

BLOGS

Employment

Massachusetts Court Awards Attorneys' Fees and Costs to Prevailing Franchisees on Claims They Were Misclassified

In *Awuah v. Coverall North America, Inc.*, 2011 U.S. Dist. LEXIS 63381 (D. Mass. June 15, 2011), a case followed closely by the franchise industry, two franchisees who prevailed on their claims in arbitration that they had been misclassified as independent contractors under Massachusetts law were awarded reasonable attorneys' fees and costs. Following the conclusion of the arbitration hearing, the two franchisees sought an award of all attorneys' fees and costs from the court related to summary judgment in the underlying litigation on the misclassification issue, their challenge to the arbitration clause, and the arbitration itself. The court limited the award to those reasonable fees and costs incurred in the arbitration itself and held that it was inappropriate to award fees and costs on the other issues because they had not yet been fully decided.