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Odwalla will pay boy's medical bills

Family lawyer says settlement talks continue

The Associated Press

HALF MOON BAY — Odwalla Inc.'s insurance company has agreed to pay the medical bills of a 3-year-old boy who suffered severe kidney damage after drinking unpasteurized apple juice.

The insurer will pay \$50,000 to reimburse the insurer for Michael Beverly of Seattle.

Company chairman Greg Steltenpohl had pledged to cover the boy's medical costs and 65 others who contracted E. coli bacteria infections during an outbreak last year. A toddler in Colorado died.

William Marler, the Beverly family's lawyer, had complained that Odwalla had not paid the Michael's medical bills as promised.

Five of nine lawsuits have been settled by Odwalla, but not the Beverly case. Marler said he has asked for \$8 million, with Odwalla offering \$200,000. Marler then threatened

to amend his complaint to note that the company had not covered the boy's medical bills.

On Monday, both sides confirmed Odwalla would pay the costs.

"I believe Mr. Steltenpohl is an honorable man," said Terry Beverly, the boy's father.

Company spokesman Chris Gallagher said the medical bills of hundreds of people sickened by bacterial infections have been paid. He said the delay in the Beverly case was due to Marler's "incomplete or erroneous information" about the boy's condition and treatment.

"Odwalla will continue to keep its word," Gallagher told the San Francisco Examiner. "It is part of our core values."

Michael was hospitalized for 15 days and underwent dialysis. Marler's medical experts said the boy has a strong chance of developing diabetes and a 15 to 30 percent chance of developing renal disease that will require a transplant.

Odwalla, the nation's largest fresh juice producer, sells its drinks in 4,600 stores in seven states and western Canada.

Since the bacterial outbreak, the company has begun flash pasteurizing its apple juice.