



International Distribution Institute

Restaurants: How to Manage the Relations with Delivery Platforms From the Franchisor's Perspective

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Speakers



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Agenda

- Current trends by delivery platforms
- Challenges with delivery platforms
- Steps franchisors can take to reduce disgruntled franchisees

Current Trends by Delivery Platforms

- Introduction...changing times...
- Dark Kitchens
- Sweating the Asset

Dark Kitchens – Delivery Platform Operated

- Much more established than third-party kitchens
- Valuable consumer data
- No fixed fees and no upfront capex costs
- No administrative burden
- More efficient staffing

Sweating the Asset

- Enable restaurants to maximize profits during slower periods
- Access to data to advise of gaps in markets
- Less brand confusion due to separate operations on delivery platform

Challenges with Delivery Platforms

- Exclusivity that can impact franchisees
- Franchisees unable to achieve goals or budgets
- Can create tension between franchisees and franchisor
- Exclusivity that can limit consumer reach
- Commissions as high as 25-35%
- Conflicts that can affect the relationship between the different players and....the value of the brand

Steps Franchisors Can Take to Reduce Disgruntled Franchisees

- Non-exclusive deals
- Protect franchisee territories
- Reduced commissions
- Sharing with the franchisee “part of the cake” and earnings produced by the dark kitchen
- Charging the dark kitchen marketing fees
- Imagination of the Franchisor’ s lawyers...at the time of drafting a contract.



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Questions?