

Services

Franchising and Distribution

Practice Contact

Judith L. Marsh

Attorneys

Deanna R. Cook

Herbert A. Hedden

Kimberly Weber Herlihy

William D. Kloss Jr.

DeLoughery "Lori" D. Lang

Peter A. Lusenhop

Bruce P. Paige

William G. Porter

Cassidy C. Potenzo

Kimberly J. Schaefer

Natalia Steele

Webb I. Vorys

Areas Of Concentration

Franchise Finance

Our experience in the franchising sector dates back to helping Wendy's International establish its first franchise agreement in the early 1970s after opening its first restaurant in Columbus, Ohio.

Our franchising and distribution group has since grown to include corporate, regulatory and litigation attorneys who provide a full suite of services to startup franchisors and franchise systems seeking to expand and protect their brands around the globe.

Who We Represent

Vorys counts among its clients some of the world's largest and best-known franchisors, and new franchisors selling their first concept as well as distributors, dealers, franchisee associations and manufacturers.

Our franchising and distribution clients include:

- National restaurants and food service providers
- The nation's first franchised condominium development concept
- A leading producer and marketer of lawn care and gardening products
- A leading manufacturer of marine engines
- A global tools franchise and distributor
- Major distribution systems
- Oil change service providers
- Cleaning service providers
- Services franchise systems
- Large multi-unit franchisees

Our 360-Degree Approach

Our attorneys work seamlessly across offices and practices to provide comprehensive, pragmatic counsel and cost-effective service. Our bench includes a former in-house general counsel for a fast-food restaurant franchisor, an attorney with years of government affairs experience representing the nation's largest franchisor trade

association and members of the American Bar Association (ABA) Forum on Franchising. Our coast-to-coast roster of attorneys is backed by an international network of outside counsel who advise on the global expansion of franchise systems.

What We Do

Vorys' franchising and distribution group is comprised of a multidisciplinary team of attorneys who are nationally recognized for advising major franchisors and consumer brands, financial institutions, private equity, investors, manufacturers and other related businesses.

We assist franchisors and franchisees in all aspects of their operations, including:

- Establishing and modifying franchise systems
- Preparing franchise, dealer and distribution agreements
- Drafting franchise disclosure documents
- Complying with federal and state laws
- Obtaining franchise registration throughout the U.S.
- Advising on mergers and acquisitions and finance transactions
- Protecting and strengthening intellectual property rights, and developing licensing strategies and royalty structures
- Establishing franchise system advertising and incentive programs
- Leading franchise termination, antitrust, intellectual property, commercial, bankruptcy and other litigation
- Providing ongoing general counsel on business, labor and employment, tax and antitrust matters

Vorys also has extensive experience representing manufacturers, distributors, dealers and sales representatives in matters involving product and service distribution, including establishing and modifying systems and advising on sales representative and distribution termination laws.

National Recognition

Vorys is proud to have earned national recognition for **"Franchise Law"** in the Best Lawyers® **"Best Law Firms"** report annually since 2013 and to have received top honors as a **Tier 1 firm in Ohio** in the same category.

We also have been **ranked nationwide for "Retail"** in the prestigious *Chambers USA* guide for the past six years.

Key Areas of Focus

Commercial Transactions

Vorys advises franchisors on all aspects of developing and structuring franchise systems, whether the business goal is to establish a new franchise or expand an existing brand throughout the United States and internationally.

We lead a range of commercial transactions and advise on matters impacting clients' ongoing relationships with franchisors, franchisees, principals, system suppliers and manufacturers, including:

- Advertising programs
- Commercial distribution of goods and services
- Franchise, dealer, distributor and supplier agreements
- Franchise disclosure documents
- Holding company and major investor agreements
- Licensing and co-branding agreements
- Relocations
- Renewals
- Strategic partnerships and joint ventures
- Supply agreements
- Terminations
- Payment processing

Mergers & Acquisitions

Recognized by Chambers and Partners as a "Leading Law Firm" in Ohio for "Corporate/M&A," Vorys advises on both sides of strategic purchase and sale transactions involving franchisors, distributors and multiunit franchisees purchased by investors including private equity firms.

Clients call on us to strategize with management and boards in early planning stages and to assess risk. Our work includes the identification of transaction parties, due diligence, legal compliance, risk analysis, negotiations, documentation, shareholder and regulatory approvals, employment issues, transaction consummation and post-closing integration issues.

We counsel clients on all types of corporate M&A transactions, including:

- Contested and negotiated acquisitions
- Corporate spin-offs and dividends

- Divestitures
- Friendly and hostile takeover bids
- Broad and targeted auctions
- Going-private transactions
- Holding company formations and other restructurings
- Leveraged recapitalizations
- Mergers
- M&A-related restructurings
- Public-private partnerships
- Stock and asset acquisitions
- Venture capital and private equity investments

Regulatory Compliance

Vorys' attorneys have extensive experience in helping clients comply with federal and state laws regulating franchises, as well as assessing the risks and benefits of potential investments and franchise system agreements.

We advise on matters related to the Federal Trade Commission's (FTC) **Franchise Rule** by helping franchisors provide the required pre-contractual disclosures to franchisees and preventing or identifying unfair and deceptive trade practices.

We also advise clients on state franchise laws impacting franchise relationships often known as "Little FTC Acts." In addition, we help clients with the offer and sale of franchises, state registration obligations and ongoing franchise operations.

Our practice is backed by a vast international network of counsel who advise global franchise systems on compliance with international laws and regulations.

Litigation

Our franchising and distribution team includes members of Vorys' national litigation group – the largest practice in our firm – which defends clients in every imaginable type of litigation in state, federal and appellate courts across 49 states, the District of Columbia and U.S. island territories.

Our lawyers understand the economic considerations associated with franchise systems. We have deep experience in resolving disputes where franchisors seek to protect the integrity of their systems or franchisees seek to protect their rights. Our comprehensive knowledge of franchising positions us to effectively and efficiently defend our clients in litigation, particularly as courts often hear and decide requests for injunctive relief with limited notice.

Our attorneys handle a range of litigation involving franchise terminations, bankruptcy, royalty disputes, labor and employment issues, trade secret theft, system-wide franchise claims and class actions, and antitrust matters, as well as distribution-related litigation involving manufacturers and dealers.

Our key franchise litigation service areas include:

- **Intellectual property litigation:** We handle all types of intellectual property litigation and administrative proceedings before the Trademark Trial and Appeal Board (TTAB). Our attorneys advise on trademark license quality control and have helped our brand-owner clients establish suitable testing and review procedures for the licensing and use of trademarks.
- **Breach of contract litigation:** We represent clients in cases asserting breach of contract claims against franchisors, suppliers, distributors and manufacturers. Our experience includes cases involving a range of claims, from mismanagement of business operations to failure to uphold franchise brand and service standards.
- **Noncompete:** We represent clients in litigation involving noncompete agreements between franchise businesses and their employees, as well as agreements between franchisors and franchisees. Such disputes often involve the transfer of trade secrets, customer databases and other protected assets.
- **“Little FTC Acts” franchisee countersuits:** We regularly advise clients in litigation involving state-level consumer protective statutes, as well as claims of fraud and deceptive or unfair trade practices.

Vorys boasts a diverse bench of litigators with decades of experience trying cases in court. Our ranks include fellows of the prestigious **American College of Trial Lawyers**, a former Supreme Court of Ohio justice, and former appellate, federal and state court law clerks.

We are proud to have earned top honors as a national **Tier 1 firm** for “Commercial Litigation” in the *U.S. News – Best Lawyers*® “**Best Law Firms**” report annually for more than a decade. We also have earned long-standing recognition as a “**Leading Law Firm**” in Ohio for “Litigation: General Commercial” in the prestigious **Chambers USA** guide.

News

News, 1.2.2024

Vorys Elevates Ten to Partner

News, 11.2.2023

Vorys Receives 72 Tier One Rankings on 2024 Best Lawyers "Best Law Firms" List

News, 10.9.2023

74 Vorys Attorneys Included in 2023 *Columbus CEO's* Best Lawyers

News, 8.17.2023

15 Vorys Attorneys Included in the 30th Edition of Best Lawyers “Lawyer of the Year”

News, 8.17.2023

More Than 155 Vorys Attorneys Named to the 30th Edition of The Best Lawyers in America® Lists

6.29.2022

59 Vorys Attorneys Included in 2022 *Columbus CEO's Best Lawyers*

News, 8.19.2021

116 Vorys Attorneys Named to 2022 *Best Lawyers in America* List; 34 Vorys Attorneys Named to *Best Lawyers'* "Ones to Watch" List

News, 8.20.2020

112 Vorys Attorneys Named to 2021 *Best Lawyers in America* List; 26 Vorys Attorneys Named to Best Lawyers' Inaugural "Ones to Watch" List

News, 8.15.2019

Twelve Vorys Attorneys Named 2020 Lawyers of the Year by Best Lawyers

News, 10.31.2017

Vorys Receives 70 Tier One Rankings on 2018 U.S. News – Best Lawyers "Best Law Firms" List

News, 11.1.2016

Vorys Receives 71 Tier One Rankings on 2017 U.S. News- Best Lawyers "Best Law Firms" List

News, 8.15.2016

Fifteen Vorys Attorneys Named 2017 Lawyers of the Year by Best Lawyers

News, 8.15.2016

More Than 100 Vorys Attorneys Named to 2017 The Best Lawyers in America® List

News, 12.2.2015

More Than 60 Vorys Attorneys Included on Ohio Super Lawyers and Rising Stars List

News, 11.2.2015

Vorys Receives 67 Tier One Rankings on 2016 U.S. News- Best Lawyers "Best Law Firms" List

News, 8.17.2015

Sixteen Vorys Attorneys Named 2016 Lawyers of the Year by Best Lawyers

News, 8.17.2015

More Than 100 Vorys Attorneys Named to 2016 The Best Lawyers in America® List

News, 12.3.2014

More Than 70 Vorys Attorneys Included on 2015 Ohio Super Lawyers and Rising Stars List

News, 11.3.2014

Vorys Receives 63 Tier One Rankings on 2015 U.S. News - Best Lawyers "Best Law Firms" List

News, 8.18.2014

Seven Vorys Attorneys Named 2015 Lawyers of the Year by Best Lawyers

News, 8.18.2014

More Than 100 Vorys Attorneys Named to 2015 The Best Lawyers in America® List

News, 8.14.2013

Ten Vorys Attorneys Named 2014 Lawyers of the Year by Best Lawyers

News, 8.14.2013

More Than 100 Vorys Attorneys Named to 2014 *The Best Lawyers in America*® List

News, 12.17.2012

Vorys Attorneys Recognized as 2013 Ohio Super Lawyers and Rising Stars

News, 9.14.2012

Buchenroth Quoted in *Columbus Business First* 2012 Corporate CFO of the Year Story

Publications

Client alert, 4.24.2024

FTC Bans Employee Non-Compete Agreements

Authored article, *Franchising World*, 12.27.2017

Four Questions to Consider When Construction Impacts Your Business

Authored article, 2014

Real Estate Matters in Acquisitions and Mergers

Speaking Engagements

10.12.2017

2017 OBL/ILFI Joint Convention

5.13.2015

Franchise Law Seminar

Hosted by the Ohio State Bar Association

4.22.2015

Entrepreneurs and Executives Series

Hosted by the Ohio State University Michael E. Moritz College of Law

5.3.2013

Franchising in Ohio: What Every Lawyer Needs to Know

Presented by the Ohio State Bar Association

10.7.2010

2010 All Ohio Real Estate Exchange

9.22.2010

3rd Annual Ohio Global Summit

Presented by The Ohio Department of Development's Global Markets Division and the Association of Ohio Commodores

9.9.2009

Cleveland Franchise Opportunities Seminar

Hosted by the Small Business Development Center of Greater Cleveland, The International Franchise Association, Corporate College, US Bank, Mayor Frank Jackson, and Representative Marcia L. Fudge