Newton v. LVMH Moët Hennessy Louis Vuitton Inc.

Docket No.: 25-1697-cv

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Case Information

Court: U.S. Court of Appeals for the Second Circuit

Date Decided: September 21, 2026

Judges: Circuit Judge Bianco (author), Circuit Judge Menashi, District Judge Brindisi (sitting by designation)

Lower Court: U.S. District Court for the Southern District of New York (Judge Loretta A. Preska)

Parties and Attorneys

Plaintiff-Appellant: Andowah Newton; Represented By: Max Rodriguez

Defendants-Appellees: LVMH Moët Hennessy Louis Vuitton Inc., Rodney C. Pratt; Represented By: Maaren A. Shah, Jan-Philip Kernisan, Aviva Grumet-Morris

Amici Curiae: Artemis Collective, Crime Victims Treatment Center, Just Solutions, Lift Our Voices, National Center on Sexual Exploitation, National Crime Victim Law Institute, National Organization for Victim Advocacy, National Organization for Women Foundation, Ultraviolet, Victim Rights Law Center, Womankind, Women Lawyers on Guard

Overview

Issue: Whether refusing settlement discussions plausibly constituted protected opposition supporting retaliation claims, and whether the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act of 2021 (EFAA) [limiting enforcement of predispute arbitration agreements in sexual misconduct cases] permitted adding claims already in arbitration.

Lower Court Held: The district court dismissed Newton's retaliation claims for insufficient allegations of protected activity and causation and denied amendment because the proposed additional claims remained arbitrable.

What Was Overturned: The Second Circuit vacated the dismissal of the original retaliation claims, affirmed the denial of leave to amend, and remanded for further proceedings.

Why: The alleged context supported treating Newton's refusal to discuss settlement as continued opposition to discrimination and inferring retaliation, but the proposed additional claims accrued before the EFAA's effective date and did not reaccrue afterward.

Background

Andowah Newton joined LVMH Moët Hennessy Louis Vuitton Inc. (LVMH) as litigation counsel in 2015 and later became Vice President, Legal Affairs. She alleged that an employee sexually harassed and assaulted her, that internal and external investigations mishandled her complaints, and that management retaliated through diminished responsibilities, negative reviews, exclusion, and obstacles to remote-work requests. She sued in state court in April 2019. After an appellate ruling enforced her employment arbitration agreement, she initiated arbitration in June 2021. She also testified before Congress in November 2021 about the alleged misconduct and attended the EFAA's signing on March 3, 2022.

Rodney Pratt became Newton's supervisor in July 2022. The following month, he requested a meeting without attorneys to discuss settling her pending claims. Newton alleged that she refused or did not respond, after which Pratt imposed speaking restrictions, interfered with her matters, criticized her, and excluded her from communications and events. On December 1, 2022, he informed her that her employment would end effective January 1, 2023. She alleged that the discharge was deliberately arranged to humiliate her publicly and that Pratt expressly disclaimed performance as its basis. After obtaining a right-to-sue notice, Newton filed this federal action in December 2023 and sought to add the claims pending in arbitration.

Lower Court Decision

The district court dismissed the original retaliation claims under Federal Rule of Civil Procedure 12(b)(6) [permitting dismissal for failure to state a claim]. It concluded that declining settlement discussions was not protected activity and that Newton had not adequately alleged employer awareness of her later public statements; her earlier protected activities were too remote from termination. It denied leave to amend because the proposed claims remained subject to arbitration and rejected her request to enjoin

that proceeding. The court later declined to disturb the dismissal or permit further pleading. Its separate denial of defendants' motion to compel arbitration of the original federal complaint was not appealed.

Second Circuit Reversal

Reviewing dismissal de novo and accepting the allegations and favorable reasonable inferences, the Second Circuit held that Newton plausibly alleged protected opposition under Title VII of the Civil Rights Act of 1964 [federal employment discrimination and anti-retaliation statute], the New York State Human Rights Law (NYSHRL) [state anti-discrimination statute], and the New York City Human Rights Law (NYCHRL) [city anti-discrimination statute]. Refusing settlement discussions could communicate continued opposition where the employer understood or reasonably could understand that meaning. Newton's years of litigation and public advocacy supplied that context, even if her refusal consisted only of nonresponse. The Second Circuit established no categorical rule protecting every refusal to settle and expressed no view on whether evidence would ultimately sustain her allegations. It did not reach whether her later public statements independently supported the claims.

Causation was also plausibly alleged. Although Title VII ultimately required but-for causation and the state and city laws required only that retaliatory animus play some role, the allegations satisfied the pleading requirements under all three. Up to four months separated the settlement refusal and termination. That interval, combined with intervening antagonism, exclusion, restrictions, and the allegedly humiliating departure from ordinary discharge procedures, supported an inference of retaliation.

Reviewing the futility-based denial of amendment de novo, the Second Circuit affirmed. Under 9 U.S.C. § 402(a) [allowing a person alleging a sexual harassment or assault dispute to elect against enforcement of a predispute arbitration agreement], the EFAA applied only to disputes or claims arising or accruing on or after March 3, 2022. The proposed hostile-environment claims accrued before that date and did not reaccrue under the continuing-violation doctrine. The earlier and later conduct differed materially in perpetrators and character: the alleged harasser had retired, the former supervisor was replaced, and Pratt's later conduct centered on a distinct retaliatory discharge. The federal Equal Pay Act [prohibiting unlawful sex-based pay disparities] and New York Equal Pay Act [state equal-pay law] claims likewise remained arbitrable. Newton forfeited her challenge concerning their accrual, and, independently, alleged pay disparities only through 2020; discriminatory paychecks were discrete wrongs, not a continuing violation.

Newton's alternative statutory arguments also failed. The proposed additional claims never became part of the operative court case because leave to amend was not granted.

Even assuming a dispute arose when the parties became adverse, their dispute began no later than the 2019 lawsuit, not the 2023 federal filing. The Second Circuit left unresolved whether the EFAA generally invalidated arbitration agreements for an entire lawsuit or only particular claims. Completion of arbitration mooted the request to enjoin it; the Second Circuit did not decide the award's preclusive effect. It also rejected the corresponding reconsideration arguments concerning amendment.

Legal Significance

The opinion confirmed that protected opposition can encompass positions taken during discrimination litigation, including an implicit refusal to discuss settlement when context supplies employer notice. It also reinforced that temporal proximity should be assessed together with intervening antagonism rather than through a rigid cutoff.

The decision limited efforts to invoke the EFAA through later, materially different retaliation. A continuing-violation theory required sufficiently related conduct, not merely an ongoing employment dispute. The Second Circuit reserved both the broader meaning of "case" under the EFAA and whether earlier conduct could serve as background evidence supporting Newton's surviving claims.

Key Takeaway

Plead the context connecting settlement-related conduct to continued opposition and identify intervening retaliatory acts. To bring pre-EFAA claims into court, identify genuinely related post-effective-date conduct rather than relying on a later lawsuit or distinct discharge.

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