UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF LOUISIANA, LAKE CHARLES DIVISION

Odilon Gonzales et al. v. Louisiana Scrap Metals Recycling Lake Charles LLC

Gonzales v. Louisiana Scrap Metals Recycling Lake Charles LLC · No. 2:22-CV-01037 · Decided March 25, 2026

SUMMARY

The United States District Court for the Western District of Louisiana denied Everest National Insurance Company's motion for summary judgment in a wrongful-death action arising from a flash fire aboard a vessel being scrapped. The court held that Everest had not shown the absence of a factual dispute regarding whether the M/V SMITH TIDE remained a vessel for purposes of the Jones Act and Longshore and Harbor Workers' Compensation Act, which affected application of the policy's Marine Liability Exclusion.

CASE DETAILS

COURT	United States District Court for the Western District of Louisiana, Lake Charles Division
WRITING FOR THE COURT	James D. Cain, Jr.
JURISDICTION	United States District Court for the Western District of Louisiana, Lake Charles Division
DECIDED	March 25, 2026
DOCKET	2:22-CV-01037
DISPOSITION	other
PROCEDURAL POSTURE	Defendant Everest National Insurance Company moved for summary judgment on the issue of insurance coverage under its excess policy. Plaintiffs opposed the motion.
STANDARD OF REVIEW	Summary judgment is appropriate under Federal Rule of Civil Procedure 56(a) when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The court must view the evidence and reasonable inferences in the light most favorable to the nonmoving party and may not weigh evidence or make credibility determinations.

PRECEDENTIAL VALUE	unpublished district court memorandum ruling

TOPICS

summary judgment · insurance coverage · admiralty · jones act · longshore and harbor workers compensation

PRACTICE AREAS

insurance coverage · admiralty · civil procedure · wrongful death

QUESTIONS PRESENTED

1. Whether Everest was entitled to summary judgment on the ground that the policy's Marine Liability Exclusion barred coverage for claims invoking the Jones Act and the Longshore and Harbor Workers' Compensation Act.
2. Whether the record established as a matter of law that the M/V SMITH TIDE was not a vessel, or alternatively remained a vessel, for purposes of the Jones Act and the Longshore and Harbor Workers' Compensation Act.

HOLDINGS

1. Summary judgment was inappropriate because Everest failed to present evidence eliminating a genuine dispute of material fact concerning whether the M/V SMITH TIDE remained a vessel subject to the Jones Act or the Longshore and Harbor Workers' Compensation Act.
2. The court could not determine on the existing record whether the M/V SMITH TIDE qualified as a vessel at the time of the accident, and plaintiffs could argue in the alternative that maritime law did or did not apply.

KEY QUOTATIONS

> *"The court is also required to view all evidence in the light most favorable to the non-moving party and draw all reasonable inferences in that party's favor."*

> *"But floating is not enough to qualify a craft as a vessel."*

FACTUAL BACKGROUND

Adrian Gonzalez Avila, an employee of CP Contractors LLC, was torch-cutting aboard the M/V SMITH TIDE at a recycling facility owned by Louisiana Scrap Metals Recycling Lake Charles LLC when a flash fire occurred on April 30, 2021. He died from his injuries three days later. Plaintiffs alleged claims under the Jones Act, general maritime law, and the Longshore and Harbor Workers' Compensation Act. Everest issued an excess policy containing a Marine Liability Exclusion and argued that the exclusion barred coverage, but the record did not establish whether the M/V SMITH TIDE was still practically capable of maritime transportation when the accident occurred.

PROCEDURAL HISTORY

Plaintiffs filed a wrongful-death action arising from a fatal fire aboard the M/V SMITH TIDE at a Louisiana recycling facility. They later added several insurers as defendants and dismissed certain claims following a partial settlement. Everest moved for summary judgment, arguing that the policy's Marine Liability Exclusion barred coverage because plaintiffs invoked the Jones Act and the Longshore and Harbor Workers' Compensation Act. The court denied the motion because Everest failed to establish the absence of a genuine factual dispute regarding whether the vessel remained practically capable of transportation over water.

DISPOSITION

other

CASES CITED

- Tubacex, Inc. v. M/V Risan, 45 F.3d 951, 954 (5th Cir. 1995)
- Malacara v. Garber, 353 F.3d 393, 404 (5th Cir. 2003)
- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248-249 (1986)
- State Farm Life Insurance Co. v. Gutterman, 896 F.2d 116, 118 (5th Cir. 1990)
- Reeves v. Sanderson Plumbing Products, Inc., 530 U.S. 133, 150 (2000)
- Clift v. Clift, 210 F.3d 268, 270 (5th Cir. 2000)
- Brumfield v. Hollins, 551 F.3d 322, 326 (5th Cir. 2008)
- Chandris, Inc. v. Latsis, 515 U.S. 347, 368 (1995)
- Stewart v. Dutra Construction Co., 543 U.S. 481, 497 (2005)
- Holmes v. Atlantic Sounding Co., 437 F.3d 441, 448 (5th Cir. 2006)
- Moore v. Bis Salamis, Inc., 748 F. Supp. 2d 598, 605 (E.D. Tex. 2010)
- Lozman v. City of Riviera Beach, Florida, 568 U.S. 115, 124-126 (2013)