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AAA-ICDR® Arbitrator Survey Reveals Best Practices for Increasing Efficiency & Lowering Costs

Arbitrators Give Healthcare & Technology Cases the Highest Marks for Efficiency, Cost-Effectiveness

NEW YORK, N.Y.—July 30, 2019—The American Arbitration Association-International Centre for Dispute Resolution[®] (AAA-ICDR) has released feedback from surveyed arbitrators about the efficiency and cost-effectiveness of their AAA-ICDR awarded cases.

The study incorporates views on every step of the arbitration process from more than 400 arbitrators who issued awards for large and complex cases with at least \$1 million in claims or counterclaims. In particular, arbitrators were asked how well case participants and counsel cooperated, and how well they handled discovery, motion practice, and other aspects of arbitration. Arbitrators also commented on factors which they felt contributed most to the delay or rising cost of cases, and best practices for avoiding cost increases and time delays during arbitration. For more information about the arbitrator survey's findings, please visit http://go.adr.org/arbitrator-survey.html.

"Feedback from arbitrators provides useful insights for how parties and counsel in current and future cases can improve their arbitration experience," said **India Johnson, President and CEO of the AAA-ICDR**. "We hope our arbitrators' views on the most common causes of case escalation, and the use of motion practice and discovery, can help case participants take steps to improve the economy and efficiency of their arbitration process."

When asked about factors which pushed up costs or delayed cases, 39.3 percent of arbitrators cited discovery, and 36 percent identified motion practice. Meanwhile, 27 percent and 20.9 percent pointed to difficult or uncooperative parties, and postponements, respectively. However, although more than 85 percent of the 400 cases included motions filed during arbitration, less than 10 percent of arbitration clauses in these cases directly addressed the practice of filing motions. Discovery was also addressed directly in under 10 percent of arbitration clauses, even though 75 percent of the 400 cases experienced discovery disputes.

The three most common suggested best practices from surveyed arbitrators to improve cost and process efficiencies are to 1) limit discovery, 2) agree upon and strictly enforce scheduling orders, and 3) foster cooperation among counsel.



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When asked to rate, on a scale of 1 to 5, the cost-effectiveness and efficiency of complex cases by industry, healthcare (3.92) and technology (3.83) cases received the highest average ratings by surveyed arbitrators, followed closely by energy (3.75).

About the American Arbitration Association

The not-for-profit American Arbitration Association[®] (AAA[®]) is the leading provider of alternative dispute resolution (ADR) services for parties in commercial disputes, having administered approximately 5.6 million ADR cases since its founding in 1926. With 26 offices in the United States, in addition to Mexico, Singapore, and Bahrain, the AAA provides organizations of all sizes in virtually every industry with ADR services and products. For more information, visit <u>www.adr.org.</u>

About the International Centre for Dispute Resolution

As the international division of the American Arbitration Association (AAA), the International Centre for Dispute Resolution[®] (ICDR[®]) is the largest international provider of arbitral and dispute resolution services. The ICDR provided dispute resolution services for 993 international cases filed in 2018. Established in 1996, the ICDR serves parties in more than 90 countries, with a staff fluent in over a dozen languages. Through more than 725 independent arbitrators and mediators, the ICDR provides a flexible, party-centered process over a broad range of industries and geopolitical issues. Its revised Rules have once again set a standard for arbitration case management. For more information, visit www.icdr.org.

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