



PFIFA Participates in 2017 CFA Day Forum in Washington

After a winter snowstorm derailed the 2017 CFA Day Forum in March, attendees gathered in Washington, D.C., in October to regroup and tackle topics impacting franchisees around the United States. As a member of the Coalition of Franchisee Associations (CFA), representatives of PFIFA, including franchisee Don Thomas and Executive Director Kristi Hoffman, were present for the gathering.

Representing more than 41,000 franchisees from its association members, CFA kicked off the event Oct. 25 with a Congressional Reception where attendees could meet and mingle with their elected officials. The following day included an agenda full of legislative issue updates and the highlights of the event – a roundtable and legal panel with leading franchise attorneys from across the country.

Recent changes to the Planet Fitness® Franchise Agreement and approaching deadlines for review and response for six locations owned by The Arthur H. Thomas Cos. made attendance a priority for Thomas. “We wanted to learn as much as possible from the franchisee attorneys about our rights and what would be a positive, tactical approach to take on some of the legal and operational issues impacted by these PF® Franchise Agreement changes,” he said.

The CFA Day Forum began with a roundtable session where attendees could meet in small groups and discuss a range of topics with five franchise attorneys. The presentations included: “Succession Planning for Franchisees” with Michael Einbinder; “Do You Really Have a Right to Associate?” by Ronald K. Gardner; “Unlawful Franchisor Practices Under State Franchise Acts” with Jeffrey Goldstein; “Expanding and Diversifying a Successful Franchise” from Justin M. Klein; and “Excess Control by Franchisor Over Franchisee and its Impact on Joint Employer Liability and Vicarious Liability” with Robert Zarco.

Klein then moderated a legal panel with Zarco, Gardner and Einbinder. The presentations from the legal experts stood out for Thomas.



Justin Klein with Marks & Klein, LLP moderates the legal panel presentation, featuring attorneys Robert Zarco, Ron Gardner and Michael Einbinder, during the 2017 CFA Day Forum.

“The highlight for me was the panel presentation with the questions and answers provided from the wealth of franchise attorney experiences and perspectives on the current and future legal changes impacting franchisees – both as independent business owners/operators and also as an extension of the larger franchisor organization,” Thomas said, adding that the opportunity to meet with other franchisees and small-business operators in other franchised companies was informative as the group discussed the successes and challenges within their industries.



Administrator for the U.S. Small Business Administration Linda McMahon addresses the audience at the CFA Day Forum in October.

Following lunch, attendees heard from the U.S. Small Business Administration’s Linda McMahon, along with short updates on ADA reform, tax reform, franchisee rights and health care. Then it was off to Capitol Hill to meet with the offices of members of the U.S. House of Representatives.

Being involved in politics at every level is increasingly important, as Thomas discovered. “We learned that many of the elected representatives and senators do not understand business dynamics and issues behind running a 7x24x365-day operation, or what dealing with existing regulations, that have little to no value for starting, growing and sustaining a successful business, entails,” he explained. “Part of our responsibility is to educate them on these operational and cost issues before they start trying to pass more laws, regulations and imposing costly permits or standards.”

Establishing a more effective balance of power between franchisor and franchisee, for Thomas, is the most pressing legislative issue, and the Franchisee Bill of Rights is an excellent start to the process. He also learned about the importance of amending the health care law to define a 40-hour workweek as a full-time employment standard, not only for hiring but for retention purposes.

CFA Day Forum attendees ventured to the Mansion on O Street for dinner and a tour following their visits to Capitol Hill. The event drew to a close Oct. 27 with a meeting of the CFA Board of Directors.

After the event, Thomas noted one of his key takeaways: “I learned about comparable retail ventures and their successes and challenges with the franchisor-franchisee relationship, and how positive the PFIFA working relationship is for us with our franchisor.” 