

CFA FRANCHISE LAW DAY

*Bridging Business
and the Law*



Designed for franchisors, franchisees and anyone in the franchise industry – presented by some of Canada's leading lawyers.

FEBRUARY 2, 2012 • 8:00 AM - 5:00 PM

The Old Mill, 21 Old Mill Road, Toronto, ON

The CFA Franchise Law Day expert speakers and session leaders are among Canada's foremost lawyers representing both in-house and outside counsel as well as franchisors. They will offer a best practice approach to provide the greatest practical information for you and your franchise system.

The full-day event will highlight the latest franchise-related legislative developments and case law, with an emphasis on important lessons to be learned from the leading cases. Attendees then have the opportunity to choose three of six unique concurrent workshops designed to help franchise systems understand the legal issues relevant to the current economic climate and excel despite these challenges including 8 roundtable discussions. With no repeated topics this year, be sure to bring along a co-worker to gain the most benefit from these invaluable workshops.

Whether you are or represent an existing Canadian franchisor or a franchisee, a Canadian start-up developing a new franchise system, or a leading global franchisor poised to enter the Canadian market, CFA Franchise Law Day is an event you don't want to miss.

Register Now for Canada's leading conference on franchise law.



Andraya Frith
Partner
Osler Hoskin & Harcourt LLP
CFA Legal Day Co-Chair



Lloyd Hoffer
Partner
Hoffer Adler LLP
CFA Legal Day Co-Chair

Agenda

8:00 – 8:30 A.M.

Registration and Continental Breakfast

8:30 – 8:45 A.M.

Welcome and Introductory Remarks

8:45 – 9:45 A.M.

Breakfast Lounge

9:50 – 10:50 A.M.

Concurrent Workshops – Group 1

10:50 – 11:00 A.M.

Refreshment Break

11:00 – 11:30 A.M.

First Roundtable Sessions

11:35 A.M. – 12:10 P.M.

Second Roundtable Sessions

12:15 – 1:25 P.M.

Lunch and Keynote Speaker:
**Peter Druxerman, Vice-President,
Marketing, DRUXY'S Inc.**

1:30 – 2:30 P.M.

Concurrent Workshops – Group 2

2:35 – 3:35 P.M.

Concurrent Workshops – Group 3

3:35 – 3:40 P.M.

Refreshment Break in Plenary Room

3:40 – 4:45 P.M.

Plenary Session: Legal and Legislative Update

4:45 – 5:00 P.M.

Closing Remarks and Prize Draw

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KEYNOTE SPEAKER



12:55 – 1:25 P.M.

“DRUXY’S FAMOUS DELI – 36 YEARS OF LEARNING”

Peter Druxerman,
Vice-President, Marketing, DRUXY’S Inc.



In October 1976, Bruce Druxerman opened the first DRUXY’S deli at Royal Bank Plaza in Toronto. After 36 years of ups and downs and ups again with conversion from a corporate to a franchise system, new designs, new concepts, and forever evolving with the competitive environment, we continue to learn what being a restaurateur and a franchisor is all about. What we have learned most of all is that there are several critical factors to success: patience, persistence and the ability to learn and change as the world around you evolves. During this presentation, Peter Druxerman, the youngest of the three Druxerman brothers who own and operate DRUXY’S, will share their history, anecdotes and philosophies. This keynote presentation will prove to be an interesting and informative session for anyone who has dreamed but never stepped foot into the world of small business or those who want to reminisce about the joys and heartaches of that leap.

BREAKFAST LOUNGE

8:45 – 9:45 A.M.

MODERATOR:

Susan Friedman, *Vice-President, Partner, Davis LLP*

PANELLISTS:

Joseph Adler, *Partner, Hoffer Adler LLP*

Graham Cooke, *VP, New Restaurant Expansion,
A&W Food Services of Canada Inc.*

Ash Vasdani, *Franchisee, McDonald’s Restaurants Canada Ltd.*

Steve Kahansky, *Deputy General Counsel, TDL Group (Tim Hortons)*

Bridging Business and the Law: Our panel will discuss critical issues facing the franchising industry in the context of today’s business and legal environment. With perspectives coming from a national franchisor, a franchisee, in-side counsel, and outside counsel, attendees will get a good cross-section of views on the key issues to think about in 2012 and beyond.

PLENARY SESSION

3:40 – 4:45 P.M.

LEGAL AND LEGISLATIVE UPDATE

David Shaw, *Blake, Cassels & Graydon LLP*

Jonathon Baker, *Wardle Daley Bernstein LLP*

This session will highlight the past year’s franchise-related legislative developments and case law, with an emphasis on important lessons to be learned from the leading cases.



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CONCURRENT WORKSHOPS (CHOOSE ONE SESSION FROM EACH GROUP TO ATTEND)

Group 1

9:50 – 10:50 A.M.

SUPPORT BY FRANCHISORS - HOW MUCH IS REQUIRED BY LAW?

John Rogers,
Davis LLP
Derek Ronde,
Cassels Brock & Blackwell LLP

The obligations of franchisors to franchisees in respect of day-to-day support is an often overlooked and under-analysed topic in the area of Canadian franchise law. John Rogers and Derek Ronde examine what constitutes the requisite level of franchisee support, detail recent reported cases on this topic, and provide general suggestions intended to assist franchisors in meeting the standards required by law.

OR

RISKY BUSINESS? EXEMPTIONS FROM DISCLOSURE

Darrell Jarvis,
Fasken Martineau Dumoulin LLP
George Eydtt,
Hodgson Russ Attorneys LLP

The Arthur Wishart Act contains a number of exemptions from the obligation to provide a disclosure document to a prospective franchisee. While on their face some of the exemptions may look attractive, many lawyers and franchisors view these exemptions as 'traps for the unwary'. This session will look at the possible exemptions and explore when they may be safe to use and when they are better left alone.

Group 2

1:30 – 2:30 P.M.

VALUING FRANCHISES

Ned Levitt,
Aird & Berlis LLP
Bruce S. Schaeffer,
Franchise Valuations Limited

This plenary session will delve into the often misunderstood area of franchise valuations. The panel will explore the modern valuation principles in a wide range of franchise scenarios including M&A and partnership disputes as well as the separate characteristics of master franchises, area/territorial franchises, unit franchise re-sales and entire franchise systems. The panel will also discuss the challenging area of damage valuations in litigation and the all too often neglected valuation issues for succession and retirement planning. The panel will also review current data on valuation multiples such as EBITDA and percentage of sales and discount rates in the current economic environment.

OR

DON'T SEND THAT EMAIL! – WHAT CANADA'S NEW ANTI-SPAM LEGISLATION MEANS FOR YOU?

Dominic Mochrie,
Osler, Hoskin & Harcourt LLP
Bernice Karn,
Cassels Brock & Blackwell LLP

When it comes into force, Canada's new anti-spam legislation will impose onerous obligations on any business sending commercial email, not just what is typically thought of as "spam". Given the significant financial penalties and the private right of action, franchisors need to know how this legislation will affect their operations.

Group 3

2:35 – 3:35 P.M.

UNDERSTANDING YOUR RIGHT TO TERMINATE: LEGAL AND TACTICAL CONSIDERATIONS ON THE BREAKDOWN OF THE FRANCHISEE RELATIONSHIP

Jane Langford,
McCarthy Tetrault LLP
Allan Dick,
Sotos LLP

Every franchise system requires some method by which the franchisor can terminate or "non-renew" a franchisee, whether for performance-related reasons or to effect system-wide changes for the good of the network. The exercise of termination or non-renewal rights, however, has perhaps the greatest potential to lead to litigation vis-à-vis other rights. This presentation will explore a number of the legal and tactical considerations that arise in this context.

OR

TAXATION OF FRANCHISES: FROM HOME AND ABROAD

Jack Hertzberg,
Harris & Partners LLP
Michael Friedman,
McMillan LLP

Careful advance tax planning is often critical to stress-free franchise expansion into Canada. This session will provide a pragmatic guide to identifying the Canadian tax issues and opportunities that franchisors and franchisees encounter throughout the franchise life-cycle, from the commencement of a franchising relationship through the sale of successful operations.



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ROUNDTABLE SESSIONS

FIRST SESSION: 11:00 – 11:30 A.M.

SECOND SESSION: 11:35 – 12:10 P.M.

1. SOCIAL MEDIA

Facilitator: **Chad Finkelstein**, *Partner, Dale & Lessmann LLP*

Establishing a social media presence is essential to building brand awareness but what are the implications of permitting individual franchisees to have social media profiles? Explore when and how to establish social media policies for franchisees, employees and users.

2. MANAGING DEFAULTING FRANCHISEES

Facilitator: **Sylvie Patenaude**, *Partner, Sicotte Guilbault LLP*

Maintaining positive franchisee relations is key to any system's success but franchisors occasionally must deal with defaulting franchisees. How harsh should you be when enforcing your contractual rights? How do you observe good faith and fair dealing obligations when addressing a franchisee's default? Discuss strategies and share your experiences at this roundtable session.

3. FRANCHISE BUY BACKS

Facilitator: **Jonathan Zepp**, *Partner, Robins Appleby & Taub*

This roundtable will address a number of questions related to franchise buy backs. In particular, does the franchisor have any residual risks after a franchise buy back? How can the franchisor ensure it will not be restricted from selling to a new franchisee? Can the franchisor be responsible for any of the selling franchisee's liabilities? Get the answers to these and other questions at this informative session.

4. ONTARIO / QUEBEC CROSS BORDER ISSUES

Facilitator: **Jean Bedard**, *Principal, Bedard Business Law*

They might be bordering provinces but Ontario and Quebec have distinct cultural, legal and economic landscapes that make expansion into each uniquely challenging. This session will explore the benefits of having a cross-border presence, examine the barriers to entry in each market and offer suggestions for overcoming these challenges.

5. IMPLEMENTING SYSTEM CHANGE

Facilitator: **Debi Sutin**, *Partner, Gowling Lafleur Henderson LLP*

Change and progress often go hand-in-hand but there are a number of legal implications that affect a franchisor's ability to implement system-wide changes. How does the

Duty of Fair Dealing impact a franchisor's right to modify the system? Should franchisors collaborate with franchisees when developing system changes? Learn and share best practices for implementing system change.

6. MEDIATION / ARBITRATION

Facilitator: **Steve Goldman**, *Partner, Goldman Hine LLP*

Disputes between franchisors and franchisees can often be kept out of court through mediation or arbitration. How can franchisors effectively use these methods of dispute resolution and what are the pros and cons of each? Should your franchise agreement address arbitration and mediation and what are the implications of failing to do so? Explore these and other issues related to dispute resolution.

7. RENEWALS AND TRANSFERS

Facilitators: **Daniel So**, *Partner*, and **Melissa Won**, *Lawyer, McKenzie Lake Lawyers LLP*

In light of recent court rulings, how can franchisors ensure compliance with the Arthur Wishart Act throughout the renewal process? Is there any place for releases in the renewal context in the aftermath of recent case law? What level of franchisor involvement is appropriate upon the transfer of an existing franchised business? Gain clarity on these issues and more with this timely session.

8. NON-COMPETITION COVENANTS

Facilitator: **Derwin Wong**, *Associate, Morrison Brown Sosnovitch LLP*

As a franchisor, how can you prevent franchisees from using what they learn in your system to compete against you in the future? This session explores the practical and legal considerations for enforcing non-competition covenants.

9. DISCLOSURE

Facilitator: **Richard Leblanc**, *Partner, Miller Thomson LLP*

Exactly what and how much information are you required to disclose to prospective franchisees? What qualifies as part of a franchise agreement and how do you treat internal issues that could impact your system? Discuss your rights and responsibilities with respect to franchise disclosure.

10. CLASS AND MULTI-PARTY ACTIONS

Facilitator: **Jonathan Lisus**, *Partner, Lax O' Sullivan Scott Lisus LLP*

Class action lawsuits can seriously harm a franchisor's reputation. Learn what you can do to avoid them and what franchisees can do to justify them at this important roundtable discussion.

Space is limited! Register Today!



FEBRUARY 2, 2012

THE OLD MILL • TORONTO, ON

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Register now for CFA Franchise Law Day on February 2 at The Old Mill in Toronto, Ontario, CFA Franchise Law Day will provide critical insights into the most pressing legal developments facing Canada's thriving yet highly competitive franchise environment. The Canadian Franchise Association is pleased to offer all Ontario Bar Association (OBA) Members the CFA member rate for this event.

The full-day event will begin with a plenary session. Attendees will then have the opportunity to participate in concurrent workshops designed to help franchise systems understand the legal issues. The CFA Franchise Law Day expert speakers and session leaders are among Canada's foremost lawyers and include in-house and outside counsel as well as franchisors. They will offer a best practice approach to provide the greatest practical information for you and your franchise system.

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IT'S EASY TO REGISTER

Call: 416-695-2896 / 800-665-4232 ext. 228 • Fax: 416-695-1950 • Email: atimal@cfa.ca

Mail: Canadian Franchise Association, 5399 Eglinton Avenue West, Suite 116, Toronto, ON M9C 5K6

Name: _____

Company: _____

Address: _____

City: _____ Province: _____ Postal Code: _____

Tel: () - _____ Fax: () - _____ E-mail: _____

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REGISTRATION:

Registrant	Company	Dietary Restriction	CFA / OBA Member (\$259)	Non-Member (\$359)	Subtotal

Subtotal: _____

PLUS 13% HST (R122972920): _____

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Cheque enclosed (payable to the Canadian Franchise Association)

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All prices are quoted in Canadian dollars. HST Registration Number R122972920. All cancellations must be sent in writing to the CFA. Full refunds less a \$100 administration fee will be made on cancellations received on or before Monday, January 2, 2012. Cancellations after this date will not be eligible for refunds or credit, but may be transferred to another individual from the same company for this event. The sponsors and management of the meeting reserve the right to make necessary changes to this program. Every effort will be made to keep the presentations and speakers as represented. However, unforeseen circumstances may result in the substitution or cancellation of a presentation topic or speaker. CFA provides delegate contact information (excluding e-mail) to meeting sponsors and exhibitors.

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