

OPINION

JOHN L. WATKINS AND SHELBY GRUBBS

International arbitration: A business opportunity for Atlanta

Since the 1996 Centennial Olympic Games, Atlanta's profile as a global city and center for international business has grown significantly. Approximately 70 countries are represented by consulates, trade offices and binational chambers of commerce in Atlanta. Billions in foreign investment flow into the Southeast, and Georgia today has nearly 3,000 foreign-owned business operations representing 58 countries and employing more than 157,000 workers.

Atlanta is now elevating its global profile by becoming an international destination for dispute resolution. The Atlanta International Arbitration Society (AtIAS) was formed in 2011 to promote Atlanta as a convenient and cost-effective location for resolving international disputes. AtIAS - in partnership with the Metro Atlanta Chamber, the State Bar of Georgia, the judiciary, local universities, dispute resolution businesses and law firms - has hosted two international arbitration conferences drawing hundreds of attendees from more than 20 countries. In November of this year, AtIAS plans a conference focusing on international arbitration pertaining to Africa in conjunction with Georgia Tech's Africa Atlanta initiative (www.africaatlanta.org).

In 2015, a new arbitration center will open in downtown Atlanta, and will be housed in the new Georgia State University College of Law building. The Georgia State facility will provide a state-of-the-art center for resolving international and domestic disputes, with a modern law library, advanced technology, and several large hearing rooms and breakout rooms.

Arbitration is a method of resolving disputes outside of the court system. Instead of a lawsuit, the parties agree - before or after a dispute arises - to resolve any disputes before an arbitrator or a panel of arbitrators. Arbitrators may be business people or lawyers including retired judges, or others.



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Generally less formal and more flexible than litigation, arbitration often moves more quickly and may result in cost savings compared to court proceedings. However, the parties must pay the fees of the arbitrators and typically of an administering organization, which can be significant.

A principal benefit is that the parties have substantial input in selecting arbitrators, ensuring they are neutral and, if desired, have relevant industry experience. Also, arbitration hearings are generally private, affording confidentiality. There is considerable flexibility, so that parties can adapt arbitration procedures to fit their dispute.

Arbitration is a preferred method for resolving international business disputes because it avoids any "home team advantage" in the domestic courts of either party to an international dispute. For many foreign companies, the U.S. legal system has unfamiliar and troubling features, including jury trials, wide-ranging discovery and punitive damages. Conversely, U.S. companies may be concerned about the characteristics of foreign legal systems. International arbitration provides an attractive alternative framework that addresses these concerns. And, awards are readily enforceable in all major countries under

international treaty.

Atlanta is an ideal venue for international arbitration, both from a legal and a logistical perspective. Georgia provides a particularly hospitable legal environment. The Georgia State Bar amended its rules in 2012 to allow attorneys from other countries to represent their clients in arbitrations in Georgia. The General Assembly recently updated the arbitration code to be more supportive. And, the legal profession in the Southeast has deep experience representing businesses in international disputes.

Logistically, Atlanta is readily accessible with nonstop service to nearly 70 international destinations in more than 45 countries through Hartsfield-Jackson Atlanta International Airport. With major railroads, highways and the world's busiest airport, Atlanta has provided an accessible business-friendly environment for decades.

The future success of the new arbitration center will enhance Atlanta's reputation as a premier international business hub and will support jobs in the travel, hospitality and legal industries. The center will also help Atlanta compete with arbitration centers in New York, Miami, Houston, London, Paris, Singapore and elsewhere.

Businesses can support AtIAS and the new center by:

- ▶ Negotiating pre-dispute arbitration agreements that specify Atlanta as the venue.
- ▶ Exploring arbitration in Atlanta for existing disputes. (Even when an arbitration clause specifies another location, the parties can agree to arbitrate in Atlanta.)
- ▶ Negotiating post-dispute agreements to arbitrate in Atlanta. (Even when a contract contains no arbitration clause, parties can agree to arbitrate.)

More information about international arbitration in Atlanta can be found on AtIAS's website, www.arbitrateatlanta.org.

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On Atlanta Business Chronicle's website, we asked readers:

Georgia lawmakers are considering whether to give parents the right to buy cannabis oil, or so-called "medical marijuana," to treat their children suffering from seizure disorders. Are you in favor of this?

We got 692 responses:

