

EXCEL COMMUNICATIONS, INC.

Dallas entrepreneur Kenny Troutt formed Excel Telecommunications, Inc. in the late 1980's as an innovative provider of long distance telephone services. The company quickly became one of the fastest growing long distance providers in the country. In building the company, Excel entered into franchise agreements nationwide. After Excel's growth led to a series of franchise disputes, the company hired McKool Smith to lead its defense and manage multiple arbitration proceedings filed in seven states.

McKool Smith determined that a resolution would have to come in a final hearing or trial of at least one case. The firm chose to take on a Texas case that resulted in a multi-week hearing before a panel of arbitrators in Dallas.

Despite the significant claims of the franchisees, the panel awarded Excel a complete victory, rejecting breach of contract, fraud and fiduciary duty claims. As a result, Excel was able to reach favorable settlements in the remaining cases.