



Town Hall Meetings Packed with Concerned Franchisees

The National Coalition held two town hall meetings in California last week. It was a time for 7-Eleven franchisees to come together over deeply shared concerns regarding the new Franchise Agreement. Both meetings were extremely well attended as hundreds of owners packed locations in the northern and southern parts of the state.



Close to 500 franchise owners attended a Town Hall meeting in Los Angeles

General Counsel Eric H. Karp led the attendees through dozens of troubling issues he has pinpointed in the new agreement. Of utmost concern to those in the room is SEI seizing more control over our day-to-day operations. In addition, additional costs to owners aren't yet defined and can change at any time through the contract period. Essentially, it's as if we are giving SEI a blank check. SEI has also crossed another line by mandating owners keep stores open on Christmas Day. This is something which is extremely personal in nature, and should be decided by each owner, not by the corporate franchisor. It's another example of how SEI is seizing control and reducing franchisees ability to operate independently.

“Under normal circumstances we would be thrilled to have so many franchisees meeting and working together,” said Jas Dhillon, NCASEF Treasurer and franchisee. “However, the fact that about 500 of us came to the meeting in City of Industry near LA, and another 300 in the San Jose

area proves how dire the situation is. People were asking questions and are genuinely worried about their futures because of this agreement.”

“We anticipated that the new Franchise Agreement would be unfair and raise many new issues for franchisees,” said Karp. “However, none of us believed SEI would go as far as it has with these harsh, oppressive, and in many cases unconscionable conditions and terms. This agreement is one of the most one-sided I’ve ever seen and nearly all of the changes work in favor of SEI. In my career, I’ve never seen a franchisor present an early renewal franchise agreement that was based on coercion rather than incentives.”



300 franchise owners convened for the Town Hall meeting in San Jose

In addition to Karp’s presentation, attendees were able to pose questions during the session and work together in brainstorming groups.

The Los Angeles Daily News reported on the issues franchisees are facing in the wake of the LA-area meeting. You can read that story [HERE](#).

Meanwhile, it has been almost a month since NCASEF President Jay Singh sent a conciliatory letter to 7-Eleven Chief Executive Officer Joe DePinto asking that he sit down with the National Coalition to negotiate an agreement which is fair and reasonable for both sides. DePinto has ignored the request. He has, however, attended several “events” with franchisees signing the new agreement. These events have been sparsely attended in contrast with the town meetings, which is a statement in itself, said Dhillon.

“We put an offer on the table in good faith,” said Dhillon. “The fact that it’s been weeks and Mr. DePinto doesn’t have the common decency to respond to our request speaks volumes.”