

The Business School

BULAW2611 Organisations Law

Semester 1 2013

Assignment - **Essay**

Assessment information

The information below is provided in conjunction with that provided in the BULAW2611 Course Description. It is recommended that you familiarise yourself with the details in both documents.

Weighting: 30%

Word limit or equivalent: 2,500 words

Referencing: You are required to follow the APA style of referencing for this essay.

Resources: It is recommended that you independently seek out resources, in particular academic, peer-reviewed journal articles. You will be rewarded for using journal articles in your essay. At this stage of your university studies, it is expected that an essay of this length will use at least 10-15 journal articles to support the arguments / points made. Other resources, such as textbooks and electronic documents obtained from authoritative (eg, government) websites, can also be used, but only to a limited extent.

Assessment details:

You are required to read the media release about franchising below and determine what are the key points of this document.

Using these key points, you are to write an essay that demonstrates your depth of understanding of the relevant legal instruments and their practical applications to business owners.

Legal instruments that require examination in your essay include the Franchising Code of Conduct and the *Competition and Consumer Act 2010* (Cth).

Key provisions of these and others, as appropriate, should be discussed in conjunction with the practicalities of operating a franchise in Australia.

It would be useful when considering the operation of the law to analyse actual examples of franchises in Australia.

MEDIA RELEASE

EXPERT TO REVIEW THE FRANCHISING CODE OF CONDUCT

Source: **States News Service**. (Jan. 4, 2013):

CANBERRA, Australia -- The following information was released by the office of the Minister for Innovation, Industry, Science and Research of Australia:

Minister for Small Business, Brendan O'Connor, today announced a review into the Franchising Code of Conduct, calling for submissions from the franchising sector.

Mr O'Connor said the primary purpose of the review was to verify, after a reasonable implementation period, that the amendments to the Franchising Code of Conduct made in 2008 and 2010 were working as intended.

"The franchising sector is an important part of Australia's economy," Mr O'Connor said.

"It comprises around 73 000 franchises, with an annual turnover of more than \$130 billion and employs more than 400,000 people."

Mr O'Connor said the review would consider issues including:

- questions of good faith in franchising,
- the rights of franchisees at the end of their franchise agreements including recognition for any contribution they have made to building the franchise, and
- the operation of the *Competition and Consumer Act 2010* (Cth) with respect to enforcing the code.

"We undertook to review the amendments to the Franchising Code in 2013, when the last changes were announced in 2010," Mr O'Connor said.

"Participation and evidence from the franchising sector would be welcomed and a discussion paper has been drafted to assist people wanting to make submissions to the review."

Mr Alan Wein, an experienced franchise operator and small business adviser, has been appointed to conduct the review.

Mr O'Connor congratulated Mr Wein on the appointment.

"Mr Wein brings a wide variety of talent, skills and experience through an impressive history of personal achievement," Mr O'Connor said.

"He has a thorough understanding of the small business sector from his involvement with the Victorian Small Business Advisory Council and has extensive experience in mediation and commercial law, making him ideal to conduct this review."

Further information about the review, including details of the 2008 and 2010 amendments to the Code, the discussion paper and the terms of reference is available from www.innovation.gov.au/SmallBusiness/CodesOfConduct