

Hudson Valley

BUSINESS JOURNAL

You can rent a judge???

BY CHRIS MILLER

Recent changes in pre-trial discovery laws involving the production of electronic documents have caused the cost of participation in a civil law suit to skyrocket. Today, typical business litigation can easily cost, both, the plaintiff and defendant more than \$250,000 from start to finish.

Please rise for Los Angeles, CA based RENT-A-JUDGE founder, Attorney Rafael Chodos. With over thirty years of experience, the business litigation lawyer's innovative service is an affordable dispute resolution option for small to mid-sized businesses.

"Fifteen years ago, I wrote and spoke about how the rules in the courthouse were becoming too cumbersome and bureaucratic with too many hops to jump through," explained Chodos. "I actually constructed an alternative set of rules for people to follow in resulting civil disputes (not criminal law)."

Chodos said that the burdens of the courtroom have become so enormous, particularly with increased discovery obligations. With the nation in a financial crisis, he felt it was time for a cost effective resolution service.

Presided over by a seasoned attorney with at least 20 years of experience, each party focuses on the core issues of their case and submits a fixed number of pages of documents to prepare for a one-day hearing, which starts at 9am and ends no later than 6pm.

Both parties are allowed to submit as much evidence as they want to before the hearing. The only stipulation is that the plaintiff and defendant must condense and cover their submitted evidence of emails and receipts, etc with less than 25 pages of explanations.

"You choose the essential evidence, you fashion a very short summary and offer a proof," Chodos expressed. "Then your back up evidence can be presented as you wish to in documentary form."

Chodos refers to RENT-A-JUDGE as an alternative to the courthouse drudgery. The plaintiff and defendant's one-day trials have a fixed-cost of \$10,000 – each side paying \$5,000. Chodos' litigation service concludes the hearing with a written, reasoned opinion within five business days.

"Unlike mediation, unlike arbitration, and unlike other types of private judging which can drag on and cost high six figures, this is \$10,000 for the in person hearing and it's only \$4,000 for those using the Internet or only submitting papers and not coming to a hearing," he said.

Litigants have the option to break their cases down into separate parts, such as damages and liability, and bring any single part of the case for a "modular" dispute resolution. In a courthouse the whole dispute has to be decided together, known as the Single Judgment Rule. Even though the courts have the liberty to break up the case into little pieces, they almost never do.

Parties using the RENT-A-JUDGE system can go on a binding or non-binding basis. If the parties involved opt for a non-binding basis, it means they are using the service as a dress rehearsal of their trial to see the result. Chodos said that using his service for "mock trial" could prove to be extremely valuable and educational.

"That means that one side could come by themselves, hiring actors or lawyers to portray the opposition," said Chodos. "If you were to do a violin recital, you'd probably want to run through the music before you actually go on stage."

The binding approach states that the involved parties can agree in advance to accept the decision of the judge or agree to be bound to the judges opinion after reading over the written and reasoned opinion and agreeing with the ruling.

"I always tell my clients that they have no guarantee they're going to win

but if the courtroom operates properly they'll going to feel satisfied on the end even if they lose," expressed Chodos.

Chodos has incorporated what he refers to as "open timing" into his alternative litigation service. That means parties involved would have the choice at any juncture of the hearing, before, during or after, to decide on whether the decision would be binding or non-binding.

There are various structures in which citizens are able to resolve disputes outside the courthouse. One, for example, is the Arbitration Act. It is a legislative decree that states if a party has a certain kind of agreement to arbitrate that the superior court will enforce it.

Chodos noted that arbitration was a very attractive alternative to litigation up until about 25 years ago. He noticed around that time that the quality of arbitration was unpredictable.

"There are a lot of complaints that arbitration panels devote their loyalty to the big organizations that keep using them over and over again," he said.

Mediation provisions reside within most large courts. Chodos said that most state courts will order parties into mediation to try to settle the case before they're allowed to go before a jury or judge.

"There's a big dividing line in the world today between mediation, which is settlement, and litigation or arbitration, which is we'll fight each other and see who is right," Chodos explained. "My idea is, the best way to mediate is to let the people have their day in court, let them argue about what's right and when they've heard the music they'll be ready to settle."

Chodos refers to this as a match-up of mediation and litigation – using litigation as a means to resolve their dispute.

For more information, call 310-393-9811 or visit www.rentajudge.com.

From the *LA DAILY NEWS*
also printed in the *Contra Costa Times*

Rent-A-Judge provides a trial by hire

[By Julia M. Scott, Staff Writer](#)

Updated: 02/02/2009 12:23:29 AM PST

For 30 years, lawyer Rafael Chodos battled on behalf of his clients and toted up victories won in court.

Now, as the founder of a private dispute resolution service called Rent-A-Judge, he grades his success on whether feuding parties are satisfied enough with his unofficial ruling to let the decision stick.

"The score card I'm keeping is how many people come to this process unbinding, get my opinion, and decide to make it binding," he said.

A business litigation attorney for three decades, Chodos' new business offers one-day "trials" at his Woodland Hills office for a flat fee of \$10,000.

While he expects some clients to hire him as a test run before going to a real court of law, others will choose him as a cheaper and faster alternative to a public trial.

Each trial follows the same format, which ensures it will be completed in a single day.

The disputing parties can file up to 25 pages of arguments or exhibits in advance, much less paperwork than in a typical civil case.

On hearing day, each side gets 20 minutes for an opening statement, just over two hours to present its case and a half-hour for a closing argument. Chodos then issues a written opinion within five days.

"I think people are getting impatient with the impersonal, industrial way of dealing with lawsuits," Chodos said. "I hope Rent-A-Judge is going to offer a path to the essence of disputes."

Chodos' business model - private dispute resolution - is not new. JAMS in Irvine is the largest arbitration firm and handles 10,000 cases a year.

But Chodos' twist on arbitration, selling it as a neat package with a catchy name, may open up a line of clients that will keep him busy.

"The name may lack the dignity that the other arbitration organizations have," said Diane Karpman, a legal-ethics expert who writes a monthly column in the California Bar Journal. But what is more important is "that people get some sort of resolution."

Justice delayed is not justice at all.

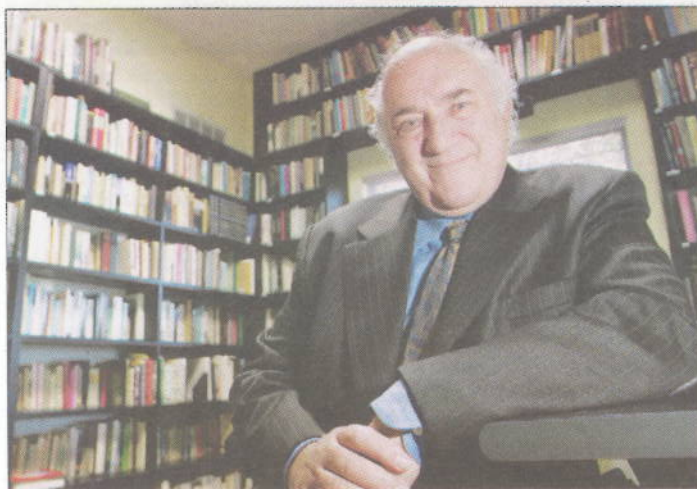
Because of Rent-A-Judge's fixed cost, it may be cheaper than similar arbitration services, Karpman pointed out.

Plus, Rent-A-Judge offers a full, written opinion. Clients can agree to make the decision binding before or after the trial, or to simply leave it as advisory.

But the business is not without pitfalls.

Many cases will be too complex to be boiled down to one day. For others, \$10,000 will be too much to pay for one lawyer's opinion.

"If you have a simple case, that's a lot of money," said Nikki Tolt, who has a private practice in Beverly Hills and is day?"



RINGO H.W. CHIU/LABJ

Bookish: Rent-a-Judge's Rafael Chodos at his Malibu home.

Justice On the Clock

Woodland Hills-based Rent-a-Judge promises to resolve parties' disputes in one day or less.

By **ALEXA HYLAND** Staff Reporter

Don't tell attorney Rafael Chodos that a down economy is a bad time to start a business, especially when his plan – a dispute resolution service – is designed to reduce the cost of litigation.

"When I saw the financial crisis hitting, I decided that this was the time to do it," said Chodos, a sole practitioner with an office in Woodland Hills.

So he launched **Rent-a-Judge** last month. The company charges disputing parties a flat fee of \$10,000 – \$5,000 each – to argue their case before a mediator during a one-day, eight-hour trial. Parties can pay extra if the session runs longer, but Chodos said the goal of Rent-a-Judge is to help the litigants resolve their dispute in one day or less.

For comparison, large private dispute resolution companies such as **Jams** and **ADR Services Inc.** charge upwards of \$500 per hour, plus filing fees that range from several hundred to several

thousand dollars. However, those proceedings often go on for days or even a week or more, and the final bill can easily exceed \$10,000.

"With the Rent-a-Judge process, the whole idea is to get to the heart of what you are arguing about," Chodos said.

Chodos, 66, said he is targeting small and mid-size business owners in disputes who want to reduce their legal costs, which have exploded lately because of such matters as the costly discovery process for e-mails.

"This program is an attempt to deal with the high cost of litigating smaller disputes, and getting them resolved at a cost proportional to the amount in dispute," said Mark Neubauer, managing partner of the L.A. office of **Steptoe & Johnson LLP**. Neubauer is a seasoned litigator who has been involved in numerous alternative dispute resolution sessions. He is not involved with Chodos' business.

Not all are impressed with the concept.

Mary Culbert, director of Loyola Law School's center for conflict resolution, said that both parties can specify a deadline for a dispute resolution procedure. "With any alternative dispute resolution mechanism, you can limit the time and what is considered."

Rent-a-Judge, like other such services, uses arbitrators who are approved by both parties. The sides in the dispute can choose whether the arbitrator's ruling is binding. In some instances, the parties will opt for a nonbinding ruling and use the session as a guideline for talks going forward.

Chodos has invested \$40,000 of his own money to design a Web site, and plans to spend thousands more on advertising in the coming months.

He has an entrepreneurial background and went to law school after selling a software business he had started. His new venture is a way to blend his law career with his entrepreneurial impulse.

How did Chodos come up with the name **Rent-a-Judge**?

"It seems logical as a straight statement of what's going on here," he said.

Bid-ness Booms Online

EBay auction storefront ShopitLA sees upswing in action helping busted companies liquidate goods.

By **MAYA MEINERT** Staff Reporter

Amy Weintraub opened an eBay store in Westwood five years ago to help people get rid of old stuff. "And I was looking for something to do, being an empty nester," she said.

But lately, Weintraub's store, **ShopitLA**, is helping failed businesses liquidate unneeded goods.

Weintraub recently auctioned off the remains of a North Hollywood scuba shop, getting rid of more than \$250,000 of inventory in about four months. She also helped Nettie's Needlecraft, a yarn store in Beverly Hills, dispose of its inventory when it closed last year.

Normally, she takes 48 percent commission on sales. But for her business customers, Weintraub sometimes buys all or part of their inventories, and keeps the money she makes selling via the online auction service. Other times, she sometimes works out a consignment deal with the business owner.

She also has seen an increase in business from delivery and storage companies that got stuck with inventory from retailers that have gone out of business.

Weintraub started the shop under the **iSold** franchise and broke away late last year to go independent.

Meanwhile, stores in the La Jolla-based **iSold** chain also are seeing an uptick in business – as much as 20 percent – from businesses that are closing. But prices are sagging.

"The average price for items on eBay has dropped because people are more concerned



RINGO H.W. CHIU/LABJ

Plugged In: Weintraub.

In Bed With Show Biz

Neil Leeds came to Hollywood to pursue an acting career. Last week he achieved his dream. Well, kind of.

As a struggling young actor, Leeds found a job selling mattresses. In 1996, he opened his

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CHARLES CRUMPLEY



Ernst & Young.

So seriously that he won't disclose where it's done, let alone exactly how.



RINGO H.W. CHIU/LA81

Worried: Rent-a-Judge's Rafael Chodos at his Malibu home.

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Plugged In: Weintraub.

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RINGO H.W. CHIU/LA81

with their money," said Ken Sully, iSold It chief executive. "There are also fewer bidders, so that lowers the price, too. So there's an increase in these items but a decrease in price. It's definitely a buyer's market."

Ad Fight Juiced Up

Lawyer dismisses criticism from city councilman of Tropicana supergraphic as political grandstanding.

By JOEL RUSSELL Staff Reporter

Attorney Paul Fisher said the gigantic Tropicana juice ad was perfectly safe, despite what Los Angeles City Councilman Jack Weiss claimed.

At a Jan. 28 press conference in front of the juice supergraphic at a building on National and Westwood boulevards that faces the Santa Monica (10) Freeway, Weiss called for tougher penalties against illegal supergraphics. Fire officials at the event said the ad posed a hazard because flames could climb up the fabric from the ground floor to the roof in no time.

But Fisher, who represents **World Wide Rush**, which owned the Tropicana banner, and four other outdoor advertising companies with lawsuits pending against the city of Los Angeles, said the state fire marshal has certified the Tropicana ad, and the L.A. Fire Department has certified the same material in other locations. Fisher believes the real issue was Weiss' campaign to get elected city attorney.

"This is a political platform to boost his candidacy by calling these installations a fire haz-

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How developer
Robert J. Lowe



Static?: Entravision President Jeff Lieberman and Super Estrella disc jockey Viktor Serralde.

AD SUBTRACTION

Revenues fall as listeners tune out local radio

By **CHARLES PROCTOR** Staff Reporter

RADIO isn't coming in loud and clear anymore in Los Angeles.

With the recession cutting deeply into ad

tion projects local radio stations will sustain a 10 percent drop in revenue this year. That would come after an 11 percent revenue decline the association estimates that L.A. broadcasters experienced last year.

The financial static is unlike anything many producers have experienced.

Pomegranate Juice Maker Squeezes Back

RETAIL: POM using suits to bottle up competitors.

By **ALEXA HYLAND** Staff Reporter

Spanish settlers introduced pomegranates to California in the 18th century, but L.A. billionaires Stewart and Lynda Resnick consider themselves 21st century gatekeepers of the ruby red fruit.

The Resnicks own pomegranate juice manufacturer POM Wonderful LLC, which, as the largest grower of pomegranates in the United States, has become a little empire that distributes pomegranate juice, pomegranate tea, pomegranate pills and, yes, even fresh pomegranates.

The Resnicks have been known to put on the gloves to fight for their pomegranate domain. But lately, they've gone up a couple of classes and have stepped into the ring with heavyweights, picking fights with big companies that make pomegranate juice.

POM filed three federal lawsuits in January against Welch's, Tropicana Products Inc. and Ocean Spray Cranberries Inc. In September, beverage giant Coca-Cola Co., which

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Line Forms to Recoup Millions