

SUPREME COURT OF TEXAS

General Motors Corporation and Lawrence Marshall Chevrolet
Oldsmobile, Inc. v. A.J. Sanchez, et al.

General Motors Corporation and Lawrence Marshall Chevrolet Oldsmobile, Inc. v. A.J. Sanchez, 997 S.W.2d
584 (Tex. 1999) · No. No. 98-0442 · Decided July 1, 1999

SUMMARY

The Supreme Court of Texas addresses when comparative responsibility applies in a strict-products-liability case. It holds that a consumer has no duty to discover or guard against a product defect, but conduct beyond that mere failure may be compared under Texas's comparative responsibility statute. The court also concludes that the evidence was legally insufficient to support punitive damages and reverses and renders judgment reducing actual damages by the jury's comparative responsibility finding.

CASE DETAILS

COURT	Supreme Court of Texas
WRITING FOR THE COURT	Justice Gonzales
JURISDICTION	Texas
DECIDED	July 1, 1999
DOCKET	No. 98-0442
DISPOSITION	reversed
PROCEDURAL POSTURE	Petition for review of a court of appeals judgment affirming a trial-court judgment awarding actual and punitive damages in a products-liability and negligence action.
STANDARD OF REVIEW	The court reviewed the legal sufficiency of the evidence under a no-evidence standard, sustaining the challenge only if there was no more than a scintilla of evidence supporting the finding. It reviewed the punitive-damages gross-negligence finding under the legal-sufficiency standard, considering the evidence in the light most favorable to the prevailing party and asking whether reasonable and fair-minded people could differ.
PRECEDENTIAL VALUE	published precedential opinion

PARTIES

General Motors Corporation, Lawrence Marshall Chevrolet
Oldsmobile, Inc. v. A.J. Sanchez, et al.

TOPICS

products liability

strict liability

comparative fault

punitive damages

statutory interpretation

PRACTICE AREAS

products liability

personal injury

punitive damages

torts

damages

QUESTIONS PRESENTED

1. Whether the evidence was legally sufficient to support the finding that the truck had a design defect, including proof of a safer alternative design.
2. Whether comparative responsibility applies in a strict-liability products case when the consumer's conduct is negligence beyond the mere failure to discover or guard against a product defect.
3. Whether legally sufficient evidence supported the finding that General Motors was grossly negligent and therefore liable for punitive damages.

HOLDINGS

1. The plaintiffs presented more than a scintilla of evidence that the proposed alternative design was technically and economically feasible and would substantially reduce the risk of injury; therefore, the design-defect finding was supported by legally sufficient evidence.
2. Comparative responsibility applies in a strict-liability products case when the consumer's negligence is something other than the mere failure to discover or guard against a product defect.
3. Keen is disapproved to the extent it suggests that all consumer conduct other than assumption of a known risk is merely a failure to discover or guard against a product defect and therefore cannot be compared.
4. The evidence was legally insufficient to establish General Motors's conscious indifference, an essential element of gross negligence; punitive damages therefore could not be awarded.

KEY QUOTATIONS

“Thus, we hold that a consumer has no duty to discover or guard against a product defect, but a consumer's conduct other than the mere failure to discover or guard against a product defect is subject to comparative responsibility.” (594)

“After reviewing the evidence in this case under the Moriel standard, we hold the evidence of conscious indifference is not legally sufficient to support the gross negligence finding.” (598)

“Accordingly, we reverse the court of appeals judgment and render judgment that the plaintiffs recover their actual damages reduced by the jury's finding of fifty percent comparative responsibility.” (598)

FACTUAL BACKGROUND

Lee Sanchez, Jr. was fatally injured when his 1990 Chevrolet pickup, apparently left in an intermediate hydraulic-neutral position between Park and Reverse, shifted into Reverse and rolled backward while he was outside the truck. The plaintiffs' expert testified that the transmission and linkage design created a risk of migration from hydraulic neutral into Reverse and proposed an alternative design that would substantially reduce that risk. The jury found a design defect, inadequate warning, and negligence by General Motors, but also found Sanchez fifty percent responsible because he failed to engage the parking and other safety measures described in the owner's manual. The trial court awarded actual and punitive damages but disregarded the comparative-responsibility finding.

PROCEDURAL HISTORY

The jury found General Motors negligent, found the truck defectively designed, found an inadequate warning constituting a marketing defect, and attributed fifty percent responsibility to Sanchez. The trial court disregarded the comparative-responsibility finding and rendered judgment for \$8.5 million in actual and punitive damages. A panel of the court of appeals affirmed, and the court of appeals sitting en banc adopted the panel opinion and judgment. The Supreme Court of Texas reversed and rendered judgment for actual damages reduced by Sanchez's fifty-percent comparative responsibility, eliminating punitive damages.

DISPOSITION

reversed

CASES CITED

- Keen v. Ashot Ashkelon, Ltd., 748 S.W.2d 91 (Tex. 1988)
- Duncan v. Cessna Aircraft Co., 665 S.W.2d 414 (Tex. 1984)
- Juliette Fowler Homes, Inc. v. Welch Associates, Inc., 793 S.W.2d 660, 666 n.9 (Tex. 1990)
- American Tobacco Co., Inc. v. Grinnell, 951 S.W.2d 420, 432 (Tex. 1997)
- Caterpillar, Inc. v. Shears, 911 S.W.2d 379, 384 (Tex. 1995)
- Maritime Overseas Corp. v. Ellis, 971 S.W.2d 402, 410-411 (Tex. 1998)
- E.I. du Pont de Nemours & Co. v. Robinson, 923 S.W.2d 549, 556 (Tex. 1995)
- Daubert v. Merrell Dow Pharmaceuticals, Inc., 509 U.S. 579, 592-595 (1993)
- Gammill v. Jack Williams Chevrolet, Inc., 972 S.W.2d 713, 720 (Tex. 1998)
- Merrell Dow Pharmaceuticals, Inc. v. Havner, 953 S.W.2d 706, 709, 711-714, 730 (Tex. 1997)
- Schaefer v. Texas Employers' Insurance Association, 612 S.W.2d 199, 202, 204-205 (Tex. 1980)
- Burroughs Wellcome Co. v. Crye, 907 S.W.2d 497, 498-500 (Tex. 1995)
- Continental Coffee Products v. Cazarez, 937 S.W.2d 444, 450 (Tex. 1996)
- Transportation Insurance Co. v. Moriel, 879 S.W.2d 10, 20-25 (Tex. 1994)
- Mobil Oil Corp. v. Ellender, 968 S.W.2d 917, 921-922 (Tex. 1998)
- Wal-Mart Stores, Inc. v. Alexander, 868 S.W.2d 322, 326 (Tex. 1993)

- Grimshaw v. Ford Motor Co., 119 Cal. App. 3d 757, 813-814, 174 Cal. Rptr. 348 (Cal. Ct. App. 1981)
- Briones v. Levine's Department Store, 446 S.W.2d 7, 10 (Tex. 1969)

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