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SUPREME COURT  
OF THE STATE OF WASHINGTON

NO. 53018-0-II

COURT OF APPEALS, DIVISION II  
OF THE STATE OF WASHINGTON

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Sprint Solutions, Inc. and Annette Jacobs,

Appellants,

v.

Pagecom Inc.,

Respondent.

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Answer to Pagecom's Petition for Review

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## I. INTRODUCTION

Pagecom seeks the Court's aid to achieve a business result that it did not negotiate and that is contrary to the Parties' contract. The lynchpin of Pagecom's litigation strategy is to recast its relationship with Sprint as a franchise and to use the Washington Franchise Investment Protection Act to change the terms of the AR Agreement. As explained by its counsel, Pagecom believes that a local superior court judge will be more sympathetic to its position than an arbitrator which is why it has never filed for arbitration as required by the AR Agreement.

It is well-established that arbitration agreements under the Federal Arbitration Act should be enforced. The decision of the Court of Appeals properly interpreted the AR Agreement and held that the plain language of the arbitration agreement provided a clear path for Pagecom to initiate arbitration. The Court of Appeals' conclusion is consistent with the two federal courts that have also reviewed Sprint's AR Agreement; consistent with Washington law; and consistent with both the letter and intent of the Federal Arbitration Act that agreements to arbitrate must be enforced by courts.

## II. STATEMENT OF THE CASE

Appellant Sprint<sup>1</sup> is a nationwide provider of wireless services and products and markets to consumers and enterprise customers. Sprint markets and sells wireless communication services to its customers through its own direct sales force and also through independent contractors, commonly known as Authorized Representatives (“ARs” or “dealers”), who enter into an AR agreement with Sprint.<sup>2</sup> Customers subscribe to Sprint’s wireless voice and data services through the ARs and Sprint pays the ARs a commission for each new service activation or upgrade.

To maintain competitive flexibility, Sprint’s contracts with ARs generally run for a 2-year term.<sup>3</sup> It was Sprint’s practice to undertake a review process every two years to update the terms of the agreement, and then require all ARs that wished to continue to sell Sprint services and products to sign the updated AR agreement. ARs are responsible for managing their own businesses, including operating retail storefronts which are referred to in the industry as “doors.”<sup>4</sup>

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<sup>1</sup> CP 1–2, ¶ 2. Sprint merged with T-Mobile on April 1, 2020, but will continue to be referred to as Sprint throughout the briefing. Appellant Annette Jacobs is a former Sprint employee. Both appellants together will be referred to as Sprint.

<sup>2</sup> CP 4, ¶ 11.

<sup>3</sup> CP 7, ¶ 22; RP Vol. 1, p. 4:24–5:1.

<sup>4</sup> CP 4, ¶ 11.

**A. Pagecom is owned by an industry experienced, sophisticated business owner and has been a Sprint AR since 2005.**

Pagecom was formed in 1999 and has over 20 years of experience in the wireless industry. Pagecom has been a Sprint AR since 2005 and operated 13 doors.<sup>5</sup> Over the years, Pagecom and Sprint have entered into several versions of the AR agreement.<sup>6</sup> Pagecom is owned by Jason Surprenant, a sophisticated business owner in the wireless telecommunications industry.<sup>7</sup> In addition to his Sprint doors, Mr. Surprenant previously owned another corporation that operated 39 stores selling T-Mobile goods and services.<sup>8</sup>

Pagecom entered into the AR agreement that is the subject of Pagecom's claims with Sprint in April of 2014 ("Agreement").<sup>9</sup> At the time the Agreement was entered into, Mr. Surprenant had nearly 10 years of experience reviewing (with the assistance of legal counsel), agreeing to, and operating under multiple versions of the Agreement. On more than one occasion, Pagecom has requested that Sprint modify specific terms of the AR agreement but in each case Sprint declined to make changes.<sup>10</sup>

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<sup>5</sup> CP 4, ¶ 11.

<sup>6</sup> CP 346, ¶ 9.

<sup>7</sup> CP 342, ¶ 1.

<sup>8</sup> CP 4, ¶ 11.

<sup>9</sup> CP 7, ¶ 22. Subsequent to Sprint's Notice of Appeal, Sprint and Pagecom entered into a new version of the Agreement that was effective on May 1, 2019.

<sup>10</sup> CP 346, ¶ 9.



**B. The Agreement contains a mandatory arbitration provision under which the parties waived their right to litigate disputes in court.**

Since 2005, Pagecom has signed several versions of the Agreement with Sprint, all of which contain a mandatory Dispute Resolution Clause, requiring the parties to submit *all disputes* to arbitration.<sup>11</sup> The Dispute Resolution Clause specifies that “[a]ll Disputes under this Agreement are subject to the . . . dispute resolution process.”<sup>12</sup>

Under the Dispute Resolution Clause, disputes brought by Pagecom against Sprint may be, at Sprint’s option, first subject to mediation.<sup>13</sup> Pagecom can file arbitration upon the earliest of the following to occur: Sprint does not require mediation; mediation fails; or more than 45 days pass after either party submits a request for mediation. This is expressly stated in the Agreement:

**Mediation.** In the event of a Dispute pursued by [Pagecom], Sprint may require that the Dispute be submitted to mediation. The mediation will occur at a location chosen by Sprint.<sup>14</sup>

**Arbitration.** [Pagecom] may not commence arbitration until a Dispute has been subject to mediation in accordance with this Agreement. Either party may initiate arbitration with respect to a Dispute by filing a written demand for

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<sup>11</sup> RP Vol. II, p. 29:3–8; CP 57, Section 17

<sup>12</sup> CP 57, Section 17.

<sup>13</sup> Pursuant to the Dispute Resolution Clause, any mediation will occur at a location chosen by Sprint. CP 108, Section 2.

<sup>14</sup> CP 108, Section 2.

arbitration pursuant to the Wireless Industry Arbitration Rules of the AAA. [Pagecom] may only initiate arbitration after the 45<sup>th</sup> calendar day following the date that a request for mediation of such Dispute was first submitted, or, if earlier, the date that mediation is terminated. This applies to all causes of action, whether nominally a “claim,” “counterclaim”, or “cross-claim”, arising under common law or any state or federal statute.<sup>15</sup>

**C. Pagecom disputes a change in Sprint’s compensation formula under the Agreement.**

Sprint pays Pagecom according to a “Commission Plan” set forth in the Agreement. Pursuant to the Agreement, Sprint changed the compensation it paid to its ARs (including Pagecom).<sup>16</sup> This is the core of Pagecom’s dispute with Sprint.<sup>17</sup>

According to the Complaint, Pagecom contacted Sprint in June 2017, alleging its belief that other Sprint dealers were being more favorably compensated than Pagecom.<sup>18</sup>

Thereafter, the parties “engaged in a series of communications both through telephone conferences and written correspondence” regarding the dispute raised by Pagecom.<sup>19</sup> After six months of unsuccessful discussions, Pagecom sent letters to Sprint and AAA dated November 21, 2017, requesting mediation in Renton, Washington pursuant to the terms of the

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<sup>15</sup> CP 109, Section 3.

<sup>16</sup> CP 59 and CP 346, ¶ 10.

<sup>17</sup> CP 346, ¶ 10.

<sup>18</sup> CP 6, ¶ 19.

<sup>19</sup> CP 7, ¶ 20.

Agreement.<sup>20</sup> Mary Hull, senior legal counsel at Sprint, responded to AAA that Sprint (which is headquartered in Kansas) would not agree to hold the mediation in Washington, as the Agreement provides for Sprint to choose the location of the mediation.<sup>21</sup>

On December 7, 2017, Mary Hull had a conversation with Mark Bardwil (Pagecom's attorney) referencing arbitration as the next step if there was no mediation and a settlement could not be reached. CP 321. Ms. Hull said:

- Mediation was discussed and that taking this step would not result in any resolution. If a settlement could not be made, it may be more prudent to move to arbitration. Sprint would move for venue to be in Kansas versus Washington state, per the contract. The parties agreed to hold the Mediation request in abeyance through the holidays.

At this time, the parties *agreed* to hold the mediation request in abeyance until Pagecom provided additional financial information to Sprint.<sup>22</sup>

The 45<sup>th</sup> day after Pagecom submitted its request for mediation was January 4, 2018. As of that date, Pagecom was free to submit the dispute to arbitration by filing with AAA according to the express terms of the Dispute Resolution Clause.<sup>23</sup> Pagecom never filed a demand for arbitration with AAA. As explained by Pagecom's counsel during oral argument,

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<sup>20</sup> CP 308, 312–15.

<sup>21</sup> CP 309, 317–18.

<sup>22</sup> CP 309, 320–21.

<sup>23</sup> OP 14.

Pagecom did not want to submit its claims to arbitration (despite having signed the Agreement containing a mandatory arbitration clause):

No, I don't really want to be in arbitration. Who would? What franchisee ever wants to be in arbitration? These are preprinted clauses that are there for a reason. ...

If we can be in court, we would rather be in court. ...

I mean nobody really wants to go to arbitration when they're the party that wants something. . . . So do I want it? Of course I don't want it.<sup>24</sup>

On January 22, 2018, Mr. Bardwil asked whether Sprint would “recognize Washington as the proper locale for arbitration” if Sprint was unwilling to mediate.<sup>25</sup>

On March 13, 2018, Mr. Bardwil sent Ms. Hull additional correspondence, stating “please advise if Sprint plans on opposing litigation (arbitration or otherwise) in Washington.”<sup>26</sup>

**D. Sprint issues, and withdraws, a notice terminating the Agreement.**

On March 30, 2018, Sprint gave notice of termination to Pagecom because Pagecom was in violation of the Agreement.<sup>27</sup> Pagecom requested Sprint rescind its termination notice which it did on June 8, 2018.<sup>28</sup> The

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<sup>24</sup> RP Vol. II, p. 46:3–47:10.

<sup>25</sup> CP 377–79.

<sup>26</sup> CP 309, 323–24.

<sup>27</sup> CP 7, ¶ 20.

<sup>28</sup> CP 10, ¶ 36. CP 333

parties continued to perform under the Agreement until May 28, 2019, when they signed a new version of the AR agreement that continues in effect to the present.

**E. Pagecom files its dispute in court, in violation of the arbitration provision.**

On May 11, 2018, Pagecom filed suit in Pierce County Superior Court.<sup>29</sup> Pagecom’s Complaint alleges that the Agreement creates a “franchise” relationship between Pagecom and Sprint under Washington’s Franchise Investment Protection Act (“FIPA”) and sought an injunction to prevent the termination (which was withdrawn less than a month later).<sup>30</sup>

On July 20, 2018, the parties engaged in a full day mediation in Seattle which was not successful.<sup>31</sup> Sprint then moved to compel arbitration of Pagecom’s lawsuit.<sup>32</sup>

The trial court erroneously denied Sprint’s and Ms. Jacobs’<sup>33</sup> motion to compel. The trial court improperly concluded: that the Dispute Resolution Clause is unconscionable; that it could decide issue of waiver;

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<sup>29</sup> CP 1–15. Sprint removed the action to federal court on diversity grounds and moved to compel arbitration pursuant to the Agreement. Subsequently, the federal court remanded the action back to state court and did not rule on the merits of the motion to compel arbitration.

<sup>30</sup> CP 12 ¶ 42–43.

<sup>31</sup> CP 368, ¶ 3.

<sup>32</sup> CP 195–300.

<sup>33</sup> Both appellants will be collectively referred to together as Sprint.

and that Sprint waived its right to compel arbitration through its pre-litigation conduct.

The Court of Appeals properly found that the parties had agreed to arbitrate and that there is no basis under Washington law to find the agreement to arbitrate unenforceable. It reversed and directed the trial court on remand to grant Sprint's and Ms. Jacobs' motion to compel arbitration and to dismiss the case.

### **III. SUMMARY OF ARGUMENT**

There is no basis for this Court to grant review. Pagecom and Sprint entered into a valid agreement to arbitrate their disputes. The Court of Appeals' decision to compel arbitration was correct and consistent with the FAA's strong policy to enforce the arbitration agreement. The Court of Appeals' interpretation of the contract is consistent with the precedent of this Court and consistent with other courts that have enforced Sprint's Dispute Resolution Clause containing virtually identical language as the clause at issue here.

### **IV. ARGUMENT**

This Court will only accept review of a Court of Appeals' decision if it is in conflict with a decision of the Supreme Court or a published decision of the Court of Appeals; it involves a significant question of law under the state or federal Constitution; or the decision involves an issue of

substantial public interest. RAP 13.4(b). None of these concerns are present here and this Court should not accept review.

**A. The Court of Appeals’ opinion is correct because the Federal Arbitration Act’s (“FAA”) express language and policy require enforcement of arbitration agreements.**

The arbitration provision in the Agreement is governed by the FAA. The FAA requires the enforcement of arbitration agreements by expressly providing that agreements to arbitrate “shall be valid, irrevocable, and enforceable save upon such grounds as exist at law or in equity for the revocation of any contract.” 9 U.S.C. § 2. The FAA was adopted by Congress “in response to a perception that courts were unduly hostile to arbitration.” *Epic Sys. Corp. v. Lewis*, -- U.S. --, 138 S. Ct. 1612, 1621 (2018). Indeed, the “‘principal purpose’ of the FAA is to ‘ensur[e] that private arbitration agreements are enforced according to their terms.’” *AT&T Mobility, LLC v. Concepcion*, 563 U.S. 333, 344, 131 S. Ct. 1740 (2011). Any doubt regarding whether a dispute is arbitrable should be resolved in favor of arbitration. *Moses H. Cone Mem’l Hosp. v. Mercury Constr. Corp.*, 460 U.S. 1, 25, 103 S. Ct. 998 (1983) (underline added).

**B. The Court of Appeals correctly held the dispute resolution clause of the AR Agreement is enforceable and provides a clear path for Pagecom to arbitrate its claims against Sprint.**

Pagecom argues the Court of Appeals misapplied this Court’s precedent to reach the conclusion that the AR Agreement “clearly allows

Pagecom to initiate arbitration” “if Sprint does not require mediation, mediation fails, or on the 45<sup>th</sup> calendar day following the date that a request for mediation of such Dispute was first submitted.”<sup>34</sup> To the contrary, the Court of Appeals decision is consistent with the decision of every other court which has reviewed the arbitration agreement and the rules of contract interpretation applied by this Court. Review should be denied. RAP 13.4(b).

**1. The Court of Appeals correctly applied the rules of contract interpretation.**

Pagecom argues that it could not initiate arbitration unless Sprint agreed to mediation. Pagecom’s position willfully ignores and fails to give meaning to all of the language agreed to by the parties in the AR Agreement.

The Court of Appeals correctly adhered to the principle that the agreement must be read in a way that gives all of the words used meaning. *Wagner v. Wagner*, 95 Wn.2d 94, 101 (1980) (“An interpretation of a writing which gives effect to all of its provisions is favored over one which renders some of the language meaningless or ineffective.”).

The Dispute Resolution clause states:

**Arbitration.** [Pagecom] may not commence arbitration until a Dispute has been subject to mediation in accordance with this Agreement. Either party may initiate arbitration with respect to a Dispute by filing a written demand for

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<sup>34</sup> Op. 14



arbitration pursuant to the Wireless Industry Arbitration Rules of the AAA. [Pagecom] may only initiate arbitration after the 45<sup>th</sup> calendar day following the date that a request for mediation of such Dispute was first submitted, or, if earlier, the date that mediation is terminated.

The Court of Appeals has given meaning to all of the language used in context. The language providing that Pagecom can initiate arbitration 45 days “following the date that a request for mediation of such Dispute was first submitted” would not have meaning if a mediation had to occur prior to initiating arbitration. In other words, if a mediation must occur *before* Pagecom could initiate arbitration, the language allowing arbitration to be filed 45 days after a mediation request is submitted would have no significance. Pagecom’s contrary interpretation was properly rejected by the Court of Appeals.

Pagecom emphasizes the phrase “subject to mediation” but ignores the remainder of the sentence, “in accordance with this Agreement.” Once it requested mediation, Pagecom was free to initiate arbitration the 45<sup>th</sup> day following the date it requested mediation.

Pagecom continues to misconstrue the record asserting that “Sprint repeatedly told Pagecom’s President and attorney that Pagecom ‘had no right to initiate arbitration because mediation had not occurred.’”<sup>35</sup> The

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<sup>35</sup> Petition p. 11.

quoted statement is from Pagecom’s President and not from Sprint. To the contrary, Sprint told Pagecom that arbitration was the next step if mediation did not occur.<sup>36</sup> Pagecom could have filed a demand for arbitration any time after January 4, 2018, under the express terms of the Agreement; it did not do so because, as its attorney explained, Pagecom *does not want* to arbitrate. The Court of Appeals was correct in reversing the trial court’s erroneous conclusion that Pagecom could not initiate arbitration.<sup>37</sup>

The Court of Appeals’ holding is also consistent with the principle that the express terms in a contract and a course of performance should be construed as consistent with each other where possible and, if not possible, the express terms control. *See, Badgett v. Security State Bank*, 116 Wn. 2d 563, 572 – 573 (1991).

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<sup>36</sup> CP 321.

<sup>37</sup> Questions of arbitrability are reviewed de novo. *Tjart v. Smith Barney, Inc.*, 107 Wn. App. 885, 893, 28 P.3d 823 (2001). Likewise, whether a contract is unconscionable is reviewed de novo, *Adler v. Fred Lind Manor*, 153 Wn.2d 331, 344, 103 P.3d 773 (2004), and whether a party waived the right to compel arbitration is reviewed de novo. *Jeoung Lee v. Evergreen Hosp. Med. Ctr.*, 7 Wn. App. 2d 566, 572, 434 P.3d 1071 (2019). Factual findings are reviewed for clear error and will be reversed if they are “(1) illogical, (2) implausible, or (3) without support in inferences that may be drawn from the record.” *Schuster v. Prestige Senior Mgmt., L.L.C.*, 193 Wn. App. 616, 633, 376 P.3d 412 (2016).

**2. The Court of Appeals’ interpretation of the contract is consistent with the decisions of the other courts that have reviewed the same contract language.**

Other courts have held Sprint’s Dispute Resolution Clause enforceable. For example, in *Mobile Now, Inc. v. Sprint Corp.*, 393 F. Supp. 3d 56 (D.D.C. 2019), the Dispute Resolution Clause provided that:

AR may not commence arbitration until a Dispute has been subject to mediation (if required by Sprint in Section 2 above). AR may only initiate arbitration after the 45th calendar day following the date that a request for mediation of such Dispute was first submitted, or, if earlier, the date that mediation is terminated. (Underline added).<sup>38</sup>

The court flatly rejected Mobile Now’s argument that Sprint could prevent it from arbitrating, holding that such an interpretation “misconstrues the plain text of the contract.” *Id.* (underline added). The court further explained that:

The relevant provisions say only that arbitration is not immediately available if Sprint elects to mediate the dispute. If Sprint declines that option, the Agreement provides that disputes shall be arbitrated. And even if Sprint requires mediation, disputes may still be submitted for arbitration after 45 days. (Internal citations omitted).

Similarly, in *L2 Wireless, LLC v. Sprint Sols., Inc.*, 3:18-CV-2729-K, 2019 WL 3974826 (N.D. Tex. Aug. 22, 2019), the arbitration provision provided that:

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<sup>38</sup> The underlined language is identical to the language in the Pagecom Agreement.

ABR may not commence arbitration until a Dispute has been subject to mediation (if required by Sprint per Section 2 above). ABR may only initiate arbitration after the 45th calendar day following the date that a request for mediation of such Dispute was first submitted, or, if earlier, the date that mediation is terminated.<sup>39</sup>

The court found the provision was not unconscionable.<sup>40</sup>

**3. The Court of Appeals correctly rejected Pagecom's substantive unconscionability argument because it is based on Pagecom's erroneous interpretation of the Agreement.**

Pagecom argues the Dispute Resolution Clause allowed Sprint to bar Pagecom from initiating arbitration to resolve its claims and is inconsistent with this Court's recent decision in *Burnett v. Pagliacci Pizza, Inc.*, 196 Wn.2d 38 (2020). However, this argument proceeds from a mistaken premise. The Court of Appeals found that Pagecom could initiate arbitration so there is no conflict with *Pagliacci Pizza* and no matter of substantial public concern to resolve. RAP 13(b)(1) and (4).

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<sup>39</sup> Again, the second sentence is identical to the language in the Pagecom Agreement.

<sup>40</sup> The local rules of the N.D. of Texas do not limit citation of unpublished cases. The circuit rules include similar language to FRAP 32.1 which prevents federal courts of that circuit from limiting citations of Federal opinions or orders issued after January 1, 2007.

**C. The Court of Appeals’ holding that arbitrators decide issues of pre-litigation conduct waiver is not in conflict with a published decision of the Court of Appeals and is not an issue of substantial public importance; therefore, Washington Supreme Court review is not warranted.**

Pagecom mistakenly argues the Court of Appeals’ holding that arbitrators, not courts, decide issues of pre-litigation waiver is in conflict with Division III’s decision in *Schuster v. Prestige Senior Mgmt., L.L.C.*, 193 Wn. App. 616, 613, 376 P.3d 412 (2016), warranting review by this Court under RAP 13.4(b)(2). Pagecom also asserts, without analysis, that this Court should accept review under RAP 13.4(b)(4) because the pre-litigation conduct waiver of the right to arbitrate is somehow an issue of substantial public interest. Pagecom is mistaken on both accounts.

**1. The court’s unpublished decision is not in conflict with a published decision of the Court of Appeals.**

Pagecom first argues review is proper under RAP 13.4(b)(2) by alleging the Court of Appeals’ unpublished decision conflicts with *Schuster v. Prestige Senior Mgmt., L.L.C.* In support, Pagecom attempts to manufacture a conflict by erroneously asserting the *Schuster* Court held “courts, not arbitrators, decide all issues of waiver.” Petition, p. 14. Pagecom misrepresents the holding in *Schuster*, which was limited to only post-litigation conduct waiver (which is not at issue in this case).

In *Schuster*, the plaintiff and defendants agreed to resolve disputes via arbitration. After a dispute arose, the plaintiff filed his complaint in

Superior Court. The parties engaged in extension motion practice and discovery. Only after “[t]he lawsuit had been pending for one year and five months” did defendants finally assert arbitration as an affirmative defense and move to compel arbitration. *Schuster*, 193 Wn. App. at 625. The Court held defendants’ extensive *post-litigation* conduct waived its right to arbitrate. Nowhere did the Court hold that courts decide issues of pre-litigation conduct waiver or that “courts, not arbitrators, decide all issues of waiver.”

In fact, as expressly noted in the Court of Appeals’ unpublished decision in this case, this issue has already been decided by the United States Supreme Court, which held that arbitrators decide issues of pre-litigation conduct waiver of the right to arbitrate:

[C]ourts presume that the parties intend arbitrators, not courts, to decide disputes about the meaning and application of particular procedural preconditions for the use of arbitration. These procedural matters include claims of “waiver, delay, or a like defense to arbitrability.”

*BG Group, PLC v. Republic of Argentina*, 572 U.S. 25, 34-35, 134 S. Ct. 1198, 188 L. Ed. 2d 220 (2014) (underline added; internal citation omitted). This makes sense because an alternative rule would circumvent the parties’ contractual obligation to arbitrate. The Court of Appeals’ unpublished

decision in this case<sup>41</sup> is consistent with Washington case law, United States Supreme Court precedent, and common sense. No conflict exists between it and the Court's holding in *Schuster*.

However, *even if* the issue of waiver was properly before the court (which it was not), review by this Court is not warranted because Sprint did not waive its right to arbitrate. The trial court incorrectly found Sprint waived its right to arbitrate because Sprint somehow precluded Pagecom from filing arbitration. Petition, p. 16. This is facially inaccurate. Sprint did not 'preclude' Pagecom from filing arbitration. Pagecom had the right to file arbitration 45 days after making its request for mediation. Pagecom strategically chose to file its case in court rather than arbitration because Pagecom admittedly wants to avoid its contractual obligation to arbitrate.<sup>42</sup> This Court should not accept review pursuant to RAP 13.4(b)(2).

**2. Authority to decide issues of waiver by pre-litigation and post-litigation conduct is not a matter of substantial public interest.**

Pagecom also cites RAP 13.4(b)(4) as a basis for this Court to accept review, without any analysis of how the issue of who decides whether a party has waived its right to arbitration based on its pre-litigation conduct

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<sup>41</sup> Sprint also notes the Court of Appeals' decision in this case is unpublished, and as such, "ha[s] no precedential value and [is] not binding on any court." GR 14.1(a).

<sup>42</sup> RP Vol. II, p. 46:3–47:10.

is a matter of substantial public interest. Of course, this Court need not consider arguments that are not supported by meaningful analysis or citation to pertinent authority. *Cowiche Canyon Conservancy v. Bosley*, 118 Wn.2d 801, 809, 828 P.2d 549 (1992); RAP 10.3(a)(6). Regardless, the issue of who decides pre-litigation conduct waiver is not an issue of “substantial public interest.”

**D. The Court of Appeals correctly rejected Pagecom’s procedural unconscionability argument.**

Pagecom argues the Court of Appeals’ decision “erred in holding that the contract foisted on Pagecom under threat of termination is not procedurally unconscionable.” Pagecom’s argument that it had powerful economic incentives to sign the Agreement and thus lacked a meaningful choice does not help it as this is an attack on the validity of the Agreement as a whole. The Supreme Court has explained that unless the “validity” or “enforceability” challenges go specifically to the arbitration provision itself, a challenge to the validity of the contract generally is resolved by the arbitrator. *Buckeye Check Cashing, Inc. v. Cardegna*, 546 U.S. 440, 445-46 (2006).

Pagecom then argued the arbitration provision itself was “buried” in the Agreement. However, in his declaration, Mr. Surprenant does not allege that he did not know about the arbitration provision in the Agreement or



that it was hidden. The Dispute Resolution provision is an exhibit and not hidden.<sup>43</sup> Over the course of years, Pagecom has reviewed and signed several prior versions of the Agreement which all contained similar Dispute Resolution provisions. Pagecom had the opportunity to choose to sign the Agreement or not and having chosen to sign it, cannot now be relieved of the mandatory arbitration language to which it agreed. The Court of Appeals was correct to reject Pagecom's procedural unconscionability arguments and its analysis is consistent with established law.

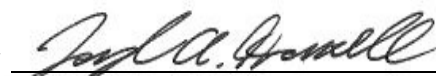
## V. CONCLUSION

Pagecom and Sprint entered into a clear agreement to arbitrate their disputes. The Court of Appeals' decision was correct and consistent with the FAA's strong policy to enforce the arbitration agreement. Pagecom has failed to prove any basis for this Court to review that decision. Accordingly, this Court should reject review and allow the decision of the Court of Appeals to stand.

Dated this 3rd day of February, 2021.

MONTGOMERY PURDUE PLLC

By



Joseph A. Hamell

WA State Bar No. 29423

Attorneys for Appellants Sprint

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<sup>43</sup> CP 108.

## CERTIFICATE OF SERVICE

The undersigned declares under penalty of perjury, under the laws of the State of Washington, that the following is true and correct:

On the date give below, I caused to be served in the manner noted a true and correct copy of Appellants Sprint Solutions, Inc.'s and Annette Jacobs's Answer to Pagecom's Petition for Review on all attorneys and pro se parties of record:

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DATED this 3rd day of February, 2021, at Edmonds, Washington.

\_\_\_\_\_  
*/s/ Kelly M. Mueller*

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Legal Assistant

**MONTGOMERY PURDUE BLANKINSHIP & AUSTIN PLLC**

**February 03, 2021 - 2:50 PM**

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