

IN THE COURT OF COMMON PLEAS OF LYCOMING COUNTY, PENNSYLVANIA

ERIC and PATRICIA SCHEIBLER, Plaintiffs	: NO. 00-01,715 : :
vs.	: CIVIL ACTION - LAW : :
AMWAY CORPORATION, et al. Defendants	: Motions to Set Aside/Confirm : Arbitrator's Award

OPINION AND ORDER

Before the Court are Plaintiff's Motion to Set Aside the Arbitrator's Award, filed November 19, 2003 and Defendants' Motion to Confirm Final Arbitration Award, filed December 8, 2003, as well as an uncontested Motion to File Matters Under Seal, filed December 17, 2003, and a (now moot) Motion to Consolidate (the first two motions), also filed December 17, 2003. Argument was held February 27, 2004.

By way of background, Plaintiffs commenced these proceedings through the filing of a Complaint on November 1, 2000. Defendants Amway and Quixtar filed a Petition For Stay Pending Arbitration, which was originally opposed by the Plaintiffs and scheduled for hearing on February 9, 2001.¹ That hearing was canceled, however, when by Order dated February 8, 2001, entered upon stipulation of the parties, the matter was stayed pending completion of arbitration and it was directed that "Plaintiffs may proceed only in arbitration, with regard to the claims listed in the matter captioned above." The arbitration proceedings resulted in the dismissal of all of Plaintiffs' claims, by Final Award entered October 21, 2003, based on a finding the applicable statute of limitations barred the claims. Plaintiffs then filed the instant Motion to Set Aside the Arbitrator's Award, claiming they were denied the opportunity for a hearing.

As Defendants correctly note, the standard to be applied in addressing Plaintiffs' request is that contained in the Federal Arbitration Act. The pertinent section provides for vacation of an award under the following circumstances:

¹ Preliminary objections were also filed but argument on such was postponed pending decision on the Petition for Stay.

- (1) Where the award was procured by corruption, fraud, or undue means.
- (2) Where there was evident partiality or corruption in the arbitrators, or either of them.
- (3) Where the arbitrators were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced.
- (4) Where the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter submitted was not made.

9 U.S.C. Section 10(a).

Plaintiffs do not allege any of the above-grounds in support of their request. Instead they argue they were wrongly denied the opportunity to amend their complaint and that the contract should be voided, eliminating the statute of limitations issue altogether. The correctness of the arbitrator's legal rulings is not grounds to set aside the award, however.² Furthermore, once Plaintiffs agreed to submit their claims to arbitration under the contract, they foreclosed any subsequent challenge to the validity of that contract. Therefore, inasmuch as Plaintiffs have asserted no cause to set aside the award, it will be confirmed.

ORDER

AND NOW, this 3rd day of March 2004, for the foregoing reasons, the Motion to Set Aside the Arbitrator's Award is DENIED and the Motion to Confirm Final Arbitration Award is GRANTED. The Final Award entered October 21, 2003, to JAMS Number 1410002931 is hereby Confirmed as an Order of Court.

² The Court is not indicating by this statement that the arbitrator's ruling in this regard was incorrect, merely that that issue is not relevant to a request to set aside an award.

The Motion to File Matters Under Seal is hereby GRANTED and all matters filed with this Court to the above-captioned docket number shall be maintained confidential and filed under seal.

The Motion to Consolidate is DISMISSED as moot.

BY THE COURT,

Dudley N. Anderson, Judge

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