



American Arbitration Association

Dispute Resolution Services Worldwide

Analysis of the American Arbitration Association's Consumer Arbitration Caseload

Based on consumer cases awarded between January and August 2007

Every year, billions of business transactions occur with consumers. Inevitably, some disputes will arise. Using its *Consumer Due Process Protocol*, the American Arbitration Association (AAA), a not-for-profit organization, offers administration services for disputes where there is a disagreement between individual consumers and businesses. The AAA applies the *Supplementary Procedures for Consumer-Related Disputes* when arbitration clauses exist in agreements between individual consumers and businesses where the business has a standardized, systematic application of arbitration clauses with customers and where the terms and conditions of the purchase of standardized, consumable goods or services are non-negotiable or primarily non-negotiable in most or all of its terms, conditions, features or choices. The product or service must be for personal or household use. Consumers are not prohibited from seeking relief in a small claims court for disputes or claims within the scope of its jurisdiction.

This analysis is based on 310 AAA consumer cases awarded from January through August 2007. Each year, the AAA administers approximately 1,500 consumer cases of which approximately 60% are settled by mutual agreement of the parties or withdrawn from administration.

Arbitration Process

- 41% of consumer arbitrations were conducted by documents only. The remaining cases included telephonic or in-person hearings.
- Cases conducted by documents only were awarded in approximately four months. In-person hearings were awarded in approximately six months.

Outcomes

- Consumers prevailed in 48% of cases in which they were the claimant.
- Businesses prevailed in 74% of cases in which they were the claimant.