



FENWICK & WEST LLP

## Weekly Employment Brief

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### **Make My Day - Clint Eastwood Wins What May Be Final Round in ADA Case**

In what likely was the final round in actor Clint Eastwood's legal battle with a disabled woman because his Monterey resort was allegedly not wheelchair accessible, federal Judge James Ware ruled that plaintiff was not entitled to injunctive relief that could, if awarded, have required Eastwood to pay plaintiff's attorney's fees. The judge relied on a jury's verdict last year that plaintiff Diane zum Brunnen had not been denied access to the resort and therefore could not collect any damages.

### **Bankruptcies Complicate Employee Claims**

As the economy slows, employers are seeking relief in bankruptcy court not only from financial creditors but from employees. The Equal Employment Opportunity Commission reported that an increasing number of bankruptcy filings by employers complicate EEOC cases. A bankruptcy filing automatically stays litigation, including employee lawsuits, against the employer. The bankruptcy not only delays the suit but may leave the employee as just another unsecured creditor.

### **Arbitration Now Preferred**

Employers can rest assured that their arbitration agreements will receive a more favorable reception in federal court. In the first reported federal district court opinion after the U.S. Supreme Court upheld mandatory arbitration of employment discrimination claims in *Circuit City Stores Inc. v. Adams*, a federal district court in California ruled in *Olivares v. Hispanic Broadcasting Corp.* that the employer could compel arbitration and dismissed plaintiff's lawsuit. The Supreme Court in *Circuit City* effectively overruled the Ninth Circuit rulings that employers could not mandate arbitration of discrimination claims.

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