

Being Legally Right or Financially Right

Whether you are involved in a personal or business matter, conflicts often come up that need to be taken care of in an expeditious manner. If they are not, then you run the risk of that the situation will get progressively worst until the relationship is damaged beyond repair. When that happens, the parties will part and go their separate ways. Often times, a lawsuit is filed and the parties will end up spending lots of money in litigation to prove the righteousness of their position and to punish the other side for daring to think otherwise. In all disputes, there is a deterioration of the relationship between the parties.

For example, if you have a serious disagreement with your girlfriend, boyfriend, spouse, business partner or some other person, and you don't take steps to resolve the dispute in a quick and amicable manner so that all parties' interests are balanced, your relationship may deteriorate to the point that it becomes irretrievably damaged. When that happens, the parties will go their separate ways. Some of the consequences include the loss of a close relationship that you had spent considerable time and energy to develop and maintain because it was important to you. The parting may become acrimonious and result in lawsuits. The purpose of the lawsuit, in this case, is to get an impartial third party (i.e., the court system) to arbitrate the dispute between the parties.

While there are many reasons why people file lawsuits, the common thread through all of them is that the parties are unable to communicate in an open and honest manner about what is the scope of the problem and how to resolve it in an amicable manner so that all parties' interests are balanced. An impediment to settlement is that one or more of the parties may want a specific outcome that may not be practical or possible.

As a practical matter, if you are contemplating litigation, you should be

aware of two important issues that you need to process before making a decision: (1) you can be “legally right” or (2) you can be “financially” right. They are mutually exclusive. If the law is in your favor, but you don’t have the deep pockets necessary to pay to litigate, you may lose. If you have the financial strength to litigate but the law may be not in your favor, you may still have a chance to win provided you have deeper pockets and more resources than the other party. That is the reality of how the legal system works. Having the financial resources and the law on your side increases your odds of coming out ahead in the litigation. Assuming you were to prevail in the lawsuit, was it worth it? Was it worth spending the time, money and energies to litigate? Were you able to recover the cost of the litigation, the damages that you incurred because of the breach, the physical, mental and emotional toll it took on you, your family and your business? The energies that you put into the litigation could have been used to build your business or to move on with your life. Some times it is not about proving who is right or wrong. It is about your motivation, spoken and unspoken, to litigate. Was your desire to litigate balanced with the needs of your business or your personal life?

© 2008 Dennis Wong, Esq.
www.DennisWong.com