

De-Certified Litigation Class Results in 4,000+ Individual Employment Case Filings

The AAA[®] Streamlined and Facilitated Resolution of 100% of Multi-Case, Multi-Location Mediations and Arbitrations

OVERVIEW

THE PROBLEM

A class-action litigation was de-certified, leaving over 4,000 claims to be resolved individually.

AAA SOLUTION

The AAA appointed a Special Master to determine the protocol for all cases and appointed settlement judges and fee arbitrators pursuant to the parties' request in accordance with FLSA. Mediators and arbitrators around the country were selected and heard 4,019 cases.

RESULTS

The AAA facilitated resolution of 100% of the cases.

PROBLEM

The class-action litigation against a major corporation with multiple restaurant franchises was de-certified, resulting in thousands of current and former employees ordered to pursue their claims for off-the-clock overtime and side work individually by mediation and/or arbitration.

Over 4,000 individual claims from multiple geographic areas around the country were brought to the American Arbitration Association[®] (AAA). The case-administration staff was charged with the extremely labor-intensive task of managing this widespread caseload in a timely, efficient manner.

AAA SOLUTION

Appointing a Special Master

The AAA, in an effort to expedite the process, proposed appointing a Special Master to determine threshold issues and a streamlined protocol process for all counsel and parties to follow. By working with the parties, the AAA was successful in attaining party agreement to the appointment of a Special Master. The Special Master's protocol called first for parties to attempt to reach a mediated settlement based on claimant's demand and respondent's offer, and if that failed and if necessary, arbitration.

Organizing the caseload into manageable groups

AAA case administration tackled the monumental job of organizing the multitude of cases into batches. The AAA coordinated the batching of employees by state and locale in order to assign geographically appropriate panelists.

Identifying acceptable mediators and arbitrators

With a large, widespread group of claimants and a corporation encompassing several companies, finding arbitrators without conflicts and in geographically suitable areas pursuant to the locale provision in

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the contract was not simple. Most hearings and conferences were held telephonically.

AAA staff identified and submitted lists and resumes of mediators and arbitrators that met the criteria identified by the parties. The AAA simultaneously supplied the AAA's proprietary panelist search-tool link to give parties a broader selection, a technique often used efficiently on large filings.

Many cases settled, and for the matters that were not settled or withdrawn, 26 AAA mediators each were assigned multiple cases, and 41 AAA arbitrators heard the cases that proceeded to arbitration. One Special Master assisted.

Appointing settlement judges and fee arbitrators

In accordance with the Fair Labor Standards Act, the parties requested and AAA designated settlement judges to approve all settlements, who also served as fee arbitrators on attorney fees and costs.

RESULTS

Ultimately, 100% of the 4,019 cases were administered to resolutions achieved via multiple tracks.

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Furthermore, the AAA translated this knowledge into the development of the *Supplementary Rules for Multiple Case Filings*, instrumental in streamlining large-volume filings involving the same or related parties and party representatives and especially helpful in employment/workplace and consumer disputes.



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The AAA-ICDR has offices and hearing facilities throughout the world in locations including: Atlanta, Boston, Buffalo, Charlotte, Chicago, Cleveland, Dallas, Denver, Detroit, Fresno, Houston, Johnston, Los Angeles, Miami, Minneapolis, New York City, Philadelphia, Phoenix, San Antonio, San Diego, San Francisco, Seattle, Singapore, Somerset, Voorhees, and Washington D.C.

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