this ad in Louisiana during Q4 2020.

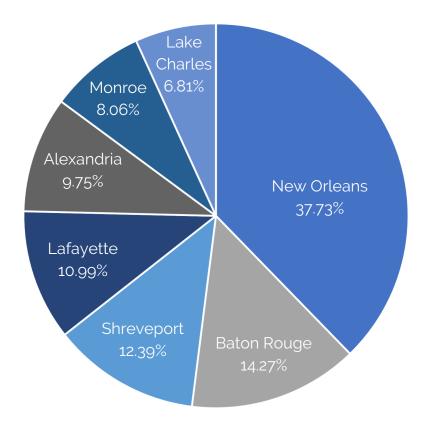
Dudley DeBosier Attorneys spent approximately \$67,000 airing this ad in Louisiana during Q4 2020.



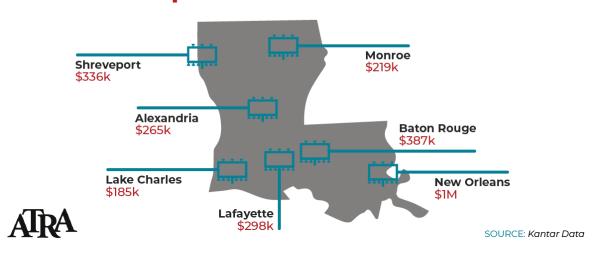


## **Outdoor Ad Spending by City**

The breakdown of where money was spent on outdoor legal services advertisements varies slightly from where money was spent on TV ads. Similarly, though, approximately 37% of dollars spent on outdoor legal services ads were spent in the New Orleans media market.



## OVER \$2.7M AD SPENDING







#### Conclusion

Louisiana is perennially named a "Judicial Hellhole" by the American Tort Reform Foundation in its annual report.

While this study by the American Tort Reform Association is focused on Louisiana, trial lawyer advertising is not an issue isolated in one community or in one state. Rather, trial lawyers across the United States identify jurisdictions friendly to their work and relentlessly pursue new clients in search of the next large payout from a trial or settlement.

The Federal Trade Commission <u>sent letters</u> to various law firms and others, flagging their ads soliciting clients for personal injury lawsuits against drug manufacturers as potentially "unlawful" in September 2019.

A <u>Public Opinion Strategies survey</u> found that 72% of Americans saw ads by law firms about pharmaceutical lawsuits in 2016. Further, the survey states that one-in-four people who saw one of these ads concerning a medicine they take, say they would immediately stop taking the medicine without consulting their doctor.

Such ads have been associated directly with patients' deaths. A <u>2019 FDA study</u> shows the real-life consequences of these ads. The report found 66 reports of adverse events following patients discontinuing their blood thinner medication (Pradaxa, Xarelto, Eliquis or Savaysa) after viewing a lawyer advertisement. The median patient age was 70 and 98% stopped medication use without consulting with their doctor. Thirty-three patients experienced a stroke, 24 experienced another serious injury, and seven





people died. Dr. Ilana Kutinsky who has testified before Congress on the issue and was doctor for one of the deceased, <u>stated</u>: "Patients are dying because they are afraid to take the medications prescribed for them due to the fear brought on by these negative and one-sided campaigns."

While there are not enough bandages to cover the injuries trial lawyer advertising has caused, we can take steps to inform the general public. Through education we can shine a spotlight on the aggregators who mislead consumers and sell their information to law firms. By arming everyday Americans with this knowledge, we can help push back against trial lawyers and engage with our local leaders for potential solutions and policy changes.

#### Methodology

Analysis conducted by the American Tort Reform Association utilizing data provided by Kantar.

State and city TV advertising data cited in this report does not include legal services TV advertisements broadcast nationally on national cable and broadcast networks or during nationally syndicated programming nor does it include local cable television broadcasts.

Ad spending figures are estimates based on publicly-available ad rate information and industry surveys. Data are estimates and may vary over time due to revisions to account for duplicates or errors and the availability of updated ad rate information.

National TV advertising includes: Cable TV - ads airing nationally on any of the monitored cable networks (e.g. USA, AMC, CNN); Network TV - ads airing



nationally on any of the national broadcast networks (e.g. ABC, CBS, FOX, NBC); Spanish Lang Network - ads airing nationally on any of the Spanish-language national broadcast networks (e.g. Telemundo, Univision); andSyndication - ads airing nationally on syndicated programs wherever they are broadcast across the country. Local broadcast TV advertising or "Spot TV" includes ads airing on local broadcast networks (e.g. A TV ad that airs on WJLA during the 5PM evening news is seen only by viewers in the Washington, DC media market or designated market area (DMA)).

Data on Outdoor Advertising Service is provided by Kantar and reports billboard expenditures (poster and paint) in over 200 plant operator markets in the United States. Outdoor data collection reports include 8 sheets, 30 sheets, bulletins, painted walls, transit/bus shelters, in-store displays, convenience stores, shopping malls, airport, taxi displays and truck/mobile advertising. Brand expenditure data are provided by participating plant operators. The market-by-market dollar figures are not projected and represent actual gross sales volume for participating plant operators only. Markets are defined according to Standard Metropolitan Statistical Areas (SMSAs). Outdoor data are mapped to monitored TV markets where applicable, and to the All Other designation when appearing outside these markets.

Station-level occurrence detail for local radio advertising, provided to Kantar by Media Monitors. Media Monitors's local radio monitoring uses proprietary, patent-protected audio pattern matching technology to detect and identify radio advertisements. The software algorithm processes radio station recordings, detects known patterns and repeating unknown patterns. Known ads are automatically added to the database, while new ads discovered are then reviewed for classification. All Local Radio reporting will include detections that are 10 seconds or longer. Live spots are not monitored.