Chapter 36

SAUDI ARABIA

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I INTRODUCTION

The significance of franchising is apparent from visiting any of the commercial districts throughout Saudi Arabia, which are lined with popular Western restaurants, clothing stores and other retail outlets.

Since the days of the oil boom, Saudi Arabia has been a destination for international franchisors and now hosts more than 300 foreign companies operating franchises. Franchising has grown exponentially in the past decade and continues to grow in the largest country in the Gulf, where 47 per cent of the population is younger than 25 years old and there is a strong affinity to products from the United States and Europe. According to local statistics, there is an expected average of 10–12 per cent annual growth in the franchise sector and paid fees and royalties have exceeded $323 million.[2]

The most prevalent franchises in Saudi Arabia revolve around the food and beverage sector, with Starbucks, McDonald's, Burger King, KFC, and Subway leading the way, while Gap, Victoria's Secret, and H&M are some of the well-known retail names. Franchising opportunities in Saudi Arabia are not limited to global brands. The growth of entrepreneurial activity has sparked opportunities for franchising of local and regional concepts, which are gaining popularity.

While Saudi Arabia does not have any formal franchise association, the local Saudi Arabian Chambers of Commerce have been instrumental in endorsing and promoting

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2 Doing Business in Saudi Arabia: 2011 Country Commercial Guide for US Companies, US Commercial Service and US Department of State, 2011.

the franchise sector. In 2008, under the guidance of the Riyadh Chamber of Commerce, Saudi Arabia held its first international franchising conference and expo as well as two additional franchise expos annually thereafter.

II MARKET ENTRY

i Restrictions

The Saudi market is open to foreign franchisors and franchisees with very few legal restrictions. There is no distinction between a Saudi franchisor and a foreign franchisee, franchisor or developer. Both are treated as foreign investors and subject to foreign investment regulations. It should be noted that nationals of the Gulf Cooperation Council (GCC) countries[3] are treated as Saudi nationals and are not considered foreign investors. As a result, some foreign brands enter the Saudi market with a UAE partner.

Legal restrictions on foreign investment depend on whether the activity being conducted is classified as 'a service' or 'trading'. A foreign investor (non-GCC) engaging in service activities, such as restaurants, maintenance, IT support and other services can, for example, establish a branch office or a 100 per cent wholly-owned limited liability company (LLC) in Saudi Arabia. In the case of a foreign franchisor, these entities can operate company-owned outlets or service its franchisees. The Saudi Arabian General Investment Authority (SAGIA) does not require any minimum paid-up capital for a services entity, but it is common for companies to have a minimum capital of 500,000 Saudi riyals. Despite the absence of restrictions, foreign restaurant brands tend to prefer the franchise model because it gives them access to local know-how, connections and the expertise of the franchisee. Securing a lease for an AAA location can be very difficult, and a good local partner can be invaluable.

On the other hand, foreign investors engaging in retail or wholesale trading are restricted to establishing an LLC where there must be at least 25 per cent ownership by a Saudi national or company. The minimum capital required for a retail or wholesale trading company is 20 million Saudi riyals, excluding the capital that will be paid by the Saudi shareholders. Due to the large capital requirement, this option is unsuitable for all but the very largest multinational franchisors.

Another foreign investment option is the establishment of a manufacturing facility that produces products in Saudi Arabia that may be distributed to local franchisees or exported to other jurisdictions. There is a minimum capital requirement of 1 million Saudi riyals for setting up a manufacturing facility, albeit a nominal amount for the manufacturing industry. The advantage of manufacturing locally would be that locally-made products would not face import restrictions.

3 GCC countries include Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates and Oman.

SAGIA also publishes a list of activities that are off-limits to foreign investors, such as but not limited to oil exploration, manufacturing of military equipment, services to military sectors, and security and detective services.[4]

ii Foreign exchange and tax

Saudi Arabia does not enforce any exchange control, but it is most common for payments and transactions to occur in Saudi riyals.

There is no personal income tax in Saudi Arabia, which makes it an ideal place for individuals and employees. Tax mainly consists of corporate tax, withholding tax or zakat (Islamic wealth tax). Corporate tax and zakat depends on the companies' shareholding structures. Withholding tax is mandatory on all persons or entities making payments to non-residents, such as for rents, royalties, and management fees. Withholding tax for royalties and service fees are assessed at the rate of 15 per cent.

III INTELLECTUAL PROPERTY

i Brand search

The Trademark Office at the Ministry of Commerce and Industry (MOCI) is responsible for the registration of trademarks in Saudi Arabia. Trademarks or service marks including company name registration may be searched by filing a request with the MOCI to determine whether there are any previous filings by other parties.

ii Brand protection

Trademark protection is afforded on the basis of the first to register the mark with the MOCI in Riyadh. The first to register the trademark has priority over all other users of the mark and is deemed the owner of the mark. Trademarks must be distinctive, and registration of a globally recognised brand is only permitted by its rightful owner. Also, a trademark cannot be contrary to religious practices or morality and cannot be a geographical name.

To register a foreign trademark, the owner or someone authorised to register the mark on the owner's behalf must complete the standard application form and include a copy of the registration certificate from the owner's home jurisdiction. The application must include a list of goods and their class, and a separate application is required for each class of goods or services.

Trademark applications are generally decided within 60 days after filing, and an applicant has 90 days to correct any deficiencies in its applications to the satisfaction of the MOCI. If a trademark registration is approved, it is valid for a period of 10 years and may be renewed during the last year of the registration and through a grace period of six months after expiration of the registration.

4 Negatives List, Saudi Arabian General Investment Authority, 2013, available at www.sagia.gov.sa/Documents/Download%20center/Business_not_permitted.pdf.

If the MOCI issues a final rejection of a trademark application, the applicant may appeal the decision to the Board of Grievances (or Saudi Arabian commercial court) within 30 days of the rejection.

iii Enforcement

As part of its 2005 accession to the World Trade Organization, Saudi Arabia committed to the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS), and has taken measures to step up enforcement of intellectual property rights.

Trademark infringement and counterfeit issues are punishable by both civil and criminal proceedings, and are subject to fines and imprisonment. The Board of Grievances may issue an injunction if the trademark owner can demonstrate the imminent need to prevent certain circumstances, such as the continued sales of counterfeit goods, or the need to seize counterfeit goods and related equipment. The MOCI also has the authority to take action against counterfeiters. Upon receiving a request by a trademark owner showing compelling evidence of alleged infringement, the MOCI may conduct raids on alleged counterfeiters and refer its findings to the Board of Grievances for further prosecution.

iv Data protection, cybercrime, social media and e-commerce

Saudi Arabia has outlined a framework on privacy rights based on its interpretation of shariah and Islamic values. The Basic Law of Governance, which serves as a Constitution for Saudi Arabia, lays out the privacy rights of Saudi Arabian citizens. The Basic Law guarantees the privacy of telegraphic and postal communications and telephone and other means of communication (including e-mail) by prohibiting confiscation, delay, surveillance or eavesdropping, except in cases provided by law.

Shariah serves as the basic legal framework within Saudi Arabia. Under shariah, as construed and applied in Saudi Arabia, a person may receive compensation for damages caused by a second party that wrongfully disclosed the first person's personal information. In addition to tort damages, the authorities may impose sanctions as punishment for such violations.

Although there is no separate code dedicated to data protection as there are in many Western jurisdictions, privacy as it relates to data protection is treated in various other codes and industry specific regulations, such as the Anti-Cyber Crime Law and the Telecommunications Act.

Franchisees must safeguard customer data obtained in Saudi Arabia, and should ensure it complies with any applicable regulations prior to transmitting data outside of the Kingdom. Personal data may not be sent abroad without the obtaining the pre-authorisation of the data subject, and in some cases regulatory approval is required.

IV FRANCHISE LAW

i Legislation

Although Saudi Arabia does not have a specific franchise law, Ministerial Order No. 1012 of 17/09/1412 (corresponding to 22 March 1992), issued by the Minister of Commerce and Industry, brought franchising under the umbrella of the Saudi Arabian Commercial Agency Regulations and its Implementing Regulations.

The Commercial Agency Regulations set out the rules governing the relationship between a principal (franchisor) and agent (franchisee), including the procedures for registration of a franchise, their rights and obligations and a model franchise agreement that the parties may adopt at their own discretion.

ii Pre-contractual disclosure

In general, shariah law requires parties to be truthful, provide full disclosure of material facts and information and act fairly towards one another in their dealings.

Franchisors are generally in a superior bargaining position when negotiating with franchisees, who may be eager to obtain franchise rights. For example, a franchisor may be aware of certain issues such as the importation of products or necessary supplies that will impact a franchisee's ability to meet consumer demands and meet sales targets. Franchisees may file a complaint against the franchisor for failure to disclose material facts and hold them liable for any damages, such as start-up and investment costs. Franchisors should therefore hand a disclosure document to Saudi franchisees setting out all material facts.

These concepts apply equally to both franchisors and franchisees. Franchisees may be held responsible for misrepresenting their track records and experience, or knowingly concealing facts that demonstrate their incapability of performing their obligations under a franchise arrangement.

Although there is no specific code or regulation laying out these disclosure and fairness requirements, shariah law will be applied as a matter of right by the courts.

iii Registration

The Commercial Agency Law requires a franchise agreement to be registered in the Commercial Agencies Register at the MOCI within six months of the agreement taking effect. The franchisee is responsible for the registration of the franchise agreement, and only a Saudi individual or entity is permitted to register a franchise. Non-Saudis, including GCC nationals, are not permitted to register franchises or agencies in Saudi Arabia.

To register a franchise agreement, the franchisee must provide the following:

a an application to the MOCI;

b an Arabic translation of the franchise agreement and supporting documents, certified by a translation office;

c a copy of its commercial registration, demonstrating its authority to carry out the relevant activities; and

d a written declaration that the company's capital is Saudi-owned and the authorised representative is a Saudi national.

Traditionally, franchise contracts were registered to provide legitimacy to the franchisee and afford it certain protection, particularly where the franchisee had exclusivity in Saudi Arabia. However, there is currently a nominal value in registering a franchise agreement, except to the extent of being able to secure government contracts, which require transactions to be with registered agents or franchisees.

Another benefit of registration is a franchisee's ability to prevent the appointment of another franchisee in the event of termination of the franchise agreement. A new franchisee may not be able to register the franchise until the dispute is resolved with the former franchisee.

The failure to register a franchise will not prevent enforcement of the franchise agreement. Notwithstanding the inability to register a franchise, non-Saudi nationals such as GCC master franchisees are still able to enter into a franchise agreement in Saudi Arabia and operate as a franchisee, but they will not have the protection of the agency law.

iv Mandatory clauses

As mentioned above, shariah law will apply to any franchise agreement as a matter of right and law and provides the parties a significant amount of autonomy to structure their contract. A franchisor and franchisee are free to contract with one another without using any specific form, but the franchise agreement must comply with the following:

a execution must be directly with the franchisor in the country of origin of the franchise;
b the rights, responsibilities and obligations of each party must be explicitly stated;
c the obligations of both parties regarding the consumer, in relation to maintenance and availability of spare parts, must be stated;
d the capacity and the nationality of each party must be stated;
e the subject of the franchise must be stated;
f the geographical area covered must be specified;
g the services, works and goods covered by the franchise must be stipulated;
h the duration of the franchise agreement and the terms of renewal must be specified; and
i the method of termination or expiration must be specified.

v Guarantees and protection

Guarantees are common in Saudi Arabia, and are used as security for a variety of transactions. A guarantee can be requested by a franchisor and may be included in the franchise agreement or as a separate agreement.

Personal guarantees are enforceable against individuals, and guarantees can be enforced against a company assuming it has the assets or capital to back the guarantee. The enforceability of a guarantee will depend on whether the guarantee contravenes any aspect of shariah law or public policy.

V TAX

i Franchisor tax liabilities

Tax liability is based on a corporation's shareholding structure.

Saudi and GCC nationals are exempt from corporate tax, and instead assessed with zakat at the rate of 2.5 per cent. Thus, a franchisor who is a Saudi or GCC national will only pay zakat.

A foreign franchisor operating in Saudi Arabia is subject to a 20 per cent flat rate corporate tax. In the event that a company consists of Saudi or GCC national shareholders and non-Saudi national shareholders, the tax authorities will apply a 20 per cent corporate tax to the interest of the non-Saudi nationals and a 2.5 per cent zakat to the interest attributable to Saudi or GCC shareholders.

Payments to non-residents from income earned from a source in Saudi Arabia are subject to withholding tax that varies from 5–20 per cent, depending on its classification. Franchisors will be subject to a 5 per cent withholding tax for remittance of payments outside of Saudi Arabia. A Saudi resident individual or company making the overseas payment is responsible for declaring and paying the withholding tax to the tax authorities. Withholding tax does not apply to payments in relation to the sale of goods and other property.

Furthermore, Saudi Arabia does not have VAT, transfer tax, stamp duty, sales tax, property tax or regional and municipal taxes.

ii Franchisee tax liabilities

Individual franchisees will not have any tax liability, as there is no personal income tax. Similar to the franchisor tax liabilities mentioned above, a franchisee entity will be subject to either corporate tax or zakat depending on their shareholding structure. If the franchisee is a Saudi or GCC national, they are only subject to a 2.5 per cent zakat; but if the franchisee is a non-Saudi national they will be subject to a 20 per cent flat rate corporate tax. Also, if the franchisee's entity contains both Saudi or GCC national shareholders and non-Saudi shareholders, the tax authorities will apply the 2.5 per cent zakat or the 20 per cent corporate tax to their interest respectively.

Franchisees are also required to withhold tax at the rate of 5–20 per cent for payments made to non-residents. Royalties and payments for services made to a head office or affiliated company are subject to 15 per cent withholding tax. Royalties paid to a foreign franchisor are subject to 15 per cent withholding tax. The franchisee will be responsible for declaring and paying the withholding tax and consequently incur any penalties for failure to do so.

iii Tax-efficient structures

Saudi Arabia has tax treaties with several countries such as the United Kingdom, Russia, China, The Netherlands, Japan and Spain, which may offer tax breaks for foreign franchisors and franchisees. Saudi Arabia also provides tax incentives for companies establishing entities in designated economic zones.

VI IMPACT OF GENERAL LAW

i Good faith and guarantees

The principle of good faith is a continuation of the tenets of shariah law, requiring parties to have fair and honest dealings, avoid misrepresentations and provide full disclosure to one another. Courts may take into consideration a party's lack of good faith if a dispute arises between the franchisor and franchisee.

Shariah law provides a great deal of freedom for the parties to agree to their own contractual terms, and Saudi courts will look to the intention of the parties with the objective of enforcing an arrangement as it was intended. It is essential for the parties to clearly state their rights and obligations in a franchise agreement for the purposes of demonstrating their agreed terms and preventing possible allegations of bad faith. A typical United States or United Kingdom franchise agreement will have the required level of detail.

ii Agency distributor model

Franchising is under the umbrella of the Commercial Agency Regulations and is treated in the same way as a commercial agency. A franchise is viewed more as a principal–agent relationship, except the franchisor is not liable for the negligent actions or tortious conduct of the franchisee.

Franchisors have a strong interest in protecting their trademark, brand name and reputation, and may exert a considerable amount of supervision over the franchisee. However, franchisors should refrain from being involved in franchisees' day-to-day operations and limit their involvement to a reasonable amount of support that ensures the success of the franchise. Exercising direct control increases a franchisor's risk of vicarious liability for acts of negligence and tortious conduct committed by the franchisee.

iii Employment law

Notwithstanding a franchisor's supervisory authority over a franchisee, a court will not construe the franchise as that of an employer–employee relationship.

iv Consumer protection

A franchisee will not be considered a consumer in Saudi Arabia, but is considered to be similar to an agent of a franchisor. Remedies available to a franchisee are limited to those by Sharia law and contractual arrangements.

For the protection of public consumers, the Commercial Agency Regulations require a franchisee to ensure maintenance of any products at reasonable cost, and the availability of spare parts at reasonable prices throughout the term of the franchise and for up to one year after termination of the franchise agreement or the appointment of a new franchisee. Necessary spare parts should remain in stock, and other spare parts should be made available within 30 days after receiving a request from a consumer. The franchisee is also required to abide by any warranty periods provided by the franchisor. These provisions will require a franchisor to make available and supply a franchisee with spare parts and support for up to one year after termination of the franchise. Obviously the spare parts requirement has in mind motor vehicle franchises, but it can also be applied to retail shops in that the franchisee would have to have sufficient replacement items to exchange faulty goods.

v Competition law

Saudi Arabia has enacted a Competition Law for the purpose of protecting and encouraging fair competition and combating monopolies that affect lawful competition and anti-competitive business practices.

Prices of commodities and services are subject to supply and demand principles. The Competition Law prohibits price manipulation that either lowers prices to eliminate the competition from the market or creates artificial shortages that increase prices.

Similarly, it is illegal to impose special conditions on the purchase or sale of goods or offering services in a way that negatively impacts a merchant in comparison with others. A recent case was filed by franchisees alleging that their sales have been hindered by the actions of the franchisor who was supplying goods to merchants in the market at much lower prices than prices charged to the franchisees for the same goods. The franchisees are alleging that the franchisor's actions have put them in an unequal position in comparison to other merchants. The outcome of the case has yet to be determined.

vi Restrictive covenants

Restrictive covenants such as non-compete clauses are lawful and enforceable in Saudi Arabia. It is common for franchisors to restrict a franchisee from competing with the franchise. The franchisor and franchisee can also agree to restrict the geographical area of the franchise or to provide exclusivity to the franchisee in the territory.

As a general rule, courts will enforce restrictive covenants that comply with shariah law and are not overly burdensome on the parties and limited in application, such as for up to two years and limited to specific industries or related industries.

vii Termination

A franchise agreement, like any other commercial contract, should be terminated in accordance to its terms. Although Saudi law does not require a minimum term for the franchise agreement, the parties must stipulate the duration of the contract as well as specify the manner for terminating the agreement. Saudi courts will enforce clauses contained in the franchise agreement that allow for the automatic expiration or non-renewal of a franchise. Similarly, the courts will give credence to provisions in the franchise agreement that limit or even deny the franchisee any compensation upon termination.

In the event of a dispute related to termination, the MOCI will not permit the registration of a new franchisee until the previous franchisee has obtained its full rights and entitlements, if any. This will not prevent the franchisor from appointing a new franchisee, but rather only prevents the registration of the new franchise agreement. This will have little impact on the franchisor or the new franchisee, as the courts will recognise the new franchise agreement regardless of registration.

A finding by the court that a franchisor unlawfully terminated a franchise agreement may result in the award of direct damages to a franchisee. Saudi courts rarely provide for any consequential damages or lost profits in contractual disputes, but may in some instances calculate damages on the basis of the profits of a new franchisee, if one is appointed. If the claims of a franchisee lack merit, the courts will issue an order to deregister the former franchisee from the Commercial Agency Register.

The ability to take over a franchisee's business is impossible without their agreement. In many cases, the franchisee may even own the property where the franchise is located, and cannot be compelled to give up the location. Franchisors can require franchisees to remove and cease to use any items that identify the franchise, such as trademarks, brand names, signage and marketing materials. The lease of property and any other items that were not provided or leased out by a franchisor cannot be claimed. As mitigation, a franchisor may include a provision in the franchise agreement stipulating that either it or a subsequent franchisee have the right to take over the business, including the property lease upon termination. However, enforcement of such a provision is time consuming and also dependent upon the lessor's willingness for the franchisor to assume the lease, and in the case of a retail franchise on compliance with the minimum local investment threshold.

viii Anti-corruption and anti-terrorism regulation

Saudi Arabia has a number of regulations addressing corruption, bribery and money laundering, which are all serious criminal violations. The Anti-Bribery Law penalises persons or companies offering bribes to public officials, as well as public officials who demand bribes for themselves or for the benefit of others. The National Anti-Corruption Commission has initiated an aggressive campaign for transparency and for combatting bribery and corruption, including advertisements and an anonymous hotline for whistle-blowers.

Franchisors will rarely be liable for violations of these laws committed by a franchisee, unless the franchisor actively participated or encouraged the illicit activities. Nevertheless, franchisors will suffer reputational harm in the local and overseas markets for violations committed by its franchisee and may endure further scrutiny when conducting future business in Saudi Arabia.

ix Dispute resolution

As in the case of a franchise agreement, the parties to a contract are free to stipulate the dispute resolution mechanism, including the governing law and jurisdiction. Unless the parties have opted for arbitration in the franchise agreement, a dispute will be resolved by litigation in a court that has jurisdiction.

In Saudi Arabia, the Board of Grievances has jurisdiction to handle franchise disputes. Although arbitration is an option, it is not recommended as awards are not final and binding and may be re-adjudicated by the Board. A final decision by the Board may take in excess of one year, excluding the appeals process. Nevertheless, enforcement of a judgment is less difficult than enforcing a foreign judgment or arbitration award.

Saudi Arabia will enforce foreign judgments, and as a signatory to the New York Convention it will enforce foreign arbitral awards. The enforcement courts have the jurisdiction to enforce foreign arbitral awards or judgments issued by a foreign court if the following conditions are met:

a Jurisdiction: The Saudi courts do not have jurisdiction to hear the original matter decided by the foreign court, and the foreign court has the jurisdiction to adjudicate the matter and issue judgment.

b Due process: The parties to the litigation are afforded their due process and (1) issue a summons and complaint; (2) are adequately represented; and (3) are able to defend themselves.

c Reciprocity: There is reciprocity between the foreign jurisdiction which issued the judgment and Saudi Arabia to enforce each other's judgments. This is typically done through a treaty. The absence of such a treaty may not bar an enforcement action.

d Consistency: The judgment being enforced does not contravene a judgment issued by a Saudi court or other governing body on a similar matter.

e Finality: The foreign court's decision is final and binding and not subject to further appeal.

f Public policy: The judgment does not violate Saudi law or public policy (i.e. charging or payments of interest or concerning unlawful activities such as alcohol and gambling).

If a foreign arbitration award or judgment contravenes Saudi law or public policy, the courts may enforce only those portions that are lawful or it may deny the enforcement and re-adjudicate the matter locally. Since foreign courts tend to award judgments that include the payment of interest and consequential damages or lost profits, which typically contravene Saudi law, it is mostly in the parties' interest to have the matter heard by the Board of Grievances from the onset.

Generally, courts will only award direct damages to the aggrieved party. Injunctions may be obtained if a party can demonstrate to the court the imminent need to prevent any irreparable harm that it may incur and will be required to post a bond. There are no administrative or court fees associated with litigation and most fees are incurred as a result of retaining competent legal counsel to handle the matter before the court or an arbitration panel.

VII CURRENT DEVELOPMENTS

There have been ongoing discussions on the enactment of a specific franchise law independent from the Commercial Agency Regulations, but there has not been any progress.

Other developments have been in the area of importation of goods by non-registered franchisees. In the past, only registered agents could import goods into Saudi Arabia, and this caused concern for franchisors where there is an ongoing dispute with the franchisee and a new franchisee is prevented from registering. In recent years, non-registered agents and franchisees have been able to import goods to Saudi Arabia with little difficulty and without having registered their franchise agreement.

The franchise industry in Saudi Arabia will continue to grow as Saudis travel to new destinations that were previously not on their radar. In recent times, Saudi Arabia has experienced an influx of new franchises from South Africa and Turkey and brands and products from those countries have become familiar. This trend is expected to continue due to the increase of foreign visitors making pilgrimage to Saudi Arabia, as well as the large number of Saudi students studying abroad.

Appendix 1

ABOUT THE AUTHORS

ANAS A AKEL

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Anas Akel is a senior counsel in Dentons' corporate and commercial team in Saudi Arabia and is based in Jeddah. Anas advises companies and foreign investors in setting up and operating in Saudi Arabia and has represented a significant number of retailers and food and beverage businesses in both Saudi Arabia and the United States. He is admitted to practise law in California and the District of Columbia and speaks English, Arabic and Spanish.

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Amgad Husein is the managing partner of the Dentons operations in Saudi Arabia and has advised on a number of high-profile transactions in the Kingdom. Amgad has published many articles on doing business in Saudi Arabia and is also a co-author of the *Legal Guide to Doing Business in Saudi Arabia* (forthcoming, Thomson Reuters).

BABETTE MÄRZHEUSER-WOOD

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Babette heads up the EMEA franchise group at Dentons. She has more than 20 years' experience in international franchising with a particular focus on emerging markets. Her work includes the creation and critique of franchise contracts and their customisation to local law. Babette has transactional experience in all 28 EU Member States. Babette is recognised as one of Europe's leading experts in hotel and leisure franchising with a particular emphasis on German-speaking Europe. Babette is ranked by *Chambers Global* as one of the top 10 franchise specialists in the world. She is also recommended by *The International Who's Who of Franchise Lawyers*, *Chambers UK* and *Legal 500* for her franchise expertise. Babette's research on the role of franchising in the European hospitality industry has attracted widespread media attention. Babette is the author of numerous publications on franchising. She also lectures widely on international franchise

laws and her expertise is often sought by franchisors from common law countries that enter civil law jurisdictions. She is an associated editor of *The Franchise Law Review*. Babette is a member of the ABA Forum on Franchising, the IBA Franchise Committee and the IFA. She is dual-qualified in both Germany and the UK. She speaks English, German, French, Spanish and Russian.

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