

## BLOGS

### Contracts

# Sixth Circuit Affirms that Licensing Agent Did Not Have Contractual Right to Royalties in New Agreement Between Licensor and Manufacturer

The Sixth Circuit Court of Appeals recently affirmed judgment on the pleadings in a contract dispute between Whirlpool Corporation and its former licensing agent. *Whirlpool Corp. v. Equity Management, Inc.*, No. 20-2062, 2021 WL 5133177 (6th Cir. Nov. 4, 2021).

The Sixth Circuit Court of Appeals recently affirmed judgment on the pleadings in a contract dispute between Whirlpool Corporation and its former licensing agent. *Whirlpool Corp. v. Equity Management, Inc.*, No. 20-2062, 2021 WL 5133177 (6th Cir. Nov. 4, 2021). In a decision originally reported in [Issue 260](#), Equity Management, Inc. (EMI) had previously served as a third-party administrator of license agreements for the Maytag® trademark, which Whirlpool acquired in 2006. In October 2020, a federal court in Michigan ruled that EMI did not have a right to administer a new Maytag® license agreement that Whirlpool entered into in 2019, even though EMI had been involved in the previous licensing agreement with the same manufacturer.

EMI appealed, arguing that it had a contractual right to share royalties if Whirlpool continued the expired license agreement in any form. The Sixth Circuit disagreed, observing that a 2006 amendment in EMI's agreement with Whirlpool significantly restricted the scope of the parties' relationship, and that EMI could only claim rights under the 2019 license agreement if it was intended to be a "renewal, modification, or other amendment" of the prior agreement. Comparing the language of the 2019 license agreement to its predecessor, the Sixth Circuit agreed that it was not, and affirmed the decision of the district court.

Lathrop GPM represented Whirlpool in this dispute.

## Related People

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