



Jonathan Rosenfeld's Nursing Homes Abuse Blog

New Illinois Supreme Court Decision May Reaffirm Nursing Home Patients Access To Court In Negligence Cases

*Posted by **Jonathan Rosenfeld** on February 17, 2011*

In the law, there are many opinions released by courts that may not appear to directly impact a particular situation-- on their face. However, a closer examination of the principals involved may demonstrate their application to other situations never directly mentioned in the opinion. Here, we can see the Illinois Supreme Court's interpretation of arbitration clauses in the consumer context-- similar to the nursing home admission setting.

[William Carr v. Gateway, Inc.](#) is a 2002 class action filed by William Carr and other plaintiffs against Intel Corporation, Gateway, Inc. The plaintiffs alleged that Gateway misrepresented the speed of the computer's processor when they claimed that the Pentium 4 worked faster than the Pentium 3.

Gateway filed a motion to dismiss or in the alternative, a motion to compel arbitration based on the Limited Warranty Terms and Conditions Agreement that came with the computer. The Circuit Court of Madison County (Illinois) denied Gateway's motion, holding that the arbitration agreement was invalid.

Jonathan Rosenfeld represents victims of nursing home abuse and neglect throughout the country. For more information please visit Nursing Homes Abuse Blog (www.nursinghomesabuseblog.com), Bed Sore FAQ (www.bedsorefaq.com) or call Jonathan directly at (888) 424-5757 (www.rosenfeldinjurylawyers.com).

Gateway appealed this decision. In the interim, the [National Arbitration Forum](#) (NAF), which was the arbitration forum designated in the arbitration agreement, stopped accepting consumer arbitrations.

Then, the Appellate Court affirmed the decision because the NAF was no longer available as the designated arbitral forum. Gateway appealed this decision, alleging that section 5 of the [Federal Arbitration Act](#) allows the court to appoint a substitute arbitrator because of the unavailability of the NAF.

The Illinois Supreme Court [held](#) that Gateway could not enforce the arbitration clause in its sales contract because the National Arbitration Forum (NAF) no longer accepts consumer cases, and the NAF has specific rules and procedures that affect the arbitration process.

Specifically, the designation of the NAF as the arbitral forum was essential to the parties' agreement to arbitrate. In addition, section 5 of the Arbitration Act does not apply, so a substitute [arbitrator](#) is not allowed. Therefore, the agreement to arbitrate fails. This agreement allows the class action against Gateway to proceed.

Sources:

[Supreme Court of Illinois: William Carr v. Gateway, Inc.](#)

[Courthouse News service: Arbitration Clause Overturned in Class Action Against Gateway](#)

[The Madison Record: 8-year-old Tillery class action against Gateway gets new life at Supreme Court](#)

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