

SUPREME COURT OF NEVADA

Ringle v. Bruton, 120 Nev. 82

86 P.3d 1032 (2004) · No. No. 38931 · Decided April 1, 2004

SUMMARY

The Nevada Supreme Court affirmed a judgment awarding an employee bonus, vacation, and severance pay in an employment contract dispute. The court held that when an employee continues working after a definite-term employment contract expires, the contract’s terms are presumed to continue governing the parties, except that the duration term does not renew. The court also held that unobjected-to improper closing argument is generally waived on appeal absent rare circumstances involving irreparable and fundamental error.

CASE DETAILS

COURT	Supreme Court of Nevada
WRITING FOR THE COURT	Agosti, J.; Becker, J.; Gibbons, J.; Maupin, J.; Rose, J.; Shearing, C.J.
JURISDICTION	Nevada
DECIDED	April 1, 2004
DOCKET	No. 38931
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from a final judgment entered after a jury trial in an employment-contract action and from an order denying a motion for a new trial.
STANDARD OF REVIEW	Summary judgment is reviewed under the standard that it is proper only when no genuine issue of material fact exists and the moving party is entitled to judgment as a matter of law. Jury instructions are reviewed for abuse of discretion or judicial error. A ruling on a motion for a new trial based on attorney misconduct is reviewed for abuse of discretion. A jury verdict is not overturned when supported by substantial evidence unless it is clearly wrong. Unobjected-to attorney misconduct is generally not reviewable absent extraordinary, irreparable, and fundamental error.
PRECEDENTIAL VALUE	published precedential opinion
PARTIES	Edward Ringle, Stagecoach Casino and Hotel v. Alpheus C. Bruton, II

TOPICS

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QUESTIONS PRESENTED

1. Whether an employee who continues working after expiration of a definite-term employment contract becomes an at-will employee or remains governed by the original contract terms.
2. Whether the jury instruction presuming continuation of the original employment-contract terms was erroneous.
3. Whether the jury instruction permitting an oral or partly oral employment agreement violated the parol evidence rule.
4. Whether substantial evidence supported the jury's bonus, vacation, and severance awards.
5. Whether unobjected-to improper closing argument required reversal or a new trial.

HOLDINGS

1. When an employee continues working after a definite-term employment contract expires, the terms and conditions of the original contract are presumed to continue governing the parties until the contract is properly amended or terminated or the employee stops working. The contract's duration does not presumptively renew, so the employee does not necessarily become an at-will employee.
2. Summary judgment was properly denied because material factual issues remained concerning the parties' employment relationship and whether the presumption that the original contract terms continued had been rebutted.
3. The jury instruction embodying the presumption that post-expiration employment continued under the original contract terms was proper. The instruction permitting an oral or partly oral employment agreement did not violate the parol evidence rule.
4. The jury's awards of bonus pay, vacation pay, and severance pay were supported by substantial evidence and would not be overturned.
5. In civil cases, counsel must timely and specifically object to improper closing argument to preserve the issue for appeal. Unobjected-to egregious misconduct will be considered only in rare circumstances involving irreparable and fundamental error—error that, if uncorrected, would cause a substantial miscarriage of justice or denial of fundamental rights, with no other reasonable explanation for the verdict.

KEY QUOTATIONS

“We conclude that when an employee continues to work after his contract of employment expires, it is presumed that all the terms of the employment contract continue to govern the conduct of the employer and

the employee until the parties properly amend or terminate the contract or until the employee ceases working for the employer. The contract duration, however, does not renew.” (86 P.3d at 1034)

“In order to clarify our decision in DeJesus, we emphasize today that in civil cases we will consider arguments of egregious but unobjected-to misconduct at trial by counsel "only in those rare circumstances where the comments are ‘of such sinister influence as to constitute irreparable and fundamental error.’” (86 P.3d at 1041)

FACTUAL BACKGROUND

Ringle hired Bruton as general manager of the Stagecoach Casino and Hotel under a written employment contract providing for a two-year term, salary, bonuses, vacation accrual, expense reimbursement, and specified termination payments. Bruton continued working for approximately two years after the stated contract term expired, without a new written contract or written amendment; during that period Ringle provided a company car and raised Bruton's salary. After an argument in June 1996, Bruton's employment ended without either party giving the contractually specified advance notice. The jury awarded Bruton bonus pay, vacation pay, and severance pay.

PROCEDURAL HISTORY

The district court denied Ringle's motion for summary judgment or partial summary judgment, and the parties proceeded to a jury trial on Bruton's breach-of-contract and implied-covenant claims. The jury awarded Bruton \$131,814.83 in bonus, vacation, and severance pay. The district court denied Ringle's motions for judgment notwithstanding the verdict, new trial, and remittitur. The Supreme Court of Nevada affirmed the judgment and the order denying a new trial.

DISPOSITION

affirmed

CASES CITED

- DeJesus v. Flick, 116 Nev. 812, 7 P.3d 459 (2000)
- American Bank Stationery v. Farmer, 106 Nev. 698, 799 P.2d 1100 (1990)
- Russell v. White Oil Corp., 162 La. 9, 110 So. 70 (1926)
- Crow-Spieker #23 v. Robinson, 97 Nev. 302, 629 P.2d 1198 (1981)
- State ex rel. List v. Courtesy Motors, 95 Nev. 103, 590 P.2d 163 (1979)
- Sandy Valley Assocs. v. Sky Ranch Estates, 117 Nev. 948, 35 P.3d 964 (2001)
- Siggelkow v. Phoenix Ins. Co., 109 Nev. 42, 846 P.2d 303 (1993)
- Dickenson v. State, Dep't of Wildlife, 110 Nev. 934, 877 P.2d 1059 (1994)
- Southern Pac. Transp. Co. v. Fitzgerald, 94 Nev. 241, 577 P.2d 1234 (1978)
- Beccard v. Nevada National Bank, 99 Nev. 63, 657 P.2d 1154 (1983)
- Horn v. Atchison, Topeka & Santa Fe Ry. Co., 61 Cal. 2d 602, 394 P.2d 561 (1964)

- Budget Rent A Car Systems, Inc. v. Jana, 600 So. 2d 466 (Fla. Dist. Ct. App. 1992)
- Rowland v. State, 118 Nev. 31, 39 P.3d 114 (2002)
- Jackson v. State, 117 Nev. 116, 17 P.3d 998 (2001)

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