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Ambiguous' Franchise Agreement Sinks Franchisor

Daily Report

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In an article published on Oct. 26, 2015, Scott M. Ratchick discusses a recent case in which the Eleventh Circuit affirmed a judgement entered in favor of a group of franchisees who sued for breach of contract when the franchisor charged them royalties and fees that the parties negotiated specifically to exclude from their franchise agreements. The court ultimately ruled in favor of the franchisees due to poorly written, ambiguous contract language that left the case to be decided by proof of intent at the time the contract was signed. There are several takeaways from this victory. Ratchick explains, "This is a textbook case in how important it is to conduct negotiations in writing, and how demonstrated exchanges of correspondence between the parties that clearly supported the plaintiffs' understanding of what both parties believed they were signing was the key to success." Ratchick, along with Scott Augustine and Jill Johnson, represented the franchisees in *Coyote Portable Storage v. PODS Enterprises*. For the full article, subscribers may click [here](#).