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NEWS BRIEFS

QUIZNOS AGAIN SUED

BY WOULD-BE NEW

JERSEY FRANCHISEES

In a virtual replay of a dispute settled less than a year ago, at least 10 prospective New Jersey Quiznos franchisees have filed a class action lawsuit against Quiznos in Middlesex County, NJ, charging deceptive recruitment practices and failure to deal in good faith. The franchisees allege that Quiznos has thwarted their efforts to open franchise locations, and they are seeking refunds of their franchise fees and punitive damages under the New Jersey Consumer Fraud Act.

"What Quiznos does is lure you in by making you think they have a location for you and giving you an area license. Then, the prospect can't find a location, and Quiznos has the right to final approval ... which never comes," said Justin Klein, an attorney at Marks & Klein (Red Bank, NJ), who represents the plaintiffs. Klein also represents Toasted Subs, an independent association of Quiznos franchisees.

Klein settled an almost-identical lawsuit on behalf of 24 plaintiffs in June 2005 (*see FBLA*, July 2005). Potentially, the new lawsuit will encompass more than 250 franchisees who made payments to Quiznos at least 1 year ago and have been unable to open restaurants. "The difference this time is that we have filed a class action, and we are seeking an injunction to stop Quiznos from selling any additional franchises in New Jersey until all current prospects have either been given locations or given a full refund," Klein told *FBLA*.

Quiznos did not respond to a request for comment.