

ALTERNATIVE DISPUTE RESOLUTION

The traditional mechanism for resolving a dispute is a lawsuit. Sheppard, Mullin, Richter & Hampton LLP recognizes that oftentimes litigation is not the most efficient or ideal method of resolution. Accordingly, we frequently recommend that our clients pursue various means of alternative dispute resolution ("ADR").

ADR is a general term that encompasses several different methods of dispute resolution. Sheppard Mullin works with clients to identify which disputes are appropriate for ADR, and which ADR mechanism is appropriate for a given dispute. In offering an ADR perspective, we advise our clients on the range of ADR alternatives with cost, efficiency and results in mind.

ADR encompasses 1) non-binding procedures designed to achieve a consensual settlement or reconciliation between the parties; and 2) binding adversarial proceedings where a neutral party decides the dispute on a binding basis. Non-binding ADR traditionally involves voluntary mediation before neutral third parties and in-court settlement conferences. Binding ADR typically involves one of several forms of binding arbitration.

There are several entities that offer ADR services, and our attorneys are thoroughly familiar and experienced with the rules, policies and dispute resolution professionals available through those entities. We have developed experience before the American Arbitration Association, JAMS Endispute and a host of independent retired judges and other independent ADR providers. We explain the advantages and disadvantages of the various ADR forums and guide our clients in selecting the ideal ADR forum given the unique characteristics or peculiarities of a client's specific dispute. Our range of experience using ADR mechanisms includes complex business disputes, class actions, contract claims, business torts, real estate disputes, partnership disputes and securities claims.

We also counsel our clients in drafting ADR agreements both before and after disputes arise. Clients often desire to include ADR provisions in agreements so as to facilitate efficient dispute resolution should disputes arise under their contracts. We have crafted such provisions for clients in a multitude of industries. In situations where our clients have been sued but would prefer to resolve their dispute outside of the courthouse, we have successfully negotiated ADR agreements with adversaries whose initial inclination was to file a lawsuit. By negotiating such ADR agreements we are able to conserve considerable resources for our client.