THESIS TITLE LEGAL PROBLEMS CONCERNING FRANCHISE LAW

IN THAILAND: CASE STUDY OF SEVEN ELEVEN

THE CONVENIENT STORE

KEYWORDS FRANCHISE BUSINESS

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ABSTRACT

This thesis aims to study the legal issues related to the franchise business in Thailand by studying the convenience store Seven Eleven, one of the franchise business that is very popular nowadays as a case study for drafting the law on franchise in Thailand.

The study found that currently Thailand has no specific law regarding to franchise business and cause the issues in terms of the contract and agreement that is an opportunity for Franchisor to use loophole of law to make contract by exploitation or hide the information that the Franchisee should know before entering into a contract that may make the Franchisee disadvantage or take some obligations beyond the law. There is no law that will force the Franchisors to register franchise businesses including disclose important and necessary information to run a franchise business to those who are interested before doing the franchise agreement. When problems arise, the provisions of the Civil and Commercial Code or similar law will be applied on a case by case basis. Further there is no Government authority or department to regular the franchise business especially the information center to exchange the business information including promote and support the franchise business in Thailand. The study also found that it is necessary to study and compare the law of franchise business in foreign countries that is clear and have been applied for a long time, such as laws on the franchise business of the United States, England, Japan and France to be guidelines of the principle of franchise business in Thailand. This will enhance effective enforcement of franchise business in Thailand to be fair to business operators in line with economic development.

Therefore, from study and problem analysis, the writer recommends to enact a specific law on franchise businesses. It is required that the franchise contracts be made in writing and clearly state the details of the franchise contract. In addition, the franchisor must register franchise business and disclose the information necessary for operating the franchise business to the interested person before entering the franchise contract. This franchise law shall establish a state agency to supervise the franchise business to render fairness to franchise business operation.