

Pizza Hut Wins Judgment Against Former Philadelphia Franchisee

June 23, 2022 Deborah Coldwell, Jason Jordan, Wilson Miller

PRACTICES Franchise Litigation, Appellate, Procurement and Supply Chain Management, Trademark and Advertising, Food, Beverage and Restaurant, Trademark Litigation, Advertising, Marketing and Promotional Law, Litigation

On June 17, 2022, U.S. District Judge Robert W. Schroeder III of the Eastern District of Texas issued a judgment siding with Pizza Hut, LLC in a dispute involving the franchise agreements for all Pizza Hut restaurants in Philadelphia, Pennsylvania.

The judgment was a significant victory for Pizza Hut and established important precedent in the franchise industry, bolstering legal support for the enforcement of franchise agreements and brand standards with franchisees.

Pizza Hut filed the lawsuit after the Philadelphia franchise agreements were terminated based on multiple breaches by the franchisees. Pizza Hut sought to recover substantial unpaid fees and indemnity fees, and injunctive relief related to the franchisees' continuing unauthorized use of Pizza Hut's trademarks and trade dress. The franchisees filed sweeping counterclaims against Pizza Hut seeking tens of millions of dollars.

Following a week-long bench trial, Judge Schroeder ruled in Pizza Hut's favor and denied all counterclaims against the company. The Court's judgment awards Pizza Hut more than \$6.6 million, plus attorneys' fees and costs, and grants Pizza Hut's requested injunctive relief.

Pizza Hut was represented by a Haynes Boone trial team of partners, [Deb Coldwell](#) and [Jason Jordan](#), and associates, Sally Dahlstrom, Alicia Pitts, and [Wilson Miller](#).

Haynes Boone's Franchise Practice Group regularly handles litigation in the U.S. and worldwide for a variety of franchise systems.

The case is styled *Pizza Hut, LLC v. Pandya et al.*, Case No. 5:21-CV-00089-RWS, pending in the Eastern District of Texas, Texarkana Division.

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