

BLOGS

Damages

Franchisor Obtains Summary Judgment Against Terminated Franchisee for Liquidated Damages with Interest

In *Super 8 Motels, Inc. v. Rahmatullah*, 2007 WL 2905463 (S.D. Ind. Sept. 9, 2009), an Indiana federal court granted the franchisor's motion for summary judgment on the issue of liquidated damages against a former franchise owner of a Super 8 guest lodging facility. The franchisor sued the terminated franchisee to recoup its damages, including liquidated damages and interest in the amount of \$407,811.20. The court enforced the liquidated damages provision contained in the Franchise Agreement, which went into effect if the Agreement was terminated for cause more than two years prior to its expiration.