

News

NINTH CIRCUIT’S VACATING OF ARBITRATION AWARD DUE TO LACK OF DISCLOSURE BY JAMS IS NAMED AS ONE OF THE “LARGEST AND MOST SIGNIFICANT VERDICTS AND APPELLATE REVERSALS IN CALIFORNIA IN 2019” BY THE DAILY JOURNAL

Feb 24, 2020

BCLP client Olympic Eagle challenged an adverse arbitration award, including an attorneys’ fee award of over \$3 million, on the ground that JAMS had not disclosed that the arbitrator was an owner of JAMS and that JAMS, a for-profit entity, had an ongoing substantial business relationship with the adverse party in the dispute. In *Monster Energy Co. v. City Beverages, LLC*, 940 F.3d 1130 (9th Cir. October 22, 2019), the court held that the undisclosed ownership interest created a reasonable impression of bias that supported vacatur of the arbitration award.

On February 19, the Daily Journal recognized the result as one of the most significant appellate reversals in California in 2019. The Daily Journal had previously identified the decision as one of the top five Ninth Circuit decisions in 2019, in an article published at the end of 2019. The Journal noted that the decision could change the way dispute resolution companies do business. Los Angeles partner Jonathan Solish and Irvine associate David Harford handled the case.

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