

# SEATON, BECK & PETERS, P.A.

“The Lawyers for Employers”

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*ALERTING MANAGEMENT TO BREAKING LABOR AND EMPLOYMENT LAW DEVELOPMENTS*

No. 37 – January 2002

## ***The Toyota v. Williams Case: Some ADA Relief for Employers***

***By Barak J. Babcock***

On January 8, 2002, the United States Supreme Court reduced the scope of employee protections under the Americans With Disabilities Act (“ADA”), which prohibits employers from discriminating against employees who have disabilities and requires employers to make “reasonable” accommodations for those employees. In *Toyota Motor Manufacturing v. Williams*, the Court determined that carpal tunnel syndrome is not a disability under the Act. *Toyota* is a victory for employers, who have been frustrated by the seemingly endless and complex regulations which have seemed to require them to accommodate even employees with minor impairments.

In this case, Toyota accommodated one of its employees who suffered from carpal tunnel syndrome by transferring the employee to a more limited job in its production plant. When Toyota expanded the duties required in this job, the employee sued Toyota, contending that the employer had violated the ADA by not allowing her to keep performing the job with the more limited tasks.

The Supreme Court determined that Toyota was not required to maintain the position with its more limited functions to accommodate the employee’s carpal tunnel syndrome. The Court ruled that an impairment, such as carpal tunnel syndrome, must have a substantial effect on the employee’s daily life to qualify as a disability under the law. Specifically, the Court determined that, to be substantially limited in performing manual tasks, an individual must have an impairment that prevents or severely restricts activities that are of central importance to most people’s daily lives rather than simply restricting the employee’s ability to function in a particular job.

While the precedential value of this case is limited to situations involving employees who assert they are restricted in the performance of manual tasks by their impairment, it is certainly a step in the right direction. The Minnesota Human Rights Act may continue to provide broader protection, however, and mental and psychological impairment claims are not directly affected by the Toyota case. Because of the continued complexity of dealing with disability claims and related Family and Medical Leave Act issues, we strongly recommend that employers consult with a Seaton, Beck & Peters attorney when you deal with an employee who is claiming a disability or requesting accommodation or if you want to modify your policies or practices systematically to take advantage of the Toyota case.

## **Breakfast Briefing: "How to Stay Out of Court"**

*February 14, 2002 7:30 to 9:45 AM*

*Wyndham Hotel Bloomington – I494 at France*

Are you and your key managers prepared for the litigious employee or ex-employee, the over zealous regulator or the hostile "social activist" or union? Please join us for a practical and powerful session presented by Doug Seaton. The session is designed to cover preventive strategies and approaches to avoiding litigation and minimizing its risks when it does occur. This presentation is designed for owners and key managers with responsibility in the human resources/labor/employment or regulatory compliance areas of businesses of all sizes. Breakfast will be provided and the presentation will follow, with questions and answers to close. **Register now by calling 952-896-1700 or faxing the attached registration form to us at 952-896-1704.** There is no cost to attend, but seating is limited, so please respond now!

### **Yes, Virginia, Non-Compete And Non-Solicitation Agreements Are Enforceable**

Greg Peters and Robin Kelleher recently obtained a favorable Minnesota Appeals Court ruling in the case of Tappe Construction v. Siedow, which overturned a Dakota County District Court Judge's decision denying enforcement of a non-competition agreement signed by Siedow, a former employee of Tappe. The Appeals Court held that Siedow's employment contract with Tappe could prevent him from soliciting Tappe's employees and entering into competition with Tappe using the services of those employees.

The Siedow case reaffirmed long-standing law that such non-competition and non-solicitation agreements (NC/NS for short) are enforceable when drafted carefully to meet legal requirements on time duration, geographic territory and legitimate business objectives, so long as "independent consideration" is provided to the employee who signs the agreement. Many employers are under the mistaken impression that NC/NS agreements are unenforceable, but Seaton, Beck & Peters lawyers draft and enforce these agreements regularly and have done so in dozens of states over the last several years (only California bars NC/NS enforcement entirely).

If your business depends on technical expertise, key employees or long term customer relationships, you should consider an NC/NS agreement. Carefully drafted and implemented, NC/NS agreements can restrict the ex-employee (or ex-independent contractor's) ability to solicit your customers or employees or to compete at all in a certain market area, even if the employees or independent contractors who are asked to sign the agreements are already employed or retained by you. If you do not have NC/NS agreements in place, your employees can leave and solicit both your employees and your customers the next day and you will have no recourse to prevent them from doing so.

If you would like to discuss the steps you can take to protect your Company's assets with NC/NS agreements, call any Seaton, Beck & Peters lawyer.

#### **Are Your Employment Related Documents Protecting Your Firm Or Putting You At Risk?**

If your Company's Employee Policy Handbook, Hiring and Discipline materials, Drug and Alcohol Testing Policies, or other critical labor or employment documents or policies are more than 2 years old (or non-existent), your firm is at risk. Call (952-896-1700) or fax (952-896-1704) us if you are interested in a complimentary review of your materials and information on our cost-

#### **SEATON, BECK & PETERS, P.A.**

*Practice dedicated to advising and representing  
employers in labor and employment law matters*

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effective “fixed fee” program to customize and update these materials for your firm. The cost is \$775.00 for policy handbook and employment materials (with 2 hours customizing time included) and \$375.00 for drug and alcohol testing policy and materials (with 1 hour customizing time included).

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The Upper Midwest’s premier management  
labor and employment law firm

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