

FRANCE

In Europe, the first country to adopt legislation relating to franchising was France: on 31 December 1989 Law No. 89-1008, concerning the development of commercial and artisanal enterprises and the improvement of their economic, legal and social environment¹ was adopted, the first article of which is relevant for franchising. It is a disclosure law, the details of which were subsequently laid down in Government Decree No. 91-337 of 4 April 1991.² It should be noted that this law is not franchise-specific, but nevertheless covers franchising.

In accordance with the fourth paragraph of Article 1 of the Law, the disclosure document must be delivered at least twenty days before the execution of the contract or, if applicable, before the payment of any sum of money that is required, in particular in order to obtain an exclusive territory.

The Decree contains three articles, the first of which specifies the information that must be disclosed. Article 2 provides that anyone who does not provide the required information as established in Article 1 of the Law is liable to pay fines as applicable to fifth class offences, and Article 3 entrusts the execution of the Decree to the Minister of Justice, the Minister of Industry and Development and the Minister Delegate for Commerce and Handicrafts.

¹ *Loi n° 89-1008 du 31 décembre 1989 relative au développement des entreprises commerciales et artisanales et à l'amélioration de leur environnement économique, juridique et social*, in *Journal Officiel*, 2 January 1990. This law is more commonly known as the *Loi Doubin* after the minister who introduced it. For an English Translation, see CCH, *Business Franchise Guide*, at ¶ 7135.

² *Décret n° 91-337 du 4 avril 1991 portant application de l'article 1er de la loi n° 89-1008 du 31 décembre 1989 relative au développement des entreprises commerciales et artisanales et à l'amélioration de leur environnement économique, juridique et social*, in *Journal Officiel*, 6 April 1991 (a correction to the Decree was published in the *Journal Officiel* of 4 May 1991). For an English Translation, see CCH, *Business Franchise Guide*, at ¶ 7136.