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The Great Debate: Should You Arbitrate?

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Introduction & History

- Traditional Dispute Resolution Litigation
- The Development of Arbitration
 - Federal Legislation
 - Industry Influence
- Why the Debate?



The Decision Maker

- Biggest Difference
- Judge, Jury or Arbitrator
 - Flexible Time
 - Construction Knowledge
 - Parties Control



Appeal

- Authority to Appeal
 - Arbitration Limited
 - Litigation Much Broader
- Final vs. Interlocutory
- Cost/Benefit Analysis
 - Prevailing Party
 - Appealing Party



Duration

- Selection of the Decision Maker
- Pre-Hearing Disputes
- Discovery
- Duration of Hearing
- Cumulative Time Before Judgment
- Confirmation
- Appeal
- Cumulative Duration



Costs

- Filing Fees
- Decision Maker's Fees
- Litigation Expenses
 - Duration
 - Discovery
- Appeal Costs



Location

- Arbitration
 - Complete Control
 - Arguments over Enforcement
- Litigation
 - Limited Ability to Control
- Considerations
 - Familiarity
 - Travel Costs
 - Controlling Law



Confidentiality

- Litigation
 - Public Record
 - Protective Orders
- Arbitration
 - Control



Burden (Discovery)

Litigation

- Relevant or Could Potentially Lead to Relevant Information
- Duration
- Arguments
- Arbitration
 - Ability to Limit
 - Creative Approaches
 - Problems with Power to Subpoena



Evidence

Litigation

- Ability to Limit Evidence
- Protect Key Documents
- Exclude Hearsay
- Arbitration
 - Generally Everything is Admitted
 - Limits Non-Substantive Arguments



Final Thoughts

- Case by Case Basis
- Beware of Drafting Arbitration Clauses that can cause litigation
- Creative Drafting Approaches to Resolve Cons
 - Consider Limited Scope Arbitration Provision
 - Consider Extensive Arbitration Provision with Agreed Upon Details to Limit the Arbitration Procedure
- Private Non-Administered Arbitration
 – Advantages but be careful



Thank You for Attending!

Questions?



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