## Odwalla recovers as it settles suits

By GEORGE RAINE

San Francisco Examiner

SAN FRANCISCO — Odwalla Inc. is beginning to recover from its E. coli nightmare as sales rebound and several lawsuits filed by customers who allegedly suffered bacterial infections after drinking the company's unpasteurized apple juice are settled.

As of Wednesday, three of eight lawsuits filed against the Half Moon Bay-based company had been settled and its stock market conditions were improv-

E. coli bacterial infections linked to Odwalla juice were reported by 60 or more people in several states

late last year.

The full extent of liability associated with the outbreak of the bacterial infections associated with Odwalla juice cannot be known, due to the uncertainty about long-term medical risks, if any, for children who drank the juice.

One child's death is associated with an infection believed caused by an Odwalla apple juice. Anna Gimmestad, 16 months old, a daughter of Chad and Christy Gimmestad of Evans, Colo., died of heart and lung failure on Nov. 8 in a Denver hospital.

The girl's parents did not file suit against Odwalla, but lawyers for others who did, as well as analysts at Hambrecht & Quist in San Francisco who follow Odwalla, say the company has agreed on a cash payment

Please see ODWALLA - A8

## **Odwalla**

Continued from Page A1

to the Gimmestad family.

Neither Odwalla officials nor their attorney, John Carlson of the San Francisco law firm of Brobeck Phleger & Harrison, will comment on the Colorado settlement or

pending cases.

One of the five cases pending is a class-action case filed in King County Superior Court in Seattle, filed by Seattle lawyer Kirk Portmann representing about 20 people. He is pursuing a class action, he said, because in that form he has a better chance of persuading Odwalla to establish a trust fund that would pay for any medical problems his clients may develop years from now.

The precedent for this was established in Seattle in 1993, when Food Maker, the parent of Jack-In-The-Box Family Restaurants, created a trust for people infected in an E. coli outbreak traced to the

chain, Portmann said.

Long-term complications stemming from such bacterial infections can include liver, neurological and kidney damage, according

to plaintiffs' lawyers.

Children who drank Odwalla's product and then suffered a form of kidney failure - hemolytic uremic syndrome - may face serious health problems as they age, but it's impossible to estimate what percentage of them will and to what extent, said Dr. Phil Tarr, a pediatrician at Children's Hospital in Seattle.

'Most of them will go back to school and live normal lives most will make pretty good recoveries," Tarr said. "The overall impression is there is a low but definite percentage at risk but most kids will do fine."