

Representation of Franchisors with Financially Distressed Franchisees

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- Working aggressively for franchisors to recover debts from insolvent franchisees.
- Protecting franchisors' valuable brands, marks and intellectual property.
- Defending franchisors from preference and other claims.

Forman Holt Eliades & Ravin represents some of the largest franchisors in the world in bankruptcy cases throughout the United States. Even in strong economic times, it is not unusual for some franchisees to become insolvent, requiring a franchisor to take prompt and decisive legal action. When such circumstances arise, Forman Holt Eliades & Ravin is uniquely qualified to assist the franchisor.

Our attorneys represent franchisors in a range of industries including hospitality, transportation, finance, service and real estate. Forman Holt Eliades & Ravin is currently national bankruptcy counsel to the hospitality and real estate divisions of one of the largest franchisors in the world.

Forman Holt Eliades & Ravin understands that in most instances franchisors have three concerns when dealing with a franchisee in financial distress: (a) the protection and preservation of the franchisor's brand, marks and reputation; (b) the collection of fees which have accrued; and (c) the preservation of the franchise relationship, if appropriate, on a going forward basis for the benefit of both franchisor and franchisee. With these concerns in mind, Forman Holt Eliades & Ravin advises franchisor clients daily on the many options available when faced with a franchisee in financial peril or in any type of bankruptcy proceeding.

Forman Holt Eliades & Ravins' representation of franchisors runs the gamut from protecting the monetary and intellectual property interests of franchisors in bankruptcy situations to defending franchisors in preference and other affirmative claims sometimes brought by debtors, committees or trustees. Our attorneys routinely pursue bankruptcy litigation such as obtaining injunctive relief to compel an infringing franchisee to cease using the marks of the franchisor and to de-identify. Our attorneys are equally comfortable working with bankrupt franchisees to restructure royalty defaults as part of confirmed plans of reorganization to keep units "in the system" of our franchisor clients.

Forman Holt Eliades & Ravins' attorneys have strong experience in all facets of franchise related bankruptcy law. We currently represent franchisors in scores of franchisee bankruptcy proceedings across the United States. Whatever bankruptcy situation a franchisor is confronted with, our attorneys have almost certainly dealt successfully with the issue in the past and remain capable of assisting similarly situated franchisors.