

It Can Be Challenging to Enforce an Arbitration Provision in an Expired Contract

A unanimous panel of the Sixth Circuit recently rejected a manufacturer's attempt to compel arbitration under an expired contract in *Linglong Americas, Inc. v. Horizon Tire, Inc.*, reports Butler Snow LLP.

Erin Palmer Polly explains that the manufacturer and its distributor entered into a collaboration agreement that contained an arbitration clause.

"The agreement expired and was not renewed, but the manufacturer and its distributor continued to work together and continued to make various representations of continued involvement," she writes. "Approximately three years after the agreement expired, the parties' relationship deteriorated and resulted in a federal court lawsuit. The manufacturer attempted to compel arbitration and pointed to the arbitration provision in the collaboration agreement."

She points to two important lessons to be learned from the case.

Read the article.