

MARKS & WEINBERG, P.C.

Thompson Tractor Co., Inc. v. Fair Contracting Co., Inc.

2000 WL 10396 (Ala.) (7/2000)

The defendant Thompson Tractor, a tractor rental company with a long-term relationship with the plaintiff Fair Contracting, appealed a trial court order denying its motion to compel the arbitration of the plaintiff's claims to a refund of taxes that the plaintiff alleged were wrongfully assessed. The rental contracts between the parties during the period of 1997 to 1999 generally contained arbitration clauses. Those rental contracts prior to this period did not contain arbitration clauses. The issue was whether the arbitration clauses in the later rental contracts required the plaintiff to arbitrate its claims based on the earlier rental contracts. The Supreme Court of Alabama held that the plaintiff was so required, and compelled the plaintiff to arbitrate all of its claims. The arbitration clause at issue provided for arbitration of any disputes arising out of any prior negotiations or dealings between the parties. The court stated that the requirement that the plaintiff arbitrate its claims based on the earlier rental contracts was plain and unambiguous, and it was the court's duty to enforce it as written.

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