

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our Subscriber Agreement and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit www.djreprints.com.

<https://www.wsj.com/articles/3m-settles-forever-chemicals-litigation-for-up-to-12-5-billion-abbeba36>

BUSINESS

3M Settles 'Forever Chemicals' Litigation for Up to \$12.5 Billion

Lawsuits say the company's PFAS, used in firefighting foam, contaminated drinking water

By [Kris Maher](#) [Follow](#) and [John Keilman](#) [Follow](#)

June 22, 2023 5:05 pm ET



3M has said that 'PFAS are safely made and used in many modern products' but that it would no longer manufacture the chemicals by the end of 2025. PHOTO: BEN BREWER/BLOOMBERG NEWS

3M MMM **-1.02%** ▼ agreed to pay up to \$12.5 billion to settle hundreds of lawsuits brought by cities that said their drinking water was contaminated with “forever chemicals” the company made for decades.

The tentative national class-action settlement in a landmark environmental fight involving PFAS chemicals in firefighting foam was reached Thursday. 3M will pay between \$10.5 billion and \$12.5 billion, and the settlement will cover public water systems across the U.S., plaintiffs' attorneys said.

If completed, it would be among other major settlements involving litigation over products deemed to be health risks, including the massive agreements reached in lawsuits involving tobacco, opioids and asbestos.

Advertisement - Scroll to Continue

In the current case, the risk of exposure came from chemicals in firefighting foam that seeped into the ground in communities around the country.

The move to resolve the current litigation comes as companies in numerous industries search for alternatives to PFAS—once used in everything from pizza boxes to cosmetics and semiconductors—and attempt to contain liabilities from decades of use.

3M, which manufactured and used the chemicals since the 1940s, is at the center of a wave of litigation alleging that they have contaminated drinking water and caused health problems. PFAS are called forever chemicals because they don't break down in the environment.

3M Chief Executive Mike Roman called the proposed settlement “an important step forward for 3M,” and he said it builds on the company's other actions, including investments in water-filtration technology and a prior announcement to stop all PFAS manufacturing by the end of 2025.

3M said the agreement isn't an admission of liability and that if it isn't approved by the court or certain conditions aren't met, the company is prepared to defend itself in the litigation. The company said it would take a \$10.3 billion charge in the second quarter to reflect the settlement that will be paid over 13 years.

3M announced the agreement nearly three weeks after a judge postponed a bellwether trial in which 3M had been scheduled to face off against a Florida city that alleged the company was responsible for drinking water contamination.



About 300 municipalities, from Philadelphia to San Diego, say PFAS chemicals in firefighting foam leached into drinking water. PHOTO: KRIS MAHER/THE WALL STREET JOURNAL

Just before jury selection had been set to begin, Judge Richard Gergel in the U.S. District Court for the District of South Carolina said he wanted to give the two sides more time to negotiate a settlement. The proposed settlement is subject to his approval.

Plaintiffs' attorneys said the 3M settlement would help cities and water providers across the country upgrade treatment systems to filter out PFOS, a type of PFAS that 3M used in firefighting foam for decades and that has been found in drinking water nationwide.

“Water is a fundamental necessity, and by holding 3M accountable for the PFOS contamination, we are fortifying the right of every American to clean and safe drinking water,” said Paul Napoli, a lead plaintiffs attorney.

Advertisement - Scroll to Continue

About 300 municipalities, from Philadelphia to San Diego, say PFAS chemicals in firefighting foam leached into drinking water. Cities have sued 3M and other companies to recoup the costs of installing treatment systems, typically seeking damages in the tens of millions of dollars.

The current proposed settlement applies to those water-related cases, but leaves hundreds of other lawsuits involving personal injury and property claims unresolved. More than 4,000 lawsuits involving firefighting foam that contained PFAS have been consolidated in federal court in Charleston, S.C., and are being overseen by Judge Gergel.

PFAS have increasingly been the focus of regulations and efforts by companies to remove them amid mounting evidence linking them to cancers and other health problems.

HOW 'FOREVER CHEMICALS' ARE ALL AROUND US, FROM WINTER COATS TO FAST-FOOD WRAPPERS



How 'Forever Chemicals' Are All Around Us, From Winter Coats to Fast-Food Wrappers

In March, the Environmental Protection Agency proposed the first federal limits on six types of PFAS in drinking water, which the agency said could require water systems serving up to 94 million people to install costly treatment systems.

The number of lawsuits involving the chemicals has exploded amid growing regulations, with firefighting foam cases growing from about 75 in 2018 to more than 4,000 today.

3M and other companies also face PFAS liability from other lawsuits that don't involve firefighting foam, such as personal-injury claims tied to industrial discharges of the chemicals.

Advertisement - Scroll to Continue

The firefighting foam, known as aqueous film-forming foam, or AFFF, had been widely used since the 1960s by the military and fire departments. The highly durable chemicals resist heat and helped create a blanket that effectively smothered liquid-fuel fires. During training exercises the foam was allowed to seep into the groundwater.

A lawsuit filed by Stuart, Fla., a city of 18,000 north of Palm Beach, had been chosen as a bellwether for the water system cases. The city said foam that firefighters trained with for decades included chemicals made by 3M that had tainted the city's drinking water.

It had sued 3M for \$115 million to recover the cost of installing and operating a filtration system over the next 40 years to remove the chemicals and to clean up contaminated soil. A trial had been set to begin June 5.

3M and the other companies have said in legal filings that PFAS haven't been shown to cause health problems at the levels being discovered in drinking water. It has argued in court filings that Stuart was seeking "wildly inflated damages."

Advertisement - Scroll to Continue