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## Franchisor Not Obligated to Enforce Territory Restrictions Against Other Franchisees

Must a pizza franchisor force its franchisees to stay within their delivery territories? “No”, said the United States District Court for the Eastern District of Michigan last month. *Cottage Inn Carryout & Delivery, Inc. v. True Freedom Investments LLC*, 2010 U.S. Dist. LEXIS 113170 (E.D. Mich. Oct. 20, 2010). The question was raised by a franchisee who claimed the franchisor was allowing others to infringe on its “protected” trading area. The franchisor argued that the parties’ agreement did not require it to police its franchisees to make sure that they were staying inside their territories. Relying in part on the integration clause and a careful reading of the protected trade area language, the court found no obligation to enforce, audit, or monitor franchisee compliance.