

Consumer groups are very concerned over the United States Supreme Court's decision to hear a case involving enforceability of arbitration clauses, AT&T Mobility v. Concepcion. As the highest court in the land, the Supreme Court decides which cases it will hear. The Court typically only takes cases in which there is a split of authority, meaning lower courts have reached different results when answering the same question. That type of split of authority leads to confusion among lawyers and parties. When there is confusion as to what the controlling law is, the Supreme Court will often accept a case to determine how the issue should be decided.

Consumer advocates were alarmed when the Supreme Court agreed to accept AT&T's request to hear the case of AT&T Mobility v. Concepcion, because there was not conflict among lower courts on the issue to be decided. Instead, every lower court that had addressed the issue had decided that the Federal Arbitration Act does not prevent states from applying state contract law to strike down class action bans in arbitration clauses. Consumer groups fear that the Supreme Court may side with AT&T, thus clearing the way for businesses to include arbitration provisions without the availability of class relief in all consumer agreements. The Alliance for Justice recently published a summary of the parties' arguments in the AT&T Mobility v. Concepcion, case which highlights the importance of the case and the troubling arbitration decisions recently issued by the U.S. Supreme Court. Read the Alliance for Justice's report, "

AT&T Mobility v. Concepcion: Will the Supreme Court Give AT&T a License to Steal?"