



## American Association of Franchisees & Dealers *The Center for Total Quality Franchising*

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January 31, 2020

Representative Christopher Mattos  
Vermont State House  
115 State Street  
Montpelier, VT 05633-5301

**RE: H.890, An act relating to regulating franchise agreements**

Dear Representative Mattos,

On behalf of the members of the American Associations of Franchisees and Dealer (AAFD), we thank you for introducing H.890, a bill that will protect the rights of local franchised businesses in Vermont.

AAFD is the oldest and largest national not for profit trade association advocating the rights and interests of franchisees and independent dealer networks. The AAFD supports more than 40 independent franchisee associations and trademark specific chapters, representing thousands of franchisee operated business outlets. Since our establishment in 1992, the AAFD has focused on its mission to define, identify and promote collaborative franchise cultures that respect the legitimate interests of both franchisors and franchisees, cultures we describe as embracing our vision of *Total Quality Franchising<sup>sm</sup>*. The AAFD came into existence in response to a franchising community that has been evolving towards increasingly one-sided and controlling franchise agreements and cultures whereby franchisee equity and business ownership has been continually eroding such that many modern franchise systems have lost all vestiges of business ownership.

H.890 will take steps to ensure that the local franchise owners in Vermont are specifically protected on their rights to association; have fair rights in termination and renewals, including the requirements for the franchisor to purchase franchisee assets if possession is taken; have reasonable transfer rights; ensure the parties deal in good faith; have fair sourcing of goods and services; and other key agreement provisions.

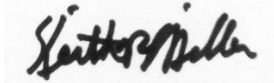
## *The Center for Total Quality Franchising<sup>SM</sup>*

The AAFD enthusiastically endorses this legislation and will put its full support behind its passage. Thank you and fellow Representatives Beck, Elder, Goslant, Gregoire, Hooper, Morgan, Palasik, Smith, and Toof for supporting your local franchise owners by introducing H.890.

Respectfully submitted,



Robert L. Purvin, Jr,  
Chair, Board of Trustees  
American Association of Franchisees and Dealers



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