

DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD, SUITE 2533
FT. BELVOIR, VIRGINIA 22060-6221

IN REPLY
REFER TO

MMPPP
PROCLTR 96-09

MAR 15 1996

MEMORANDUM FOR PROCLTR DISTRIBUTION LIST

SUBJECT: Use of Alternative Dispute Resolution to Resolve Contract Disputes

This PROCLTR reinforces DLA's commitment to make maximum use of Alternative Dispute Resolution (ADR) in contract disputes when unassisted negotiations are unsuccessful. ADR refers to a variety of dispute resolution techniques, many involving use of a neutral third party, that serve as alternates to traditional dispute resolution through litigation. Often these techniques are cheaper and faster than litigation, are more effective in maintaining good working relationships between the parties, and are less disruptive to procurement cycles and purchases.

FAR33.214(c) permits contracting officers to use ADR procedures to settle any contractual issue within their jurisdiction. DLA activities should actively consider use of ADR at any stage of a contract dispute. When both parties agree to ADR, it can be a very effective tool for problem resolution. Contact the ADR Specialist at your activity, located in the Office of Counsel, for help in determining when ADR is appropriate, and how it can best be used.

This PROCLTR expires upon dissemination. Hal Hermann, MMPPP, DSN 427-1354 or 703-767-1354 is POC.

FOR THE DIRECTOR:

SIGNED BY

ROBERT L. MOLINO
Executive Director
(Procurement)