

When Small Disputes Become Big Lawsuits — and How to Avoid Them

April 15, 2026



Lawsuits don't just appear out of thin air. They begin as ordinary disagreements that, with the right handling, can, and should, often be resolved quickly. But once litigation is filed, particularly against someone who did not choose the fight, even a "simple" dispute can escalate far beyond its original scope.

A recent matter illustrates this issue. What began as a delay in closing on the sale of an investment property, typically a straightforward transaction, quickly spiraled when the other side refused to negotiate and instead filed suit. Once litigation began, control shifted immediately. A third party was involved, attorney's fees became an issue, and what should have remained a limited dispute turned into multiparty litigation with rising costs and complexity. At that point, the defendant had no ability to simply walk away.

How Could This Have Been Prevented?

One of the most misunderstood aspects of litigation is once a lawsuit is filed, defendants generally cannot unilaterally end it. Even weak or disproportionate claims require a formal response, legal expense, and tolerance for uncertainty. Delay for its own sake becomes leverage, particularly when one side can impose costs without bearing them equally. As communication breaks down, distrust grows, and positions tend to harden rather than soften.

Several steps could have prevented this dispute from escalating, with early engagement being critical. Transparency about contributing factors and consistent documentation of communications would have reduced uncertainty and suspicion. Even though the underlying issue could not be immediately resolved, a solutions-oriented dialogue focused on timing, contingencies, or limited accommodations might have preserved trust. Instead, silence and rigid positioning filled the gap, creating space for assumptions that ultimately drove the decision to litigate.

There are common warning signs that a manageable disagreement is becoming something more dangerous:

- Communication may slow and then stop altogether
- Deadlines are ignored or used strategically
- Tone shifts from cooperative to adversarial
- Demands become rigid rather than exploratory
- Positions are framed in absolutes rather than options

Recognizing these red flags early creates an opportunity to intervene before litigation becomes the default, not because it is the best solution, but because it feels like the only one left.

In this case, progress came only after the focus shifted away from fault and toward risk, cost, and practicality. Once all parties understood what continued litigation meant, namely the expense, time commitment, and uncertainty of trial, the dialogue reopened. That reframing made it possible to resolve the dispute without going to court, an outcome none of the parties truly desired and one that would not have materially benefited anyone. The outcome did not turn on who was right. It turned on what made sense.

The Takeaway

Small disputes rarely explode overnight. They escalate through silence, an insistence on being “right,” and missed opportunities for early, practical resolution. For defendants who cannot simply dismiss a case at will, early engagement and a clear-eyed assessment of real-world consequences are often the most effective tools to prevent a manageable dispute from becoming something far larger than it ever needed to be.