



# 54TH ANNUAL IFA LEGAL SYMPOSIUM



**IFA**<sup>®</sup>

INTERNATIONAL FRANCHISE ASSOCIATION



# Supply Arrangements: Franchisor's Rights vs. Franchisee Revolts

# Supply Arrangements and Rebates: Franchisor's Rights vs. Franchisee Revolts

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# Introduction to Supply Arrangements and Rebate Systems

# Overview of Different Levels of Control in Supply Arrangements

- Minimal Control
- Intermediate Control
- Maximum Control

# Overview of Different Rebate Allocation Methods

- Revenue
- Advertising Funds
- Employee Benefit Programs
- Incentive Programs

# The Franchise Disclosure Document

# A Little Perspective

- Franchisee Perspective: Distribution Agreements and Rebate Systems
- Franchisor Perspective: Distribution Agreements and Rebate Systems
- Benefits to the system at large



# Litigation: Franchisee Claims and Franchisor Defenses

- Antitrust
  - Tying
  - Commercial Bribery
  - Standing Issues
- Fraud and Misrepresentation
- Breach of Contract/Implied Covenant of Good Faith and Fair Dealing
- State Relationship Laws

# Practical Guidance

- Record Keeping
- Knowledge of Agreements
- Knowledge of the Industry
- Transparency
- Communication and Relationship Management

# Thank You