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## Understanding Conflict in the Franchised Restaurant Industry: Insights from Court Records

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### **Abstract:**

*Relationships between franchisees and franchisors are susceptible to conflicts. This exploratory study employed a content analysis using a data triangulation of New York court records (23 cases, 3 dismissed) spanning from 1957 to 2016 and IFA corporate databases to explore the causes of conflict in the franchised restaurant industry. The findings revealed that the courts dismissed three lawsuits on jurisdictional grounds at the preliminary litigation stage. Out of the 20 cases, the courts found that 13 cases filed by the franchisees had no meritorious causes of action. This leads to a belief that the franchisees did not obtain sufficient advice from their attorneys or that they did not arbitrate their conflicts before filing the lawsuits. The primary theoretical implication of this study is that parties in franchising may recognize the red flags in conflict before advancing to the litigation stage. This would help the parties of interest to mitigate the tension in their relationship. Among the practical implications of this study include the recommendation for a better franchising regulation which safeguards the interests of all stakeholders. Policymakers should consider mandating arbitration clauses in the franchising agreements to balance the relationship between franchisees and franchisors.*

**Keywords:** Restaurant industry, franchise, conflict, coding matrix, content analysis

### **1. Introduction**

International Franchise Association (IFA) President & CEO Steve Caldeira said, "Franchising is an American success story. Independently owned and operated local franchise businesses are growing faster, creating more jobs at a quicker pace and producing higher sales growth than other businesses. Franchising is a vital engine of economic expansion in the United States..." (IFA, 2015). As such, the franchising industry is a catalyst for creating more new entrepreneurs and venturing into exclusive geographical territory. More than 70 countries around the globe acknowledge the operation of franchise business systems (IFA, 2016). In the US alone, the total franchised units were recorded at 795,932 establishments in 2016, with a total combination of full-service and quick-service restaurants (QSR) accounting for 198,083 of those units (IHS Economics, 2016). Interestingly, the food sector still prevails, with 25% of the total franchise market share (Franchise Direct, 2016). The franchise business model has attracted many entrepreneurs, particularly in the food and beverage (F&B) sector, for many reasons, including more financial advantages and lower risk compared to independently-owned restaurants (Keeling, 2001), higher profitability (Shelton, 1967), cost and time saving during the start-up stage (Mendelsohn, 1990), relatively low expenses for expansion (Shane, 1996), and higher survival rate (Williams, 1992).

However, the franchise sector is not without any compelling issues or conflicts. Because of the unique relationships in franchises, franchising is a conducive platform for the parties of interest in the franchise to initiate a lawsuit (Miller, n.d). A great deal of dissatisfaction has occurred in the franchise relationship due to the lack of power balance between parties and the resulting conflict experienced in the relationship (Hough, 1986). This imbalance was observed by Spencer (2007), who observed that the clauses contained in the franchising agreements are normally biased towards the franchisor's interests instead of the franchisee's. Conflict between the franchisor and franchisee has been identified as one of the factors for the broken relationships in franchises (Frazer & Winzar, 2005). As a result of this situation, the failure rate in the restaurant industry was recorded as high as 60% during the first year of operation (Parsa, Self, Njite, & King, 2005), while approximately 80-90% of restaurants went out of business within the first five years (Justis & Judd, 1989). In a survey of 70 franchisees of fast food restaurants, it was reported that 23% did not manage to break even after the second full year of operation (Wadsworth, 1999). Parsa et al. (2005) also found that the failure rate for franchised restaurant chains over a three-year period was cumulated at 57%, and 70% to 75% of new franchised units ceased operation (Lafontaine & Shaw, 1998).

As the franchising affairs are more complex than they appear on the franchise agreement, parties in franchises could be experiencing contradictory objectives through their business relationship, and this may lead to dissatisfaction of either

party and spark conflict (Grace, Weaven, Frazer & Giddings, 2013). According to the International Franchise Association report, the National Franchise Mediation Program (NFMP) was established to assist parties in franchising to overcome their disputes. Since NFMP's establishment in 1993, more than 90% of dispute cases referred to them were settled through mediation processes. Early recognition of problematic relationships might be useful to mitigate the loss and failure of franchised restaurants (Holmberg & Morgan, 2004). With the continuous expansion of the franchising industry, more empirical research is still needed to understand the causes of conflict in franchise relationships. Combs, Michael, and Castrogiovanni (2004) suggest that future research should attempt to investigate the causes of franchise failure. Thus, using a content analysis approach to court cases, this study attempts to identify the factors that drive the aggrieved parties to seek remedies from the courts.

The purpose of this study is to explore the characteristics of conflicts experienced by franchisees and franchisors in restaurant franchising based on the New York State court records. This study also attempts to describe the causes of action filed by the dissatisfied parties and to interpret the court's opinion in addressing the causes of action claimed by the aggrieved parties. This study will employ data and methodological triangulation methods to produce meaningful information to answer the research questions. The findings of this study contribute to the theoretical and practical implications, particularly in restaurant franchising and in the franchising industry generally.

## 2. Literature Review

### 2.1. Franchising Development

The long franchising history in the US dates back to the 1840s. Initially, the franchising business model was used by Cyrus McCormick to expand the distribution of his reapers (Haulk, 2015). Another entrepreneur, Isaac M. Singer, grew his sewing machine manufacturing plant through a distributorship concept known as a franchisee (FranChoice, 2012). The economic force during the post-war era led the franchising industry to experience exponential growth (Blackford & Kerr, 2015). Almost 400 US-based firms penetrated the global market through international expansion, with nearly 39,000 business units operating in Canada, Japan, Australia, the UK, and Europe (Preble & Hoffinan, 1995). As reported in 2007 US Census Bureau (US CB) statistics, the number of franchise establishments has reached 4.3 million units, covering 295 sectors with total employment of almost 60 million people.

The Economic Census Franchise Report is a collaborative work between the US CB and the International Franchise Association (IFA), and it offers comprehensive data on the franchising industry in the US (Lafontaine & Slade, 2015; Smith, 2010). In many instances, the US courts play a significant role in defining industrial disputes that require judicial interpretation. In a recent development on a joint-employer interpretation debacle, it was decided that McDonald's USA LLC, the master franchisor, and their franchisees were held jointly liable for unfair employment practices at their franchise restaurants, as both were joint employers (Hoover, 2016). This controversial decision has led to extensive reviews of franchise relationships on several fronts (Wells, 2016). Prior to this controversial case, both franchisor and franchisee were considered as part of a principal-agent relationship, as stipulated in agreements (Opincar, 2016). However, they are now considered joint employers. Based on the court rulings, the National Labor Relations Board (NLRB) has issued a new directive to enforce the implementation of joint employment, not only to the franchising industry but also to other economic sectors (Lamar, 2015). On the other hand, the court rulings have impacted negatively the franchisor's expansion plans and furthered US economic growth (FRANdata, 2015).

### 2.2. Restaurant Franchising in the US

After World War II, the franchising industry experienced rapid growth because of the return of veterans who needed jobs. However, since there were not many jobs available, operating a franchise outlet was the best alternative (Illitschko, 2010). Almost every consumer product and service was franchised, including coin-operated laundries, day-care centers, lawn-care services, fast-food restaurants, car dealers, gas retailers, and motels. At this time, the industry was self-regulated by individual firms (Blackford & Kerr, 2015). For example, A&W Root Beer was the first known franchise beverage distributor in US history. Starting in 1924, the early establishment of A&W was not standardized in many ways except for the A&W root beer and its trademark (Smith, 2013).

Since the early growth of franchising, restaurant chains, particularly fast food, have become the most popular sector compared to others (Preble & Hoffman, 1995). In line with this development, restaurant chains have emerged as a compelling force in the franchising industry (Bradach, 1998). However, businesses are exposed to litigation risk due to their complicated activities, with no exception in the restaurant franchising industry. Because franchising deals with a system (Rothenburg, 1973), disputes are inevitable, primarily through the expansion process (Minkler, 1992). Some disputes resulted in changing ownership of the restaurant and operation closure (Watson & Everett, 1996), while others ended up bankrupt, merged, or acquired (Bruno & Leidecker, 1988). All these consequences are considered failures except a merger, which could create a new business entity (Carroll & Delacroix, 1982). About 60% of restaurants failed during their first three years of operation (Parsa, Self, Njite, & King, 2005). On the other hand, the loan default rate of franchise restaurants is marginally higher than independently owned outlets (Jackson, 2014). Business loan default is an indicator of financial issues, which normally emerge at the end of the credit cycle (Richter, 2016).

Early recognition of factors that lead to disputes could deter severely broken relationships between franchisors and franchisees. When potential reconciliation is feasible, it will help foster the business relationship, which consequently could lead to profitability.

### 2.3. Theories on Conflict in Franchising

The structure of this exploratory study is based on relational conflict theory (Spinelli & Birley, 1996), institutional theory (Scott, 2007), and conflict management theory (Antia, Zheng & Frazier, 2013). The core premises discussed under relational conflicts are solidarity, role integrity, and mutuality. In solidarity, individual business transactions must be completed through the implementation of contract law. In franchise relationships, both parties observe each behavior and develop trust to remain positive in the relationship. As for role integrity, both parties (franchisor and franchisee) must adhere to what they have agreed upon and put forth effort to meet their expectations. In practice, this is performed by signing the franchise disclosure document. Also, mutuality deals with the even distribution of commercial transactions between both franchisor and franchisee. Any potential conflict that appears in the franchise relationship is the result of dissatisfied franchisees or franchisors and, if left unsolved, will definitely culminate in a legal dispute (Spinelli & Birley, 1996).

Legal mechanisms are enacted to impose regulatory control over the progress of franchise development and affairs. Effective regulation accomplishes its objectives. Institutional theory is well-founded by three major forces: regulative, normative and cultural-cognitive (Scott, 2007). The regulative force is sourced from government and industry regulations and policies. The normative strand involves values, expectations, and standards. In regard to the cultural-cognitive, it deals with the organizational and social structures that shape the behaviors of the members. The institutional theory pays intensive attention to several issues that occur in franchise relationships, such as measuring the estimated risks and offering reliable information that is accessible and applicable to the franchisee. The disclosure should guarantee that the franchisee will be able to carry out his duty upon the information given. Lacking all these elements may result in ineffective regulation. Therefore, the aims of the enacted law are not achievable (Spencer, 2008).

Under the conflict management theory, any dissatisfied party will initiate legal action to reach a resolution. This theory observes the franchise ownership structure, which varies from one entity to another, the type of litigation initiation and resolution, and the litigation outcomes. These components are vital to prevent future disputes which may cause monetary losses and reputation damage to the franchising industry (Antia et al., 2013).

Over the decades, many scholars have attempted to provide answers to an intriguing question of how to mitigate and provide the best resolution to conflicts in franchising. Industry disputes require court intervention when the parties fail to resolve their disagreement after the arbitration process. Litigation proceedings between franchise parties of interest indicate a serious manifestation of conflict (Antia et al., 2013). Franchising regulatory-related issues have been addressed by academicians and legal practitioners. For instance, some works dealt with franchising encroachment issues (Vincent, 1998), the nature of the code of ethics among international franchise associations (Preble & Hoffinan, 1999), the antitrust issues in franchising agreements (McDavid & Steuer, 1999), legal consideration in franchise agreement renewal (Tractenberg, Cauhan & Luciano, 2003), regulating the franchise relationship (Steinberg & Lescatre, 2004), a comparison of legal framework in EU and US franchising (Kieninger, 2005), and imperative application of laws to international franchising contracts (Lapiedra, Palau & Reig, 2012), just to name a few.

### 2.4. Gap in Literature

Despite a demand for research focusing on legal issues surrounding conflict in franchising (Lafontaine, 2014), this area receives the least attention from scholars. Recently, Lafontaine (2014) urged the prospect franchising research direction to pay more attention to the regulatory realm that forms the contractual relationship in franchising. As such, the industry needs more empirical studies with regard to its legal interpretation to provide a clear understanding of the franchise structure and its stakeholders' relationships. With a broad compass of franchising research, a significant gap with regard to court interpretation still exists. This study aims to identify the causes of action for the lawsuits filed and scrutinize the judicial reasoning on franchise conflict in the US landscape, particularly in New York State, which appears not to have been previously studied.

### 2.5. Research Questions

This study is designed to provide answers to the following questions:

- What are the characteristics of conflict in restaurant franchising as experienced by the franchisees and franchisors based on the New York State court records?
- What are the types of franchising business models involved in the lawsuits?
- Who were the case initiators: franchisees or franchisors? Were they international or domestic?
- Based on the court records, what causes of action were filed in courts?
- What types of conflict gave rise to the causes of action filed in courts?
- Which causes of action were the most prevalent?
- How did the court address the conflicts based on the causes of action filed?

## 3. Methodology

### 3.1. Research Design

Franchising-related research has long been gaining interest from many researchers to investigate its unique and broad context (Nijmeijer et al., 2014; Combs et al., 2004; Quinn & Doherty, 2000; Elango & Fried, 1997). The qualitative approach is an umbrella term for a diverse approach in research work, including mixed methods, phenomenology, ethnography, inductive thematic analysis, grounded theory, case study, discourse analysis, and narrative analysis (Guest,

Namey, & Mitchell, 2013). However, in response to multi-disciplinary topics in the franchise research domain, a quantitative approach has taken a great share in many research studies (Law et al., 2012). An early literature observation made over 13 years (1986 to 1999) demonstrated that a qualitative approach was not evident in franchising-related research (Young, McIntyre & Green, 2000). The absence of qualitative studies in franchise research is a drawback in understanding the genuine experiences among franchisors and franchisees (Gauzente, 2002).

In an effort to provide answers to the research questions, this exploratory study applied a content analysis inductive approach (Yin, 2016; Mayring, 2000), which is considered the most appropriate research design to delve into the causes of franchise conflict to understand those parties' causes of action and to decipher the court opinion in solving those arising conflicts. The inductive approach generates themes and categories from the raw data to make meaningful findings through summative content analysis (Hsieh & Shannon, 2005). The summative content analysis begins with a quantifying process of the words or textual contents, and then it broadens the coded themes into latent interpretations (Zhang & Wildemuth, 2009). This study adapts the content analysis framework (Table 1) as suggested by Zhang and Wildemuth (2009).

Steps	Actions
Step 1	<b>Decide</b> if content analysis is the most appropriate research design
Step 2	<b>Identity</b> representative of samples
Step 3	<b>Determine</b> unit of analysis
Step 4	<b>Collect</b> data from State of New York com! records and IFA database
Step 5	<b>Analyze</b> data using data and methodological triangulations
Step 6	<b>Assess</b> the coding consistency
Step 7	<b>Report</b> the methods and the findings
Step 8	<b>Draw</b> conclusion from the findings

Table 1: Content Analysis Framework Adapted from Zhang and Wildemuth (2009)

During the content analysis, data and methodological triangulations were employed to enhance the trustworthiness of the data. Further, coding schemes were established inductively manually in four cycles (Yin, 2016; Marying, 2000). In the first cycle, the researchers must determine the level of abstraction of the data. Next, the data should be analyzed by developing thematic and coded categories inductively. During the third cycle, the data are categorized into a specific franchising sector. Further, the data are refined into thematic categories to infer their manifest and latent meanings in the final cycle. After the completion of manual coding, the data are cross-verified using Computer Assisted Qualitative Data Analysis (CAQDAS): Microsoft Excel and NVivo.

### 3.2. Triangulation in Data Collection

The fundamental purpose of performing triangulation in the data collection process is to obtain data from various sources by implementing multiple methods or theories (Arksey & Knight, 1999). The triangulation approach may exist in four primary settings: data triangulation, theoretical triangulation, investigator triangulation, and methodological triangulation (Denzin, 1989). A combination of those triangulations is possible and contributes to the accuracy of the study (Carpenter, 2011). Moreover, Shenton (2004) suggested that data triangulation could be employed from a diverse range of documents. Additionally, Krippendorff (2013) states, "content analysis is a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use" (p. 24). For this current study, data and methodological triangulation approaches were incorporated during the data collection process to increase the trustworthiness of the data.

#### 3.2.1. Data Triangulation Protocol

Data triangulation can be obtained from multiple sources or at different times to increase the quality of data (Hair, Celsi, Money, Samouel & Page, 2011), which compensates for the weaknesses in the existing data (UNAIDS, 2010) and therefore strengthens the validity and reliability of the findings. For this current study, a set of archival documents containing data on the franchise firms and court records were retrieved and gathered from two primary data sources: IF A database and New York State Unified Court System. Both data sources are publicly accessible online.

#### 3.2.2. Methodological Triangulation Protocol

For this study, the inductive approach of the data analysis method is adapted from Yin (2016) and Mayring (2000) with some modifications to fit the current research design. The inductive approach is when a researcher interprets raw data from textual materials to derive meaningful themes or concepts (Thomas, 2006). Yin (2016) outlines five analytic phases: compiling, disassembling, reassembling, interpreting and concluding. The first three analytic phases were performed in two major stages: manual coding and CAQDAS. Manual coding was performed in the first stage, which consisted of four cycles. In the next phase, the data coding process used CAQDAS, for example, Excel and NVivo, to cross-verify the themes selected in the study and to reduce the threats to validity (Siccama & Penna, 2008). This method was also used to mitigate the potential drawbacks that emerged in the manual coding process. The flowchart of the data analysis, as outlined in step 5 of the content analysis framework, is presented in figure 1.

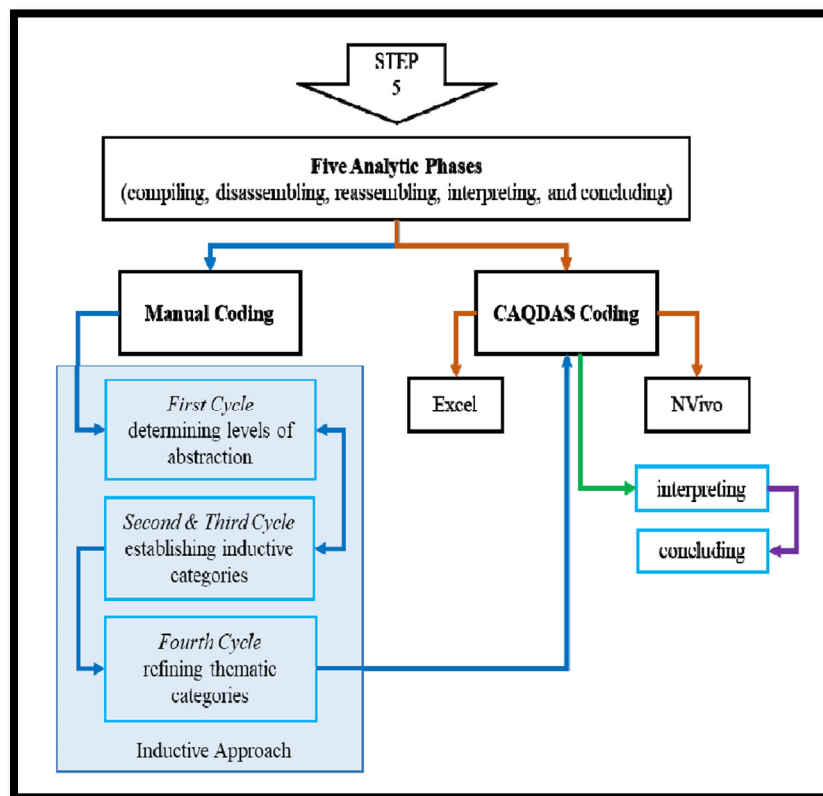


Figure 1: Data Analysis Procedures Using Five Analytic Phases

3.3. Data Collection Process

A systematic data collection process in content analysis is essential to ensure the accuracy of data retrieved and collected, preserve data integrity, and offer scientific validity of research findings. This study’s data collection process consists of three components: coding frame, unit of analysis, and retrieval of the data.

3.3.1. Coding Frame

Three coding matrices were created to frame the selected themes based on the data and the literature (Strauss & Corbin, 2008). Each coding matrix represents themes and addresses specific research questions. Themes in table 2 answer the first question and its sub-questions; themes in tables 3 and 4 respond to the second question and its sub-questions.

Main Theme	Sub-themes
Conflict	Non-compliance Fraud Unfair competition Unauthorized use of trademarks or trade names Interference Disruption of product or services Misrepresentation Duress

Table 2: Themes of Conflict

Main Theme	Sub-themes		
	Claims	Issues on	Seeking
Causes of action	Termination of agreement(s)	Encroachment Unfair competition Deception of public Indemnifications Inducement	Monetary damages Summary judgment Injunctive relief Motion to dismiss complain Restitution
	Breach or violation of agreement(s) or regulations	Use of trademarks or trade name Jurisdiction Provisions in agreements	Specific order

Table 3: Coding Matrix: Themes for Causes of Action

Main Theme	Sub-themes			
	Jurisdiction	Preliminary Order	Causes of Action	Orders
Court's opinions	Within	Motion or injunction granted	With merit	Motion or injunction granted
	Outside	Motion or injunction dismissed or reversed	Without merit	Motion or injunction dismissed or denied

Table 4: Coding Matrix: Themes for Court's Opinions

### 3.3.2. Unit of Analysis

The unit of analysis in this study was all court cases filed by either party (franchisor or franchisee) in New York State and available from the New York State Unified Court System website. According to Holsti (1969), content analysis comprises a systematic mechanism of gathering, categorizing, analyzing, and summarizing non-numeric data into purposeful information, which allows the drawing of valid deductions or inferences in an objective manner. Content analysis has been employed to investigate broad topic areas in legal-related research works (Hall & Wright, 2008) and examine the trends and patterns in court records (Stemler, 2001).

### 3.3.3. Retrieval of the Data

The data retrieval was a two-step process: data collection from the New York State Court Records Service and validity check from IF A database. During the first step, the researchers used a set of key terms such as "franchise", "franchises", "franchising", "franchisor", "franchisors", "franchisee", and "franchisees" individually and combined to identify court cases. The basic descriptions of the 23 cases used by this study are listed in table 5, and the types of restaurants are shown in figure 2.

Case(s)	Restaurant business model	Case initiator
Case 01	retail ice cream products	franchisee
Case 02	retail ice cream products	franchisee
Case 03	retail ice cream products	franchisor
Case 04	retail ice cream products	franchisor
Case 05	QSR offering fried chicken, pizza, and ribs	franchisor
Case 06	fast food specialized in hotdogs	franchisor
Case 07	Oriental-type steak	franchisee
Case 08	family-oriented Italian cuisine	franchisor
Case 09	fast food	franchisee
Case 10	coffee and baked goods	franchisor
Case 11	retail ice cream products	franchisor
Case 12	retail ice cream products	franchisee
Case 13	coffee and baked goods	franchisor
Case 14	fast food specialized in hotdogs	franchisee
Case 15	QSR and fast casual offering sandwiches	franchisee
Case 16	Swiss-based cafe	franchisee
Case 17	retail ice cream products	franchisee
Case 18	retail ice cream products	franchisor
Case 19	subs, wraps, salads, soups, and desserts	franchisee
Case 20	Kosher burgers	franchisee
Case 21	fast casual offering Southwestern menu	franchisee
Case 22	fast food offering subs, sandwiches, and salads	franchisee
Case 23	Kosher burgers	franchisee

Table 5: Descriptions of Parties in the Court Records



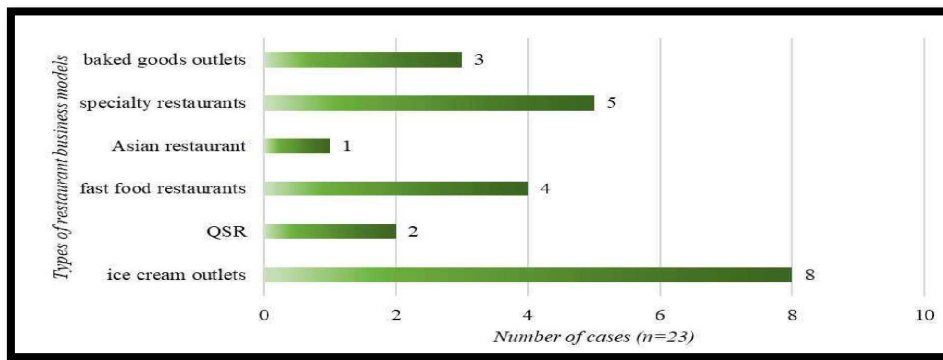


Figure 2: Summary of the Types of Restaurant Business Models

3.4. Data Analysis Methods

The methodological triangulation protocol consists of the phase of manual coding and the phase of the application of Computer Assisted Qualitative Data Analysis (CAQDAS) to cross-verify the themes identified in the manual coding.

3.4.1. Manual Coding

At this phase, textual data are subdivided into categories and offer understanding to the researchers (Dey, 1993). Four consecutive cycles of manual coding were performed using an inductive approach. Each cycle of coding is explained precisely to address the research questions. Codes may exist in various forms of words, phrases, sentences, or whole paragraphs, either unconnected or connected to a focused context (Basit, 2003). They were later categorized in a systematic manner through a complete cycle (Saldana, 2009). The process continued until a saturation stage was reached where no further coding was achievable (Guest, Bunce, & Johnson, 2006). The entire process of the first phase (four cycles) involving the manual coding is shown in figure 3.

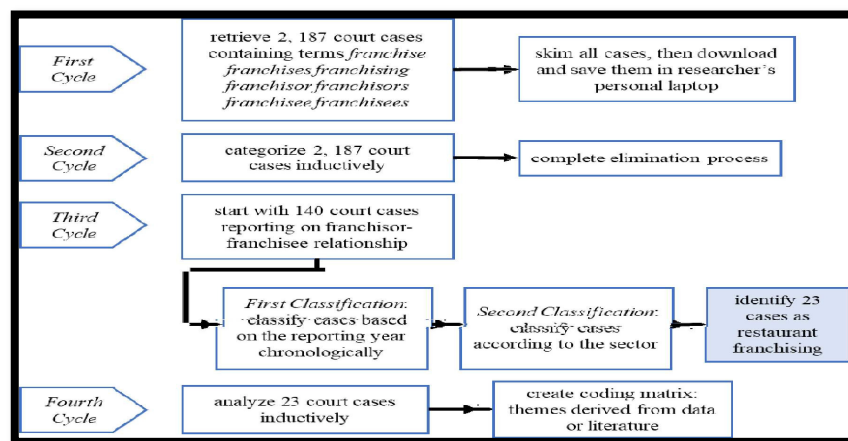


Figure 3: Flowchart of the First Phase: Manual Coding

An intercoder reliability test was conducted to provide appropriate reliability coefficients for each theme coded (Krippendorff, 2013). The first coder is the researcher of this study, and the second coder is a former legal practitioner who has been practising in civil litigation for many years. The acceptable intercoder reliability index used in this exploratory study is .70, as recommended by Lombard, Snyder-Duch, and Bracken (2002). An intercoder reliability test was run separately for each major theme coded as conflict, causes of action, court's opinions, and their sub-themes. Each code value for themes was represented as 1 if the theme appeared in the unit of analysis and as 0 for absent. Several disagreements with the coded themes were corrected by consulting the second coder. The results of percentage agreement for themes conflict, causes of action and court's opinions are presented in tables 6, 7 and 8, respectively.

Sub-themes	Percentage Agreement
Non-compliance	78.3%
Fraud	73.9%
Unfair competition	100%
Unauthorized use of trademark/tradename	100%
Interference	95.7%
Disruption of products and services	100%
Misrepresentation	87%
Duress	95.7%

Table 6: Percentage Agreement of Intercoder Reliability for Theme Conflict

	<b>Sub-themes</b>	<b>Percentage Agreement</b>
Claims	Termination of agreements)	100%
	Breach or violation of agreements) or regulations	95.7%
Issues on	Encroachment	100%
	Indemnification	100%
	Inducement	100%
	Use of trademarks and trade name	100%
	Jurisdiction	100%
	Provisions in agreements	95.7%
Seeking	Monetary damages	95.7%
	Summary judgment	100%
	Injunctive relief	100%
	Motion to dismiss complaint	100%
	Restitution	100%
	Specific order	100%

*Table 7: Percentage Agreement of Intercoder Reliability for Theme Causes of Action*

	<b>Sub-Themes</b>	<b>Percentage Agreement</b>
Jurisdiction	Within	100%
	Outside	100%
Preliminary order	Motion or injunction granted	100%
	Motion or injuncted dismissed or reversed	100%
Causes of action	With merit	100%
	Without merit	100%
Orders	Motion or injunction granted	100%
	Motion or injuncted dismissed or denied	100%

*Table 8: Percentage Agreement of Intercoder Reliability for Theme Court's Opinions*

### 3.4.2. Computer Assisted Qualitative Data Analysis (CAQDAS) Coding

This phase used Microsoft Excel to create a coding matrix and NVivo 11 software, developed by QSR International, to analyze the rich text-based data — the court records. The purpose of implementing CAQDAS as part of the coding process is to cross-verify the themes coded during the manual phase.

### 3.5. Creation of Coding Matrix Using Excel

This process began with 23 court cases involving restaurant franchises. Each case was first downloaded in PDF and labeled with a unique identifier. A table was created in an Excel worksheet containing 23 court cases with their own identifier. Each case was then analyzed individually. A manual verification was employed on the hard copies of court cases by checking them individually to ensure each case was coded accordingly. Themes from Excel were generated using an editing feature, "Find & Select", to complete the coding process. The themes extracted from the excerpts of the court records during the manual phase were copied and pasted into the worksheet in sequence of the identifiers. Then, the coding process was concluded by reporting the frequency of the themes that emerged. It should be noted that only relevant themes to the current study were selected and listed.

### 3.6. Cross-verification Using NVivo

This step started with importing all 23 court cases in PDF into the NVivo "Internals Sources" folder. Each case retained its identifier for easy reference. The coding process was employed in two cycles. The first cycle involved a general coding process using "Nodes", where all cases were pooled and coded simultaneously. The themes generated in this first cycle were copied and pasted into Excel for tabulating purposes. The purpose of performing this first cycle was to obtain the most frequent themes generated from all cases. During the second cycle, each case was coded individually to identify the recurring themes. A "Node" folder was created for each selected theme. Then, the coding process was completed for each case. This second cycle was run three times to ensure the accuracy of the themes. Figure 4 presents a flowchart of the CAQDAS coding process.



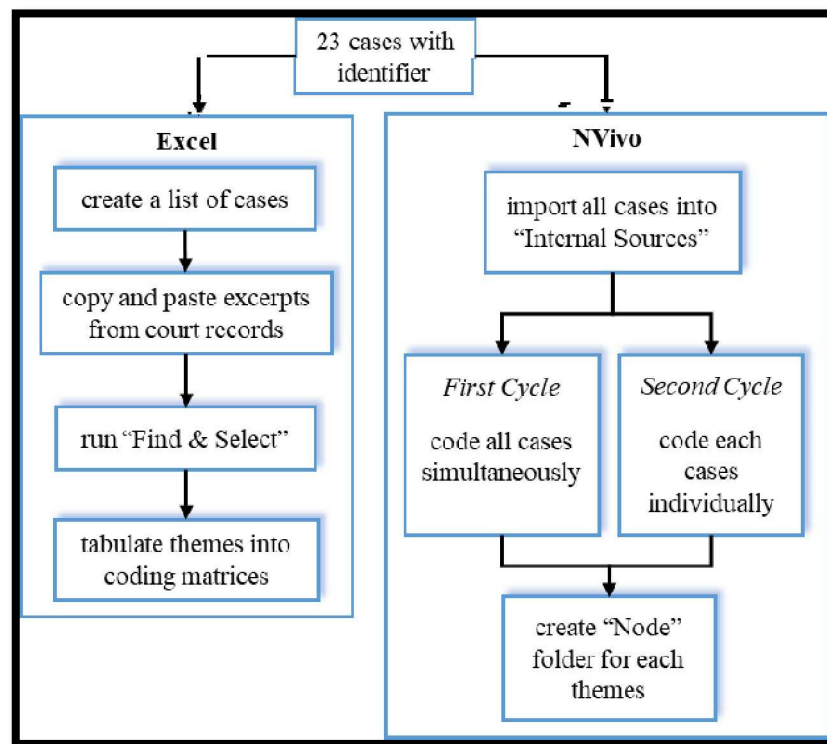


Figure 4: Flowchart of the Second Phase: CAQDAS Coding

## 4. Findings

### 4.1. Summary

As shown in figure 2, ice cream outlets dominated the types of business models in franchised restaurant conflict with a total of eight cases (Case 01, Case 02, Case 03, Case 04, Case 11, Case 12, Case 17, and Case 18) followed by specialty restaurants (five cases: Case 08, Case 19, Case 20, Case 21, and Case 23). Fast food restaurants, baked goods outlets, and QSR business models comprise four (Case 06, Case 09, Case 14, and Case 22), three (Case 10, Case 13, and Case 16), and two cases (Case 08 and Case 18), respectively. Only one Asian restaurant (Case 07) was involved in the franchising conflict.

The findings indicate that a total of 14 restaurant franchisees (Case 01, Case 02, Case 07, Case 09, Case 12, Case 14, Case 15, Case 16, Case 17, Case 19, Case 20, Case 21, Case 22, and Case 23) initiated the lawsuits filed in New York State compared to nine restaurant franchisors (Case 03, Case 04, Case 05, Case 06, Case 08, Case 10, Case 11, Case 13, and Case 18), who initiated the legal suits. Among the eight cases in the ice cream business model, five cases (Case 01, Case 02, Case 11, Case 12, and Case 17) were initiated by the franchisees. It appeared that some court records reported several legal proceedings and consolidated them into one proceeding. This study only considered the first instance in a lawsuit for each case.

The findings show that out of 14 franchisees who initiated the legal actions, only three are international franchisees—namely from Israel (Case 12), Canada (Case 16), and Greece (Case 22), whereas the rest are domestic franchisees. The summary findings of the case initiators and types of franchisees who initiated the legal actions are shown in table 5 and figure 2.

Interestingly, those ice cream outlets were owned by the same corporate entity: Case 01, Case 02, Case 03, Case 04, Case 11, Case 12, Case 17, and Case 18. The first case of ice cream store was reported in 1957 (Case 01), followed by two cases in the year 1959 (Case 02 and Case 03), one case (Case 04, Case 1, and Case 12) for the year 1965, 1984, and 1988 respectively, and two cases (Case 17 and Case 18) in the year 2004. Furthermore, out of eight cases reported operating as an ice cream business model, five cases (Case 01, Case 02, Case 11, Case 12, and Case 17) were initiated by the franchisees, including one international franchisee from Israel (Case 12). On the other hand, the franchisor had initiated four cases (Case 03, Case 04, Case 11, and Case 18) against its franchisees. Case 18 was unique because the franchisor initiated the appeal proceeding against a lawsuit initiated by its three franchisees.

### 4.2. Types of Conflict

Numerous types of conflicts between the franchisors and the franchisees, particularly in restaurant franchising, occurred at any level throughout their business journey. Using the categorization matrix to classify the themes, it appeared that all conflicts originated from various agreements entered by the franchisors and franchisees. As such, the types of conflict are divided into eight categories — namely (i) unfair competition, (ii) unauthorized use of trademarks or trade name, (iii) interference, (iv) fraud, (v) disruption of products supply or services, (vi) non-compliance, (vii) misrepresentation, and (viii) duress.

The findings also suggest that non-compliance with various kinds of agreements and procedural law appears to dominate the types of conflicts that occur between the franchisors and franchisees. Non-compliance was reported in 13

out of 23 restaurant franchising cases. Next, unfair competition was found to occur in four cases. Further, three cases were identified to experience each of the following conflicts: misrepresentation, interference, and unauthorized use of trademarks and tradenames. On the other hand, conflict in duress, fraud, and disruption in product supply and services were found to occur in one case, respectively. It should be noted that five cases have a combination of more than one conflict — Case 11, Case 12, Case 16, Case 17, and Case 23.

#### 4.3. Causes of Action

Either the franchisor or franchisee can initiate a lawsuit by presenting their causes of action. Generally, parties may claim for two primary reasons — namely, breach or violation of various agreements or regulations and termination of various agreements—to initiate the lawsuits. Some cases may contain several causes of action. However, it is the court's duty to determine whether every lawsuit brought to the court's attention has a valid cause of action to be decided upon. Therefore, it is important to identify various kinds of causes of action for each case filed in restaurant franchising that became the court's reasoning to decide accordingly.

The results indicate that each case appears to have a unique factual background that constitutes its own causes of action. The findings indicate that 17 cases (Case 01, Case 02, Case 03, Case 07, Case 08, Case 09, Case 11, Case 12, Case 13, Case 15, Case 16, Case 17, Case 18, Case 19, Case 21, Case 22, and Case 23) were arising out of breach or violation of agreements, three cases (Case 05, Case 06, and Case 10) arose out of termination of agreements and three cases (Case 04, Case 14, and Case 20) for other reasons than breach or termination of agreements- violation of franchise regulations and arbitration awards. Out of the 17 cases alleged for breach or violation of agreements, 12 cases (Case 01, Case 02, Case 07, Case 09, Case 12, Case 15, Case 16, Case 17, Case 19, Case 21, Case 22, and Case 23) were initiated by the franchisees against the franchisors whereas five cases (Case 03, Case 08, Case 11, Case 13, and Case 15) were initiated by the franchisors against their franchisees.

In addition, all cases have more than one cause of action. From the 23 cases analyzed, there are eight sub-themes identified constituting the issues in causes of action: encroachment, unfair competition, deception to the public, indemnifications, inducement, unauthorized use of trademarks or trade names, jurisdiction, and provisions in the agreement. Out of eight issues in causes of action sub-themes, issues relating to the provisions in the agreements are the most prevalent, appearing in 19 out of the 23 cases. The provisions in agreements may include the clauses of limitations, release, restrictive covenant, arbitration, or any specific clauses that are available in those agreements.

#### 4.4. Seeking Judgement

In each case, the party who initiated the lawsuit was also seeking specific judgments. In this regard, there are six sub-themes identified under the theme "seeking judgments" - monetary damages, summary judgment, injunctive relief, motion to dismiss the complaint, restitution, and specific order. It should be noted that the theme "injunctive relief" may include permanent or temporary injunctions sought.

The findings indicated that most parties sought a motion to dismiss complaints. The distribution of parties seeking specific judgments are as follows: five cases (Case 05, Case 06, Case 14, Case 16, and Case 22) sought a motion to dismiss the complaint, four cases (Case 02, Case 11, Case 19, and Case 21) sought summary judgment, two cases (Case 15 and Case 23) sought monetary damages, and two cases (Case 03 and Case 12) also sought injunctive relief. Regarding seeking a specific order and restitution, the findings reveal only two cases (Case 05 and Case 09) and three cases (Case 01, Case 07, and Case 10), respectively. On the other hand, five cases (Case 04, Case 13, Case 15, Case 17, and Case 20) reported that the parties sought a combination of two judgments.

#### 4.5. Summary

A summary finding of 23 cases exhibited in the appendix consists of cases with an identifier, case initiator, business model, types of conflicts, causes of action and its sub-themes, and court's opinions and sub-themes.

### 5. Discussion

To gain a better understanding of the characteristics of the conflicts that occurred between the franchisors and franchisees, this exploratory study used relational conflict theory (Spinelli & Birley, 1996), institutional theory (Scott, 2007), and conflict management theory (Antia et al., 2013) to discuss the theoretical and practical implications of the findings. To achieve the objectives of this study, inductive content analysis was employed to analyze the court records by investigating the characteristics of the conflict that led to the lawsuits filed by either franchisees or franchisors. All court cases were obtained from an online source, i.e., the New York Court Unified System website, and the parties' information in the lawsuits was cross-verified with the IFA database. The primary data were then cross-verified with the franchise association database, particularly on the corporate data. The court records offer rich text data that provide useful information for the franchising industry because filing a lawsuit is the last resort for the aggrieved party to seek judicial interpretation in resolving the conflicts. Data and methodological triangulation approaches were consolidated to produce reliable and valid findings after a thorough elimination process of more than two thousand franchise-related court cases over 60 years yielded evidence of 23 court cases related to restaurant franchising.

#### 5.1. Rational Conflict Theory

The relational conflict theory proposed by Spinelli and Birley (1996) suggests that the structure of franchising is vested in the relationship between the franchisees and franchisors, which is established by contractual norms: solidarity, role integrity, and mutuality that manifest those parties' relationship. This theory emphasizes that the execution of

provisions in the agreement is to ensure the continuity of the relationship during numerous business transactions. Findings from this current study append the relational conflict theory and demonstrate the party's dissatisfaction by filing a lawsuit against the other. Furthermore, the findings indicate that all lawsuits were filed based on two major conflicts: termination of agreements and breach or violation of agreements and franchising regulations.

Relational conflict theory pays attention to the potential conflict at the profit-maximizing stage in general business format franchising. This theory proposes that the contractual performance of the franchisors is the measure of the franchisees' satisfaction. This study explored the characteristics of conflicts experienced by the dissatisfied parties in restaurant franchising that became the causes of action at the litigation stage. While it is true that poor contractual performance by the franchisors is one of the key factors in conflict, the theory further suggests that the valuation of trademarks enjoyed by both parties is an area prone to conflict. Unfortunately, there is no matrix available to guide the parties in franchising in identifying the area susceptible to conflict. Interestingly, this study revealed that non-compliance occurred in 13 cases out of 23 franchised restaurant cases, which makes it the most frequently reported theme conflict compared to other themes. These findings validate a personal reflection on franchise litigation penned by Brody (2008), which identifies the non-compliance of terms and conditions stipulated in franchise agreements as one of the determinants of conflict in the franchising business. Therefore, the coding matrices developed would guide parties in franchising to identify the red flags in conflicts to prevent their relationship from deteriorating.

### 5.2. Institutional Theory

The institutional theory accentuates normative, regulative, and cultural-cognitive components, which integrate within the organization, society and government to create a functional atmosphere (Scott, 2007). In reference to the normative aspect, a total of eight cases operating as ice cream outlets dominated the types of business models in restaurant franchising. The same franchisor company owned all ice cream stores. It appears that the ice cream business model owned by the same franchisor has the most dissatisfied franchisees compared to other business models analyzed. Their dissatisfaction with the franchisor's actions in many ways had led to the initiation of lawsuits in New York State. For example, in Case 12, the franchisor attempted to terminate the franchisee on alleged breach of terms and conditions stipulated in the franchising agreement. The franchisee claimed all business decisions had been approved by the franchisors beforehand. At the same time, the franchisor advertised the recruitment of new franchisees for a higher franchise fee within the same territories. Following is the excerpt from the court record of Case 12 in that regard:

...Convinced that Carvel was trying to terminate their licensing agreement and resell their franchise and distribution rights at a higher price, the plaintiffs filed this suit alleging breach of contract, fraud, and interference with the contractual and business relationships between plaintiffs and their sublicensees (U.S. Ice Cream Corp, v Carvel Corp., 1988, para 11).

This situation evidently shows that the franchisor practised poor managerial strategy within its organizational culture. Parsa (1996) confirmed that poor managerial approaches within the franchised QSR sector in a matured market can propagate conflict. However, this current study submits that conflict could happen in different restaurant business models across all levels of the business life cycle. Therefore, a good corporate culture practised by the franchisor can promote a feasible business model, and this is one of the key factors in avoiding conflict that causes the franchisees' dissatisfaction in operating the restaurant chain business.

This study also found that a total of 14 cases were initiated by franchisees in New York State compared to nine franchisors who initiated the lawsuits. This is a contradictory finding from a previous study by Drahozal (2014) that found that New York State has the highest number of cases initiated by franchisors. The reason for the incompatible findings between these two studies is that the unit of analysis in Drahozal (2014) focused on QSR master franchisor, and the unit of analysis in this current study is aimed at court cases filed by either franchisee or franchisor, restricted to the New York State court records. Further, among those franchisees who initiated the lawsuits, three were international franchisees from Israel, Canada, and Greece (Case 12, Case 16, and Case 22, respectively), which suggest that geographical limitations faced by dissatisfied franchisees would not hold them back from initiating a lawsuit against the franchisors.

Regarding the regulative element, this study attempted to reconcile the imbalance of power of the franchisors towards the franchisees by drawing attention to the basis of causes of action. All cases were initiated based on either breach or violation of agreements and regulations or termination of agreements. Between these two themes, this study identified that breach or violation of agreements by franchisors was the more prevalent cause of action in restaurant franchising, totalling 17 out of 23 cases. Evidently, these findings demonstrate that conflict is likely to develop between the parties due to an imbalance between autonomy and control. This situation is affirmed by Dickey, Harrison McKnight, and George (2008), who argue that conflict emerged when the franchisor's requirement for standardization and control contradicted the franchisee's eagerness for exclusive autonomy in business operation. On the other hand, these discoveries contradict the findings generated from interviews conducted among franchisees by Storholm and Scheuing (1994), who found that it was termination, and not breach or violation, of agreements by the franchisors as one of the major sources of conflict in the franchising business. In essence, by acknowledging the characteristics of the conflicts, this current study proceeds to recommend that franchising regulations should be amended to become more inclusive towards safeguarding the franchisees' interests and rights.

Under the cultural-cognitive component, various actors play important roles in guaranteeing that the aims of the institution are achievable. Here, the actors—organizations, individuals, franchisor and franchisee associations, and policymakers—uphold the beliefs and values embedded through a repeated process over time. The institution is testable, not static, and is subject to readjustment to protect the interests of all actors (Zilber, 2008; DiMaggio, 1988). The findings in this current study showcase those provisions in the franchise contractual agreement, which is a recurring cause of action in the analysis. It signals that the franchisees were the most dissatisfied party in alleging that the franchisors did not

comply with the provisions as stipulated in the agreements. In franchise practices, agreements in franchise businesses are usually biased toward safeguarding the franchisor's interests instead of the franchisees' (Kashyap et al., 2012). As a matter of fact, most franchisees are the new players in the business world and invest all their resources—network, money, time, and energy—with the intent to create more wealth. However, in most cases, the franchisor is the party who breached or violated the agreements. The findings show that most franchisees had opted for litigation as they perceived that the lawsuits were the last resort to solve their conflicts. Alternative dispute resolution (ADR) should be considered by the parties in conflict before proceeding to litigation. Currently, the inclusion of ADR clauses in the franchising agreements is optional.

### 5.3. Conflict Management Theory

This current study examined the causes of action filed in courts by the aggrieved party, representing a final stage in the conflict management cycle (Antia et al., 2013). The conflict management theory quantifies the litigation initiation process and outcomes due to conflicts between franchisees and franchisors. However, it fails to explore the court's opinions in addressing the causes of action experienced by those parties. The findings in this current study supplement that theory by identifying the theme court's opinions. This study found that three lawsuits filed were dismissed or reversed by the courts for jurisdictional reasons, as reported in the court's preliminary orders. These findings suggest that franchisees did not obtain appropriate legal advice from their attorneys, nor did they arbitrate their conflicts before initiating the lawsuits. The dismissal or reversal of cases by the court in the preliminary orders during the initial stage of the case did not free those cases from conflicts as claimed by the case initiators. In fact, there were conflicts that became ground for the cases filed in the court. Those franchisees' perceptions hold true on the basis that most of the conflicts originated from the franchisors' non-compliance with various agreements and other causes of action.

Weaven, Frazer, and Giddings (2010) concluded that most of the franchise attorneys found that franchisees involved in conflict with their franchisors did not perform their due diligence accordingly and had no knowledge or understanding of what they were signing in the agreements. This affirms that the franchisees are the parties who rely heavily on the professional advice rendered by the franchise attorneys. This study revealed that the courts found it was justified to dismiss or reverse the cases accordingly based on the parties' causes of action contained in their pleadings. For example, the court opined in Case 07, "We find, however, that such acts were insufficient to confer jurisdiction over the defendant." The franchising system, during its expansion, crosses geographical boundaries, domestic and international; therefore, deciding the right forum selection is crucial before the dissatisfied party can file the lawsuits. Here, it is imperative that the franchisee's attorney advises their clients accordingly.

Furthermore, the findings in this current study revealed that the courts found 13 cases as having no merit in their causes of action, and thus, the courts denied the motions. On the other hand, seven motions were granted by the courts. It should be noted that courts make a judicial decision based on the law in question and on a case-to-case basis, depending on the causes of action alleged by the case initiator. The courts do not make decisions on the issues of facts. Facts of the case, somehow, are important to assist the court in making fair and sound judgments. According to the regulatory institutional principle, the laws and their enforcement regulate individual and organizational behavior (Spencer, 2008; Scott, 2007). The regulatory legitimacy materializes when the institutional system comes into action to protect the right of the industry to survive (Bruton, Ahlstrom & Li, 2010). As such, the court fulfils its judiciary role by upholding the rule of law to resolve industry conflicts that become the precedents for future lawsuits.

This exploratory study submits unprecedented findings that the courts found most of the cases filed by the franchisees did not have meritorious causes of action to warrant the court's judgments. A pattern derived from a content analysis of court cases reported within a 60-year window demonstrates that conflicts relating to non-compliance with numerous types of agreements were still a compelling concern in the franchising industry. The findings, however, suggest that the franchisees thought their lawsuits posited meritorious causes of action.

### 5.4. Implications of the Findings

#### 5.4.1. Theoretical Implications

One of the important objectives of conducting this current study is to close the gap in the existing literature. The findings generated from this study expand the literature, particularly in franchised restaurant operations and generally in the franchising industry. Based on the lawsuits filed, this study also aimed to gain insights into conflicts experienced by the case initiators, either the franchisee or the franchisor. Previous studies analyzed various types of documents to investigate numerous organizational issues that affected the franchising relationship (Brookes, 2014; Antia et al., 2013; Zachary, McKenny, Short, Davis, & Wu, 2011; Winter, Szulanski, Ringov, & Jensen, 2012; Rondan-Cataluna, Navarro-Garcia, Gamez-Gonzalez, & Rodriguez-Rad, 2012; Hsu & Jang, 2009; Lafontaine & Blair, 2008; Altinay & Wang, 2006; Brickley, Misra, & Van Hom, 2006; Bates, 1995). A study by Antia et al. (2013), which analyzed court records obtained via PACER database, determined the parties' options in conflict management. However, no known study has been found to provide a coding matrix that recognizes the conflicts and causes of action in litigation experienced by franchisees and franchisors.

This current study proves that court records are significant data sources for gaining insights into the conflicts experienced by the dissatisfied party at the litigation stage. Hence, the use of court records in this current study offers unprecedented findings that are significant to the franchising literature in identifying the types of conflicts which led to the initiation of lawsuits by the dissatisfied party. The findings also pinpoint the most prevalent cause of action that requires the court's intervention in resolving the conflicts. As such, this study developed coding matrices comprised of a set of themes and sub-themes derived from the court cases. The themes add to the franchising taxonomy, particularly in

understanding the conflicts experienced by the case initiators, the types of causes of action being filed in courts, and the court's opinions based on the causes of action. The taxonomy can serve as a guideline, especially for novices in the franchising business, in comprehending the conflicts and phenomena recurring in the lawsuits.

Content analysis designs vary from one study to another, depending on their objectives. To provide answers to the research questions, this study used the content analysis method to analyze the court records. This method is appropriate for the purpose of this study, as set out in the earlier chapter, and can be replicated in another study with similar data sources. Even though the data and methodological triangulation frameworks implemented in this study are exploratory in nature and need further empirical studies to test their validity and reliability, they could be useful methods for future research. By the same token, this study also endorses the application of the theoretical framework in Antia et al. (2013), which identifies options for addressing conflict scenarios within a broad ambit of the franchising industry. The findings of this study, with a focus on restaurant franchising enterprises, suggest that the litigation actions taken by dissatisfied parties should be established on meritorious causes of action. This yields a better understanding of the conflict management between the franchisees and franchisors before they progress to the legal battle.

#### 5.4.2. Practical Implications

This current study aims to provide empirical evidence from the court records on what defines the conflicts in franchise relationships, particularly between the franchisee and the franchisor. The practical contributions focus on the stakeholders in the restaurant franchising industry, including the franchisees or potential franchisees, franchisors, franchise experts, and policymakers. Given that this study scrutinized court cases over a 60-year period, the findings are indispensable to the franchising stakeholders in mitigating the negative impact arising from the potential conflicts and thus safeguarding their business relationship. The conflict themes taxonomy, as outlined in the coding matrices, showcases red flags in franchise relationships which should be resolved during the arbitration process. Conflicts, at the litigation stage, are always non-negotiable and non-communicable. That is why parties in lawsuits appoint franchise attorneys to negotiate and communicate on their behalf.

As a matter of fact, getting involved in a lawsuit is expensive, time-consuming, public, and stressful for many parties. However, the conflicts experienced were so intense that the dissatisfied franchisees decided to obtain the judicial interpretation of the causes of action and ask for compensation for their damages by alleging that they were entitled to monetary awards, too. The outcomes from this study suggest that the ADR process should be improved to have more effective binding. Currently, the arbitration practices between franchisor and franchisee are voluntary and subject to the arbitration clauses contained in the franchise agreements (Giller, Wiselgren & Gladdis, 2014). Compared to the litigation process, arbitration is inexpensive and informal, offering speedy disposal, yet it results in binding and conclusive decisions. The decisions made during the arbitration process do not have a precedential effect on current or future cases (Hershman & Caffey, 2008). Therefore, arbitration is the appropriate platform to settle the conflict before the parties opt for litigation. Mandatory inclusion of arbitration clauses in the franchise agreement should be considered by the legislators.

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### Appendix

Cases	Case Initiator	Business Model	Types of Conflict(s)	Causes of Action			Court's Opinions			
				Claims	Issues on	Seeking	Jurisdiction	Preliminary Order	Causes of Action	Orders
Case 01	franchisee	ice cream	MR	BV	EC	RSN	WI	MIG	WOM	MID
Case 02	franchisee	ice cream	UC	BV	PA; UC	SJ	WI	MIG	WOM	MID
Case 03	franchisor	ice cream	TM	BV	TM	IR	WI	MIG	WM	MIG
Case 04	franchisor	ice cream	TM	BV	TM; DP	MD;IR	WI	MIG	WOM	MID
Case 05	franchisor	QSR	UC	TA	PA	MDC	WI	MIG	WOM	MID
Case 06	franchisor	fast food	NC	TA	PA	MDC	WI	MIG	WOM	MID
Case 07	franchisee	Asian	NC	BV	JD	RSN	OS	MID	N/A	N/A

Cases	Case Initiator	Business Model	Types of Conflict(s)	Causes of Action			Court's Opinions			
				Claims	Issues on	Seeking	Jurisdiction	Preliminary Order	Causes of Action	Orders
Case 08	franchisor	specialty	NC	BV	PA	SO	WI	MIG	WM	MIG
Case 09	franchisee	fast food	NC	BV	PA	SO	WI	MIG	WM	MIG
Case 10	franchisor	BG	D	TA	PA	RSN	WI	MIG	WM	MIG
Case 11	franchisor	ice cream	MR;NC	BV	INDC	SJ	WI	MIG	WOM	MID
Case 12	franchisee*	ice cream	IF; PS; NC	BV	PA	IR	WI	MIG	WM	MIG
Case 13	franchisor	BG	UC	BV	PA	IR	WI	MIG	WM	MIG
Case 14	franchisee	fast food	F	TA	PA	MDC	WI	MIG	WOM	MID
Case 15	franchisee	QSR	NC	BV	PA	IR;MD	OS	MID	N/A	N/A
Case 16	franchisee*	BG	IF;NC	BV	PA	MDC	OS	MID	N/A	N/A
Case 17	franchisee	ice cream	IF;NC	BV	PA	MD; MDC	WI	MIG	WOM	MID
Case 18	franchisor	ice cream	UC	BV	UC; INDC	MD	WI	MIG	WOM	MID
Case 19	franchisee	specialty	MR	BV	PA	SJ	WI	MIG	WOM	MID
Case 20	franchisee	specialty	NC	BV	PA	MD; SJ; RSN	WI	MIG	WOM	MID
Case 21	franchisee*	specialty	NC	BV	PA	SJ	WI	MIG	WOM	MID
Case 22	franchisee	fast food	NC	BV	PA	MDC	WI	MIG	WOM	MID
Case 23	franchisee	specialty	TM;NC	BV	INDF; TM	MD	WI	MIG	WM	MIG

*Table 1: Summary Findings of All Cases AnalyzedN*

*Note. \* = international; BG = baked goods; QSR = quick service restaurant; MR = misrepresentation; UC = unfair competition; TM = unauthorized use of trademarks and tradename; NC = non-compliance; D = duress; IF = interference; PS = disruption of products and service; F = fraud; BV = breach or violation of agreements/regulations; TA = termination of agreement; EC = encroachment; DP = deception to public; INDF = indemnifications; INDC = inducement; JD = jurisdiction; PA = provisions in agreements; MD = monetary damages; SJ = summary judgment; IR = injunctive relief; MDC = motion to dismiss complaint; RSN = restitution; SO = specific order; WI = within; OS = outside; MIG = motion or injunction granted; MID = motion or injunction denied or reversed; WM = with merit; WOM = without merit; N/A = not applicable.*