



2026 Product Liability & Complex Torts Practice Group Seminar September 16-18, 2026

FAULT LINES & FRAMEWORKS

A Comparative Analysis of Global Product Liability Regimes

Moderators

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Program Summary

Session premise. The panel uses a single catastrophic gondola incident to test how the same facts travel through different legal systems. The practical objective is not to produce a jurisdiction-by-jurisdiction treatise, but to give manufacturers, operators, insurers and litigation counsel a usable mental map: who gets sued, under what theory, what must be proven, how damages are measured, and how risk can be shifted or mitigated before the accident occurs.

Brochure description. The session appears in the ALFA International program as “FAULT LINES & FRAMEWORKS—A COMPARATIVE ANALYSIS OF GLOBAL PRODUCT LIABILITY REGIMES,” a roundtable on how civil law and common law systems allocate risk, quantify damages and structure recourses in product liability disputes, with Quebec, Austria, Louisiana, manufacturing, and forensic accounting perspectives. [1]

WORKING HYPOTHETICAL: THE ROCKY PEAK GONDOLA PROJECT

Mountain Crest Resorts LLC develops a new ten-passenger gondola system in Colorado with a total project value of approximately USD 120 million. The system includes international design, manufacturing, component and software inputs. Eighteen months after commissioning, during a peak holiday weekend, one gondola cabin fails to detach properly from the haul rope as it enters the terminal station. It collides with the next cabin and triggers a chain reaction involving multiple cabins.

Stakeholder	Hypothetical role
Doppelmayr Austria	Designer, manufacturer and supplier of key ropeway components.
Biesse Canada	Supplier of CNC manufacturing technology and software used by a North American subcontractor/manufacturer.
North American Subcontractor	Manufacturer of gondola cabin components and structural elements.
Software Company	Provider of gondola control system software.
Mountain Crest Resorts LLC	Owner and operator, responsible for maintenance and inspection intervals.

ACCIDENT CONSEQUENCES AND INVESTIGATION TRIGGERS

- 32 passengers are injured, including five serious injuries; no death is assumed for the working hypothetical.
- Property damage and business interruption losses exceed USD 70 million.
- The resort suspends operations for several weeks.
- Claims are asserted by passengers, insurers and the resort operator.
- Potential causes include material fatigue in a grip component, a recent software update, Biesse-generated production parameters, and inconsistent maintenance intervals.

COMPARATIVE FRAMEWORK AT A GLANCE

Jurisdiction	Risk frame	Who is in the line of fire?	Proof pressure point
Quebec	Civil law warranty, contractual liability, extra-contractual fault where applicable	Buyer/owner can pursue seller, manufacturer, distributor and supplier under statutory warranty; latent defect analysis is central.	Presumptions may assist claimant where premature malfunction or deterioration is shown; plaintiff still anchors loss to direct and immediate consequence.
Louisiana	Louisiana Products Liability Act for manufacturers; negligence for non-manufacturer operators	LPLA provides exclusive theories against manufacturers for product-caused damage; claimant must prove the product was unreasonably dangerous and causation.	Four LPLA categories: construction/composition, design, inadequate warning, failure to conform to express warranty.
Austria / EU	Austrian Product Liability Act implementing EU product liability principles	Strict, mandatory no-fault liability can attach to manufacturers, importers and, in some circumstances, retailers/suppliers.	New EU Product Liability Directive expressly treats software as a product for no-fault liability purposes.
Common-law U.S. baseline	Strict product liability, negligence, breach of warranty	Courts often distinguish manufacturing defect, design defect and failure-to-warn theories.	Regulatory compliance is important but not necessarily dispositive if the product is unsafe.

DISCUSSION QUESTION 1: WHO CAN BE SUED?

QUEBEC

In Quebec, the claim is not confined to the immediate seller. The latent defect warranty binds the seller, but article 1730 of the Civil Code extends the warranty to the manufacturer, any person who distributes the property under that person's name or as that person's own, and any supplier of the property, including wholesalers and importers. The commercial answer for the panel is straightforward: if the alleged defect can be tied to the goods or technology supplied, both Doppelmayr Austria and Biesse Canada are realistic defendants in Quebec proceedings. [2]

LOUISIANA

In Louisiana, Doppelmayr Austria and the North American component manufacturer are the most obvious product defendants. The LPLA creates the exclusive theories of manufacturer liability for product-caused damage, and the core proof question is whether a product characteristic rendered the product unreasonably dangerous and proximately caused damage arising from reasonably anticipated use. Biesse Canada and the control-software provider are more fact-dependent: they may be named directly if plaintiffs can characterize their technology as a product or component, or they may enter through crossclaims, contractual indemnity disputes, contribution theories, or separate proceedings. [3][4]

AUSTRIA / EU

From the Austrian/EU perspective, product liability is a no-fault regime aimed at fair allocation of risks inherent in modern production. The current Austrian framework under the PHG is strict and generally mandatory for personal

injury and qualifying property damage caused by defective products. The EU's 2024 Product Liability Directive is important for this presentation because it expressly brings software within the concept of a product, which makes the Biesse and control-system angles more concrete from a European risk-management perspective. [5][6]

DISCUSSION QUESTION 2: WHAT LEGAL THEORIES APPLY?

QUEBEC

Quebec should be framed as a civil law system that reaches similar practical risk questions through different doctrinal doors: sale warranty, contractual representations and warranties, good faith, safety-related duties, and extra-contractual fault when applicable. For latent defects, the practical panel point is the claimant-friendly structure: proof of abnormal malfunction or premature deterioration can trigger presumptions that the thing is defective, that the defect existed at sale, and that the defect caused the injury. The manufacturer or supplier then fights on defect characterization, causation, misuse, knowledge, damages, and contractual allocation.

LOUISIANA

For manufacturers, the LPLA channels the analysis into four categories: the product was unreasonably dangerous in construction or composition; in design; because adequate warning was not provided; or because it did not conform to an express warranty. Negligence-style allegations against a manufacturer should be translated into those statutory categories. Mountain Crest, by contrast, is more naturally analyzed under operator negligence: duty to guests, inspection and maintenance obligations, breach, causation, and damages. [3]

AUSTRIA / EU

Austria supplies the civil law comparison point: strict fault-independent product liability for defective products, complemented in appropriate cases by fault-based claims under general civil law. The EU Directive's software rule creates a particularly useful bridge to the Biesse scenario because defective software, digital manufacturing files and integrated digital services may carry product-liability consequences rather than being relegated to contract or services law alone. [5][6]

DISCUSSION QUESTION 3: WHAT ROLE DOES REGULATORY COMPLIANCE PLAY?

SHARED THEME

Regulatory compliance is a defense narrative, not necessarily a complete defense. It helps defendants tell a story of reasonable design, testing, certification and operation. It does not answer every civil liability question if the product remains unsafe, warnings are inadequate, or field evidence shows a foreseeable failure mode.

LOUISIANA

Under the LPLA, regulatory compliance can support an argument that the product was not unreasonably dangerous, and Louisiana's statutory defenses for design and warning claims focus on what the manufacturer knew or could have known, the availability of alternative designs, and technological or economic feasibility. [3]

QUEBEC

In Quebec, compliance can be evidence of diligence, but it is not a safe harbor. If the product is affected by a latent defect, is unsafe for its intended use, or warnings fail to convey the risk adequately, regulatory compliance will not necessarily defeat warranty or fault-based claims.

AUSTRIA / EU

In Austria and the EU, safety regulation and product liability interact but remain distinct. Product safety compliance matters to defectiveness and risk assessment, but no-fault product liability maintains a compensation function where damage is caused by a defective product. [5]

DISCUSSION QUESTION 4: HOW IS LIABILITY ALLOCATED WHEN MULTIPLE FACTORS CONTRIBUTE?

LOUISIANA

The Louisiana litigation picture should be explained as a jury-allocation exercise: potentially responsible parties appear on the verdict form; the jury determines fault and assigns percentages; damages are then attributed according to the shares allocated. If Biesse or the control-software company is not a direct defendant, the same practical allocation fight may reappear in contribution, indemnity, defense-cost, and coverage disputes.

QUEBEC

Quebec starts with causation: under article 1607 C.C.Q., damages must be the direct and immediate consequence of the debtor's default. Multi-party exposure can then arise through solidarity by agreement or law, including enterprise-related obligations and extra-contractual obligations, or through in solidum liability where different faults contribute to one indivisible injury. The plaintiff-facing result can look similar: one sufficiently connected defendant may face the practical risk of the whole loss, with allocation left to recourses between defendants.

FORENSIC ACCOUNTING

The forensic accountant's lane should be integrated here: property damage, business interruption, extra-expense claims, lost profits, mitigation costs, recall costs, subrogated insurer claims, and the distinction between recoverable direct losses and remote consequential losses will drive settlement leverage as much as liability theory.

DISCUSSION QUESTION 5: WHAT PREVENTIVE MEASURES CAN COMPANIES TAKE?

ENGINEERING AND DOCUMENTATION

Design-history files, risk assessments, testing protocols, maintenance manuals, warning records, software update logs and traceability systems are litigation tools before litigation starts. They determine whether the defense can reconstruct what was known, when it was known, and why a design or operational choice was reasonable.

CONTRACTING

Contracts should allocate responsibility for design, manufacture, installation, software changes, maintenance, inspections, data retention, recalls, defense obligations, insurance procurement, vendor access, and audit rights. Louisiana adds an important caution: advance limitations of liability cannot eliminate intentional or gross fault, nor liability for causing physical injury, and indemnity language is strictly interpreted and must be clear if it is to cover product claims. [7]

INSURANCE AND CLAIMS STRATEGY

The insurance program should match the risk map: product liability, completed operations, professional/E&O coverage for technology and engineering services, cyber coverage for software-driven failures, recall coverage, business interruption, excess/umbrella layers, and contractual additional-insured/waiver/subrogation terms. Early

notice and alignment among insurers can matter as much as coverage language.

SUGGESTED 60-MINUTE RUN OF SHOW

Time	Segment	Panel objective
0:00-0:05	Frame the premise	A single accident, multiple legal systems, very different consequences.
0:05-0:12	CEO and manufacturer reality check	What does a global manufacturer worry about before any pleading is filed?
0:12-0:22	Who gets sued and why	Compare Quebec, Louisiana, Austria/EU, and U.S. baseline exposure.
0:22-0:34	Legal theories and evidentiary burdens	Strict liability vs warranty vs negligence vs fault-based theories.
0:34-0:43	Compliance, causation and allocation	Regulatory defenses, jury allocation, solidarity/in solidum, and contribution.
0:43-0:53	Damages and insurance	Business interruption, personal injury, forensic accounting, coverage positioning.
0:53-1:00	Preventive playbook and audience questions	Contracting, documentation, software governance, maintenance and insurance program design.

AUDIENCE TAKEAWAYS

- The same incident can produce different defendants, burdens and settlement values depending on the governing legal regime.
- Software is no longer a peripheral issue in product liability. It can be the alleged defect, the evidentiary record, or the failure mode.
- Regulatory compliance is powerful evidence, but counsel should avoid presenting it as a universal shield.
- Contractual allocation is necessary but not self-executing. Drafting must account for public-order limits, physical injury exclusions and the practical path of contribution/indemnity claims.
- The best defense is designed before the claim: documentation, traceability, maintenance governance, cyber/software controls and insurance alignment.

ENDNOTES

[1] ALFA International, 2026 Product Liability & Complex Torts Practice Group Seminar brochure, Track 2 session description.

[2] Civil Code of Quebec, arts. 1726 and 1730; General Motors Products of Canada Ltd. v. Kravitz, [1979] 1 S.C.R. 790.

[3] Louisiana Revised Statutes, RS 9:2800.54, Manufacturer responsibility and burden of proof.

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[4] Louisiana Revised Statutes, RS 9:2800.52, Scope of Chapter: LPLA establishes exclusive theories of liability for manufacturers.

[5] Directive (EU) 2024/2853 of 23 October 2024 on liability for defective products, recitals including no-fault liability and software as product.

[6] CMS Expert Guide, Changes to the EU Product Liability Directive in Austria, current Austrian PHG framework and expected impact of the new Directive.

[7] Louisiana Civil Code art. 2004 principles as summarized in Joshua Trahan memorandum and authorities cited therein; indemnity and limitation language should be verified for final publication.