

Talcum Powder Litigation After Johnson & Johnson's Bankruptcy Maneuvers

Breaking Down the Fight For Justice Against J&J

For decades, consumers trusted products like [Johnson & Johnson's Baby Powder](#) and Shower to Shower. These household staples carried a reputation of safety, yet for many women, daily use of talcum powder was followed by devastating diagnoses of ovarian cancer or [mesothelioma](#).

While juries across the country have awarded billions in damages, Johnson & Johnson has worked aggressively to shield itself from liability. Its controversial use of bankruptcy tactics has reshaped the fight for justice, leaving victims and families questioning how they can still pursue the compensation they deserve through talcum powder lawsuits and ovarian cancer claims.

The Scale Of Talcum Powder Litigation

The litigation surrounding talc products is among the largest mass torts in U.S. history. The first lawsuits alleging ovarian cancer from talc were filed in 2009. As of this writing, juries have delivered massive verdicts against Johnson & Johnson, including a \$4.69 billion award in 2018 to 22 women with ovarian cancer.

Despite these landmark cases, tens of thousands of lawsuits remain unresolved. Johnson & Johnson announced in 2020 that it would discontinue talc-based powders in the U.S. and Canada, later extending the change worldwide. Still, the company continues to deny wrongdoing, fueling years of litigation as victims fight for recognition and restitution.

Johnson & Johnson's Bankruptcy Maneuvers Explained

At the heart of the dispute is Johnson & Johnson's controversial legal strategy known as the "Texas Two-Step." The company created a subsidiary, LTL Management, transferred its talc liabilities into that shell entity, and then pushed it into bankruptcy court.

The move was designed to halt lawsuits and force claims into a bankruptcy settlement process, thereby capping the amount that victims could recover. Courts initially allowed the maneuver, but subsequent appellate rulings questioned whether a financially healthy corporation should be permitted to use bankruptcy in this manner.

A U.S. bankruptcy judge dismissed [J&J's third attempt at a bankruptcy](#) settlement, citing issues with the voting process and improper legal protections for entities that weren't actually filing for bankruptcy. The ruling reinforced growing skepticism among courts about allowing solvent corporations to sidestep jury trials.

What Talcum Powder Victims Need To Know Now

Despite Johnson & Johnson's bankruptcy strategies, victims may still have options available to them. The legal system continues to provide avenues for compensation, but those paths require immediate action and skilled navigation.

- **Bankruptcy Is Not The End:** Even if J&J continues pushing settlements, victims may still recover through jury trials, trust funds, and negotiated agreements.
- **Time Limits Apply:** Most states allow only two to four years from diagnosis to file. Waiting too long risks losing eligibility.
- **Multiple Brands Involved:** Beyond J&J, other talc-based powders and suppliers may be responsible.
- **Compensation Covers More Than Medical Bills:** Victims may be entitled to damages for lost income, pain and suffering, and wrongful death.

Understanding these realities is important. The process is designed to be challenging for individuals, but with the assistance of an experienced talcum powder attorney, victims can access the compensation that makes recovery possible.

Lawsuits Fly After Johnson & Johnson Failed Bankruptcy Bid

Following this dismissal, trial lawyers across the country began pursuing new claims. Attorneys predicted that more claims would come as courts nationwide reopened one of the largest mass torts in U.S. history.

More than 50,000 women claim they developed ovarian cancer or other gynecological cancers after long-term use of Johnson's Baby Powder and other talc products. The rejection of J&J's bankruptcy gambit means these cases can proceed in court, potentially leading to new verdicts and significant compensation for victims.

When corporations file for bankruptcy to address widespread injury claims, they often establish trust funds to compensate victims. These trusts pool money contributed by the company and its insurers, then distribute compensation according to strict criteria.

- **Pros of Trust Funds:** They guarantee at least some payment for claimants, prevent companies from collapsing under liability, and can streamline payouts.
- **Cons of Trust Funds:** They limit the amount victims can recover, often offer much less than jury verdicts, and can delay payments for years.

A key example is Imerys Talc America, a supplier for Johnson & Johnson that filed for bankruptcy in 2019. Imerys eventually agreed to contribute more than \$800 million to a trust.

While that money provides a path for compensation, victims argue it falls short of the justice a courtroom can deliver.

The collapse of J&J's third bankruptcy bid signals that trust funds may not be the only path forward. For many, trial verdicts remain the best chance for full accountability.

Courts Push Back On Corporate Shield Tactics

Bankruptcy maneuvers, such as J&J's, have sparked a fierce legal debate. Some courts have recognized that while bankruptcy law is meant to give struggling companies a chance to restructure, solvent corporations should not be allowed to manipulate the system to dodge liability.

Appellate courts and now Judge Lopez have rejected J&J's attempts to shelter behind LTL Management, ruling that the strategy may be an abuse of the bankruptcy code. This pushback signals a growing judicial awareness that victims should not lose their day in court because of corporate legal gymnastics.

Still, Johnson & Johnson continues to pursue settlement proposals, betting that enough victims will accept reduced payouts in exchange for quicker resolution. The outcome of these battles will likely set a precedent for future mass tort litigation.

Why Pursuing Compensation Is So Complex

Filing a talcum powder claim may sound straightforward, but in reality, the process is highly complex. Victims must navigate:

- **Powerful Corporate Defenses:** J&J and other companies spend billions on legal teams and experts to dispute claims.
- **Scientific Disputes:** Courts must weigh conflicting testimony from medical experts and studies on talc and cancer.
- **Bankruptcy Procedures:** Claimants may be forced into trust systems with rigid criteria and limited payouts.
- **Statutes of Limitations:** Each state sets strict deadlines for filing claims, and missing them can eliminate the right to recover.

Without skilled legal representation, victims risk being shut out of the process or pressured into accepting far less than they deserve.

The Path Forward For Talc Victims

Talcum powder has been linked to ovarian cancer and mesothelioma, and Johnson & Johnson's repeated bankruptcy maneuvers have made the fight for justice even more complex. Despite

these corporate tactics, courts are pushing back, and new lawsuits are moving forward across the nation. If you or a loved one used Johnson & Johnson's Baby Powder or Shower to Shower for years and later developed ovarian cancer, you may be entitled to significant compensation.

[The Ferrell Law Group](#) offers free consultations to review your case, answer your questions, and explain your potential legal options. With over 30 years of experience and millions recovered for victims of dangerous products nationwide, our team has the resources and determination to take on corporations like Johnson & Johnson.

To see how our dedicated legal team can help you, [contact us](#) today for a free, no-obligation case evaluation. Our law firm is based in Houston, TX, and we offer legal representation to clients nationwide.