

Another policyholder victory: U.S. Court of Appeals for the Second Circuit Affirms \$2 Million Dollar Judgment for Fabrique Innovations

The U.S. Court of Appeals for the Second Circuit recently affirmed a \$2 million judgment for Fabrique Innovations, Inc. Fabrique Innovations, a 40-year old sports-brand company, filed an insurance coverage claim with Federal Insurance Company for \$1,172,732.00 when their goods stored in a warehouse were lost after Hancock Fabrics, Inc. petitioned for bankruptcy and liquidated its merchandise through closing sales.

The court affirmed that not only was Federal Insurance Company liable for the insurance claim, they were also required to pay Fabrique's legal fees – this decision is an important win for policyholders as it grants the first "sue and labor" decision in roughly 30 years.

Cohen Ziffer partner Andrew Bourne represented Fabrique and added, *"This is an important victory for Fabrique and other policyholders that have, far too often, had to sue their insurance companies to get their bargained-for coverage."*

Click [here](#) to read the full decision.

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