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BASIC TRACK – EXPANDING INTERNATIONALLY

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• Scenario 1 – The Franchisor has been approached by a candidate from a new market – one that appears viable but has not been investigated.

-- How should the candidate be handled?
• Scenario 1 – The Franchisor has been approached by a candidate from a new market – one that appears viable but has not been investigated.

-- How do you “vet” a country?
• Scenario 1 – The Franchisor has been approached by a candidate from a new market – one that appears viable but has not been investigated.

-- What do you look for first?
Scenario 1 – The Franchisor has been approached by a candidate from a new market – one that appears viable but has not been investigated.

-- Balancing brand questions and macro economic questions.
Scenario 1 – The Franchisor has been approached by a candidate from a new market – one that appears viable but has not been investigated.

Making the decision, notifying the candidate, keeping the door open for the future.
• Scenario 2 – The Franchisor has decided to proceed with the international expansion. Now what?
-- What are the very first steps the franchisor should take?
Scenario 2 – The Franchisor has decided to proceed with the international expansion. Now what?

-- What franchising model will the franchisor use?
• Scenario 2 – The Franchisor has decided to proceed with the international expansion. Now what?
  -- Who is the franchisor?
Scenario 2 – The Franchisor has decided to proceed with the international expansion. Now what?

-- Any red flags?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.
  -- What investigations/due diligence should the franchisor undertake?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.
  -- What assistance should the franchisor provide?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.
  -- When should the franchisor end the relationship?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.

-- How do you end the relationship?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.

-- What is the impact on the units operated by the franchisee?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.
-- What is the impact on units operated by subfranchisees?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.
  -- What is the impact on consumers (e.g., prepaid contracts, outstanding gift cards, etc.)?
• Scenario 3 – Franchisee has been operating satisfactorily, but operations/payment status go south.
  -- How does the brand recover?