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BLOGS

Post-Termination Injunctions

Arizona Federal Court Holds Injunction Motion Not Moot

In *Native New Yorker Franchising, Inc. v. Shabaz, Inc.*, 2010 U.S. Dist. LEXIS 50065 (D. Ariz. April 29, 2010), the franchisor of Native New Yorker restaurants filed a preliminary injunction motion against a former franchisee for its continued operation of the restaurant and refusal to transfer the restaurant's telephone number back to the franchisor. By the time the motion was heard, the former franchisee claimed that the motion was moot because it had ceased operating and was on the brink of bankruptcy. Injunctions, however, are only moot to the extent that it can be shown "that there is no reasonable expectation that the wrong will be repeated." Despite the former franchisee's claims, the court found in favor of the franchisor, noting that the fact that the franchisees "may have temporarily abated their misconduct d[id] not alter the analysis." The court granted the motion for preliminary injunction and ordered that the restaurant's telephone number be transferred back to the franchisor.