• … one of the greatest inventions of western capitalism
  US House of Representatives Committee on Small Business

• … the dominating force in the distribution of goods and services
  US House of Representatives Committee on Small Business

• … the wave of the future
  US House of Representatives Committee on Small Business

• … the most dynamic business arrangement since the emergence of the corporation
  William Davis

• … the single most successful marketing concept ever
  John Naisbitt
1. COURSE STAFF
   1.1 Staff
   1.2 Communication with Staff

2. INFORMATION ABOUT THE COURSE
   2.1 Teaching times and locations
   2.2 Units of credit
   2.3 Parallel Teaching in the Course
   2.4 Relationship with other disciplines
   2.5 Approach to learning and teaching

3. COURSE AIMS AND OUTCOMES
   3.1 Course Objectives
   3.2 Student Learning Outcomes
   3.3 Teaching Strategies

4. STUDENT RESPONSIBILITIES AND CONDUCT
   4.1 Workload
   4.2 Attendance
   4.3 General Conduct and Behaviour
   4.4 Keeping Informed

5. LEARNING ASSESSMENT
   5.1 Formal Requirements
   5.2 Assessment Details
   5.3 Late Submission
   5.4 Special Consideration and Supplementary examinations
   5.5 Assignment Format

6. ACADEMIC HONESTY AND PLAGIARISM

7. STUDENT RESOURCES
   7.1 Course Resources
   7.2 Other Resources, Support and Information

8. CONTINUAL COURSE IMPROVEMENT

9. KEY DATES

10. COURSE SCHEDULE
1. **COURSE STAFF**

1.1 **Staff**

<table>
<thead>
<tr>
<th>Staff</th>
<th>Room</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew Terry</td>
<td>JG G22</td>
<td>9385-3372</td>
<td><a href="mailto:a.terry@unsw.edu.au">a.terry@unsw.edu.au</a></td>
</tr>
<tr>
<td>Lecturer-in-charge</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

1.1 **Communication with Staff**

Andrew Terry is available for consultation on Monday at 3.00 – 6.00 pm before the class. For the convenience of part-time students he is also available following the class. Students are welcome to discuss course issues at most other times. Andrew Terry is in his office (generally every day except Thursday) and by phoning or emailing ahead a particular time can be locked in.

2. **INFORMATION ABOUT THE COURSE**

2.1 **Teaching times and locations**

<table>
<thead>
<tr>
<th>Day</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday</td>
<td>6:00 – 9:00 pm</td>
<td>MAT 1021</td>
</tr>
</tbody>
</table>

2.2 **Units of Credit**

This course is worth 6 UOC.

2.3 **Parallel Teaching in the Course**

An equivalent postgraduate subject LEGT5571 *Franchising* is taught in parallel with LEGT2732 *Franchising*. The enrolments in the undergraduate and the postgraduate course are relatively small and the combined class enables both undergraduate and postgraduate students to have the opportunity which would not otherwise be available to study a method of business operation of increasing significance in Australia and overseas. Different assessment tasks are set for undergraduate and postgraduate students.

2.4 **Relationship with other Disciplines**

*Franchising* is not a core course in the programs offered by the School of Business Law and Taxation or other Schools in the Faculty. It is nevertheless an attractive option for students in a range of Faculty disciplines.

Today all consumer goods and services most business-to-business services and increasing range of professional, quasi-professional and government services are provided through franchise systems. Franchising – originally an expansion/business entry vehicle for small business – is increasingly used by big business because of its inherent advantages as a distribution system. Because franchising operates in all industry sectors and at all levels of distribution, the course is relevant to all Faculty disciplines.

2.5 **Approach to Learning and Teaching**

This course is conducted with the aim of promoting student-centred learning. This aim will be achieved by requiring students to engage with the topics presented in the course through independent research in addition to consideration of materials distributed for each class.
3. **COURSE AIMS AND OUTCOMES**

### 3.1 Course Objectives

The specific objectives of this course are to provide students with an understanding of the nature and operation of franchised distribution systems and, in particular, of:

- the nature and operation of franchising and alternative disciplined distribution strategies;
- the franchise model and the manner in which the model is evolving in response to changing market conditions;
- the legal implications of the franchise relationship;
- the regulation of franchising under the *Franchising Code of Conduct* prescribed under the *Trade Practice Act*;
- the commercial realities of the franchise relationship;
- the development and management of franchise systems;
- franchising as a strategy for global expansion.

### 3.2 Student Learning Outcomes

In addition to providing students with specific knowledge on franchising law and practice the course also seeks to develop learning outcomes introduced in prior studies including:

- confidence and competence in constructing written and oral arguments relevant to common commercial problems;
- the ability to analyse legal issues and commercial issue in a logical and structured way (i.e., to identify problems, research relevant sources, propose an outcome and identify possible challenges to the proposed outcome);
- awareness of the policy choices that underpin and are reflected in business and in business law.

### 3.3 Teaching Strategies

*Franchising* is conducted in weekly three hour class which will comprise a number of components – lecture, discussion of readings and problems scheduled for that class, and presentation of assigned sector case studies and research assignments.

The relatively small enrolment in the course enables it to be structured as an interactive class. Materials distributed and issues scheduled for discussion must be prepared and attendance at, and participation in, the classes is a course requirement.
4. **STUDENT RESPONSIBILITIES AND CONDUCT**

4.1 **Workload**  
It is expected that you will spend at least **ten hours** per week studying this course. This time should be made up of reading, research, working on exercises and problems, and attending classes. In periods where you need to complete assignments the workload may be greater.

Over-commitment has been a cause of failure for many students. You should take the required workload into account when planning how to balance study with employment and other activities. The structure of this course is based upon students keeping up to date with their reading, and attending and contributions to classes. Students are required to submit two written assignments (a sector case study and research paper) during the second half of the course and as to the extent possible student request for particular weeks will be accommodation.

4.2 **Attendance**  
Your regular and punctual attendance at each class is expected in this course. University regulations indicate that if students attend less than eighty (80) per cent of scheduled classes they may be refused final assessment.

4.3 **General Conduct and Behaviour**  
You are expected to conduct yourself with consideration and respect for the needs of your fellow students and teaching staff. Conduct that unduly disrupts or interferes with a class, such as the use of mobile phones, is not acceptable and students may be asked to leave the class. More information on student conduct is available at: www.my.unsw.edu.au

4.4 **Keeping Informed**  
You should take note of all announcements made in class or on the course web site. From time to time, the University will send important announcements to your university e-mail address without providing you with a paper copy. You will be deemed to have received this information.

5. **LEARNING ASSESSMENT**

5.1 **Formal Requirements**  
In order to pass this course, you must:

- achieve a total mark of at least 50/100; and
- attend 80% of your scheduled classes; and
- make a satisfactory attempt at all assessment tasks.

**Satisfactory Performance in All Aspects of Assessment**  
Whilst there is no requirement that a student attain 50% or more for each piece of assessment, there is however a requirement that the student achieve a result that indicates the student genuinely attempted the assessment. Where a student achieves a total mark of 50/100 or more in the course, but fails to demonstrate a satisfactory level of performance in each form of assessment the student may be awarded a UF grade (unsatisfactory fail). An example of unsatisfactory performance is failing to complete an assessment task (e.g. failing to submit an assignment).
5.2 Assessment Details
Assessment in Franchising does not involve an examination and is based on class participation and performance throughout the session and on the submission and presentation and two research assignments.

<table>
<thead>
<tr>
<th>Task</th>
<th>Marks</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Paper 1</td>
<td>40</td>
<td>As allocated, in Weeks 6-14</td>
</tr>
<tr>
<td>Research Paper 2</td>
<td>40</td>
<td>As allocated, in Weeks 6-14</td>
</tr>
<tr>
<td>Class Performance</td>
<td>20</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

Research Papers
The Research Papers are written papers of about 3,000 words each on a topic negotiated with the lecturer in Weeks 2 of session

Each Research Paper will be presented to the class in the appropriate week in weeks 6-14 (determined having regard to the topic.

The Research Paper must be submitted to the lecturer at least by the day preceding the presentation.

Students will have about 20 minutes to present and discuss their paper in class. Copies of the overhead slides used must be provided to the class. Copies can be made in the School Office prior to presentation.

The mark for each Research Paper will be allocated on the basis of up to 30 for the written paper and up to 10 for the presentation.

Class Performance
The Class Performance mark is awarded having regard to participation in the class throughout the session, in particular in relation to the questions scheduled for discussion.

5.3 Late Submission
Written assignments submitted after the day and time specified in 5.2 above will not be accepted without penalty unless prior written approval has been granted by the lecturer. Assignments that are submitted late without prior approval will have 10% of the available marks deducted per day late and no mark for presentation will be awarded.

If circumstances beyond your control mean that you cannot complete the assessment by the due date or give your presentation on the due date, you should make an application for special consideration (see below). These applications are reserved for illness or misadventure, not work commitments. Work commitments are not a valid reason for special consideration applications

If you foresee that you will have problems submitting the assignment on time you should contact your Lecturer by email, explaining the circumstances in full immediately. Do not wait until the due date to ask for an extension. No extensions will be granted on the due date itself.

5.4 Special Consideration and Supplementary Assessment
If you feel that illness or circumstances beyond your control have affected your performance in writing or presenting your assignments you may apply for special consideration. Such an application may lead to the granting of additional assessment. Each of the following procedures must be followed:
1. **Within 3 days** of the event, a request for special consideration must be submitted to New South Q in the Chancellery, along with full supporting documentation; a copy of such request and supporting documentation should be delivered to the Lecture of the course within the same time frame by leaving it with the secretary at the School’s office, G20 John Goodsell Building.

2. A written letter will be forwarded by the School of Business Law & Taxation to each student who has been granted additional assessment at their current local address appearing on the University’s records. It is your responsibility to ensure that the University has your latest contact details.
   - You must confirm the actual date of any supplementary assessment

**Important notes on special consideration:**
Students with a poor record of attendance or performance through the session may be failed regardless of illness or compassionate grounds affecting the final examination. The following may be taken into account:
   - the student’s performance in other items of assessment in the course;
   - the severity of the event;
   - academic standing in other courses; and
   - history of previous applications for special consideration.

The additional assessment may be of a different form from the original assessment.
In exceptional circumstances the requirements for applications to be lodged within 3 days of the event may be waived; for example, an accident or sudden illness occurring which requires your immediate hospitalisation.

**You should also be aware that it is Faculty policy that:**

1. The lodging of applications for special consideration does not guarantee that supplementary assessments will be granted.

2. *It is the responsibility of students who apply for special consideration to be available for supplementary assessments during the specified period (holiday plans and/or pre-booked tickets are not sufficient reason for non-availability).*

**5.5 Assignment Format**
Written assignments must have a completed coversheet in the following format:
Please staple this coversheet to the front of each submitted assignment. Fill in all details on this form.

First Name:___________________________ Last Name:_____________________
Student Number:_______________________ Word Count____________________
E-mail Address:________________________________________________________________

Course: LEGT5571 Franchising
Due Date:_______________________
Date Submitted:_________________________________________

Lecturer’s Use Only
Grade_______________________
Lecturer’s Signature ________________________________

Comments:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Acknowledgement: I declare that this assessment item is my own work, except where acknowledged, and has not been submitted for academic credit elsewhere, and acknowledge that the assessor of this item may, for the purpose of assessing this item:
• Reproduce this assessment item and provide a copy to another member of the University; and/or,
• Communicate a copy of this assessment item to a plagiarism checking service (which may then retain a copy of the assessment item on its database for the purpose of future plagiarism checking).

I certify that I have read and understood the University Rules in respect of Student Academic Misconduct.

Student Signature: ________________________________ date:_________________
6. **ACADEMIC HONESTY AND PLAGIARISM**

The University regards plagiarism as a form of academic misconduct, and has very strict rules regarding plagiarism. For full information regarding policies, penalties and information to help you avoid plagiarism see: [http://www.lc.unsw.edu.au/plagiarism/index.html](http://www.lc.unsw.edu.au/plagiarism/index.html)

<table>
<thead>
<tr>
<th>Plagiarism is the presentation of the thoughts or work of another as one’s own.*</th>
<th>Examples include:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• direct duplication of the thoughts or work of another, including by copying work, or knowingly permitting it to be copied. This includes copying material, ideas or concepts from a book, article, report or other written document (whether published or unpublished), composition, artwork, design, drawing, circuitry, computer program or software, web site, Internet, other electronic resource, or another person’s assignment without appropriate acknowledgement;</td>
</tr>
<tr>
<td></td>
<td>• paraphrasing another person’s work with very minor changes keeping the meaning, form and/or progression of ideas of the original;</td>
</tr>
<tr>
<td></td>
<td>• piecing together sections of the work of others into a new whole;</td>
</tr>
<tr>
<td></td>
<td>• presenting an assessment item as independent work when it has been produced in whole or part in collusion with other people, for example, another student or a tutor; and,</td>
</tr>
<tr>
<td></td>
<td>• claiming credit for a proportion a work contributed to a group assessment item that is greater than that actually contributed;†</td>
</tr>
</tbody>
</table>

Submitting an assessment item that has already been submitted for academic credit elsewhere may also be considered plagiarism.

The inclusion of the thoughts or work of another with attribution appropriate to the academic discipline does not amount to plagiarism.

Students are reminded of their Rights and Responsibilities in respect of plagiarism, as set out in the University Undergraduate and Postgraduate Handbooks, and are encouraged to seek advice from academic staff whenever necessary to ensure they avoid plagiarism in all its forms.

The Learning Centre website is the central University online resource for staff and student information on plagiarism and academic honesty. It can be located at:

[www.lc.unsw.edu.au/plagiarism](http://www.lc.unsw.edu.au/plagiarism)

The Learning Centre also provides substantial educational written materials, workshops, and tutorials to aid students, for example, in:

|  | • correct referencing practices; |
|  | • paraphrasing, summarising, essay writing, and time management; |
|  | • appropriate use of, and attribution for, a range of materials including text, images, formulae and concepts. |

Individual assistance is available on request from The Learning Centre.

Students are also reminded that careful time management is an important part of study and one of the identified causes of plagiarism is poor time management. Students should allow sufficient time for research, drafting, and the proper referencing of sources in preparing all assessment items.

* Based on that proposed to the University of Newcastle by the St James Ethics Centre. Used with kind permission from the University of Newcastle

† Adapted with kind permission from the University of Melbourne.

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7. **STUDENT RESOURCES**

7.1 **Course Resources**

7.1.1 **Prescribed Materials**

There is no prescribed text for *Franchising*. Materials will be distributed for each class or will be available on the course website or on internet sites outlined. The materials distributed are intended to provide the basis for discussion of the topic scheduled for each class but further reading may be necessary for the preparation of research papers. Students should consult
with Andrew Terry, whose comprehensive library of franchising material is available to the class, as to the further references they should access.

7.1.2 Online Resources
Students are encouraged to check the course website for announcements and the following resources designed to assist students with their study of this course:

- course outline
- assessment details
- relevant lecture slides
- cases and articles
- useful links

WebCTVista is designed to assist you with your studies in the course but it does not replace the lectures, readings or tutorials. The WebCTVista address is: http://vista.elearning.unsw.edu.au

7.1.3 Reference Materials
There are many references available which will assist students in various areas covered in the course.

For general areas of business law – contract, trade practices, misleading conduct, unconscionable conduct, intellectual property – students will find the following text helpful:
- Terry & Giugni, Business & the Law, 4\textsuperscript{th} edn 2005 Thompson.

For franchise specific issues the following references are helpful:
- Giles, Redfern & Terry, Franchising Law and Practice, Butterworths looseleaf service
- Australian Franchising Magazine
- Martin Mendelsohn, The Guide to Franchising, Cassell, UK

7.1.4 Web References
- Australasian Legal Information Institute (http://www.austlii.edu.au)
- Federal (Commonwealth) government entry point (search engine and portfolios) http://www.fed.gov.au
- Federal (Commonwealth) Parliament (bills, legislation, committees etc http://www.aph.gov.au
- ACCC’s website – has information for franchisors and franchisees including the Franchising Code of Conduct (www.accc.gov.au)
- Franchise Council of Australia – the peak industry body (www.franchise.org.au)
- International Franchise Association – the peak US franchise industry body (www.franchise.org)
- Office of the Mediation Advisor – assists franchisors and franchisees to resolve disputes without going to court (www.mediationadviser.com.au)
- Publisher of Franchising Magazine from which lead articles can be accessed (www.reedbusiness.com.au)
- FindLaw Data Base and Search Engine: www.findlaw.com.au
- Australian Government Treasury: www.treasury.gov.au
- Australian Productivity Commission: www.pc.gov.au
7.2 Other Resources, Support and Information
The University and the Faculty provide a wide range of support services for students, including:

7.2.1 Education Development Unit
Additional learning support, tailored to the needs of FCE students, is available from the Education Development Unit (EDU) in the Faculty. The EDU offers a range of services for FCE students including:

- Academic skills workshops run throughout the session
- Printed and on-line study skills resources eg. referencing guide, report writing and exam preparation
- A drop-in resource centre containing books and audio visual material that can be borrowed
- A limited consultation service for students with individual or small group leaning needs.

More information about the EDU services including on-line resources, workshop details and consultation request forms are available from the EDU website.

Contacts and location:
EDU Web: http://education.fce.unsw.edu.au
EDU Location: Room 2039, Level 2 Quadrangle Building

EDU services are free and confidential and are available to students of the Faculty of Commerce and Economics.

7.2.2 Other UNSW Support
In addition to the EDU services, the UNSW Learning Centre provides academic skills support services for students. The Learning Centre is located on Level 2 of the Library and can be contacted by Phone: 9385-3890 or through their website: http://www.lc.unsw.edu.au/.

Students experience problems of an academic or personal nature are encouraged to contact the Counselling Service at UNSW. This service is free and confidential and run by professional counselors. The Counselling Service is located on Level 2, Quadrangle East Wing, and can be contact on 9385-5418.
8 CONTINUITY COURSE IMPROVEMENT
Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process (http://www.itu.unsw.edu.au/ref4-5-1_catei_process.cfm) is one of the ways in which student evaluative feedback is gathered.

9. KEY DATES

It is your responsibility to ensure that:

1. You are recorded by the University as being correctly enrolled in all your courses. The last day for students to discontinue without financial penalty is **Friday March 30** and the last day to discontinue without academic penalty is **Friday 27 April**.
2. You have successfully completed all prerequisite courses. Any work done in courses for which prerequisites have not been fulfilled will (unless an exemption has been granted) be disregarded, and no credit given nor grade awarded.
3. You organise your affairs to take account of assessment dates where these are known.
4. You keep the University informed of all changes to your contact details.
5. You make a copy of all work submitted for assessment, and keep returned marked assignments and essays.

A full list of UNSW Key Dates is located at: https://my.unsw.edu.au/student/resources/KeyDates.html
<table>
<thead>
<tr>
<th>Week of Session</th>
<th>Date of Class</th>
<th>Topic</th>
<th>Research Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 March</td>
<td>Course Administration and Introduction</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>8 March</td>
<td>Commercial Overview of Business Format Franchising</td>
<td></td>
</tr>
</tbody>
</table>
| 3               | 15 March     | • history & development  
• the business format model  
• economic, commercial, social significance  
• advantages & disadvantages  
• key factors in success & failure  
• legal framework  
• international development  
• alternative business models  
• current issues  
• current trends and opportunities  |
| 4               | 22 March     | Developing, Structuring and Documenting the Franchise Relationship |       |
| 5               | 29 March     | • the franchise system  
• the franchise “package”  
• the franchise agreement  
• the Operations Manual  |
| 6               | 5 April      | • the legal environment  
• the regulatory debate | ✓ |
| 7               | 19 April     | The Legal and Regulatory Framework | ✓ |
| 8               | 26 April     | • misleading conduct (s52 TPA)  
• unconscionable conduct (s51AC TPA)  
• good faith/fair-dealing | ✓ |
<p>| 9               | 3 May        | Managing the Franchisor/Franchisee Relationship |       |
| 10              | 10 May       | Competition and Restrictive Trade Practices: Legal and Commercial Issues |       |
| 11              | 17 May       | Intellectual Property: Legal and Commercial Issues | ✓ |</p>
<table>
<thead>
<tr>
<th>Week of Session</th>
<th>Date of Class</th>
<th>Topic</th>
<th>Research Papers</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>24 May</td>
<td>Strategies for Expansion</td>
<td>✓</td>
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<tr>
<td></td>
<td></td>
<td>• sub-franchising</td>
<td></td>
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<td></td>
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<td>• multiple site</td>
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<td>• co-branding</td>
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<td>• multiple concept</td>
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<td></td>
<td></td>
<td>• merger/acquisition</td>
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<tr>
<td>13</td>
<td>31 May</td>
<td>International Franchising</td>
<td>✓</td>
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<td></td>
<td></td>
<td>• significance &amp; development</td>
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<td>• vehicles for international</td>
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<td></td>
<td></td>
<td>• commercial considerations</td>
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<td></td>
<td></td>
<td>• legal issues</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>7 June</td>
<td>• franchising in Asia</td>
<td>✓</td>
</tr>
</tbody>
</table>