

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION
(Electronically Filed)**

IN RE: : **Case No. C-1-91-256**
:
BOWLING-PFIZER LITIGATION : **Judge Herman J. Weber,**
: **Senior Judge**

**THIRTY-FIFTH REPORT OF THE SPECIAL MASTER/TRUSTEE
COVERING THE PERIOD FROM JANUARY 1, 2012 TO DECEMBER 31, 2012**

SPECIAL MASTER/TRUSTEE

James A. Higgins, Esq.

TABLE OF CONTENTS

- A. Thirty-Fifth Report of the Special Master/Trustee
- B. Appendices to Court Report

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION**

IN RE: : Case No. C-1-91-256
:
BOWLING-PFIZER LITIGATION : Judge Herman J. Weber,
: Senior Judge

THIRTY-FIFTH REPORT OF THE SPECIAL MASTER/TRUSTEE

To the Honorable Herman J. Weber, Senior Judge, United States District Court:

Your Special Master/Trustee respectfully presents his thirty-fifth periodic report, covering activities from January 1, 2012 to December 31, 2012.

I. PATIENT BENEFIT FUND

A. Supervisory Panel. The Supervisory Panel continues to monitor the scientific literature to determine if advances in technology or medicine have occurred that may benefit the class. This is being done by a committee of panel members on a semi-annual basis. On March 16, 2012, the panel also provided the Court with supplemental information to its report and recommendations with regard to the guidelines, its future scope of work and recommendations on the use of any remaining money in the patient benefit fund. The panel has begun work on the manuscript outlining the history and current status of the BSCC heart valve issues. An outline and initial draft of the manuscript have been completed by a committee of panel members and will soon be ready for review by the entire panel.

B. Repository. The Supervisory Panel maintains a repository of certain documents and information concerning the BSCC heart valve. The repository contains reports on the results of research sponsored by the Supervisory Panel, minutes of meetings of the Supervisory Panel, a bibliography of published literature regarding the BSCC heart valves, certain unpublished reports prepared by Dr. Ron Brookmeyer of his statistical analysis, the Bowling Settlement Agreement, and other information. The repository is available electronically in a database. Some of the information, such as published articles are not available for review due to copyright and other intellectual property concerns.

C. Website. The Supervisory Panel's website continues to be found at www.bowling-pfizer.com. The hosting and upkeep of the website is maintained by CAC Services Group. It provides basic information on the parties involved (biographies, addresses, telephone numbers, email, etc.), certain orders of the Court including the Guidelines, the Settlement Agreement, Trustee Reports and a bibliography of relevant articles as well as other important information. The panel prepared a summary of key studies which is intended to provide a more user-friendly bibliography. This user-friendly bibliography is available on the website. A copy of the most recent "hit report" of the Supervisory Panel's website is attached to this Report as Appendix 1.

D. Valve Replacement Surgery Claims and Fracture Claims.

The last claim for valve replacement surgery received by the Claims Administrator was for a qualified valve replacement surgery that occurred on March 11, 2010. There have not been any recent outlet strut fracture claims. Some of the claimants have elected other courses of action rather than to receive the Settlement benefits.

From the beginning, there have been 98 (74 foreign) qualified outlet strut fracture claims and 101 (40 foreign) qualified valve replacement surgery claims other than single leg fracture claims. In

addition, there have been 39 (16 foreign) single leg fracture claims.

II. ADMINISTRATION AND FINANCIAL INFORMATION

A. Administrative. The administrative office located at 525 Vine Street, Cincinnati, Ohio closed effective October 31, 2011, at which time the administrative and claims processing functions were transferred to CAC Services Group LLC of Burnsville, Minnesota. Since November 1, 2011, CAC Services Group has maintained the records for the class and has responded to inquiries from class members, their doctors, counsel and the trustee. CAC also maintains the website and the document repository.

Prior to the closure of the administrative office, a contract was issued to Document Solutions, Inc. of Nashville, Tennessee to scan the paper records of the Bowling-Pfizer Heart Valve Settlement Fund. Prior to scanning, records that were determined to be obsolete were destroyed. The scanned documents have been provided to CAC Services Group for its use in administering the settlement. The scanning of all records was completed during 2012.

B. Financial. At December 31, 2012, the total balance of cash and cash equivalents was \$18,938,308.

Attached as Appendix 2 are the following: an unaudited balance sheet as of December 31, 2012 and an unaudited statement of income and funds balance for the year ended December 31, 2012.

Attached as Appendix 3 is a copy of the Independent Auditor's Report for the years ended December 31, 2010 and December 31, 2011.

III. COMMUNICATIONS

Communications remain open, whether with physicians, Class Members, other BSCC heart valve implantees, Class Counsel, Special Counsel, Defendant's Counsel, or Counsel for Public

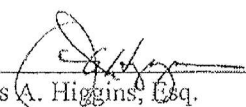
Citizen.

IV. APPROVALS

Your honor, the Special Master/Trustee requests that the Court:

- Approve this Report, and
- Approve, or provide guidance with respect to, each of the Appendices to this Report,
and
- Provide guidance with respect to any duty of the Special Master/Trustee, and
- Fix the date for the next Report.

Respectfully submitted,


James A. Higgins, Esq.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this Thirty-Fifth Report of the Special Master/Trustee Covering Period from January 1, 2012 to December 31, 2012, has been electronically sent to the following this 1st day of March 2013.

Paul De Marco, Esq.
119 E. Court St.
Cincinnati, OH 45202

Brian Wolfman, Esq.
Public Citizen
1600 20th Street, NW
Washington, D.C. 20009-1001

James T. Capretz, Esq.
5000 Birch Street
Suite 2500
Newport Beach, CA 92660

John T. Johnson, Esq.
55 Waugh Drive, Suite 505
Houston, TX 77007

Jack B. Harrison, Esq.
Cors & Bassett
537 East Pete Rose Way
Cincinnati, OH 45202

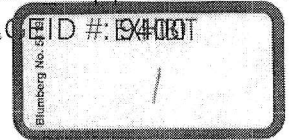
Gregory Wallance, Esq.
Maris Veidemanis, Esq.
Kaye Scholer LLP
425 Park Avenue
New York, NY 10022

s/ Nancy A. Lawson

Nancy A. Lawson

2371049v1

http://www.bowling-pfizer.com - http://www.bowling-pfizer.com
www.bowling-pfizer.com [DEFAULT]

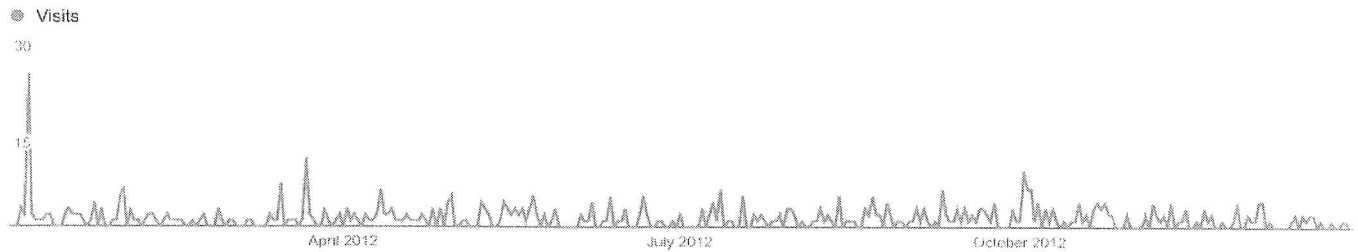


Jan 1, 2012 - Dec 31, 2012

Audience Overview

● % of visits: 100.00%

Overview



420 people visited this site

Visits: 524

Unique Visitors: 420

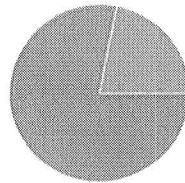
Pageviews: 1,511

Pages / Visit: 2.88

Avg. Visit Duration: 00:02:44

Bounce Rate: 54.01%

% New Visits: 77.86%



■ 78.05% New Visitor

409 Visits

■ 21.95% Returning Visitor

115 Visits

Language	Visits	% Visits
1. en-us	443	84.54%
2. en	10	1.91%
3. fr	10	1.91%
4. de	7	1.34%
5. de-de	7	1.34%
6. es	6	1.15%
7. nl	6	1.15%
8. en-gb	4	0.76%
9. it	4	0.76%
10. zh-cn	4	0.76%

[view full report](#)

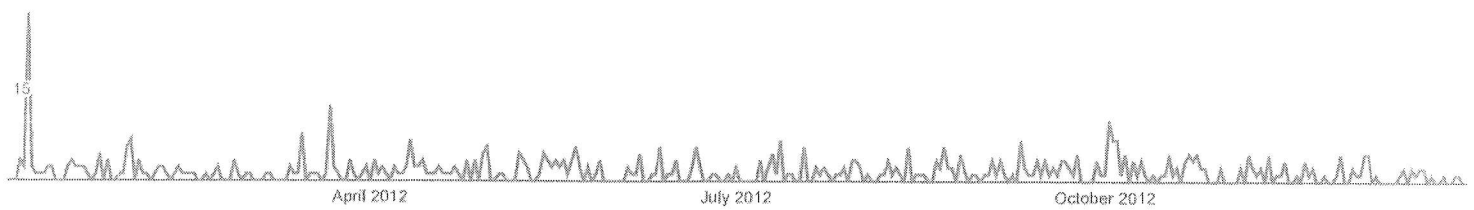
Traffic Sources Overview

Jan 1, 2012 - Dec 31, 2012

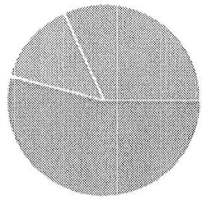
● % of visits: 100.00%

Overview

● Visits

30
15

524 people visited this site

■ **54.01% Search Traffic**

283 Visits

■ **14.12% Referral Traffic**

74 Visits

■ **31.87% Direct Traffic**

167 Visits

Keyword	Visits	% Visits
1. (not provided)	59	20.85%
2. bowling-pfizer heart valve settlement funds	15	5.30%
3. bowling pfizer trustees	10	3.53%
4. bowling-pfizer.com	9	3.18%
5. pfizer cincinnati	6	2.12%
6. bowling pfizer	5	1.77%
7. bowling-pfizer settlement funds	5	1.77%
8. bowling pfizer settlement fund	4	1.41%
9. bowling v pfizer	3	1.06%
10. bowling-pfizer settlement	3	1.06%

[view full report](#)

© 2013 Google

http://www.bowling-pfizer.com - http://www.bowling-pfizer.com
www.bowling-pfizer.com [DEFAULT]

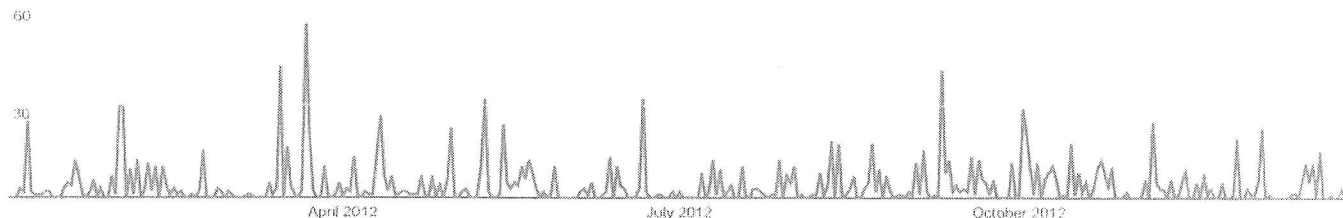
Content Overview

Jan 1, 2012 - Dec 31, 2012

100% % of pageviews. 100.00%

Overview

Pageviews



Pages on this site were viewed a total of 1,511 times

Pageviews: 1,511

Unique Pageviews: 1,189

Avg. Time on Page: 00:01:27

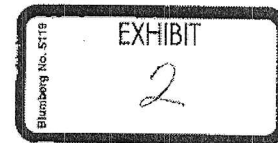
Bounce Rate: 54.01%

% Exit: 34.68%

Page	Pageviews	% Pageviews
1. /	547	36.20%
2. /keydocuments.cfm	134	8.87%
3. /documentrepository.cfm	106	7.02%
4. /index.cfm	81	5.36%
5. /trusteereports.cfm	76	5.03%
6. /contactus.cfm	75	4.96%
7. /participants.cfm	73	4.83%
8. /guidelines.cfm	67	4.43%
9. /photos.cfm	45	2.98%
10. /supervisorypanel.cfm	45	2.98%

[view full report](#)

© 2013 Google



TRUSTEES FOR THE BOWLING-PFIZER
HEART VALVE SETTLEMENT FUNDS

BALANCE SHEET

AS OF DECEMBER 31, 2012

UNAUDITED

ASSETS

CASH	\$92,546
U.S. TREASURY BILLS	<u>18,890,081</u>
	<u>\$18,982,627</u>

LIABILITIES AND FUNDS BALANCE

ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$44,319
FUNDS BALANCE	<u>18,938,308</u>
	<u>\$18,982,627</u>

TRUSTEES FOR THE BOWLING-PFIZER
HEART VALVE SETTLEMENT FUNDS

STATEMENT OF INCOME AND FUNDS BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2012

UNAUDITED

INVESTMENT INTEREST INCOME	<u>\$19,931</u>
VALVE REPLACEMENT SURGERY BENEFITS	<u>642</u>
LITIGATION ATTORNEYS - FEES & EXPENSES	<u>15,760</u>
EXPENSES:	
Supervisory Panel	20,700
Trustee fees	25,245
Legal and Accounting	45,030
Document scanning services	47,500
Settlement Administrator	8,325
Administrative	<u>618</u>
Total	<u>147,418</u>
NET CHANGE IN FUNDS BALANCE	(143,889)
FUNDS BALANCE, DECEMBER 31, 2011	<u>19,082,197</u> (1)
FUNDS BALANCE, DECEMBER 31, 2012	<u>\$18,938,308</u>

(1) - This amount is different than the balance in the audited financial statements due to accruing certain expenses in the unaudited financial statements to more currently reflect the financial condition of the Settlement Funds.



Bowling-Pfizer Heart Valve Litigation Settlement Fund

Financial Statements – Modified Cash Basis
December 31, 2011 and 2010, and
Independent Auditors' Report

BOWLING-PFIZER HEART VALVE LITIGATION SETTLEMENT FUND
December 31, 2011 and 2010

Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements – Modified Cash Basis:	
Statements of Assets, Liabilities and Fund Balance	2
Statements of Income, Expenses and Changes in Fund Balance	3
Statements of Cash Flows	4
Notes to Financial Statements	5 – 7

**BARNES DENNIG**

Accounting • Tax • Business Insight

Independent Auditors' Report

Trustee
Bowling-Pfizer Heart Valve Litigation Settlement Fund

We have audited the accompanying statements of assets, liabilities and fund balance -- modified cash basis of the Bowling-Pfizer Heart Valve Litigation Settlement Fund (Fund) as of December 31, 2011 and 2010 and the related statements of income, expenses and change in fund balance -- modified cash basis and cash flows -- modified cash basis for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the assets, liabilities and fund balance of the Bowling-Pfizer Heart Valve Litigation Settlement Fund as of December 31, 2011 and 2010 and its income, expenses and change in fund balance and its cash flows for the years then ended on the basis of accounting described in Note 2.

Barnes, Dennig & Co., Ltd.

December 19, 2012

150 East Fourth Street | Cincinnati, OH 45202 | Tel 513.241.8313 | Fax 513.241.8303

www.barnesdennig.com

Member, PKF International

BOWLING-PFIZER HEART VALVE LITIGATION SETTLEMENT FUND**Statements of Assets, Liabilities and Fund Balance -- Modified Cash Basis
December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Assets		
Cash	\$ 53,941	\$ 11,876,429
Investments	19,044,308	7,897,492
Other assets	<u>-</u>	<u>6,088</u>
Total assets	<u>\$ 19,098,247</u>	<u>\$ 19,780,009</u>
Liabilities and Fund Balance		
Accounts payable and accrued expenses	\$ 14,899	\$ 82,697
Fund balance	<u>19,083,348</u>	<u>19,697,312</u>
Total liabilities and fund balance	<u>\$ 19,098,247</u>	<u>\$ 19,780,009</u>

See accompanying notes to modified cash basis financial statements

BOWLING-PFIZER HEART VALVE LITIGATION SETTLEMENT FUND**Statements of Income, Expenses and Changes in Fund Balance -- Modified Cash Basis
Years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Income - Net investment income	<u>\$ 23,292</u>	<u>\$ 35,940</u>
Expenses and benefit payments		
Benefit payments	1,117	724
Litigation attorneys - fees and expenses	47,388	178,760
Supervisory panel expenses	73,483	108,690
Trustees' fees and expenses	39,651	45,759
Professional fees	73,992	125,498
Other administrative expenses	<u>401,625</u>	<u>371,559</u>
Total expenses and benefit payments	<u>637,256</u>	<u>830,990</u>
Decrease in fund balance	(613,964)	(795,050)
Fund balance, beginning of year	<u>19,697,312</u>	<u>20,492,362</u>
Fund balance, end of year	<u>\$ 19,083,348</u>	<u>\$ 19,697,312</u>

See accompanying notes to modified cash basis financial statements

BOWLING-PFIZER HEART VALVE LITIGATION SETTLEMENT FUND**Statements of Cash Flows – Modified Cash Basis
Years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities		
Decrease in fund balance	\$ (613,964)	\$ (795,050)
Adjustment to reconcile change in fund balance to net cash used in operating activities:		
Changes in:		
Other assets	6,088	149
Accounts payable and accrued expenses	<u>(67,798)</u>	<u>(35,621)</u>
Net cash used in operating activities	<u>(675,674)</u>	<u>(830,522)</u>
Cash flows from investing activities		
Purchase of Investments	(43,093,814)	(27,758,111)
Sale of Investments	<u>31,947,000</u>	<u>40,394,000</u>
Net cash provided by (used in) investing activities	<u>(11,146,814)</u>	<u>12,635,889</u>
Net change in cash	(11,822,488)	11,805,367
Cash, beginning of year	<u>11,876,429</u>	<u>71,062</u>
Cash, end of year	<u>\$ 53,941</u>	<u>\$ 11,876,429</u>

See accompanying notes to modified cash basis financial statements

