

Court Rejects DirecTV's Attempt To Enforce "Infinite" Arbitration Contract

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Did signing an arbitration agreement with wireless carrier AT&T Mobility in 2012 require Diana Mey to arbitrate illegal telemarketing claims against DirecTV, a satellite television company that AT&T Mobility acquired years later?

No, said Judge John Preston Bailey of the US District Court for the Northern District of West Virginia, in a [decision issued today]. Judge Bailey held the AT&T Mobility arbitration agreement did not require Ms. Mey to arbitrate her claims against DirecTV, and found that to enforce the arbitration agreement would be "overbroad, absurd, and unconscionable," and would "far exceed anything contemplated by Congress in enacting the [Federal Arbitration Act]."

In 2012, Ms. Mey signed a cell-phone service contract with AT&T Mobility, in which she agreed to arbitrate "all disputes and claims" with AT&T and its "subsidiaries, affiliates, agents, employees, predecessors in interest, successors and assigns." Three years later, AT&T, Inc. – AT&T Mobility's parent company – acquired DirecTV, which is connected to AT&T Mobility only through their shared corporate ownership.

Five years after signing the AT&T Mobility arbitration agreement, Ms. Mey filed a class action lawsuit against DirecTV under the Telephone Consumer Protection Act for unwanted calls placed to her by DirecTV's authorized retailers. DirecTV sought to force Ms. Mey to arbitrate those claims.

In finding the arbitration agreement unconscionable and unenforceable, Judge Bailey agreed that "no reasonable AT&T Mobility customer would believe, on signing her arbitration agreement, that she was consenting to arbitrate not only with AT&T Mobility, but also, and for all time, with any entity that ever might share a corporate umbrella with AT&T Mobility."

"This is the right result, and the Court's unconscionability finding is well supported by the facts and law," said Bailey Glasser's John Barrett, one of Ms. Mey's counsel. "It is a vast overreach for DirecTV to claim Ms. Mey forever and for all time agreed to arbitrate claims against DirecTV when Ms. Mey was never a DirecTV customer, and never signed an arbitration agreement with DirecTV. And DirecTV's only connection to any arbitration agreement with Ms. Mey is that she agreed to

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arbitrate different claims with a different company that happens to be owned by the same parent company as AT&T Mobility.”

Ms. Mey is represented by John W. Barrett, Benjamin Hogan, and William Flynn of Bailey & Glasser, LLP; Matthew P. McCue of the Law Office of Matthew P. McCue; Edward A. Broderick of Broderick Law, P.C.; and Anthony Paronich of Paronich Law, P.C.

The case is *Mey v. DirecTV, LLC*, No. 5:17-179 (N.D. W. Va.).

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Practice Areas

Telephone Consumer Protection Act (TCPA)