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Imperial Sugar won't discuss its year-long probe of 2008 Port Wentworth refinery disaster

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In October 2008, Imperial Sugar Co.'s board of directors assigned a committee to investigate last year's deadly inferno at its local plant. More than a year later, Imperial won't say whether the committee has filed a report, reached any conclusions - or even met. The panel was told to look into the Feb. 7, 2008, explosions and fire that killed 14 people and injured many more at Imperial's Port Wentworth refinery. The probe stems from a lawsuit filed in Texas after the tragedy. It's one of more than 40 filed against the company or its officers since the catastrophe. Most of the lawsuits claim company officials knew there were deadly hazards at the plant but failed to eliminate them. Lawyers for victims and their families say the company's silence on the status of the probe further undermines its credibility. Asked for an update on the investigation, Imperial spokesman Steve Behm issued a statement almost identical to six others he's offered recently on other topics. [Go to savannahnow.com/news/explosion-to-watch-the-latest-videos-and-read-more-about-the-Port-Wentworth-sugar-refinery-explosion](http://savannahnow.com/news/explosion-to-watch-the-latest-videos-and-read-more-about-the-Port-Wentworth-sugar-refinery-explosion). Behm called it "our standard response on this subject." "Imperial will not comment on stories concerning either the litigation process or ones derived to undermine the tremendous progress that we've made ... ," he said. John Stokely and Ronald Kesselman, the company directors serving on the committee, each did not return a phone call made to seek comment. Board chairman James Gaffney declined to comment, as did Paul Curnin, a New York City lawyer who is working with the committee. "I would think that if the committee had met and had been diligent, they'd tell you about it," said Brent Savage, an attorney for people suing Imperial. "I know they have never called the plaintiffs. If they were going to be fair, they'd ask both sides. We haven't heard from them." Savage and other lawyers already had questioned the validity of the probe, mostly, they say, because the company is investigating itself. The company has previously said Stokely and Kesselman are "independent" directors because they aren't Imperial officers or employees. But Savage and others said the two directors have a built-in incentive to absolve Imperial of any alleged wrongdoing. Imperial, they noted, has reported giving each of them 8,517 shares of stock and at least \$70,000 a year each to serve as directors and on the committee. Compensation for the two directors is described in Imperial's filings with the U.S. Securities and Exchange Commission. Moreover, Stokely has served with Gaffney on the board of Covington, La.-based Pool Corp. since 2000, according to Pool's Web site. In May, however, Curnin said he had "100 percent confidence" that the committee appointments would hold up in court.

Texas lawsuit

The board of directors launched the investigation after a shareholder sued Imperial officials in Texas. Plaintiff Robert Delaney alleged that the disaster caused "massive economic damages" to the company and its shareholders. Under Texas law, the lawsuit is stayed until the directors complete their investigation. Delaney's action named Imperial president and CEO John Sheptor and 11 other current and former company officials as defendants. Stokely and Kesselman did not join the board until October 2008 - more than eight months after the explosions and fire. Mark Tate, another plaintiff's lawyer, said Imperial is seeking to "delay and draw this out several years." Phillip Hilder, a lawyer for several present or former company officials, said any conclusions the panel reaches are "essentially irrelevant."

He noted that investigations by the U.S. Occupational Safety and Health Administration and the U.S. Chemical Safety Board have concluded.

Both agencies blamed Imperial for the disaster.

OSHA also is seeking to fine the company \$8.8 million for alleged safety violations at Port Wentworth and Imperial's plant in Gramercy, La.

Imperial is appealing the fines, but has not contested the safety board's findings.

In addition, OSHA has not ruled out the possibility of seeking criminal prosecution against the company or its officials.

"The committee investigation is not going to have any impact on any of these proceedings or on the lawsuits," Hilder said.