

VERDICTS & SETTLEMENTS

WEDNESDAY, AUGUST 26, 1998

EMPLOYMENT LAW

Wrongful Termination

Breach of Covenant of Good Faith and Fair Dealing

VERDICT: \$1,894,882

RESULT DATE: Aug. 26, 1998
98-JV_1593

CASE/NUMBER: *Sharon Baugher v. Destron, Inc.* (BC172896)

JUDGE:
Hon. David A. Workman
L.A. Superior Central

ATTORNEY:
Plaintiff — Charles T. Mathews,
(**Mathews & Rager, LLP, Pasadena**).
Defendant — William P. Volk (Campbell,
Wolfenzon, Souhrada & Volk, San Diego).

TECHNICAL:
Plaintiff — Theodore Vavoulis, economist,
Pasadena.
Defendant — Richard B. Danchy, human
resources, San Diego.

FACTS: On Feb. 3, 1995, plaintiff Sharon Baugher, a 51-year-old marketing representative, was asked to leave a 12-year career as a marketing representative at Caesar's Palace in Los Angeles' office to make a similar position at the Destron

Inc.'s office with a written contract. On July 30, 1996, she was terminated when the office was allegedly closed. The plaintiff sued for breach of contract, breach of covenant of good faith and fair dealing, fraud and intentional infliction of emotional distress.

The plaintiff contended that she was misled by defendant's promises to leave Caesar's Palace and did a good job at all times meeting all production goals. The plaintiff also contended that the office "closure" was a sham, that it never closed, and that the defendant terminated her for no good reason. The defendant contended that the office was closed in the sense that they fired most of the employees. The defendant claimed that plaintiff had an agreement with Destron that in the event the Los Angeles office would close, she would be transferred to an office at the MGM hotel in Las Vegas; that when the staff of the Los Angeles office was let go, plaintiff was told that pursuant to the agreement, she could immediately move to Las Vegas and remain with Destron at the same salary and benefits. The defendant claimed that plaintiff declined to go to Las Vegas for personal reasons, and Destron, having no other alternative, terminated her

employment and offered her an independent contractor position from her home, from Las Vegas, or anywhere else she wanted to live. Further, defendant alleged that after initially accepting this position, plaintiff declined it, hired an attorney and filed suit.

DAMAGES: At trial, the plaintiff asked the jury to award \$5 million in compensatory damages, and find punitive damages against Destron.

SPECIALS IN EVIDENCE:
LOE: \$160,000 Future LOE: \$500,000

JURY TRIAL: Length, one week; Poll, 12-0; Deliberation, 7½ hours

SETTLEMENT DISCUSSIONS: The plaintiff made a settlement demand of \$1.5 million. The defendant made an offer of \$25,000 before trial.

OTHER INFORMATION: The verdict was reached approximately one year and two months after the case was filed. The defendant's motion for a new trial and for judgment notwithstanding the verdict are now pending.