

Index

ACCOUNTING

Introduction, **25:1**

AD LINE

Advertising budgets, **37:18**
Advertising fees, **4:15**
Advertising fund, administration of, **4:15**
Advertising funds, **9:50, 9:139, 36:12**
Foreign franchisors in Canada, **9:26**
Franchise agreement, **3:12**
French language requirements, **13:31**
General, **12:3**
GST/HST and advertising, **27:46**
Misleading advertising and representations, regulation of, **14:17 et seq.**

ANTI-SPAM/ANTI-SPYWARE LEGISLATION

See also COMPETITION MATTERS;
FEDERAL REGULATION OF
BUSINESS PRACTICES
Advertising funds, **9:50**
Anti-spam provisions, **15:72**
Anti-spyware provisions, **15:73**
CASL, brief history of, **15:69**
Consent requirements, **15:74**
CRTC Regulation, **15:70**
Currency selection, **9:43**
Entire agreement clauses and disclaimers,
9:56
Equitable remedies, **9:54**
Exceptions from consent, **15:78**
Express consent, **15:75**
Good faith and fair dealing, **9:52**
Governing law, **9:59**
Guarantees, **9:61**
Impact of guidelines, **15:76**
Impact on franchisors, **15:81**
Implied consent, **15:77**
Industry Canada Regulation, **15:71**
Interest rates, **9:45**
Introduction, **9:40 et seq., 15:69**
Judicial procedures, **9:55**
Jurisdiction and venue, **9:60**
Language differences, **9:41**

ANTI-SPAM/ANTI-SPYWARE LEGISLATION—Cont'd

Legal fees, **9:57**
Mandatory purchase of products and supplies, **9:48**
Mediation and arbitration, **9:58**
Operations manuals, **9:62**
Payment mechanics, **9:44**
Penalties and enforcement, **15:80**
Pricing of supplies and inventory, **9:47**
Privacy laws, **9:51**
Repatriation of funds and withholding taxes, **9:46**
Suggested pricing of products and services, **9:49**
Termination procedures, **9:53**
Trade-marks, **9:42**
Transition period, **15:79**

BANKRUPTCY AND RECEIVERSHIP

Acceptance of proposal, **24:25**
Appointment, **24:6**
Bankruptcy, **24:14**
Bankruptcy and receivership, **24:7, 24:10**
Bankruptcy of franchisee, **19:10**
Bankruptcy of franchisor, **19:9**
Classes of creditors, **24:22**
Commencing process, **24:17**
Conclusion, **19:11**
Contents of proposal, **24:21**
Contracts of franchisor, **24:12**
Creditors' meeting, **24:24**
Duration of stay period, **24:20**
Duties of trustee, **24:18**
Effect on franchise's assets, **24:4**
Enforcement of security interest, effect of
Bankruptcy and Insolvency Act on,
22:24
Financing in CCAA or BIA proposal,
24:11
Foreign franchisors in Canada, **9:30**
Franchise disclosure document, **4:7**
Franchised premises, effect of bankruptcy
on, **19:8 et seq.**
Franchisee restructurings, **24:15 et seq.**

BANKRUPTCY AND RECEIVERSHIP

—Cont'd

- General, **24:1, 24:3, 24:5, 24:8, 24:13**
- Overview, **24:16**
- Secured creditors, **24:23**
- Special considerations to franchisors of bankrupt franchisees, **24:26**
- Statutory framework, **24:2**
- Stay of proceedings, **24:9, 24:19**

BANKS AND FRANCHISE FINANCING

See also **FINANCING**

- Canada Small Business Financing Program, **23:12**
- Canadian bank franchise programs, **23:2**
- Cash management services, **23:5**
- Corporate financing, **23:6**
- Financing franchise through bank, **23:11**
- Franchise financing, **23:8**
- Franchise Program, **23:7**
- Franchisor, **23:3**
- Getting started, **23:10**
- Introduction, **23:1**
- Non-financing services, **23:9**
- Risk assessment, **23:4**

BEST PRACTICES, FRANCHISE LAWYERS

- Archive copy, **28:13**
- Automation, **28:30**
- Bill 96, Act Respecting French, the official and common language of Québec, **28:31**
- Certificates, **28:10**
- Covid-19, **28:24 to 28:26**
- Currency of information, **28:14**
- Deficient disclosure, damages for, **28:18**
- Disclosure, site-specific, mitigating risk, **28:29**
- Disclosure, timing, **28:5**
- Disclosure, voluntary, **28:28**
- Disclosure document, delivering, **28:1**
- Disclosure document, franchise, checklist, **28:4**
- Disclosure document, maintaining, **28:2**
- Disclosure document, method of delivery, **28:6**
- Disclosure document, preparing or delivering, common mistakes, **28:3**
- Earnings projections, **28:11**
- Enforceability, no-poaching provision, **28:32**

BEST PRACTICES, FRANCHISE

LAWYERS—Cont'd

- Exemption, financial statement, **28:9**
- Exemptions, requirement to deliver a disclosure document, **28:12**
- Food delivery, **28:23**
- Franchising in Quebec, frequently asked questions, **28:20**
- Franchisor's associate, **28:15**
- Location-specific disclosure requirements, location-specific, **28:27**
- Misrepresentation, damages for, **28:18**
- Non-compete clause, enforceability, U.S. and Canada, **28:21**
- Obligation to disclose, **28:7**
- Renewals, **28:8**
- Resales, **28:8**
- Rescission, **28:16**
- Rescission claims, quantifying, **28:17**
- Settling a franchise dispute, **28:19**
- Updating franchise agreements, **28:22**

BRAND DEVELOPMENT

- Detailed plan and pro-forma budget, **31:4**
- Getting brand ready to franchise, **31:3**
- Research and assessment of existing location, **31:2**

CANADIANIZING FOREIGN FRANCHISE DOCUMENTATION

See also **FOREIGN FRANCHISORS IN CANADA**

CANNABIS

- Misconceptions, **15:106**
- Regulatory framework, **15:104**
- Restaurants, implications for, **15:107**
- Restrictions, advertising and promotion, **15:105**

CLASS ACTIONS

- "A basis in fact" vs. "rigorous analysis," **17:4**
- Arbitration clauses, enforceability, **17:6**
- Canadian and U.S. requirements, **17:3**
- Certification standards, **17:3 et seq.**
- Claims, Canada, **17:7 et seq.**
- Common issues, **16:272 et seq.**
- Compensation, **17:10**
- Conclusion, **17:17**
- Disclosure and misrepresentation, **17:14**
- Encroachment, **17:16**
- Fees and charges, **17:11**

CLASS ACTIONS—Cont'd

- Foreign franchisors in Canada, **9:34**
- Franchise cases suitable to certification, **16:267 et seq.**
- Funding agreements, **16:279 et seq.**
- Introduction, **17:1**
- Legislation, Canada, **17:2**
- Mass terminations, **17:13**
- Opting out, **16:276**
- Product pricing, **17:8**
- Rebates, **17:9**
- Representative franchisees, suitability, **17:5**
- Settlement, **16:277 et seq.**
- Suitability of representative plaintiff, **16:274 et seq.**
- System change, **17:12**
- System policies, procedures and practices, **17:15**
- System restructuring, **17:13**

COMPETITION MATTERS

- See also **FEDERAL REGULATION OF BUSINESS PRACTICES**
- 2009 amendments, **14:2**
- Enforcement, information gathering/investigations, **14:4**
- Key players, **14:3**
- Overview of, **14:1**
- Remedies/penalties, **14:5**

CONVERTING SMALL BUSINESS TO FRANCHISE

- Ability to expand, **30:3**
- Appendices, **30:17**
- Available franchisees, **30:3**
- Business overview, **30:6**
- Corporate organization, **30:10**
- Definition of terms, **30:18**
- Designing and developing franchise offering, **30:4**
- Financial modeling, **30:14**
- Franchise selection criteria and marketing strategy, **30:12**
- Geographic strategy and site support, **30:13**
- Implementation, **30:16**
- Legal overview, **30:15**
- Local management, **30:11**
- Manuals, **30:9**
- Mission and vision statement, **30:5**
- Overview of system, **30:7**

CONVERTING SMALL BUSINESS TO FRANCHISE—Cont'd

- Retail level operations and franchisor support, **30:8**
- Suitability of franchising, **30:1 to 30:2**
- Support system and fees, **30:3**
- Systematization of business, **30:3**
- Threshold analysis, **30:3**
- Training, **30:9**
- Underlying business, **30:3**

CRIMINAL OFFENCES

- See also **COMPETITION MATTERS**
- Bid rigging, **14:8**
- Conspiracy and agreements between competitors, **14:7**
- Deceptive telemarketing, **14:9**
- Pyramid selling, **14:10**

CUSTOMERS

- Changing nature of competitive advantage, **33:6**
- Changing nature of customer, **33:6**
- Customer rights, **3:5**
- Marketing, **40:14**
- Stages in customer experience, **33:8**
- Stages of competitive advantage, **33:7**

DISCLOSURE OBLIGATIONS

- See also **FRANCHISE LAWS IN CANADA, KEY ELEMENTS OF**
- Agreements signed during disclosure period, **2:15**
- Bankruptcy and receivership, **4:7**
- Consequences of failure to comply, **2:17**
- 60-day rescission, **2:19**
- Delivery of disclosure document, **2:12, 28:1**
- Exemptions from disclosure requirements, **2:16, 28:12**
- Financial statements exemption, **4:8, 28:9**
- Foreign franchisors in Canada, **9:4**
- Form of disclosure document, **2:13**
- Gift card legislation, **15:48**
- Internet sales legislation, **15:39**
- Introduction, **2:10 et seq.**
- Leading decisions, **16:189 et seq.**
- Misrepresentation, **2:18**
- Recruiting franchisees, **33:17, 33:18**
- Statements of material change, **2:14**
- Technology change, **41:8**
- Timing of disclosure, **2:11, 28:5**

DISCLOSURE OBLIGATIONS—Cont'd

Trade-marks and franchise disclosure document, **4:17**
Two-year rescission, **2:20**
United States, **10:3**

DO NOT CALL LEGISLATION AND TELEMARKETING

See also **FEDERAL REGULATION OF BUSINESS PRACTICES**;
PROVINCIAL REGULATION OF BUSINESS PRACTICES
ADAD Rules, **15:67**
Business Practices and Consumer Protection Act (British Columbia), **15:65**
Canadian Radio and Telecommunications Committee Telemarketing Rules, **15:66**
Competition Act, **15:63**
Compliance, **15:61**
Consent must be prior and must be express, **15:62**
National Do Not Call List and rules, **15:59**
Privacy laws, **15:64**
Records, **15:60**
Summary, **15:58**

EQUIPMENT

Franchise agreement, **3:7**
GST/HST and equipment, **27:42**
Sale or lease of equipment, **36:6**
Security deposits on equipment, **36:4**

FEASIBILITY OF FRANCHISING

Conclusion, **29:6**
Peoples' behaviours, **29:4**
Philosophy, **29:2**
Processes, **29:3**
Technology, **29:5**

FEDERAL REGULATION OF BUSINESS PRACTICES

See also **COMPETITION MATTERS**
Canadian Payments Association
Preauthorized Debit Rule, **15:82**
Payment Card Industry Data Security Standard, **15:83**

FEES

Advertising fees, **4:15**
Fees and reporting, **3:11**
Franchise fees, **4:9**

FEES—Cont'd

Initial franchise fee, **27:39, 36:3**
Initial lump sum franchise fee, **27:7, 27:13, 27:23**
Intellectual property license fees, **36:15**
International franchise agreements, **9:127**
Legal fees, **9:57**
Master franchise agreements, **5:24**
Multi-unit area franchising, **5:5**
Periodic fees, **36:16**
Supervision fees, **27:8, 27:25**
Support system and fees, **30:3**

FINANCIAL STATEMENTS

See also **ACCOUNTING**
Bank guarantees, **25:19**
Description of company, **25:12**
Franchise disclosure document and, **4:8**
Lease guarantees, **25:17**
Legal proceedings, **25:18**
Notes receivable (unrelated party), **25:14**
Opening costs, **25:15**
Reacquisition costs of franchisees, **25:16**
Related party transactions, **25:20**
Revenue recognition, **25:13**

FINANCING

Demand loans, **22:1**

FOREIGN FRANCHISORS IN CANADA

See also **INTERNATIONAL FRANCHISING**
Advertising and marketing, **9:26**
Alternative dispute resolution, **9:33**
Anti-spam legislation, **9:28**
Bankruptcy and insolvency, **9:30**
Business immigration, **9:31**
Canadian currency, **9:14**
Class actions and alternative dispute resolution, **9:34**
Common business structures, **9:7**
Competition Act, **9:12**
Constitutional landscape, **9:2**
Consumer protection legislation, **9:21**
Disclosure obligation, **9:4**
Electrical product approval, **9:20**
Employee-related matters, **9:32**
Enforcement of foreign arbitration awards, **9:36**
Enforcement of foreign judgments, **9:35**
Food and drugs, **9:18**

INDEX

FOREIGN FRANCHISORS IN

CANADA—Cont'd

Franchisees' right to associate, **9:6**
Franchise laws, **9:3**
Franchising in Quebec, **9:37**
Gift cards, **9:24**
Good faith and fair dealing, **9:5**
Introduction, **9:1**
Investment Canada Act, **9:8**
Liquor licence laws, **9:19**
Non-competition covenants, **9:16**
Packaging and labelling, **9:25**
Postal system, **9:13**
Privacy laws, **9:29**
Product warranties, **9:23**
Protection of confidential information, **9:15**
Quebec language laws, proposed changes, **9:38**
Regulated industries, **9:17**
Sales and commodity taxes, **9:10**
Summary, **9:39**
Telemarketing, **9:27**
Trade-marks, **9:11**
Vicarious liability, **9:22**
Withholding tax issues, **9:9**

FOREIGN INVESTMENT LAWS

See also INTERNATIONAL
FRANCHISING

Acquisition of control rules, **9:86**
Administration, **9:76**
Assessment criteria, **9:82**
Canadian status and control rules, **9:84**
Contractual rights, **9:87**
Enforcement under Investment Canada
Act, recent developments in, **9:83**
Exemptions, **9:77**
Franchisees, application to, **9:91**
Introduction, **9:74 et seq.**
Investment Canada Act to franchising,
application of, **9:88**
Non-WTO investors/non-Canadian inves-
tors, **9:80**
Notification requirement, **9:78**
Opinions and guidelines, **9:89**
Remedies, **9:90**
Reviewable acquisition method, **9:85**
Reviewable transactions, **9:79**
Terminology, **9:75**
WTO investors, **9:81**

FRANCHISE AGREEMENT

Advertising and promotion, **3:12**
Arbitration and mediation, **3:21**
Assignment, **3:17**
Changes to system, **3:14**
Confidentiality, **3:14**
Customer rights, **3:5**
Definitions and interpretation, **3:3**
Equipment, **3:7**
Execution, **3:24**
Fees and reporting, **3:11**
Fixtures, **3:7**
Franchisee obligations, **3:10**
Franchisee suggestions, **3:14**
Furnishings, **3:7**
General contract provisions, **3:23**
Grant of franchise, **3:4**
Indemnification, **3:22**
Introduction, **3:1**
Introductory portions, **3:2**
Opening premises, **3:8**
Operations manual, **3:14**
Overdue amounts, **3:20**
Premises, **3:6**
Relationship, **3:22**
Relocating premises, **3:8**
Reservation of rights by franchisor, **3:5**
Restrictions and restraints, **3:5**
Restrictive covenants, **3:16**
Rights and obligations on termination of
franchise agreement, **3:19**
Sale, **3:17**
Scope of licence, **3:4**
Security, **3:15**
Signs, **3:7**
Taxes, **3:20**
Technology change, **41:2 et seq.**
Termination of franchise agreement, **3:18**
Territorial rights, **3:5**
Trade-marks, **3:13**
Trade secrets, **3:14**
Training and operating assistance, **3:9**
Transfer, **3:17**

FRANCHISE DISCLOSURE DOCUMENT

Administration of advertising fund, **4:15**
Advertising fees, **4:15**

FRANCHISE DISCLOSURE DOCUMENT—Cont'd

Agreements relating to franchise and guarantees and security interests, **4:22**
 Alternative dispute resolution, **4:25**
 Bankruptcy, **4:7**
 Business background of franchisor, **4:4**
 Business background of key personnel, **4:5**
 Certificates of franchisor, **4:26**
 Convictions, charges, judgments and orders, **4:6**
 Earnings projections, **4:12**
 Estimate of operating costs, **4:11**
 Financial statements, **4:8**
 Financing, **4:13**
 Franchise fees, **4:9**
 Information on existing and former franchisees, **4:21**
 Initial franchise deposits, **4:9**
 Material facts, **4:2**
 Other costs of establishing franchise, **4:10**
 Participation in franchise, **4:19**
 Permits and licences, **4:18**
 Renewal, termination and transfer provisions, **4:23**
 Required statements and risk warnings, **4:3**
 Restriction of purchase and sale of goods and services, **4:16**
 Technology change, **41:8**
 Territory, **4:20**
 Trade-marks, **4:17**
 Training and assistance, **4:14**
 Unilateral amendments, **4:24**

FRANCHISE FEE REVENUE

See also ACCOUNTING
 Acquisition and repossession of franchises, **25:9**
 Agency sales, **25:6**
 Area franchise sales, **25:7**
 Consolidation of franchisees, **25:10**
 Continuing franchise fees, **25:5**
 Disclosure, **25:11**
 Franchising costs, **25:8**
 Initial franchise fees, **25:4**
 Introduction, **25:2 et seq., 25:3**

FRANCHISE LAWS IN CANADA, KEY ELEMENTS OF

Application to Crown, **2:2**
 Definition of franchise, **2:6**
 Definition of franchisor's associate, **2:7**
 Duty of good faith and fair dealing, **2:8**
 Excluded commercial relationships, **2:5**
 Franchisees' right to associate, **2:9**
 Governing law, **2:21**
 Introduction, **2:1**
 Location of franchise, **2:3**
 Retroactive application of Act, **2:4**
 Statutory no-waiver provisions, **2:22**

FRANCHISE OPERATION MANUALS

About manuals, **32:1**
 Benefits to franchisees, **32:7**
 Benefits to franchisors, **32:6**
 Binding, **32:16**
 Canadianizing foreign franchise manuals, **9:62**
 Changes to manuals, **41:11**
 Commitment of resources, **32:5**
 Conclusion, **32:21**
 Fast-food restaurant, **32:18**
 Franchise agreement, **3:14**
 Franchise operation manuals, types of, **32:3**
 Franchise system, **32:8**
 Franchisor, **32:4**
 Franchisor manual, **32:4**
 International franchise agreements, **9:136**
 Overview, **32:2**
 Page layout, **32:15**
 Production and maintenance, **32:11**
 Research, **32:10**
 Resources, **32:9**
 Retail store, **32:19**
 Service business, **32:20**
 Style, **32:12**
 Style tips, **32:13**
 Task checklist, **32:17**
 Tone, **32:14**

FRENCH LANGUAGE REQUIREMENTS

See also QUEBEC, FRANCHISING IN
 Advertisements, **13:32**
 Charter of the French Language and Act
 Respecting the Legal Publicity of
 Enterprises, **13:29**

FRENCH LANGUAGE

REQUIREMENTS—Cont'd

- Computer software, **13:40**
- Consumer contracts, **13:41**
- During the employment relationship, **13:36**
- Employment relationship and internal communications, **13:34**
- Franchise agreements, **13:31**
- Francization programs and Francization certificates, **13:38**
- Labeling, **13:32**
- Prior to the employment relationship, **13:35**
- Registering a franchise, **13:30**
- Signs, **13:32**
- Termination of the employment relationship, **13:37**
- Trade-marks and amendments to Quebec signage requirements, **13:33**
- Websites, **13:39**

GIFT CARD LEGISLATION

- See also PROVINCIAL REGULATION OF BUSINESS PRACTICES
- Definition of gift card or prepaid purchase card, **15:50**
- Expiry dates, **15:51**
- Fees charged to gift card holder, **15:52**
- Penalties, **15:55**
- Provisions, reference chart, **15:56**
- Required disclosure, **15:54**
- Summary, **15:49**
- Unused balances, **15:53**

GOOD FAITH AND FAIR DEALING

- Canadianizing foreign franchise documentation, **9:52**
- Changes to network, **41:4**
- Foreign franchisors in Canada, **9:5**
- Key elements, **2:8**
- Leading decisions, **16:135 et seq.**

GOODS AND SERVICES TAX (GST)/HARMONIZED SALES TAX (HST)

- See also TAX MATTERS
- Advertising, **27:46**
- Buying Groups, **27:49**
- Cash Flow Implications, **27:36**
- Continuing Royalties, **27:40**
- Equipment, **27:42**

GOODS AND SERVICES TAX (GST)/HARMONIZED SALES TAX (HST)—Cont'd

- Exempt, **27:32**
- Form of Arrangement, **27:47**
- Franchise Application Deposits, **27:38**
- Importations/Exportations, **27:33**
- Initial Franchise Fee, **27:39**
- Non-residents, **27:34**
- Premises, **27:44**
- Rebates and Allowances, **27:45**
- Sale of a Franchise, **27:48**
- Sale of Inventory, **27:43**
- Taxable, **27:30**
- Trademarks, **27:41**
- Zero-Rated, **27:31**

GUARANTEES

- See also FINANCING
- Amendment of franchise agreement, **22:8**
- Bank guarantees, **25:19**
- Benefits and risks of personal guarantees, **22:3**
- Breach of contract, **22:9**
- Canadianizing foreign franchise documentation, **9:61**
- General formalities, **22:5**
- Guarantee and indemnity, **22:6**
- Introduction, **22:2**
- Lease guarantees, **25:17**
- Limitation period and guarantees, **22:4**
- Multi-unit area franchising, **5:18**
- Quebec guarantees, **22:10**
- Release of franchisees or security of franchisees, **22:7**

IMMIGRATION ISSUES FOR FOREIGN FRANCHISORS

- See also FOREIGN FRANCHISORS IN CANADA
- Business categories, **9:71**
- Business immigration, **9:31**
- Canadian immigration law and policy, overview of, **9:63**
- Employment categories requiring labour market opinion, **9:69**
- Intra-company transfers, **9:66**
- Permanent resident status, **9:70**
- Professionals, **9:68**
- Self-employed program, **9:72**

**IMMIGRATION ISSUES FOR
FOREIGN FRANCHISORS
—Cont'd**

Spouses of intra-company transferees,
9:67
Temporary business visits, **9:64**
Under NAFTA and GATS, **9:65**

INSURANCE

Franchise reabsorption plan, **34:3**
Insurance clauses in franchise agree-
ments, sample of, **34:3**
Introduction, **34:1**
Model franchise insurance plan, samples
of, **34:2, 34:3**

INTELLECTUAL PROPERTY

See also INTERNATIONAL
FRANCHISING
Confidential information and trade
secrets, **9:96**
Licensing and sublicensing of marks, **9:95**
Maintenance of trade-marks, **9:94**
Most commonly asked questions on trade-
marks and franchising, **9:99**
Patents and copyrights, **9:98**
Trade dress, **9:97**
Trade-mark registration procedures, **9:93**
Trade-marks, **9:92**

**INTERNATIONAL FRANCHISE
AGREEMENTS**

See also INTERNATIONAL
FRANCHISING
Advertising and marketing fund, **9:139**
Conditions precedent to performance,
9:152
Consequences of termination, **9:145**
Control of master franchisee, **9:142**
Default and termination, **9:144**
Development obligations and procedures,
9:129
Dispute resolution, **9:147**
Exclusivity and territorial rights and
restrictions, **9:124**
Fees, **9:128**
Force majeure, **9:150**
Franchise system adaptation and
modification, **9:126**
General agreement provisions, **9:151**
Governing language, **9:149**
Governing law, **9:146**

**INTERNATIONAL FRANCHISE
AGREEMENTS—Cont'd**

Introduction, **9:121, 9:123**
Local franchise laws, **9:141**
Obligations of franchisor, **9:132**
Obligations of master franchisee, **9:133**
Operating manuals, **9:136**
Post-term rights and obligations, **9:125**
Prescribed form of unit franchise agree-
ment, **9:122**
Public offerings by master franchisee,
9:148
Reporting obligations of franchisee, **9:134**
Special payment provisions, **9:135**
Special products and local approvals,
9:137
Subfranchise agreements, **9:131**
Summary, **9:153**
Supplier issues, **9:138**
Term of master franchise agreement,
9:125
Trade-marks, **9:143**
Training of master franchisee, **9:127**
Transfer and assignment, **9:142**
Typical agreement, **9:122**
Unit franchise agreement for each master
franchisee developed unit, **9:130**
Withholding taxes, **9:140**

INTERNATIONAL FRANCHISING

Anti-trust, competition and trade practice
laws, **9:102**
Introduction, **9:73**
Publications and reference sources, **9:120**
Summary and conclusions, **9:119**

**INTERNATIONAL FRANCHISING,
FORMS OF**

See also INTERNATIONAL
FRANCHISING
Development agreement, **9:107**
Direct franchising, **9:103**
International multi-unit franchise agree-
ment (IMUFA), **9:108**
Joint venture, **9:105**
Master franchise agreement, **9:106**
Target country branch or subsidiary,
9:104

INTERNET SALES LEGISLATION

See also PROVINCIAL REGULATION
OF BUSINESS PRACTICES

INTERNET SALES LEGISLATION

—Cont'd

- Cancellation rights, **15:44**
- Consequences of cancellation, **15:45**
- Contract content requirements, **15:43**
- Delivery requirement, **15:42**
- Disclosure requirements, **15:40**
- Fines and penalties, **15:46**
- Opportunity to correct errors, **15:41**
- Tips for online sales practices, **15:47**

INVENTORY

- Exigibility of withholding tax, **27:26**
- General, **36:9**
- GST/HST and sale of inventory, **27:43**
- Pricing of supplies and inventory, **9:46**
- Product inventory and supply, **12:3**
- Receipts, **27:9**

INVESTMENT IN FRANCHISE SYSTEMS—PRIVATE EQUITY

See also MERGERS AND ACQUISITIONS OF FRANCHISE COMPANIES

- Exit planning, **6:22**
- General, **6:18, 6:23**
- Risk allocation, **6:20**
- System change, **6:21**
- Value of franchise system, **6:19**

KEY TARGET COUNTRIES

See also INTERNATIONAL FRANCHISING

- Anti-trust competition and trade practice laws, **9:112**
- Arbitration, **9:117**
- Civil procedure, **9:116**
- Commercial law principles, **9:114**
- Contract law principles, **9:113**
- Currency restrictions and funds repatriation, **9:115**
- Foreign investment laws, **9:111**
- Introduction, **9:109 et seq.**
- Laws and regulations applicable to franchising, **9:110**
- Other commercial considerations, **9:118**

LANDLORDS

- See also REAL ESTATE
- Franchisee as tenant, **20:4**
- Franchising and landlords relationship, **20:1**

LANDLORDS—Cont'd

- Franchisor as tenant, **20:3**
- Fundamental terms of lease, **20:2**

LEADING FRANCHISE DECISIONS

- Common issues, **16:272 et seq.**
- Control management and evolution of franchise system, **16:45 et seq.**
- Disclosure obligations and rescission, **16:189 et seq.**
- Duty of good faith and fair dealing, **16:135 et seq.**
- Environmental issues, **16:291 et seq.**
- Franchise cases suitable to certification, **16:267 et seq.**
- Franchisee's waiver or release of statutory rights, **16:234 et seq.**
- Franchisor's associates, **16:281 et seq.**
- Jurisdiction, **16:24 et seq.**
- Limitation periods, **16:287 et seq.**
- Meaning of franchise/franchise agreement, **16:1 et seq.**
- Misrepresentation, **16:92 et seq.**
- Opting out, **16:276**
- Other, **16:296 et seq.**
- Restrictive covenants, **16:112 et seq.**
- Settlement, **16:277 et seq.**
- Suitability of representative plaintiff, **16:274 et seq.**
- Termination and right to renew, **16:63 et seq.**
- Vicarious/strict liability, **16:241 et seq.**

LEASES

- See also REAL ESTATE
- Bankruptcy, **24:14**
- Conditional assignments of leases in franchise agreements, **21:2**
- Equipment leases and GST/HST, **27:42**
- Fundamental terms, **20:2**
- General, **24:13**
- Introduction, **21:1**
- Lease guarantees, **25:17**
- Lease of franchisee premises, **36:7**
- Lease option agreement, **21:4**
- Sale or lease of equipment, **36:6**
- Sign leases, **36:5**
- Sublease, **21:3**
- Sublease vs. assignment of lease, **19:4**
- Written lease requirements, **19:3**

LEGAL AND BUSINESS

DECISIONS—INTERNATIONAL FRANCHISING

See also **INTERNATIONAL FRANCHISING**

Advertising, **12:3**
 Agency laws, **12:4**
 Choice of forum, **12:5**
 Choice of law, **12:5**
 Competition laws, **12:4**
 Conclusion, **12:7**
 Currency exchange laws, **12:4**
 Data privacy, **12:4**
 Dispute resolution, **12:5**
 Documentation and process, **12:2**
 Financial, **12:2**
 Foreign ownership, **12:4**
 General business considerations, **12:3**
 Initial considerations, **12:2**
 Introduction, **12:1**
 Legal issues, **12:4**
 Local franchise laws, **12:4**
 Local languages and customs, **12:3**
 Product inventory and supply, **12:3**
 Protecting trade-marks and other intellectual property, **12:4**
 Sales and development, **12:3**
 Structural, **12:2**
 Tax considerations, **12:4**
 Technology transfer laws, **12:4**
 Termination, **12:3**
 Working with local counsel, **12:6**

LEGISLATIVE HISTORY

Alberta, **1:1**
 Amendments to Ontario Act, **1:8**
 Arthur Wishart Act (Franchise Disclosure) 2000, **1:7**
 British Columbia, **1:21, 1:22**
 Disclosure Regulation, **1:15**
 First attempt at franchise legislation, **1:4**
 Franchises Act, **1:14**
 Grange Report, **1:3**
 Manitoba, **1:18, 1:19**
 Mediation Regulation, **1:16**
 Motor vehicle franchise legislation, **1:17**
 Ontario, **1:2 et seq.**
 Ontario Act Amendment 2019/2020, **1:10**
 Ontario Act Amendment 2020, **1:11**
 Position of Ontario government, **1:5**

LEGISLATIVE HISTORY—Cont'd

Prince Edward Island, **1:13**
 Quebec, **1:20**
 Renewed attempts at franchise legislation, **1:6**
 Saskatchewan, **1:23 to 1:25**
 Uniform Law Conference of Canada, **1:12**
 Unsuccessful attempts to amend Ontario Act, **1:9**

LIABILITY

Foreign franchisors in Canada, **9:22**
 Leading decisions, **16:241 et seq.**
 Misleading representations, **14:19**
 United States, **10:16**

LIMITATION PERIODS

Guarantees and, **22:4**
 Leading decisions, **16:287 et seq.**

MANUALS

Conclusion, **33:28**
 Converting small business to franchise, **30:9**
 Effective manuals, **33:19 et seq.**
 Operations manual, **33:20**
 Operations manual contents, **33:21**
 Project manager, **33:23**
 Resources needed, **33:22**
 Revising operations manual, **33:26**
 Using manuals, **33:25**
 Who owns manuals, **33:27**
 Writer, **33:24**

MARKETING

Converting small business to franchise, **30:12**
 Deceptive telemarketing, **14:9**
 Do not call legislation and telemarketing, **15:57 et seq.**
 Foreign franchisors in Canada, **9:26**
 Marketing fund, **9:139**
 Telemarketing, **9:27**

MARKETING STRATEGIES FOR FRANCHISEES

Approaching business, **40:6**
 Blogs, **40:9**
 Cross promotion, **40:7**
 Customers, **40:14**
 Facebook, **40:10**
 Implementation of, **40:5**
 LinkedIn, **40:12**

MARKETING STRATEGIES FOR FRANCHISEES—Cont'd

Local store marketing program, **40:2**
 Marketing for success, **40:1**
 Marketing goals, **40:3**
 Social media best practices, **40:8**
 Successful program, **40:4**
 Summary, **40:13**
 Twitter, **40:11**

MARKETING TO PROSPECTIVE FRANCHISEES

Advertising budgets, **37:18**
 Conclusion, **37:14, 37:17**
 Construction and training, **37:12**
 Defining target market, **37:3**
 Deposits and execution of franchise agreements, **37:10**
 Discovery day, **37:9**
 Franchise resources, **37:15**
 Franchise sales materials, **37:5**
 Franchise selling process, **37:6 et seq.**
 Integrating franchise marketing and sales, **37:15 et seq.**
 Introduction, **37:1, 37:6**
 Methods of prospecting and selling franchises, **37:16**
 Opening day, **37:13**
 Personal interview and franchise documents, **37:8**
 Pre-sales, **37:1 et seq.**
 Profile of franchisee, **37:2**
 Receipt of confidential application form, **37:7**
 Site selection, **37:11**
 Summary, **37:19**
 Territory, **37:4**

MASTER FRANCHISE AGREEMENTS

See also MASTER FRANCHISING
 Expiration, **5:26**
 Fees, **5:24**
 Franchisor control of franchise relationship, **5:20**
 Introduction, **5:19**
 Obligations of master franchisee, **5:22**
 Obligations of master franchisee to own and operate units, **5:21**
 Rights of franchisor, **5:23**
 Termination, **5:25**

MASTER FRANCHISING

Introduction, **5:1**

MERGERS AND ACQUISITIONS OF FRANCHISE COMPANIES

Due diligence, **6:7 et seq., 6:19**
 asset-based transaction, **6:8**
 franchisee resale, **6:10**
 share-based transaction, **6:9**
 Due diligence checklist, **6:16**
 Franchise agreements summary sheet, **6:16**
 Independent legal advice, **6:12 et seq.**
 challenges and risks, **6:14, 6:20**
 considerations, **6:13**
 Lease review summary sheet, **6:16**
 Practical approach to, **6:17**
 Purchase agreement, **6:11**
 Regulatory environment, Ontario, **6:2**
 Resale of a franchise unit, **6:1 et seq.**
 Role of the franchisor, **6:3 et seq.**
 consent, **6:3**
 franchise disclosure document, **6:4**

MISLEADING ADVERTISING AND REPRESENTATIONS

See also COMPETITION MATTERS
 Bait and switch selling, **14:26**
 Bargain prices, **14:26**
 Disclaimers and qualifications, **14:21**
 Double ticketing, **14:23**
 Fines and other penalties, **14:22**
 Key elements, **14:18**
 Liability for misleading representations, **14:19**
 Ordinary price claims, **14:25**
 Performance claims, **14:20**
 Tests and testimonials, **14:24**

MISREPRESENTATION

Consequences, **2:18**
 Leading decisions, **16:92 et seq.**

MULTI-UNIT AREA FRANCHISING

See also MASTER FRANCHISING
 Assignment or transfer of development rights, **5:15**
 Confidential information, **5:14**
 Development obligations, **5:10**
 Development rights, **5:6**
 Dispute resolution, **5:17**

MULTI-UNIT AREA FRANCHISING—Cont'd

- Failure to comply with development requirements, **5:11**
- Fees, **5:5**
- Guarantees, **5:18**
- Individual grants of unit franchises, **5:7**
- Obligations of developer/franchisee, **5:12**
- Ownership of unit franchises, **5:8**
- Procedures for development of franchise units, **5:13**
- Renewal, **5:4**
- Termination of multi-unit agreement, **5:16**
- Terms of agreement, **5:3**
- Territory, **5:2**
- Unit franchise agreement defaults and transferability, **5:9**

ONTARIO, FRANCHISING IN

- See also **PROVINCIAL REGULATION OF BUSINESS PRACTICES**
- Accessibility for Ontarians with Disabilities Act, **15:84**
- Consumer Protection Act, **15:38**
- Healthy Menu Choices Act, **15:1**
- Waste diversion legislation, **15:2**
see **WASTE DIVERSION LEGISLATION**

OPERATING SYSTEMS

- Basic franchise agreement terms, **33:16**
- Building trust and rapport, **33:32**
- Business planning process, **33:31**
- Challenges in leading franchise organization, **33:10**
- Changes, **36**
- Changing nature of competitive advantage, **33:6**
- Changing nature of customer, **33:6**
- Compliance program, **33:36**
- Components of successful franchise system, **33:5**
- Conclusion, **33:28, 33:40**
- Dealing with change and resistance, **33:37**
- Disclosure document language, **33:18**
- Documentation, **33:38**
- Document disclosure/license agreement considerations, **33:17**
- Effective manuals, **33:19 et seq.**
- Field consultant and necessary consulting skills, **33:33**
- Field consultants, **33:30 et seq.**

OPERATING SYSTEMS—Cont'd

- Finance and financial plan, **33:13**
- Franchises vs. independent businesses, **33:3**
- Franchisor/franchisee relations, **33:29**
- Leader versus manager, **33:12**
- Mutual decision making process, **33:14**
- Operations manual, **33:20**
- Operations manual contents, **33:21**
- Preopening process, **33:39**
- Problem-solving with franchisees, **33:35**
- Professional management, **33:4**
- Project manager, **33:23**
- Resources needed, **33:22**
- Revising operations manual, **33:26**
- Selection process, **33:15**
- Stages in customer experience, **33:8**
- Stages of competitive advantage, **33:7**
- Summary, **33:1**
- Using manuals, **33:25**
- What is business, **33:2**
- What is leader, **33:9**
- When franchise leaders are at their best, **33:11**
- Who owns manuals, **33:27**
- Writer, **33:24**

PLANNING IN FRANCHISE ENVIRONMENT

- Conclusion, **38:15**
- Controls, **38:14**
- Definitions, **38:3**
- Getting help in planning, **38:12**
- How franchisee can plan, **38:11**
- How strategic planning is done, **38:8**
- Importance of strategic planning, **38:4**
- Issues franchisor should examine strategically, **38:10**
- Mission statement, **38:6**
- Overview, **38:1**
- Plan, **38:5**
- Planning, **38:2**
- Planning checklist for franchisee, **38:13**
- Planning checklist for franchisor, **38:13**
- Recognizing need for planning, **38:9**
- Who should be involved in strategic planning, **38:7**

PREMISES

- Bankruptcy of franchisee, **19:10**
- Bankruptcy of franchisor, **19:9**

INDEX

PREMISES—Cont'd

- Conclusion, **19:11**
- Construction of premises, **36:8**
- Effect of bankruptcy on premises, **19:8 et seq.**
- GST/HST and premises, **27:44**
- Lease of franchisee premises, **36:7**
- Opening premises, **3:8**
- Premises, **3:6**
- Relocating premises, **3:8**

PRIVATE SECTOR PRIVACY LEGISLATION

- Application, **15:94**
- Behavioural advertising online, **15:97**
- Breach notification, Alberta, **15:100**
- Breach notification, Federal, **15:99**
- Enforcement, **15:101**
- Fair information principles, **15:96**
- Overview, **15:95**

PROGRAMS

- Approved supplier agreements, **35:6**
- Canada Small Business Financing Program, **23:12**
- Canadian bank franchise programs, **23:2**
- Compliance program and field consultants, **33:36**
- Elements of franchisor's approved supplier programs, **35:3**
- Franchise agreement provisions relating to supplier programs, **35:4**
- Franchise Program, **23:7**
- Implementation of, **40:5**
- Introduction, **35:1**
- Legal considerations, **35:7**
- Local store marketing program, **40:2**
- Marketing goals, **40:3**
- Performance standards, **35:5**
- Practical questions regarding, **35:8**
- Self-employed program, **9:71**
- Successful program, **40:4**
- Supplier approval, **35:5**
- Types of products subject to supply programs, **35:2**
- Waste diversion program, **15:2 et seq.**
see WASTE DIVERSION LEGISLATION

PROVINCIAL REGULATION OF BUSINESS PRACTICES

- Prince Edward Island, Draft Franchise Legislation, **D:8, 2001**

QUEBEC, FRANCHISING IN

See also FRENCH LANGUAGE
REQUIREMENTS; PROVINCIAL
REGULATION OF BUSINESS
PRACTICES

- Abusive clauses, **13:12, 28:20**
- Canadian Franchise Association, **13:43**
- Conseil Quebecois de la Franchise, **13:44**
- Consumer market and tastes, **13:4**
- Consumer protection, **13:46**
- Contracts of adhesion, **13:8**
- Disclosure requirements, **13:14, 28:20**
- Employment, **13:21**
- Errors, mere, **13:15**
- Errors due to fraud, **13:16**
- External clauses, **13:9**
- Fitness, **13:49**
- Franchise agreement, **13:7**
- Geography, **13:2**
- Health, **13:49**
- Hospitality, **13:51**
- Illegible and incomprehensible clauses, **13:10**
- Judicial trends, **13:17**
- Key franchises operating in Quebec, **13:5**
- Leases, **13:25**
- Medical, **13:49**
- Office Quebecois de la langue française, **13:45**
- Planning entry to the Quebec market, **13:6**
- Population, **13:2**
- Privacy, **13:26**
- Quick service restaurants, **13:47**
- Real estate, **13:50**
- Retail, **13:48**
- Safeguard orders, **13:27**
- Security (hypothec), **13:23**
- Tax, **13:22**
- Third party guarantees, **13:24**
- U.S. business presence, **13:3**
- Waste diversion legislation, **15:10 et seq.**
see WASTE DIVERSION LEGISLATION

REAL ESTATE

- Bankruptcy of franchisee, **19:10**
- Bankruptcy of franchisor, **19:9**
- Bankruptcy on franchised premises, effect of, **19:8 et seq.**
- Case law, **19:12 et seq.**

REAL ESTATE—Cont'd

- Conclusion, **19:11**
- Franchisor real estate control options, **19:1**
- Legislation, **19:12 et seq.**
- Lien considerations, **19:6**
- Property development, **19:2**
- Real Estate Council of Ontario (RECO), **19:13**
- Remedies available to franchisor upon default by franchisee, **19:5**
- Restrictive covenants and use clauses, **19:7**
- Sublease vs. assignment of lease, **19:4**
- Written lease requirements, **19:3**

REGISTRABLE TRADEMARKS

- See also TRADEMARKS
- Confusing trademarks, **7:10**
- Descriptiveness, **7:9**
- Former registered user system, **7:12**
- Introduction, **7:7 et seq.**
- Licensing, **7:12 et seq.**
- Licensing provisions under current Trademarks Act, **7:13**
- Marking and trademark notices, **7:15**
- Names or surnames of individuals, **7:8**
- Need for control, **7:14**
- Prohibited trademarks, **7:11**

RESTRICTIVE COVENANTS

- Corporate sloppiness, **18:7**
- Enforcement against non-signatories, **18:3**
- Injunctions, **18:5**
- In-term non-compete clauses, **18:8**
- Introduction, **18:1**
- Legal principles governing enforceability, **18:2**
- Practice tips, **18:9**
- Recent themes and trends, **18:4 et seq.**
- “Sufficiently similar,” **18:6**

RESTRUCTURING

- Acceptance of proposal, **24:25**
- Classes of creditors, **24:22**
- Commencing process, **24:17**
- Contents of proposal, **24:21**
- Creditors' meeting, **24:24**
- Duration of stay period, **24:20**
- Duties of trustee, **24:18**
- Franchisee restructurings, **24:15 et seq.**
- General, **24:8**

RESTRUCTURING—Cont'd

- Overview, **24:16**
- Secured creditors, **24:23**
- Stay of proceedings, **24:9, 24:19**

REVENUE SOURCES AND PROFIT CENTRES

- Advertising fund, **36:12**
- Construction of premises, **36:8**
- Franchise application deposits, **36:2**
- Initial franchise fees, **36:3**
- Intellectual property license fees, **36:15**
- Interest payments, **36:13**
- Introduction, **36:1**
- Lease of franchisee premises, **36:7**
- Periodic fees, **36:16**
- Rebates and allowances from suppliers, **36:10**
- Royalties, **36:11**
- Sale of inventory, **36:9**
- Sale or lease of equipment, **36:6**
- Security deposits on equipment, **36:4**
- Sign leases, **36:5**
- Specified services, **36:14**
- Summary, **36:18**
- Termination, **36:17**

REVIEWABLE TRADE PRACTICES

- See also COMPETITION MATTERS
- Abuse of dominant position, **14:16**
- Exclusive dealing, **14:14**
- Introduction and procedure, **14:11**
- Market restrictions, **14:14**
- Mergers, **14:15**
- Price maintenance, **14:13**
- Refusal to deal, **14:12**
- Tied selling, **14:14**

REWARDS POINTS LEGISLATION

- Definition of reward points, **15:87**
- Expiration, **15:88**
- Non-compliance, **15:92**
- Prohibition on expiration, **15:89**
- Quebec, additional obligations, **15:91**
- Summary, **15:86**
- Termination of agreement, **15:90**

ROYALTIES

- General, **27:14, 36:11**
- GST/HST and continuing royalties, **27:40**
- Periodic royalty payments, **27:24**
- Supervision fees and royalties, **27:8**

INDEX

SALE OF FRANCHISE

GST/HST, **27:48**

Purchase and sale conditions in franchise agreement, **26:20**

SECURITY IN ASSETS, TAKING

See also FINANCING

Conclusion, **22:29**

Creation of valid hypothec, **22:26**

Demand notice, **22:22**

Effect of Bankruptcy and Insolvency Act, **22:24**

Enforcement of security interest, **22:21 et seq.**

Fixtures, **22:20**

General, **22:25**

Introduction, **22:11, 22:14**

Perfecting security interest, **22:16**

Publication and rank, **22:27**

Purchase money security interest, **22:19**

Registering financing statement, **22:17**

Rights and remedies upon default, **22:28**

Rules of priority, **22:18**

Security agreements, **22:15**

Security on personal property, **22:13**

Statutory and contractual remedies, **22:23**

Types of security, **22:12**

STRATEGIC THINKING AND PLANNING

Best practices in managing execution of strategy, **39:6**

Corporate strategy, **39:3**

Planning process, **39:4**

Strategic planning, **39:2**

Strategic themes, **39:5**

Strategy process, **39:7**

Summary, **39:1**

SUPPLIER PROGRAMS

Approved supplier agreements, **35:6**

Elements of franchisor's approved supplier programs, **35:3**

Franchise agreement provisions relating to supplier programs, **35:4**

Introduction, **35:1**

Legal considerations, **35:7**

Performance standards, **35:5**

Practical questions regarding, **35:8**

Supplier approval, **35:5**

Types of products subject to supply programs, **35:2**

SYSTEM TECHNOLOGY CHANGE

Clear contractual language, **41:4**

Communication and consultation, **41:13**

business case, **41:14**

franchise advisory councils, **41:16**

incentives, **41:17**

strategic communication, **41:15**

Course of dealing, **41:7**

Disclosure obligations, **41:8**

Franchise agreement issues, **41:2 et seq., 41:3**

General, **41:1, 41:22**

General drafting recommendations, **41:9**

Glitches, **41:21**

Holdouts, **41:20**

Material changes, **41:6**

Non-simultaneous implementation, **41:19**

Operational issues, **41:10 et seq.**

Operations manual, **41:11**

Reservation of rights clauses, **41:5**

Roll-out issues, **41:18 et seq.**

Timing of change, **41:12**

TAX MATTERS

Customs, **27:33**

Franchises as tax shelters, **27:50**

Introduction, **27:1**

Sales/commodities tax, **27:27 et seq.**

Target country taxes, **9:101**

Tax laws in home country, **9:100**

TAX MATTERS—FRANCHISEE RESIDENT IN CANADA

See also TAX MATTERS

Deductible business expenses, **27:17**

Initial lump sum franchise fee, **27:13**

Payments to non-resident franchisor, **27:16**

Royalties, **27:14**

Small business deduction, **27:18**

Supervision fees, **27:15**

TAX MATTERS—FRANCHISOR RESIDENT IN CANADA

See also TAX MATTERS

Depreciable property, **27:5**

Expenses currently deductible, **27:3, 27:4**

Fixturing allowances, **27:10**

Initial lump sum franchise fee, **27:7**

Other expenditures, **27:6**

Sale of supplies and inventories, **27:9**

TAX MATTERS—FRANCHISOR RESIDENT IN CANADA—Cont'd

- Start-up costs, **27:2**
- Supervision fees and royalties, **27:8**
- Termination of franchisee, **27:12**
- Timing of recognition of income, **27:11**

TAX MATTERS—NON-RESIDENT FRANCHISOR

- See also TAX MATTERS
- Effect of U.S. Treaty, **27:21**
- Initial lump sum franchise fee, **27:23**
- Meaning of “carrying of business,” **27:19**
- Ordinary income tax and branch tax, **27:20**
- Payments for supplies and inventories, **27:26**
- Periodic royalty payments, **27:24**
- Supervision fees, **27:25**
- Withholding tax, **27:22**

TECHNOLOGY PROCUREMENT

- Franchisee considerations, **8:4**
- Key considerations, **8:3**
- Planning, **8:2**
- Requests for proposals (RFPs), **8:2**
- Terms of agreement, **8:3**

TRADEMARK DISPUTES

- General, **7:16 et seq.**
- Goodwill, depreciation of value of, **7:18**
- Infringement, **7:17**
- Passing off, **7:20**
- Use, prerequisite to liability, **7:19**

TRADEMARKS

- Canadianizing foreign trade-marks, **9:42**
- Certification marks, **7:4**
- Common law trademarks, **7:1**
- Corporate name, **7:27**
- Distinguishing guises, **7:5**
- Foreign franchisors in Canada and trade-marks, **9:11**
- Franchise agreements, **3:13**
- Franchise disclosure document, **4:17**
- French language requirements, **13:33**
- General, **9:92**
- Goodwill, **7:25**
- GST/HST and trade-marks, **27:41**
- International franchise agreements, **9:143**
- Licensing, **7:23**
- Maintenance of trade-marks, **9:94**

TRADEMARKS—Cont'd

- Most commonly asked questions, **9:99**
- Non-traditional trademarks, **7:6**
- Notice, **7:28**
- Ordinary trademarks, **7:5**
- Ownership, **7:22**
- Protecting trade-marks, **12:4**
- Quality control, **7:24**
- Registration of trademarks, **7:2, 9:93**
- Sign, definition of, **7:6**
- Specific trade-mark provisions in franchise agreements, **7:21 et seq.**
- Termination, **7:29**
- Validity of trademarks, **7:26**

UNITED KINGDOM, FRANCHISING IN

- Compliance and regulation, **11:7**
- Dispute resolution mechanisms, **11:3**
- Franchisor-franchisee relationship, **11:2**
- IP protection, **11:4**
- Legal regime, **11:1**
- Supply chain, competition, product liability, **11:5**
- Termination and post-termination, **11:6**

UNITED STATES, FRANCHISING IN

- See also INTERNATIONAL FRANCHISING
- Anti-trust and trade regulation laws, problems under, **10:7**
- Business opportunity laws, **10:4**
- Channel conflicts and encroachment, **10:15**
- Conclusion, **10:18**
- Control of product purchases and sales, **10:12**
- Disclosure laws, **10:3**
- Exclusive franchises and refusals to deal, **10:8**
- Federal Trade Commission franchising Rule, **10:2**
- Horizontal restraints/dual distribution, **10:10**
- Introduction, **10:1**
- Joint employer, **10:17**
- Resale price control and price management, **10:11**
- Securities laws, **10:5**
- State franchise registration, **10:3**
- Termination and non-renewal of franchises, **10:6**

INDEX

UNITED STATES, FRANCHISING IN —Cont'd

- Territorial confinement and customer restrictions, **10:9**
- Tying arrangements, **10:13**
- Vendor rebates and other payments, **10:14**
- Vicarious liability, **10:16**

VALUATION

- Asset based valuation methodologies, **26:8**
- Cancellation, **26:18**
- Capitalized cash flow methodology, **26:10, 26:24**
- Cash flow based valuation methodologies, **26:9 et seq.**
- Commercial and non-commercial value, **26:5**
- Comparable company approach, **26:13**
- Components of fair market value, **26:6**
- Conclusion, **26:24**
- Discounted cash flow methodology, **26:11, 26:24**
- Due diligence, **6:19**
- Fair market value, **26:3**
- Franchisee/franchisor relationship, **26:16**
- Introduction, **26:1**
- Liquidity considerations, **26:5**
- Market based valuation methodologies, **26:12 et seq.**
- Minority interest versus controlling interest, **26:5**
- Net tangible assets, **26:5**
- Payments to franchisor, **26:22**
- Precedent transactions approach, **26:14**
- Principles of valuation, **26:5**
- Purchase and sale conditions in franchise agreement, **26:20**
- Rate of return, **26:5**
- Rules of thumb, **26:15**
- Sourcing of product, **26:21**

VALUATION—Cont'd

- Term of franchise agreement, **26:17**
- Territory, **26:19**
- Valuation date, **26:5**
- Valuation process, **26:23**
- Value, **26:2**
- Value is prospective, **26:5**
- Value versus price, **26:4**
- Viability of underlying business, **26:7**

WASTE DIVERSION LEGISLATION

- See also PROVINCIAL REGULATION OF BUSINESS PRACTICES
- British Columbia, **15:17 et seq.**
- Compliance, **15:6, 15:13, 15:20, 15:27, 15:34**
- Determining obligations, **15:5, 15:26, 15:33**
- Éco Entreprises Québec (ÉEQ), **15:36**
- Federal, **15:37.50**
- Fees, **15:7, 15:14, 15:21, 15:28, 15:35**
- Manitoba, **15:10 et seq.**
- Multi-Material British Columbia, **15:22**
- Multi-Material Stewardship Manitoba, **15:15**
- Multi-Material Stewardship Western, **15:29**
- Ontario, **15:2**
- Plastics ban, federal, **15:37.50**
- Quebec, **15:31 et seq.**
- Recycle BC, **15:22**
- Relevant waste, **15:4, 15:11, 15:18, 15:25, 15:32**
- Saskatchewan, **15:24 et seq.**
- Steward, definition, **15:5, 15:12, 15:19, 15:26**
- Stewardship Ontario, **15:8**
- Where to find more information, **15:9, 15:16, 15:23, 15:30, 15:37**
- Who is responsible, **15:33**