



Exceptional service. Dykema delivers.



Franchise, Dealer and Distribution  
Dispute Avoidance and Resolution

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California | Illinois | Michigan | Minnesota | Texas | Washington, D.C.

## Franchise, Dealer and Distribution Dispute Avoidance and Resolution

Manufacturers and franchisors, and for that matter, any business that distributes its products or services indirectly to the marketplace, must maintain strong and stable distribution relationships to prosper and grow. For this reason, our Franchise, Dealer and Distribution lawyers know—when dealing with a disagreement or other “kink” in the distribution chain—the best lawsuit is the one not filed. Whenever possible, we help our manufacturer and franchisor clients avoid litigation, and where impossible, we help to bring it to a quick and efficient resolution. Our goal is to help clients maintain healthy and productive distribution networks.

We also recognize that there are those times when litigating a case through trial and, perhaps appeal, is in the best interests of our client. In such instances, we deliver seasoned and knowledgeable trial and appellate counsel well versed in the laws governing franchising and distribution, as well as the client’s specific industry and challenges. Dykema’s Franchise, Dealer and Distribution lawyers apply this knowledge to successfully represent and deliver results to our clients.

Our attorneys represent franchisors, distributors and manufacturers from a wide range of industries, including motor vehicle, food and beverage, hospitality, education, insurance and financial, apparel and other consumer goods, and more. Our experience spans the myriad legal subject matters that repeatedly arise in or from the franchise and distribution relationship, including:

- Breach of franchise/distribution contract claims against franchisees/distributors, such as for failure to pay franchisee fees, royalties or advertising fees, or failure to comply with reporting, quality or system standards or territorial restrictions.
- Breach of franchise/distribution contract and related claims brought against a franchisor/manufacturer, including breach of an exclusivity or other contract

provision, breach of implied covenant of good faith and fair dealing, and related business tort claims.

- Diverse causes that may arise from the termination of a franchise or distribution agreement, such as eviction actions, misappropriation of trade secrets, intellectual property claims, breach of covenants not-to-compete and/or confidentiality provisions, and/or claims for liquidated damages.
- Defense of motor vehicle distribution-specific actions, such as the federal Automobile Dealers’ Day in Court Act and parallel state laws, state dealer franchise laws prohibiting manufacturer-direct distribution, and related actions.
- Claims for violations of non-motor vehicle federal and state franchise and distribution laws, including industry specific laws such as the Petroleum Marketing Practices Act and parallel state motor fuel marketing laws.
- Antitrust, and unfair trade practice claims.
- Claims of violations under the consumer protection laws and other putative and certified class actions.
- Vicarious liability claims.

We also counsel our manufacturer, supplier and franchisor clients when they are faced with claims alleging violation of federal or state franchise, distribution or other law or regulation by federal and state administrative agencies.



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## Client-Based Business-Driven Approach

Dykema's Franchise, Dealer and Distribution lawyers are mindful that dealer disputes not only disrupt the relationship between the parties directly involved but also consume valuable client time and can impact the bottom line. We know that our clients' business objectives must drive strategy decisions and that even the best strategy, if inconsistently or blindly followed, is a poor one. For these reasons we work closely with our clients to fully understand their goals, distribution system and history and risk profile, to develop case management plans that best further their long term distribution and growth strategies.

We also keep costs predictable and manageable and our work efficient. We explore with clients the benefits and risks of cost-effective strategies, such as streamlining discovery, utilizing aggressive pretrial motions, engaging in binding or non-binding alternative dispute resolution, and where appropriate, quick settlement. And, we proactively counsel our manufacturer and franchisor clients on compliance issues with respect to the state motor vehicle, franchise and other laws and regulations to prevent future disputes and unwanted litigation.

## Geographic and Jurisdictional Reach

Backed by the strength and success of our litigation practice, Dykema's Franchise, Dealer and Distribution lawyers represent the Firm's clients in administrative proceedings, in state and federal courts from coast to coast, in bench and jury trials and on appeals of right and discretionary appeals to even the highest courts of the land, and in every conceivable alternative dispute resolution forum.

We have a mobile workforce and have handled matters in more than 35 states and the District of Columbia, including places as far away as Hawaii, Massachusetts, Washington State, Georgia, and Wyoming. While Dykema lawyers are available to handle cases in any and all of the 50 states, we also maintain well established relationships with local counsel in nearly every state and across the globe.

## Government Policy Professionals

In monitoring franchise, motor vehicle and other legislation and draft legislation that could impact franchise, distribution and dealer relations, our team is supported by Dykema's Government Policy and Practice professionals: lawyers and non-lawyer registered lobbyists. Our government policy professionals are also there whenever our clients need to make their voices heard by lawmakers to influence the rules of tomorrow's marketplace.

## Advanced Technology Platform and IT Support

Today, judges, juries, mediators and arbitrators alike expect lawyers to know how and when to use the latest technology in presenting their positions. We have these tools at our fingertips and we know when, where and how to use them. Our Litigation Support Team, which is a highly specialized and trained subset of our IT group, works closely with our attorneys throughout all phases of litigation—including at trial.

Our DykemaConnect extranet service is configured to support the client's specific matter or group of related matters vital in coordinating a consistent nationwide distribution strategy. This highly-secure extranet website is available to Dykema and its clients worldwide, 24 hours a day, 7 days a week. Among its many features, this service offers Dykema clients a secure online document repository, group calendaring, research, contact lists and other important information. Each client's DykemaConnect website is unique and private. It is accessible only by the client and Dykema legal professionals with the proper user identification and password.

## The Dykema Difference

What most distinguishes Dykema is our commitment to unparalleled client service. We stand behind our promise of superior service with a comprehensive set of principles and approaches developed consistent with the Association of Corporate Counsel's Value Challenge and our own century of experience. Dykema's Client Service Standards represent our pledge not to meet, but to exceed, client expectations.

Our "excellent breadth and depth of knowledge" of client business objectives (*Chambers USA*) positions us to provide timely, cost-effective and customized business services.



**Exceptional service. Dykema delivers.**

Dykema is a leading national law firm, serving businesses worldwide on a wide range of complex business issues. For outstanding results, unparalleled service and exceptional value: Dykema delivers.

**Unparalleled Service**

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**Outstanding Results**

Our litigators are widely known as fierce and successful advocates. They are the "go to" trial lawyers for businesses and have successfully handled virtually every type of civil dispute. Our transactional lawyers are equally as well known for their tenacity, practicality and excellence in achieving client goals. Simply put, Dykema delivers.

**Exceptional Value**

Our vast experience, sophisticated level of practice and industry-leading technology synergize to provide Dykema the ability to give our clients the fullest range of services at exceptional value without jeopardizing quality or effectiveness. Our professionals, in turn, turn that ability into reality, delivering extraordinary value to every client in every engagement.

Dykema is committed to delivering clients the best in service, results and value, and that is what Dykema delivers: our best, today, tomorrow and every day. That is the Dykema difference.