# **Franchise Times** EGAL EAGLES

## Special section recognizes this year's top franchise attorneys

Articles by Joe Halpern, Alyssa Huglen, Matthew Liedke, Laura Michaels and Emilee Wentland; Survey and research by Jenny

hange in Washington, D.C., is just one of the many factors adding to complexities in franchise law.

To provide a roadmap for those in franchising, Franchise Times compiled its annual Legal Eagles list, a collection of the best lawyers franchisors and franchi-

Attorneys also discussed what to expect from sees can turn to in 2025. These attorneys come

from firms spread across the United States and Canada, and bring a depth of experience and perspective specific to franchising.

As part of our Legal Eagles special section, Franchise Times reporters tapped this list of experts to discuss several current topics, ranging from regulatory shifts to M&A transactions. Regarding the latter, experts weighed in on what franchisees can expect when their brand is acquired, and how they can navigate the split apart through contract terminations.

> both state and federal governments in terms of legislation and rules. In Washington, D.C., President Donald Trump's return could mean a softer approach to franchise regulation from the Federal Trade Commission and National Labor Relations Board. It could also lead to yet another change in the joint employer standard.

Various state legislatures, meanwhile, are considering new bills that could impact the franchise model and extend new protections to franchisees.

> Those topics and more were also covered in the annual survey, where Legal

## **Table of Contents:**

U.S. Legal Eagles 28	
Federal Regulations29	
What's Trending 31	
State Legislation 32	
Administration Shifts 37	
Mergers & Acquisitions 40	
Legal Eagles Canada42	
Franchise Broker Disclosure 44	
Managing Bankruptcies 46	
Legal Topics to Know 48	
Dispute Resolution 50	
Best Legal Lessons 52	
New Class & Hall of Fame 54	
Interesting Cases 56	

Eagles were able to give their candid views on several subjects.

This year we asked the Legal Eagles about California's broker registration law, best practices for franchise disclosure document compliance, navigating bankruptcies, and much more.

Plus, we introduce a handful of newcomers and tenured members of the Legal Eagles roster. In a comprehensive profile, we introduce you to the attorneys selected to the New Class and Hall of Fame, where they describe their career history and perspective on franchise law.

Congratulations to this year's Legal Eagles. FT

-Matthew Liedke

## UNITED STATES LEGAL EAGLES



diversity	A SHALL	Wall Carley .	III CELL THE	
NAME	LAW FIRM	LOCATION	REPRESENTS	SPECIALTY
Jarina Duffy	Polsinelli	Philadelphia, PA	ZOR	I
John Dwyer	DLA Piper	Reston, VA	ZOR	
Michael Einbinder	Einbinder & Dunn LLP	New York, NY	ZEE ZOR	
Tom Emmons	The Franchise Firm	Chadds Ford, PA	ZOR	
Madeline Fajardo	Paris Ackerman LLP	East Hanover, NJ	ZEE	
Adrian Felix	Bilzin Sumberg	Miami, FL	ZEE ZOR	
Caroline Fichter	Bundy & Fichter	Seatlle, WA	ZEE ZOR	
Joseph Fittante	Larkin Hoffman	Minneapolis, MN	ZOR	T
John Forrest	Fahey Schultz Burzych Rhodes	Okemos, MI	ZOR	
Dean T. Fournaris	Wiggin & Dana	Philadelphia, PA	ZOR	
Maisa Frank	Lathrop GPM	Washington, D.C.	ZOR	
Vincent Frantz	Cheng Cohen LLC	Chicago, IL	ZOR	T
Eric Friedman	Paris Ackerman LLP	East Hanover, NJ	ZEE	
Christina Fugate	Ice Miller	Indianapolis, IN	ZEE ZOR	
Aaron Gagnon	Warshawsky Law Group	Phoenix, AZ	ZOR	I
Ronald Gardner Jr.	Dady & Gardner, P.A.	Minneapolis, MN	ZEE	
Lindsey Gentry	Shipe Dosik Law	Decatur, GA	ZOR	T
Eleanor Gerhards	Fox Rothschild LLP	Plymouth Meeting, PA	ZEE ZOR	T
Richard Gibson	Monroe Moxness Berg PA	Minneapolis, MN	ZEE ZOR	T
Elliot Ginsburg	Garner Legal	Minneapolis, MN	ZEE ZOR	T
Evan M. Goldman	The Franchise Firm	Chadds Ford, PA	ZEE ZOR	
Jeffrey Goldstein	Goldstein Law Firm	Washington, D.C.	ZEE	
Joseph Goode	Laffey, Leitner & Goode LLC	Milwaukee, WI	ZEE ZOR	
John Gotaskie	Fox Rothschild	Pittsburgh, PA	ZEE ZOR	
Kevin Graff	Lathrop GPM	Chicago, IL	ZOR	I
Michael Gray	Lathrop GPM	Minneapolis, MN	ZEE ZOR	
Nina Greene	Venable LLP	Miami, FL	ZOR	

NAME	LAW FIRM	LOCATION	REPRESENTS	SPECIALTY
Richard Greenstein	DLA Piper	Atlanta, GA	ZOR	T
Tal Grinblat	Lewitt Hackman	Encino, CA	ZEE ZOR	I
Stephanie Grobler	Spadea Lignana	Pennsylvania, PA	ZOR	T
Allison Grow Ryan	Cheng Cohen LLC	Chicago, IL	ZOR	L
Lucie Guyot	Faegre Drinker Biddle & Reath	Boulder, CO	ZOR	T
Jeffrey Haff	Dady & Gardner, P.A.	Minneapolis, MN	ZEE	
John Halpin	Laffey, Leitner & Goode LLC	Milwaukee, WI	ZEE ZOR	L
Brett Halsey	Venable LLP	Miami, FL	ZOR	L
Evan Harra	Spadea Lignana	Philadelphia, PA	ZOR	T
Kevin Hein	Akerman LLP	Denver, CO	ZEE ZOR	T
Barry Heller	DLA Piper	Reston, VA	ZOR	L
Kristian "Kit" Higgs	Kit Franchise Law	Cincinnati, OH	ZEE	I
John Holland	Dady & Gardner, P.A.	Minneapolis, MN	ZEE	
John Hughes	Quarles & Brady	Chicago, IL	ZOR	
Scott Husaby	Monroe Moxness Berg PA	Minneapolis, MN	ZEE ZOR	T
Stephen Jarvis	Cheng Cohen LLC	Chicago, IL	ZOR	
Michael Joblove	Venable LLP	Miami, FL	ZOR	L
Jessica Johansen	Larkin Hoffman	Minneapolis, MN	ZOR	T
Erin Johnsen	Garner Legal	Minneapolis, MN	ZEE	T
David Kaufmann	Kaufmann Gildin & Robbins LLP	New York, NY	ZOR	I
Kevin Kennedy	Wiggin & Dana	New Haven, CT	ZOR	T
Thomas J. Kent	Saxton & Stump	Malvern, PA	ZOR	LI
Maral Kilejian	Haynes and Boone, LLP	Dallas, TX	ZOR	T
Mark Kirsch	Lathrop GPM	Washington, D.C.	ZOR	T
Justin M. Klein	Marks Klein	Red Bank, NJ	ZEE	T
Gaylen Knack	Lathrop GPM	Minneapolis, MN	ZOR	T
Scott Korzenowski	Dady & Gardner, P.A.	Minneapolis, MN	ZEE	L
Matthew Kreutzer	Howard & Howard	Las Vegas, NV	ZEE ZOR	

## States may enhance 'zee protections

#### By Laura Michaels

bill signed by California Gov. Gavin Newsom in 2024 addresses what Tal Grinblat called a "fairly serious problem with these brokers doing everything they can just to close the deal, and then they disappear."

The franchisor, continued Grinblat, who represents franchisors and franchisees at California law firm Lewitt Hackman, "ends up holding the bag with all kinds of promises and misrepresentations."

Changing that scenario is the aim of legislation that amended California's Franchise Investment Law to regulate franchise brokers and franchise sales organizations. It requires them to register annually with the state's Department of Financial Protection and Innovation and provide prospective franchisees with a Uniform Franchise Broker Disclosure Document.

Franchisors routinely use broker networks and franchise sales organizations to build their lead and development pipelines, and aggressive tactics are not uncommon.

While requirements for the broker disclosure are still in the works, it's expected that third-party sellers will need to provide details such as litigation history, their compensation or incentive structure, and the brands they've sold for in the previous year. Brokers who violate the law may be liable for damages to the franchisee or franchisor.

"It really makes the brokers on the hook," said Grinblat, and will help ensure prospective franchisees have more information up front so they understand if a third-party seller has a financial incentive to steer them to a specific franchise. Washington and New York have similar laws.

Franchisors need to carefully vet their broker networks, Grinblat said, and he encouraged brands to handle the sales process themselves. "That way you have much more control over what is said to prospective franchisees," he continued. "It's better to have control over that than use a third party who, the concern is they will say anything to get the sale done and then the franchisor is the one who gets in trouble afterwards."

Of note, the law hasn't taken effect. It will either one year after the California legislature authorizes funding for the bill or July 1, 2026, whichever date is later.

#### Franchise reform in Maryland

Significant changes to franchising in Maryland are on deck if the state's legislature passes the Franchise Reform Act, introduced in January by Delegate Marc Korman. Expedited franchise renewals, prohibition of interference in franchisee associations and an extension of the time period for franchisees who were misled in



David Cahn of Offit Kurman

the sales process to bring a violation claim are all part of the proposed bill.

David Cahn, a principal attorney at Offit Kurman in Baltimore who represents franchisees and franchisors, said the updates to the Maryland Franchise Registration & Disclosure Law could improve the renewal process—the state's franchise registration delays are known to frustrate franchisors—and provide needed protections on both sides that could spur more franchise activity.

Included in the bill is a pilot program aimed at accelerating franchise registration renewals by easing the amendment process. The intent, said Cahn, is to have more franchisors file their renewals in the fall versus during the spring rush. (Most registration states have an April 30 renewal deadline.)

"Therefore, there won't be as many complaints about Maryland being a black hole where you can't get registration renewals completed," he said.

Another change would eliminate the ability of out-of-state franchisees to use the Maryland Franchise Law in disputes with franchisors that are or were headquartered in Maryland, something Cahn said is now a deterrent to franchising in Maryland compared to nearby states. Instead, only Maryland franchisees could sue a franchisor for violating the law.

"My position is that other states can protect their franchisees," said Cahn, giving the example of if someone in Arizona buys a franchise from a Maryland-based franchisor and thinks they were misled, Arizona law should allow them to pursue a claim. "It's not really Maryland's business to protect franchisees around the country and around the world that do business with Maryland-based franchisors. The concern of the



▲ Tal Grinblat of Lewitt Hackman

state ... is to protect Maryland residents and people that operate businesses in Maryland."

A notable change for franchisees under the bill: It would, for the first time, prohibit franchisors from restricting or inhibiting the right of franchisees to join or form a franchisee association. The proposed right of association is similar to franchise laws in California and Illinois.

"It would have some pretty strong remedies if a franchisor tries to intimidate a franchisee or retaliate against a franchisee who wants to participate in or lead a franchisee association," said Cahn.

Additional elements of the bill include the extension of the time period in which a franchisee may bring a private claim for violation of the franchise law. Franchisees could sue up to the later of three years from buying the franchise rights or two years after beginning operations. Maryland's securities division would have five years from the time of a violation to bring claims against a franchisor.

#### One to watch in Minnesota

A Minnesota Supreme Court opinion issued last year in *Cambria Company*, *LLC v. M&M Creative Laminants*, *Inc.* concluded the Minnesota Franchise Act can apply to franchisees that do not operate in Minnesota. But that doesn't mean the MFA is enforceable by every out-of-state franchisee.

Franchisors, wrote Faegre Drinker attorneys Brian Schnell and Hannah Leiendecker, "should consult with a franchise attorney to understand whether and how the Minnesota Supreme Court's decision may impact relations with franchisees that operate entirely outside of Minnesota." FT



### **Goldstein Law Firm**

goldlawgroup.com



If someone who has obtained the [ability to take undetected whatever he desires with the Gyges ring of invisibility] claimed to never have any desire to act unjustly, nor to lay hands on other people's possessions, he would be regarded as wretched, and devoid of intelligence, by those who noticed, although they would still praise him when face to face with one another, deceiving one another completely, because of their fear of suffering injustice.

> Glaucon discussing myth of Gyges, Plato. Book 2 of the Republic

**⋒Goldstein Law Firm** 



## **Howard & Howard Attorneys PLLC**

howardandhoward.com



Matt Kreutzer is a top-notch franchise attorney with extensive expertise in franchise law.

Whether you're just starting out or already established, Matt is your go-to for developing, protecting, and licensing your franchise and distribution systems.

Matt offers a full range of services, from navigating nationwide franchising laws and regulations to crafting essential documents like contracts and Franchise Disclosure Documents. With Matt on your team, you'll be well-prepared to handle state regulatory inquiries and secure exemptions.

What really sets Matt apart is his deep experience in franchise litigation. He guides clients through litigation and alternative dispute resolution, always aiming for the best possible outcome under the circumstances. Matt understands the risks in franchise relationships and works hard to mitigate them, so you can focus on growing your brand.

## Howard & Howard



**Tal Grinblat** 

**Practice Areas:** 

Franchise Law

Trademarks

16633 Ventura Boulevard

Suite 1100 Los Angeles, CA 91436 (818) 907-3284 tgrinblat@lewitthackman.com

**Distribution & Licensing** 

#### **KMB Law**

kmblaw.com

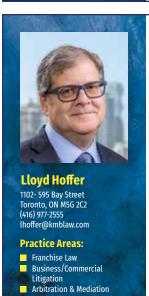
Joseph Adler is a partner and franchise lawyer at KMB Law.

He has over 35 years of experience in franchise law and regularly advises clients in all matters related to their operations and transactions in

Canada. Joseph serves as legal counsel for Canadian, US and other international franchisors doing business in Canada and Canadian franchisors doing business in the US, Europe and abroad. He also acts and has acted for various multi-unit franchisees and franchisee associations as well.

Joseph has published and has been quoted in numerous articles and has spoken on various franchising topics at venues organized by the Canadian Franchise Association, the Ontario Bar Association, the American Bar Association Forum on Franchising, and the International Franchise Association.





### **KMB Law**

kmblaw.com

Lloyd Hoffer is a Partner at KMB Law where he leads the litigation group.

He is an experienced advocate who has assisted clients in managing disputes before a wide variety of courts and tribunals. Lloyd has

conducted civil litigation in the trial and appellate courts of three Canadian jurisdictions as well as administrative proceedings before tribunals exercising regulatory powers at both the federal and provincial levels.

Lloyd's practice includes a substantial focus on franchise litigation and he has spoken on franchising issues in venues organized by the  $\,$ Canadian Franchise Association and the Ontario Bar Association. He has also been a regular participant in the legal and other events of the International Franchise Association.





## **Lewitt Hackman**

lewitthackman.com

Tal Grinblat is a California Bar Certified Specialist in Franchise and Distribution Law with over 25 years of experience advising franchisors and franchisees. He represents clients in franchise system structuring, Franchise Disclosure Documents and agreements, qualifying for exemptions, and resolving franchise relationship issues.

Tal also serves as Chair of Lewitt Hackman's Intellectual Property Practice Group, where he represents franchise and other business clients in clearing, registering, and enforcing trademarks worldwide.





#### **Julie Lusthaus**

222 Bloomingdale Ave White Plains, NY 10605 (914) 265-4100 jl@lusthauslawpc.com

#### **Practice Areas:**

- Franchise Law
- Real Estate Law
- Business/Corporate Law

## **Lusthaus Law P.C**

#### lusthauslawpc.com

Julie Lusthaus has been practicing franchise law for more than 24 years, representing both franchisors and franchisees. Services for franchisors include assisting with the development of franchise programs, corporate structuring, preparation and registration of FDDs, onboarding franchisees, compliance with franchise sales and relationship

I FGAL FAGI FS

laws and ongoing operational issues.

Julie also represents single unit, multi-unit and multi-brand franchisees as well as master franchisees, guiding them through franchise acquisitions and renewals, the purchase and sale of existing franchise businesses and real estate matters. She has extensive experience assisting sophisticated operators navigating the risks associated with multi-unit and multi-brand

Julie is a past member of the Governing Committee of the ABA Forum on Franchising and a past Director of the LADR Division of the ABA Forum on Franchising. She was Program Co-chair for the 2018 ABA Franchise Forum. Julie has published extensively on franchise law issues and is the co-author of the chapter on "Representing Franchisees" in the Fundamentals of Franchising, 4th Edition and the co-author of the chapter on "FDD Review and Franchise Agreement Negotiation" in Representing Franchisees. Julie is also a frequent speaker on franchise issues at events hosted by various organizations including the ABA, Strafford Webinars, the IFA, NYS Bar Association and WCBA.



## No shortage of valuable lessons

## What has been your most important lesson recently and how did you learn it?

One of the most valuable lessons I've learned recently is just how much consultants appreciate a balanced, practical approach to FDD reviews. I had a situation where a candidate was hesitant about a franchise because of a particular clause, but after explaining how it works in practice—and comparing it to industry norms—their concerns were put to rest.

It reinforced that my role isn't to push deals forward or shut them down, but rather to help candidates feel confident in their choices by providing perspective and context without the noise or fluff. >>

—Kristian "Kit" Higgs, Kit Franchise Law

I was involved in an arbitration matter for our client and was pleasantly surprised with how quickly the matter proceeded through to the hearing, and how accommodating both counsels were in agreeing to the process. I will certainly recommend that all my clients' franchise agreements contain a mandatory arbitration provision in order to avoid the lengthy and costly process for litigation through the courts.

—Debi Sutin, Gowling WLG

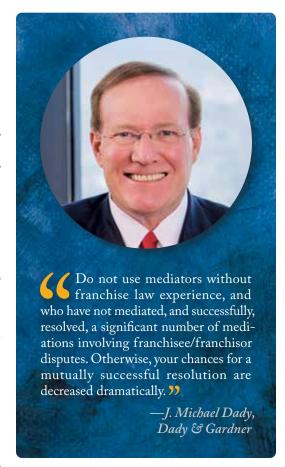
Serving as a franchise mediator, it was realizing the obvious.

That there are two sides, if not more, to each issue, and to be able to find the real reasons for the dispute or inability to resolve it, and to then be able to channel the issues and turn it into something that the parties understand to reach a resolution that they otherwise may not have been able to recognize. >>>

—Harris Chernow, Reger Rizzo Darnall

It is important for franchisors to enforce system standards. If they don't, franchisees will take liberties. If they do, franchisees will reengage with and respect the system. Most franchisees will applaud the franchisor's enforcement efforts. This lesson was reinforced through a 'reluctant' franchisor who has traditionally been relaxed regarding franchisee's individual execution of system standards. >>>

—Mark Burzych, Fahey Schultz Burzych Rhodes



One important lesson is the importance of staying adaptable. The legal world is constantly changing due to shifts in the administration, the laws, technology, et cetera. Staying adaptable allows me to navigate these changes more effectively, helping to ensure that my legal skills remain relevant.

—Christina Fugate, Ice Miller

That the one constant we can all count on is change. Over the last 15 years I have watched the business climate, including the joint employment ball, bounce back and forth. From Obama, to Trump, to Biden, now back to Trump. What I have learned is that making extreme changes one way or the other is not the answer. Slow and steady wins the race. Focusing on brand core values and never wavering will lead to the greatest success for all stakeholders.

—Joe Fittante, Larkin Hoffman

Encouraging franchisors to act reasonably toward franchisees can save a lot of time, money and effort down the road.

—Tal Grinblat, Lewitt, Hackman, Shapiro, Marshall & Harlan



That it is always important to manage client expectations. This is learned over time and through communication. >>>

—Michelle Prager, Paris Ackerman

I changed law firms in 2024, after nearly 14 years at the same firm, which was both hard and reinvigorating. The lesson is to not be afraid of change, but also not to burn your bridges.

—David Cahn, Offit Kurman

Participate in legislation. Virginia was making updates to its Retail Franchising Act, and they took comments from franchisors and others in the industry. I was the only person who submitted comments, and they implemented my suggestions into the laws that went into effect on January 1st. Those changes directly benefit franchisors, especially emerging brands that face financial assurance requirements in Virginia. It was an easy way to advocate for my clients' interests on a larger scale.

—Jonathan Barber, Franchise.Law