

BLOGS
Transfers

Refusal to Approve Transfer Does Not Give Rise to Tortious Interference

In *Pasqualetti v. Kia Motors Am.*, 2009 WL 3245439 (N.D. Ohio Sept. 30, 2009), the court rejected Pasqualetti's claim that Kia Motors' refusal to approve the transfer of a dealership to him constituted tortious interference. The court stated that a tortious interference claim will not lie "where the defendant was the source of the business opportunity allegedly interfered with" and that "[a]s a matter of public policy . . . franchisors should not fear potential tort liability for simply deciding not to contract with a prospective franchisee." Citing decisions from other jurisdictions, the court ruled that "where a sale of a franchise is subject to the approval of a franchisor pursuant to a contract between the seller and the franchisor, the franchisor cannot be characterized as an 'outsider' to the proposed transaction and thus is not subject to a claim of tortious interference."