

**U.S. Chamber of Commerce, Institute for Legal Reform  
State by State Polling on The Class Action System  
National Results from the National Survey**

**Polling Conducted by  
Penn, Schoen & Berland Associates**

### KEY FINDINGS

- 44% think the American legal system is in need of major reform; 49% think it is in need of minor reform; only 5% think it is in need of no reform at all.
- A majority of Americans are familiar with the class action system – 57% are familiar with class action lawsuits vs. 41% who are not familiar.
- Americans sampled believe overwhelmingly that it is the lawyers, not the consumers or people who are a part of the class, who benefit most from the current class action system.
- A majority of Americans believe that the legal system drives up prices (67%) more emphatically than they believe it protects individuals and keeps companies honest (24%).
- People are more likely to choose federal court for class action lawsuits. 65% think Class Actions should be in Federal Court and 26% think they should be in State Court.
- 73% would be more favorable to their Senator or Representative if they voted to reform the way class action lawsuits are handled in this country.

### METHODOLOGY

National Poll Methodology: Sample consists of 801 likely voters in the 2002 general election. Poll was conducted May 11-12<sup>th</sup>. Margin of error +/-3.5%, larger for subgroups. Sample is stratified according to composition of national general electorate according to regions and party identification.

## Political Mood

49/38% think that things in the country are generally headed in the right direction/off on the wrong track.

Male	Female	Dem	Rep	Indy
52/36	47/39	46/43	64/26	43/41

49/40% think our economy is generally headed in the right direction/off on the wrong track.

Male	Female	Dem	Rep	Indy
53/37	45/43	40/49	64/28	47/41

33/55% think the American legal system is generally headed in the right direction/off on the wrong track.

Male	Female	Dem	Rep	Indy
34/53	32/56	40/44	25/62	33/57

## Need For Reform

Do you think the American legal system is currently in need of?	All	Male	Female	Dem	Rep	Indy
Major reform	44	42	46	42	45	44
Minor reform	49	49	48	50	52	49
No reform at all	5	6	4	6	2	5

## Familiarity With Class Action System

57/41% are familiar/unfamiliar with class action lawsuits.

57% familiar (11% very + 46% somewhat)

41% unfamiliar (14% very + 27% somewhat)

Male	Female	Dem	Rep	Indy
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65/34	50/48	54/43	62/36	65/34
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In recent months, **57/41%** have/have not heard read or seen anything about class action lawsuits.

Male	Female	Dem	Rep	Indy
62/37	53/45	56/42	61/37	57/42

**45/54%** have/have not received any notice in the mail that advises them that they could become/ or are a plaintiff or share in a settlement in a class action lawsuit.

Male	Female	Dem	Rep	Indy
47/53	44/55	46/54	50/50	43/56

**IF YES:** In terms of the information it presented and explained, **47/50%** thought the notice was clear/unclear.

**47%** clear (20% very + 27% somewhat)  
**50%** unclear (25% very + 25% somewhat)

Male	Female	Dem	Rep	Indy
53/46	42/54	44/52	55/43	46/53

**IF YES: 30/69%** have/have not taken the steps that notices say are required to share in the reward if a settlement is reached.

Male	Female	Dem	Rep	Indy
32/67	27/70	30/68	23/74	34/65

**IF YES: 33/67%** did/did not receive from the settlement something of meaningful value to you, considering their effort to comply with the notices.

Male	Female	Dem	Rep	Indy
34/66	32/68	38/62	36/64	29/71

<b>What was the case? What did you receive? OPEN-ENDED QUESTION</b>	
Received cash / Got \$200 / Get \$2.74	18
Against an insurance company / Received \$30 through an insurance company / Disability insurance / HMO, have not received a settlement yet / Nationwide life insurance / Mass Mutual insurance	15
Against a vehicle manufacturer / Recall / Chevy truck gas tank voucher / Ford / Voucher towards a new vehicle	7
Against a brokerage firm / Against Merrill Lynch / Withholding information / Received \$25,000	7
Against a credit card company / Got some sort of monetary reward	5
Against a phone company / Against Southwestern Bell / Received a phone card/\$15/20	5
No / Nothing / Not much	6
Others	33
Don't Remember / Don't Know / No Response	4

<b>Who Benefits From Class Action System</b>
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<b>Who do you think benefits most from the current class action lawsuit system?</b>	<b>All</b>	<b>Male</b>	<b>Female</b>	<b>Dem</b>	<b>Rep</b>	<b>Indy</b>
Lawyers who represent the alleged victims	45	50	41	38	56	43
Lawyers who represent the companies being sued	28	24	32	30	26	29
Consumers who buy the company's products	7	9	5	7	2	9
Corporations who are being sued	5	4	5	6	4	4
People who are part of the class action lawsuits	5	5	5	6	4	4

<b>Who do you think benefits least from the current class action lawsuit system?</b>	<b>All</b>	<b>Male</b>	<b>Female</b>	<b>Dem</b>	<b>Rep</b>	<b>Indy</b>
Consumers who buy the company's products	38	37	39	36	39	39
People who are part of the class action lawsuits	30	28	33	31	36	26
Lawyers who represent the alleged victims	12	14	10	10	12	14
Corporations who are being sued	6	9	4	6	4	8
Lawyers who represent the companies being sued	3	3	3	4	2	2

<b>Given your current knowledge, do you think the way that companies can be sued in America protects individuals and keeps corporate interests honest and should be strengthened, or do you think that too many lawsuits generally drive up the costs of products for consumers and should be restrained?</b>	<b>All</b>	<b>Male</b>	<b>Female</b>	<b>Dem</b>	<b>Rep</b>	<b>Indy</b>
Legal system protects individuals, should be strengthened	24	27	22	31	13	25
Legal system drives up prices, should be restrained	67	63	71	59	79	67

This year there will be a debate in Congress about class action lawsuits and how they might be reformed. As you may know, a class action lawsuit is when a lawyer and a small number of people bring a lawsuit and act as the representative of other people with the SAME claim against a defendant or group of defendants. Under current law these cases can be heard in state or federal courts.

Do you think the class action lawsuit system should be?	All	Male	Female	Dem	Rep	Indy
Kept Basically the Same	23	23	23	25	16	25
Radically Changed	43	43	43	39	48	43
Reformed	23	21	21	22	27	22

State or Federal Court?

Do you think large class action lawsuits with plaintiffs from multiple states should be handled in federal or state court?	All	Male	Female	Dem	Rep	Indy
Federal Court	65	69	61	64	63	67
State Court	26	23	29	27	30	22

If their Senator or Representative voted to reform the way class action lawsuits are handled in this country, **73/11%** would be more/less favorable to their Senator or Representative.

**73%** more favorable (22% much more + 51% somewhat more)

**11%** less favorable (3% much less + 8% somewhat less)

Male	Female	Dem	Rep	Indy
71/11	74/10	75/11	81/8	68/14

Do you think this applies more to the State court system or the Federal court system? State/Federal	All	Male	Female	Dem	Rep	Indy
Is over crowded with frivolous lawsuits	59/26	61/24	56/27	62/28	52/31	63/21
Has sufficient resources to handle complicated class action cases	24/63	21/66	26/61	25/59	22/69	23/64
Is more favorable to those being sued and the defense attorneys	49/27	49/27	49/27	48/28	50/31	50/24
Is more favorable to those bringing suit and the plaintiffs' attorneys	54/26	53/26	54/26	53/28	57/26	53/24
Is generally immune to manipulative loopholes	32/50	35/47	29/53	28/49	39/47	28/55
Is fair and impartial to all parties in a case	38/41	39/41	36/41	33/47	37/42	45/35
Consolidates laws into a uniform system that is applied to all cases	28/58	24/61	32/55	29/55	28/61	27/59

Some have said that class action lawsuits, where plaintiffs and defendants come from different states, should be heard in federal court instead of state court. They say this because federal courts would apply the same standards and hear the case in exactly the same way for every lawsuit, instead of hearing the case in the courts of one of the 50 state courts, which might apply laws in different ways. **80/15%** agree/disagree with this statement.

**80% agree** (40% strongly + 40% somewhat)  
**15% disagree** (6% strongly + 9% somewhat)

Male	Female	Dem	Rep	Indy
79/17	82/14	77/19	83/14	82/15

Some have said that class action lawsuits should be in state courts because federal courts are overcrowded, are aligned with business interests, and average people don't have the resources to take on giant corporations in federal court. **64/30%** agree/disagree with this statement.

**64% agree** (29% strongly + 35% somewhat)  
**30% disagree** (11% strongly + 19% somewhat)

Male	Female	Dem	Rep	Indy
60/35	69/25	65/27	67/31	64/31

Now hearing both sides of the argument, do you think large class action lawsuits with plaintiffs from many different states should be handled in federal or state court?	All	Male	Female	Dem	Rep	Indy
	Federal Court	72	72	72	70	75
State Court	22	22	22	22	20	22

If your Senator or Representative voted to reform the way class action lawsuits are handled so that all cases involving parties from multiple states in which more than two million dollars in damages are sought could be handled in federal court, this would make **77/14%** more/ less favorable to their Senator or Representative.

**77% more favorable** (22% much more + 55% somewhat more)  
**14% less favorable** (5% much less + 9% somewhat less)

Male	Female	Dem	Rep	Indy
74/16	79/10	80/11	77/14	74/17



Is the following scenario fair or unfair... Fair/Unfair	All	Male	Female	Dem	Rep	Indy
You live in STATE but a class action suit affecting you is brought in another state say hundreds of miles away and decided by judges of that state.	25/67	28/65	23/70	22/69	27/63	28/69
A company headquartered in your state is hit with a class action suit in a state hundreds of miles away, because some of the class members live in that state but many live in other states as well. The plaintiff's lawyers have chosen Mississippi for the suit because they think they have a favorable state court judge there.	20/73	23/70	18/77	19/72	19/75	22/74
A company headquartered in your state is hit with a class action suit in a state hundreds of miles away though members of the class are located in many different states. The law allows the company to ask that the case be moved to federal court instead of state court.	75/21	75/19	76/22	74/21	78/18	75/22

Rechecking State or Federal Court after Hearing Scenarios

Given this, do you think large class action lawsuits with plaintiffs from many different states should be handled in federal or state court?	All	Increase from Initial	Male	Female	Dem	Rep	Indy
Federal Court	74	+9	73	75	66	78	79
State Court	19	-6	19	19	24	18	17

If your Senator or Representative voted to reform the way class action lawsuits are handled so that all cases involving parties from multiple states in which more than two million dollars in damages are sought could be handled in federal court, this would make **77/12%** more/ less favorable to their Senator or Representative.

**77%** more favorable (26% much more + 52% somewhat more)

**12%** less favorable (4% much less + 8% somewhat less)

Male	Female	Dem	Rep	Indy
78/14	77/12	81/11	80/12	74/16

Does this cause you a great deal of concern, some concern, not much concern or no concern at all about the current state of the class action lawsuit system?	Very Concerned	Concerned / Not Concerned	Male	Female	Dem	Rep	Indy
In a national class action suit against 50 computer manufacturers in which 40 million consumers accused them of misrepresenting the size of monitors. Each person got 13 dollars in rebates for a new computer that costs over 800 dollars and 6 dollars for monitors that cost nearly 200 hundred dollars. The trial lawyers received 6 million dollars in legal fees.	64	86/11	84/12	89/10	84/12	87/10	90/7
In the class action case brought against a major U.S. bank, 700,000 people who won the case ended up losing money. The settlement gave 8.5 million dollars to the lawyers and a small award to each class members. But in order to pay the attorneys' fees, the bank deducted \$91 from the class members' accounts.	63	88/7	87/7	90/7	90/6	87/7	87/9
In a settlement agreement reached last year with a large national video rental company, trial lawyers received 9.25 million dollars in fees and expenses while plaintiffs got coupons for two movie rentals from a total claim of 450 million dollars, a vast majority of which will never be redeemed.	60	85/10	81/10	88/8	84/9	91/5	82/12
In an Illinois case involving replacement parts for automobiles, a county court judge prohibited a common practice used by many states to keep auto insurance rates low. As a result, auto insurance rates rose in many states.	43	78/17	68/25	85/10	79/14	84/12	71/21

Rechecking Reform at the End of Poll

Given what you heard, do you think the class action lawsuit system should be?	All	Increase from Initial	Male	Female	Dem	Rep	Indy
Kept Basically the Same	9	-14	12	6	9	6	10
Radically Changed	52	+9	53	52	53	55	50
Reformed	32	+9	29	35	30	33	34

If your Senator or Representative voted to reform the way class action lawsuits are handled so that all cases involving parties from multiple states in which more than two million dollars in damages are sought could be handled in federal court, this would make **81/7%** more/ less favorable to their Senator or Representative.

Male	Female	Dem	Rep	Indy
80/9	83/6	81/9	86/6	81/6