

Daily Journal

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TOP VERDICTS OF 2024

Rice v. Gulfstream Aerospace Corp.

Gulfstream Aerospace Corp. emerged triumphant following a seven-day jury trial. The case involved allegations of age discrimination, misclassification and violations of the California Worker Adjustment and Retraining Notification (Cal-WARN) Act and was brought by a former employee who had been laid off during the early stages of the COVID-19 pandemic.

The matter concluded with the jury delivering a complete defense verdict for Gulfstream on all remaining claims after less than two hours. *Rice v. Gulfstream Aerospace Corporation*, 21LBCV00176 (L.A. Super. Ct., filed April 2, 2021).

This swift decision underscored the strength of Gulfstream's defense and the effectiveness of their legal representation by Gibson Dunn.

The legal journey began when the court denied Gulfstream's motion

to compel arbitration, prompting Gulfstream to appeal and effect an automatic stay of the trial court proceedings. Although the court of appeal affirmed the decision, the trial court set the trial date before the case was remanded and the stay lifted. This left Gulfstream with only four months to conduct all necessary discovery, depositions, and motion practice.

"There were some interesting appellate issues that had to be resolved at the outset of the case," said Gibson Dunn partner Jesse A. Cripps, who was also lead counsel. "And when the case was eventually sent back to the trial court, we were put on a fast track for trial by Judge Vicencia. He gave us about four months to conduct all discovery and motion practice in the case, and our team quickly jumped into action to prepare the case for trial. The team was extraordinary, particularly given the complex fact



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MONICA B. PALADINI

patterns involved. The case involved issues of misclassification, WARN Act issues, and a reduction in force affecting thousands of employees. And despite the short time frame, the team was able to marshal all of the facts and witnesses for trial."

In a strategic move shortly before the trial, Gibson Dunn filed a motion for judgment on the plead-

ings regarding the Plaintiff's Private Attorneys General Act (PAGA) allegations. The motion argued that the plaintiff had failed to meet the PAGA notice prerequisites, including the 65-day notice requirement to the California Labor & Workforce Development Agency and notice to the employer. Additionally, the plaintiff had not pled on behalf of other employees, which is a requirement under PAGA. Gulfstream also contended that the California WARN Act is not a valid Gulfstream PAGA predicate.

Vicencia granted Gibson Dunn's motion, effectively eliminating the PAGA claim just days before the trial commenced. This ruling significantly narrowed the scope of the case and contributed to Gulfstream's ultimate victory.

Cripps' co-counsel, Gibson Dunn partner Monica B. Paladini said

CASE DETAILS

CASE NAME	Rice v. Gulfstream Aerospace Corp.
TYPE OF CASE	Wrongful termination, age discrimination
COURT	Los Angeles County Superior Court
JUDGE(S)	Michael P. Vicencia
DEFENSE LAWYERS	Gibson, Dunn & Crutcher: Jesse A. Cripps Jr., Thomas F. Cochrane, Monica B. Paladini, Alicia L. Hernandez, Varant F. Anmahouni, Lili A. Italiane
PLAINTIFF LAWYERS	Peretz & Associates, Yosef Peretz, Shane D. Howarter

the case presented many difficult and unique legal and factual challenges. For example, the plaintiff was laid off as a part of a COVID-related reduction in force after decades with the company on the eve of his 65th birthday — a

fact that plaintiff highlighted in the opening line of his opening statement.

“Moreover, given the time that passed since his layoff, he was almost 70 years old by the time the trial took place,” Paladini

said. “He was also the oldest of the three individuals in his position, the other two of whom were retained. Optically, from the outset of an age discrimination case, we knew that these would be challenging fact. This was

confirmed during voir dire, when many prospective jurors confirmed that they believe age to generally be a factor in hiring/firing/layoff and similar employment decisions.”

Attorneys for the plaintiff did not respond to a request for comment.

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