



News

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OESA LEGAL CORNER: Taking Advantage of the New Business Courts to Resolve Supplier Disputes

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Whether it's a pricing dispute, warranty claim, breach of contract or a recall challenge, auto suppliers occasionally find themselves in the prolonged and unpredictable world of litigation. However, suppliers should be aware that the recent implementation of new business courts in Michigan, and in many other states, may actually speed up their cases and provide a platform for some level of predictability. The real question is whether suppliers will be properly prepared to leverage the opportunities presented by these new courts.

With these new courts, suppliers should consider taking advantage of these new venues by following some best practice tips. To begin with, business or commercial litigation matters filed in state court will be assigned to one of the handful of judges appointed to handle these matters. The first practice tip for suppliers is to know your judge up front and research their rulings and opinions that are now available on-line and organized in 24 different categories, including automotive disputes. The collection of rulings and opinions may offer suppliers not only a snapshot of legal analysis by a court on similar issues, but likely some level of predictability as to various outcomes.

Second, these business courts schedule an early conference with the parties to discuss needed discovery and to plan for early mediation and possible resolution. Best practices suggest that suppliers should know well in advance of this conference what information or documents they need from an adversary for purposes of facilitating an early resolution. In fact, if these discussions occur by the parties in advance of litigation, with or without the assistance of a third-party mediator, there is a stronger likelihood of avoiding litigation all together.

As these new courts focus on reducing the average time of a case and build a record of decisions on commercial disputes, suppliers



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that are prepared for and understand how these new courts operate will put themselves in a stronger position for success. Suppliers need to be aware of the business court structure and if they take advantage of the new model and the data available, they are likely to improve the chance for a successful resolution of their dispute.

Linda M. Watson is Co-chair of the Automotive & Manufacturing Practice Group. She has been named a Michigan Super Lawyer in business litigation and listed as one of the Top Women Attorneys in Michigan. Linda has over 20 years of complex litigation experience representing small to large privately-held business entities, as well as public corporations both at the trial and appellate levels of federal and state courts. Her practice covers all areas of business and commercial litigation, including supply chain matters, contracts actions, employment claims, warranty disputes, business torts, property issues, construction, intellectual property, trade secrets, and copyright and trademark law. **Contact her at: phone: 248.988.5881 or email: lwatson@clarkhill.com.**

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