

Vicarious Liability/Risk Management

Our franchise lawyers have extensive experience defending vicarious liability lawsuits against franchisors directly, as well as overseeing insurance-retained defense counsel in defense of franchisors. With respect to the former, we have defended franchisors in matters throughout the United States. Because we have been involved in some of the most prominent franchise vicarious liability cases, we are on top of new developments as they occur. With respect to insured cases, we have developed a unique and proprietary Vicarious Liability/Insurance Defense Program (Vicarious Liability Program) that allows franchisors to "outsource" the administration of all vicarious liability litigation to us on a flat-fee basis. Participation in this program frees franchisor personnel from the time-consuming tasks of administering, monitoring, and tracking developments for a significant number of vicarious liability lawsuits. We have successfully handled hundreds of cases for several franchisors at a flat-fee cost that is reasonable and predictable — a benefit that our clients find very attractive.

As part of the Vicarious Liability Program, we work closely with our franchisor clients and their insurance carrier/third-party administrator to ensure that: (1) plaintiffs' counsel are educated as to the unique franchisor/franchisee relationship (many cases are dismissed at this stage); (2) cases are promptly tendered by the franchisee to the appropriate insurance carrier so it can defend and indemnify the franchisor as an "additional insured"; and (3) cases are properly defended by competent insurance defense counsel through careful monitoring and oversight by Lathrop GPM.