

**BLOGS**

Preliminary Injunctions

## Colorado Federal Court Holds Former Franchisee in Contempt and Awards Attorneys' Fees to Franchisor for Violations of Preliminary Injunction

A federal court in Colorado found a former franchisee of Core Progression Franchise in contempt and awarded sanctions for violations of the terms of a preliminary injunction.

A federal court in Colorado found a former franchisee of Core Progression Franchise in contempt and awarded sanctions for violations of the terms of a preliminary injunction. *Core Progression Franchise, LLC, v. O'Hare*, 2021 WL 2566890 (D. Colo. June 23, 2021). Core Progression terminated its former franchisee, Chris O'Hare, when he began defaulting on monetary obligations shortly after opening his Core Progression franchise. When Core Progression learned that O'Hare was operating a competing business in the same location, it filed an action for breach of contract and trademark infringement against O'Hare. The court granted a preliminary injunction prohibiting O'Hare from operating a fitness business at his former franchise location and from using Core Progression's trademarks and client data. Because of O'Hare's continued violations of the preliminary injunction, however, Core Progression moved for sanctions and sought its attorneys' fees associated with enforcement of the preliminary injunction.

It was undisputed that after issuance of the preliminary injunction, O'Hare hosted training sessions at his former franchised locations and used Core Progression's trademarks on websites such as Facebook, Yelp, and Google My Business. O'Hare claimed that he was unsure at first whether subleasing the space to independent trainers would violate the order, he eventually stopped when he realized it fell within the scope of the order. O'Hare therefore argued his conduct was not worthy of sanctions because he had eventually ceased the violative conduct. The court declined to disregard O'Hare's violation; however, utilizing its equitable discretion, it awarded half of the attorneys' fees requested taking into account O'Hare's reasonable efforts to comply with the preliminary injunction after the initial violative conduct.

### Related People

**Maisa Frank**

Partner

Washington, D.C.

202.295.2209

[maisa.frank@lathropgpm.com](mailto:maisa.frank@lathropgpm.com)**Richard C. Landon**

Partner

Minneapolis

612.632.3429

[richard.landon@lathropgpm.com](mailto:richard.landon@lathropgpm.com)

### Related Services

[Franchise & Distribution](#)