Stewart vs



What was the legal issue in this case?

Stewart forwards a complaint against her employers Jackson and Nash for apparent fraud. She tells of assurances of promotion to a position as head of Jackson's environmental law department: A promise without fulfillment. On the contrary, her contract ended, yet according to her, it was on no basis.

What did the court decide?

The court dismissed her allegations terming it as a breach of contract rather than fraud. According to the District Court, Stewart's charge was futile as it entailed facts arising from her termination, a matter that was clearly set out. The contract stated about termination of employees 'at-will' any time for any reason or even for no reason.

How are the elements of a fraud claim satisfied in this case?

The prospective employers falsely represented an abstract idea of the environmental law firm making it sound real, with no regard whatsoever for the truth. The party making the statement intended the other person to rely on the false representation to take up the job.

How does the court distinguish between fraud and breach of contract?

The court highlights fraud as the intentional misrepresentation of present facts, with an aim of making the other person to rely on the false information to act. A breach of contract however comes in where a prospective business partner violates their " promissory" statements as to what happens in the future.

Why would the law firm prefer to characterize Stewart's claim for breach of contract?

Stewart's claim falls under a breach of contract offence as the prospective employees had put in place promises of promotion as an inducement to accept the job, which they did not fulfill. The fraud claim does not add up as the company was non-existent thus no facts were feigned.

Why do you think that Herzog made these statements to Stewart?

The promises were to act as incentives for Stewart to take up the job. He was aware that the statements would heavily influence her decision to accept the job offer.

Signal Construction case vs. Stanbury

What was the legal issue in this case?

Stanbury sued Signal Construction for defaming him while giving an employment reference to his prospective employyer-Lincoln Properties.

These statements constituted a bid to alter the prospective employer's perception of Stanbury.

How are the elements of a defamation claim satisfied in this case?

The statements made were considerably false as Stanbury and the referee had only contacted on a casual basis exhibiting some element of malice. The intention of Littman was mainly to challenge Stanbury's capabilities and to ruin his reputation causing the prospective employer to be in doubt as to whether he should hire him.

Why was there no shielding of the company by " qualified privilege" in this case?

There was the making of false statements out of sheer malice, hence disqualifying this privilege. Littmann had no desire whatsoever for the truth but made statements with the objective of slandering Stanbury.

What should this employer have done differently?

The employer should have referred to the company's records to check on past evaluations of Stanbury for data that are more accurate rather than depending on his general impression from people. He should have verified the information passed down to him to ensure it was reliable.