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Kline & Specter Wins \$37.5M For Sex-Trafficking Victims

By Faith Williams

Law360 (October 10, 2023, 3:49 PM EDT) -- Three women who were trafficked as minors in a Pennsylvania hotel were awarded \$37.5 million, the first such case to be decided by an arbitrator in the United States, according to a statement released Sunday by Kline & Specter, representing the women.

Arbitrator William Ricci announced his decision Friday after victims T.E., K.C. and V.S. and the American Motors Inns, now known as the Philly Inn & Suites, and owner Ramara Inc. had been mediating since Aug. 1. T.E. received \$13 million, K.C. received \$12 million and V.S. received \$12.5 million, Nadeem Bezar, counsel for the plaintiffs, told Law360 Tuesday.

"Oh my God, finally, more than a decade after these horrible assaults, these women's cries for justice were heard," Bezar said in the statement.

Bezar told Law360 Tuesday that most of the remaining defendants, including Ritz Hotel Group and Days Inns, have settled with the victims or otherwise resolved the allegations.

The three victims were trafficked in 2012 when they were 16, 15 and 14 after being lured in on social media by a man pretending to be a woman offering an opportunity to make money. According to the women's complaints, they were manipulated mentally and threatened physically and were kept at the hotel for up to four months.

The trafficker was convicted and sentenced to prison. The suits were filed in 2020 and 2021 to hold the hotel owner and management responsible for ignoring the "obvious" offenses by men against the girls and the forced prostitution, because they knew or should have known what was happening in the hotel rooms, according to the statement.

"I'm happy for our clients. Despite being through so much in their young lives, they were able to persevere through this nightmare," Emily Marks, who also represented the plaintiffs, said in a statement. "It was important for them to tell their stories so that they could help other girls."

This is the first case in the country to end with a win in arbitration, according to Bezar, but Kline & Specter has previously won a number of verdicts and settlements in sexual-abuse and human-trafficking cases. Bezar and Marks most recently obtained a **\$24 million settlement** in February with Days Inn for eight victims who were trafficked at a Philadelphia location.

Bezar said Tuesday the elements that can influence whether a case ends in settlement versus an arbitration are: the extent of the trafficking involved; length of trafficking; the age of the survivors; duration at location; and the different hotels' liability. The last element is the defendant's willingness to resolve the case.

"[These cases give] us an idea of the parameters again where these cases may be evaluated by arbitrators or juries and how they may determine the value of each case," Bezar said "But each case is an individual case, so although it gives us some idea, it's just a benchmark."

Kline & Specter are **also working on** a suit filed in June against Motel 6, Econo Lodge and Knights Inn with similar claims.

Counsel for the defendants did not immediately respond to requests for comment Tuesday.

T.E., V.S. and K.C. are represented by Nadeem Bezar and Emily Marks of Kline & Specter.

American Motor Inns is represented by Francis J. Deasey of Deasey Mahoney & Valentini.

Ramara is represented by Hugh P. O'Neil and Katherine M. Prudente of Thomas Thomas & Hafer LLP.

The cases are T.E. v. 4200 Roosevelt LLC et al., case No. 00994, V.S. v. 4200 Roosevelt LLC et al., case No. 00997, and K.C. v. 4200 Roosevelt LLC, et al., case No. 01926, in the Philadelphia Court of Common Pleas.

--Editing by John C. Davenport.

Correction: A previous version of this article incorrectly stated that Ritz-Carlton was involved in these lawsuits. This has been corrected.

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