

INTA Choosing Mediation Checklist

Threshold	
<p><u>Pros</u></p> <ul style="list-style-type: none"> • Settlement of this dispute is probably inevitable, even if only on the courthouse steps. • We believe we "should" win, but nothing is certain. 	<p><u>Cons</u></p> <ul style="list-style-type: none"> • Settlement is just not conceivable at any stage. • One or both of the parties have good reason to believe that it is virtually certain they will win in litigation.
Relationship Between the Parties	
<p><u>Pros</u></p> <ul style="list-style-type: none"> • We want to preserve / create important business or other relationships with the other side (e.g., licensor-licensee, franchisor-franchisee, supplier-distributor). • The dispute arose because of changed circumstances (e.g., line extension), inadvertent error (e.g., failure to do a clearance search), misunderstanding or other ostensibly reasonable conduct (e.g., based on a legal opinion with which you disagree). 	<p><u>Cons</u></p> <ul style="list-style-type: none"> • No matter what the outcome of this dispute, we do not expect to deal with the other side again. • The dispute arose because of bad faith, fraudulent or other deliberate misconduct (e.g., counterfeiting, trademark piracy). • It is clear that the other side is unlikely to participate in ADR in good faith.
Publicity/Confidentiality	
<p><u>Pros</u></p> <ul style="list-style-type: none"> • The issues involved are sensitive and would require disclosing trade secrets or competitive information, production of sensitive documents or testimony of senior management. • Public defeat in litigation would be significantly harmful. 	<p><u>Cons</u></p> <ul style="list-style-type: none"> • The issues involved are unlikely to require disclosure of confidential or sensitive matters. • Publicity concerning the suit would have no effect on us or will benefit us; defeat would be minimally harmful.
Effects of Litigation	
<p><u>Pros</u></p> <ul style="list-style-type: none"> • We need an early resolution so we can plan and act accordingly (e.g., the mark, trade dress, ad campaign is already in use or about to be launched). • Litigation expenses will be a significant burden to our side. • Litigation expenses may be disproportionately large 	<p><u>Cons</u></p> <ul style="list-style-type: none"> • We want to delay the resolution as long as possible. • We can spend the time, money and energy required to litigate this dispute without significant harm to our side (e.g., we have

<p>compared to the value of the subject matter.</p> <ul style="list-style-type: none"> • Our management does not have the time or ability to focus on a burdensome litigation (e.g., disruptive and intrusive discovery). • The possible result would be devastating (e.g., an injunction preventing us from using our mark or trade dress, a decision that our mark is generic). • If a plaintiff, the award of a significant amount of monetary damages is unlikely; if a defendant, a large damage award is possible. 	<p>insurance coverage).</p> <ul style="list-style-type: none"> • Significant damage to another party would be a possible result of protracted litigation. • We believe the other side is not serious and will not continue to fight us if they believe we are serious. • We have little investment in, or commitment to, the subject of the dispute at this time (e.g., the ad campaign is almost over). • One of the parties is committed to pursuing an all-or-nothing damages windfall recovery.
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Nature of Dispute

<p><u>Pros</u></p> <ul style="list-style-type: none"> • The legal and / or business issues involved are highly technical or complex; trademark expertise is necessary to thoroughly understand the merits of the dispute (e.g., there is high risk of erroneous judicial outcome, especially by a jury). • This case is in or will be in a jurisdiction that requires ADR, so we might as well do it now with a neutral expert in trademark and unfair competition law. 	<p><u>Cons</u></p> <ul style="list-style-type: none"> • The issues involved are relatively clear or turn primarily on the credibility of fact witnesses. • We do not know where the case might be or the court does not have an ADR program.
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Nature of Desired Resolution

<p><u>Pros</u></p> <ul style="list-style-type: none"> • We would be satisfied with a resolution that a court could not grant (e.g., modification of the other's trademark, trade dress, advertising usage; an assignment; a licensing arrangement; restrictions on channels of trade; modifications to a contract). • We need to control the outcome because the risk of a damaging "all-or-nothing" court decision or adverse precedent is high. • Extraneous business considerations dictate a speedy resolution (e.g., going public, sale of company, merger). • The dispute has ramifications in international markets, and we require a solution that provides parallel resolutions with the same party in multiple jurisdictions. 	<p><u>Cons</u></p> <ul style="list-style-type: none"> • We need or the other side needs a resolution only a court could grant (e.g., legal precedent, immediate injunctive relief). • It is important to win in litigation to send a deterrent message to third parties or to be viewed by third parties as publicly vindicated in this dispute.
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Decision-Makers

Pros

- Decision-makers on one or both sides are probably somewhat unfamiliar with the facts or merits: counsel's presentation and a neutral's participation in ADR could be educational and promote more realistic assessment in addition to diffusing hostility between the parties or counsel.

Cons

- We believe our opponent's top-level decision-makers have firmly decided against settlement.
- The attitude of the other side is one of deep-seated hostility, contempt and distrust.

Attorneys

Pros

- Attorneys for the other side are unsophisticated in trademark law and settlement approaches; a neutral's participation could be instrumental in opening up communication.
- In-house counsel have a grasp of the issues and/or appreciate the value of avoiding significant litigation.

Cons

- The attorneys for the other side are on a contingency fee arrangement or have an emotional / commercial interest in the dispute