

Point of View: Who Supports Arbitration?

Arbitration, as a way for consumers and businesses to resolve a dispute outside of the traditional court system, has been affirmed and endorsed publicly by the following entities and groups:

1. **Congress** has widely and strongly endorsed arbitration. Example:

In 1925, Congress enacted the Federal Arbitration Act to establish arbitration as an antidote to the “costliness and delays of litigation”.

2. **U.S. Courts**, including the U.S. Supreme Court, have repeatedly and consistently affirmed that arbitration is an effective and fair alternative dispute resolution process. Examples:

“[N]ational arbitration organizations have developed similar models for fair cost and fee allocation... They include National Arbitration Forum provisions that limit small-claims consumer costs.” – Justice Ruth Bader Ginsburg, United States Supreme Court, in *Green Tree Fin. v. Randolph* (2000).

“The Court of Special Appeals noted that the arbitration would likely be more expedient and less procedurally cumbersome for petitioners than would a circuit court trial.” – *Walther v. Sovereign Bank* (Md. App. 2005).

Source: [From the Bench: Select Judicial Opinions Supporting Arbitration](#) (2006).

3. **Consumers who are former arbitration participants** prefer arbitration over litigation. Examples:

“Much less than a court case... I already have recommended arbitration to a friend.” – J.D. Moore, Berkeley, California

“I would most recommend the arbitration process for both friends and family in order to get a fair hearing and decision. I would like others to know my experience in order to create awareness of arbitration in this society where justice is sometimes prevented.” – Abuch Nwosu, Latrobe, Pennsylvania

Source: [Consumer Comments: Arbitration & The National Arbitration Forum](#) (2008).

4. **Consumers who have not participated in arbitration** recognize the accessibility of arbitration. Examples:

Most consumers clearly believe that *arbitration agreements should not be removed from the contracts consumers sign with companies providing goods and services.*

Source: [Key Findings from a National Survey of Likely Voters](#) (2007).

5. **Lawyers** generally favor the use of alternative dispute resolution and believe its use will increase in the future. Examples:

Nearly all general practice, solo firm, tort, trial, and insurance lawyers believe that their “clients’ interests are sometimes best served by offering ADR solutions”.

A majority of lawyers surveyed say that “offering clients ADR solutions is an ethical obligation as a practitioner”.

Source: [ADR Preference and Usage Survey in Collaboration with the American Bar Association](#) (2006).

6. **Businesses and labor unions** favor arbitration to resolve collective bargaining disputes.

7. **State and federal agencies** implement arbitration on a regular basis for the resolution of many kinds of disputes, including insurance, healthcare, disaster relief, public contract disputes, etc.

More information is available online at www.adrforum.com/newsroom.