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17 sue Quiznos for sandwich shops

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Seventeen prospective Quiznos franchise owners in New Jersey have sued the company, claiming they paid thousands of dollars in fees as long as two years ago, but have yet to get company approval to open their sandwich shops.

As a result, the franchisees said, they have little to show for what was at a minimum a \$25,000, nonrefundable investment.

"I've been going from job to job and just doing what I can to make ends meet," said Bob Oliva, 47, of Middletown. Two years ago, Oliva paid Quiznos \$25,000 for the right to open a shop in the Brick Plaza shopping center. But the center was in high demand, and the landlord gave the space to another company.

Denver-based Quiznos has been expanding quickly in New Jersey. In the last two years, the company has opened 82 stores in the Garden State, but the lawsuit contends it has sold dozens more franchises to owners who are awaiting company approval to open.

The lawsuit, filed in New Jersey Superior Court in New Brunswick, accuses Quiznos of engaging in a deceptive scheme. Other area residents claiming fraud include Jim DiGiovanni of Hazlet and Hatel Patel of Tinton Falls.

"We are aware of the claim filed by a few of our franchisees," spokeswoman Stacie Lange said in a prepared statement. "As one of the leading sandwich chains in the country, we value positive relationships with our franchise owners. We believe this claim has no merit, and we plan to respond accordingly."

Quiznos gives its franchise owners a chance to open a location in a given "trade area" and then helps them find a suitable location. Oliva decided Brick Plaza on Chambers Bridge Road would be ideal. But after paying for the right to open in that location, he said a real estate agent told him the landlord had several possible tenants for the shopping center.

He said alternate locations have included a convenience store-style building on the grounds of a former service station.

"I classified it as unacceptable, they classified me as a pain in the neck," Oliva said. "I said, 'I have to be comfortable' " with a location.

The franchisees' attorney, Justin Klein of Red Bank, said Quiznos oversold its franchises in New Jersey. As a result, he said the company has collected nearly \$5.9 million from franchise owners and offered no guarantee they will ever open a store.

He's suing the company, asking for a refund of the franchisees' fees and damages.