

UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

Simpson v. Midland-Ross Corp.

823 F.2d 937 (6th Cir. 1987) · Decided July 9, 1987

SUMMARY

The Sixth Circuit considered an age-discrimination claim brought under the federal Age Discrimination in Employment Act and Michigan’s Elliott-Larsen Act after Midland-Ross terminated Frederick Simpson during a reduction in force. The court held that Simpson’s statistical and performance-related evidence was insufficient to show that the employer’s stated nondiscriminatory reasons were pretextual or that age motivated the discharge. It therefore reversed the district court’s denial of Midland-Ross’s motion for judgment notwithstanding the verdict.

CASE DETAILS

COURT	United States Court of Appeals for the Sixth Circuit
WRITING FOR THE COURT	Engel, Circuit Judge; Engel; Krupansky; Ryan
JURISDICTION	Federal
DECIDED	July 9, 1987
DISPOSITION	reversed
PROCEDURAL POSTURE	Midland-Ross appealed from a district court judgment entered on a jury verdict for Simpson in claims under the Michigan Elliott-Larsen Act and the ADEA. Simpson cross-appealed the denial of prejudgment interest.
STANDARD OF REVIEW	The court reviewed denial of judgment notwithstanding the verdict by viewing the totality of admissible evidence most favorably to the nonmoving party and asking whether a reasonable trier of fact could draw but one conclusion.
PRECEDENTIAL VALUE	Published precedential federal appellate opinion
PARTIES	Midland-Ross Corp. v. Frederick Simpson

TOPICS

- age discrimination
- employment law
- civil procedure
- damages

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the evidence was sufficient to support a jury finding that Midland-Ross discharged Simpson because of his age under the ADEA and Michigan's Elliott-Larsen Act.
2. Whether the district court erred in denying Midland-Ross's motion for judgment notwithstanding the verdict.
3. Whether the court needed to reach the parties' other challenges concerning jury instructions, damages, prejudgment interest, and the timeliness of Simpson's cross-appeal.

HOLDINGS

1. Simpson's evidence was insufficient to permit a reasonable jury to find that Midland-Ross's stated reasons for his discharge were pretextual or that age was the motivating factor in the discharge.
2. Statistical evidence has probative value only when its methodology and explanatory power permit a reasonable inference of discrimination; generalized age figures, small samples, and uncontextualized hiring or departure statistics are insufficient by themselves.
3. The McDonnell Douglas framework is not to be applied mechanically or rigidly in ADEA discharge cases; the ultimate question after a trial on the merits is whether the plaintiff proved intentional age discrimination by a preponderance of the evidence.

KEY QUOTATIONS

“For statistics to be valid and helpful in a discrimination case, “both the methodology and the explanatory power of the statistical analysis must be sufficient to permit an inference of discrimination.”” (823 F.2d at 944)

“We conclude that Midland-Ross offered a legitimate nondiscriminatory reason for Simpson’s discharge, and that even if Simpson made out a prima facie case of age discrimination within the meaning of McDonnell Douglas, his proof was insufficient to show that Midland-Ross' stated reason was pretextual and that Midland-Ross discharged him because of his age.” (823 F.2d at 945)

FACTUAL BACKGROUND

Midland-Ross hired Simpson in 1974 when he was 48 to manage major automotive accounts. After several years of employment and increasingly negative performance reviews, he was terminated in 1980 during a company-wide reduction in force that Midland-Ross attributed to economic necessity and relative employee productivity. Simpson presented evidence concerning his qualifications, employee-age statistics, an alleged younger replacement, one early retirement, and one alleged demotion, but no direct evidence of age bias or age-related comments. The alleged replacement did not assume Simpson's former responsibilities until approximately three months after his discharge.

PROCEDURAL HISTORY

Simpson filed suit in Michigan state court alleging age-discrimination violations under Michigan law and the ADEA. Midland-Ross removed the action to federal court on diversity grounds. A jury found willful violations of both statutes and awarded Simpson \$166,007; the district court added \$84,000 in liquidated damages and denied Midland-Ross's motions for judgment notwithstanding the verdict, a new trial, or remittitur. The Sixth Circuit reversed, holding that the evidence was insufficient to sustain the verdict.

DISPOSITION

reversed

CASES CITED

- McDonnell Douglas Corp. v. Green, 411 U.S. 792 (1973)
- Texas Department of Community Affairs v. Burdine, 450 U.S. 248 (1981)
- Wilkins v. Eaton Corp., 790 F.2d 515 (6th Cir. 1986)
- Blackwell v. Sun Electric Corp., 696 F.2d 1176 (6th Cir. 1983)
- Gallaway v. Chrysler Corp., 105 Mich. App. 1, 306 N.W.2d 368 (1981)
- Laugesen v. Anaconda Co., 510 F.2d 307 (6th Cir. 1975)
- Merkel v. Scovill, Inc., 787 F.2d 174 (6th Cir. 1986)
- Sahadi v. Reynolds Chemical, 636 F.2d 1116 (6th Cir. 1980)
- Matras v. Amoco Oil Co., 424 Mich. 675, 385 N.W.2d 586 (1986)
- United States Postal Service Board of Governors v. Aikens, 460 U.S. 711 (1983)
- Ridenour v. Lawson Co., 791 F.2d 52 (6th Cir. 1986)
- LaGrant v. Gulf & Western Manufacturing Co., Inc., 748 F.2d 1087 (6th Cir. 1984)
- Locke v. Commercial Union Insurance Co., 676 F.2d 205 (6th Cir. 1982)
- Ackerman v. Diamond Shamrock Corp., 670 F.2d 66 (6th Cir. 1982)
- Davis v. Combustion Engineering, Inc., 742 F.2d 916 (6th Cir. 1984)
- Rose v. National Cash Register Corp., 703 F.2d 225 (6th Cir. 1983)
- Mayor of Philadelphia v. Educational Equality League, 415 U.S. 605 (1974)
- Pace v. Southern Railway System, 701 F.2d 1383 (11th Cir. 1983)
- Grano v. Department of Development of City of Columbus, 637 F.2d 1073 (6th Cir. 1980)
- Hazelwood School District v. United States, 433 U.S. 299 (1977)
- Teamsters v. United States, 431 U.S. 324 (1977)
- Segar v. Smith, 738 F.2d 1249 (D.C. Cir. 1984)
- Chappell v. GTE Products Corp., 803 F.2d 261 (6th Cir. 1986)
- United States Postal Service Board of Governors v. Aikens, 460 U.S. 711 (1983)
- Williams v. Caterpillar Tractor Co., 770 F.2d 47 (6th Cir. 1985)
- Coates v. Johnson & Johnson, 756 F.2d 524 (7th Cir. 1985)
- Haskell v. Kaman Corp., 743 F.2d 113 (2d Cir. 1984)

- EEOC v. New York Times Broadcasting Service, Inc., 542 F.2d 356 (6th Cir. 1976)
- Trans World Airlines v. Thurston, 469 U.S. 111 (1985)

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