



Dispute Resolution Board Foundation

Real time avoidance and resolution of disputes

The Dispute Resolution Board Foundation was created in 1996 by the founders of the Dispute Review Board (DRB) process. A non-profit organization, the DRBF is an international association of construction industry professionals committed to real time dispute avoidance and resolution through the use of Dispute Boards. Members represent owner organizations and employers, architects, engineers, contractors, legal professionals, funding agencies and consultants. The DRBF continues to grow with over 700 members in 59 countries. The rapid spread of the process worldwide has resulted in the the process being used on more than \$200 billion worth of construction projects, achieving avoidance of numerous disputes and delivering significant savings in dispute costs.

How does it work

→ A DRB usually consists of an impartial, independent individual or three-person panel of consulting experts possessing the technical and contract background necessary to assist the parties to resolve differences before they escalate into disputes, or provide a prompt evaluation of a dispute through either a non-binding or binding recommendation for resolution. The DRB is formed before construction begins, usually by the owner nominating a member for approval by the contractor, the contractor nominating a member for approval by the owner, and the two thus chosen nominating the DRB Chair to be approved by both parties.

Recipe for success

- All Board members are neutral and subject to the approval of both parties.
- Each Board member signs a Three-Party Agreement with the parties obligating the members to serve both equally and impartially.
- The DRB's fees and expenses are shared between the parties. Costs vary depending on how often the DRB is asked to resolve disputes.

- The DRB is organized before work begins, before there are any disputes.
- The DRB keeps abreast of job developments by reviewing regular project progress reports and by making regular visits to the site, whether or not there are any disputes.
- The DRB helps prevent disputes by facilitating communication between the parties.
- If a dispute arises, either party can refer the dispute to the DRB for an informal but comprehensive hearing.
- Recommendations of the DRB are not binding on either party unless so provided in the contract. They are generally admissible as evidence, to the extent permitted by law, in the case of subsequent arbitration or litigation.

Successful track record of the DRB process

- Over the years, the Dispute Resolution Board Foundation has kept an extensive database of construction projects which use DRBs. Results have consistently shown that on these projects, 98% of disputes were settled without subsequent arbitration or litigation. Owner studies have shown significant decreases in cost and time overruns compared to projects without DRBs.

The DRBF offers resources for owners and contractors who want to avoid and resolve their disputes using this successful and cost effective method. Resources include education and training in the effective use of the DRB process, and assistance in establishing and operating a DRB, including providing sample documents and best practice guidelines. In addition, the DRBF hosts conferences and meetings as a forum for discussion of advances in the development of the process, and publishes the DRBF Practices and Procedures Manual and a quarterly newsletter. For more information, visit www.drb.org.