

THE END OF CONSUMER CLASS ACTION ARBITRATIONS

PERSPECTIVE

By Richard L. Kellner and Alfredo Torrijos

The Los Angeles Daily Journal published an article on May 14 entitled, "The End of Consumer Class Action Arbitrations," written by Richard Kellner and Alfredo Torrijos. The article provides an analysis of the ramifications of the U.S. Supreme Court's decision in *Stolt-Nielsen v. AnimalFeeds International Corp.*, 2010 DAR 6017. The decision essentially prohibits arbitrators from compelling arbitration for class actions when all parties have not expressly agreed to it.

"The effect of the court's decision on the arbitration of class claims is unmistakable: there will be less - significantly less - class arbitrations," according to Kellner and Torrijos. "However, the potential ramifications of *Stolt-Nielsen*, however, will not end with the curtailment of class action arbitrations. In all likelihood, the court's decision will ensure that consumer claims that would normally be heard in an arbitration forum, will ultimately be adjudicated as class actions in state and federal courts."