

**BLOGS**

Employment

Maine Federal Court Grants Franchisor's Motion to Dismiss Age Discrimination Claim Brought by Franchisee's Independent Contractor

A federal court in Maine granted a franchisor's motion to dismiss claims asserting that a franchisor was liable for its franchisee's alleged age discrimination in employment. *Goodwill v. Anywhere Real Est.*, 2023 WL 4034372 (D. Me. June 15, 2023).

A federal court in Maine granted a franchisor's motion to dismiss claims asserting that a franchisor was liable for its franchisee's alleged age discrimination in employment. *Goodwill v. Anywhere Real Est.*, 2023 WL 4034372 (D. Me. June 15, 2023). Franchisor-defendant Anywhere Real Estate Inc. entered into a franchise agreement with co-defendant The Masiello Group d/b/a Better Homes and Gardens Real Estate. Plaintiff Sara Goodwill, an independent contractor for Masiello Group, brought suit under federal and state law against both Anywhere and Masiello Group. Plaintiff claimed that Anywhere had direct involvement with the personnel management of individual realtors and exerted control over the day-to-day operations of its many franchisees. Anywhere moved to dismiss, arguing Goodwill improperly named Anywhere as a defendant because it was not Goodwill's employer.

The court concluded that Goodwill's allegations did not depict a plausible employer integration nor a plausible joint employer scenario between Anywhere and Masiello Group. It found the allegations did not plausibly show centralized control over labor relations, interrelation of operations, common management, nor common ownership. As alleged, Masiello Group's business operations were limited to policies, procedures, educational materials, training conferences, all of which are traditional attributes of a franchise relationship. The documents between Anywhere and Masiello Group did not support the inference that Anywhere was an authoritative force in employee relations between Masiello Group and its realtors. The court also concluded that Maine's standard for determining the existence of either an integrated or joint employer scenario was not any looser than what was applied for federal claims. Thus, the court granted Anywhere's motion to dismiss because the allegations failed to generate a plausible inference that Anywhere was a proper defendant on Goodwill's employment claims.

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