KAUFMAN DOLOWICH



"California franchisors await high court ruling," Daily Journal

By Jonathan W. Black (July 17, 2013)

A list of the most successful franchises reads like a "who's who" for the local strip mall. In 2012, Subway, Jiffy Lube, Supercuts, and Denny's were all top 10 performers. While there is little doubt as to the economic import of the franchise model, the state Supreme Court is currently considering an important area of legal uncertainty for franchises - whether a franchisor can be held vicariously liable for the acts of a franchisee's employee. With California franchise output totaling \$100 billion annually, the court's determination of this in Patterson v. Domino's Pizza, S204543, could have significant impact on a major contributor to the Golden State's economy.