

LEGAL INSIGHT

14 January 2014

Practice Group(s):

Corporate/M&A

Competition and Franchise Review: 2014

By Chris Nikou

Audio Legal Insight Transcript

- BRR The Government's review of the franchise market could see hefty penalties for breaches of the Franchising Code of Conduct. Chris Nikou, Practice Area Leader of the Corporate and Transactional Group at K&L Gates joins us to discuss. Chris, welcome to BRR Media.
- CN Thank you and happy new year to all your listeners.
- BRR So Chris, what is the purpose of the review?
- CN The review that's being foreshadowed is actually a review of the Competition and Consumer Act, so that follows on from last year's review of the Franchising Code and the purpose is to give some meat to the recommendations previously put forward, particularly around enforcement of the Franchising Code.
- BRR Well Chris, last year the Wein Review made several recommendations to update the Franchising Code of Conduct which weren't implemented due to the Federal Election. Chris, can you briefly outline these recommendations.
- CN Yes, there was about 18 recommendations put forward, the Franchise Council of Australia has sort of cautiously supported those recommendations, the key ones I think for the listeners are really around good faith and adding a bit more detail around that. Also, the imposition of fines for breaching of the Code that would be a new area in the franchise space and also recognising the rights of franchisees upon determination of a franchise agreement.
- BRR And Chris, do you think the Wein recommendations are indicative of the outcome of the upcoming review?
- CN I think they are; whilst the Wein Review was tabled under the previous Labour Government the current Coalition Government has as recently as last week indicated that they are fully behind these reforms to support small business and would be picking up these issues going forward. So I would expect that the Competition Act will change to give the ACCC some greater regulatory power in this space.
- BRR Well definitely a space to watch there. Chris, thank you so much for joining us.
- CN Pleasure.
- BRR That was Chris Nikou, Practice Area Leader of the Corporate and Transactional Group at K&L Gates. Listeners if you have any questions for Chris you can send them through either using the panel on your screen or by sending an email to law@brrmedia.com.

Competition and Franchise Review: 2014

Authors:

Chris Nikou

chris.nikou@klgates.com
+61.3.9640.4354

K&L GATES

Anchorage Austin Beijing Berlin Boston Brisbane Brussels Charleston Charlotte Chicago Dallas Doha Dubai Fort Worth Frankfurt Harrisburg Hong Kong Houston London Los Angeles Melbourne Miami Milan Moscow Newark New York Orange County Palo Alto Paris Perth Pittsburgh Portland Raleigh Research Triangle Park San Diego San Francisco São Paulo Seattle Seoul Shanghai Singapore Spokane Sydney Taipei Tokyo Warsaw Washington, D.C. Wilmington

K&L Gates practices out of 48 fully integrated offices located in the United States, Asia, Australia, Europe, the Middle East and South America and represents leading global corporations, growth and middle-market companies, capital markets participants and entrepreneurs in every major industry group as well as public sector entities, educational institutions, philanthropic organizations and individuals. For more information about K&L Gates or its locations, practices and registrations, visit www.klgates.com.

This publication is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer.

©2014 K&L Gates LLP. All Rights Reserved.