
Industry

Franchising and Licensing

Franchise networks and licensing agreements, with initial fees, royalties, advertising funds and purchase obligations.

Projection presented, result achieved: the gap is usually at the heart of the dispute.

Initial fees, royalties, advertising funds and purchase obligations together define the economics of the franchisor-franchisee relationship. Disputes arise when franchisees challenge the projections they received, the use of funds or the calculation of fees, and when franchisors claim amounts for default or termination.

Common situations in this industry

Determination of royalties, fees and advertising funds.

Accounts for the use of network funds.

Projections presented versus results achieved.

Loss on contract termination.

Contested pass-throughs and purchase obligations.

How SGEx works

Disclosure document and contract

Projections and obligations read in the offering documents.

Unit by unit

Billing and pass-throughs checked by unit.

Funds audited

Use of network funds compared with what was planned.

Projections and results are compared on the basis of unit records, not network averages.

What We Solve

Questions in a franchise network.

Were royalties correctly calculated?

Determination of royalties, fees and funds.

Was the advertising fund properly used?

Accounts for network funds.

Was the projection realistic?

Comparison of projections and results.

What did termination cost?

Quantification of losses on termination.

Were the purchase obligations owed?

Audit of pass-throughs and purchase obligations.

What does the franchisee owe?

Determination of balances between the parties.

How We Approach It

Steps applied to this type of engagement.

1
Offering documents

Disclosure document, contract and manuals.

2
Units

Gathering billing and pass-throughs.

3
Comparison

Projections against results.

4
Balance

Amounts owed to each party.

What we examine: franchise disclosure document, contracts and manuals, unit billing reports, fund statements, supply invoices and the parties' financial statements.

Deliverables: royalty and fee calculation, review of accounts rendered, technical opinion, quantification of losses and expert report.

Related Topics

More on each topic at sgexpericias.com.br

Services

Economic and Financial Expert Services
Disputes and Litigation Support
Accounting Expert Services
Forensic Accounting
Financial and Operational Audit

Specialties

Commercial and Contract Disputes
Accounting Claims

Areas of Law

Civil and Contract Law
Corporate and Commercial
Administrative and Regulatory
Audit Courts and Oversight Bodies

Industries

Royalties and Copyright
Hospitality and Real Estate
Industrial, Manufacturing and Consumer Goods

SGEx at a Glance

Figures reported by SGEx, updated periodically.

400+

engagements completed

100+

court cases in progress

300+

clients served

200+

law firms served

500+

reports, expert reports and opinions delivered

BRL 100M+

in fraud and irregularities identified

Why Talk to SGEx

Expert Services, Disputes and Forensics.

Technical independence

SGEx does not provide legal advice or represent interests: it examines, calculates and demonstrates.

Multidisciplinary team

Accounting, economics, law, business administration, finance and engineering on the same engagement.

Forensic experience

Professionals with prior roles at FTI Consulting, PwC, BDO, Deloitte, KPMG and Mazars.

Traceable methodology

Explicit assumptions, calculation workpapers and conclusions that third parties can replicate.

Who Leads the Work

Contracts, audit and accounting claims.



Sidney Gomes

Founder and Managing Partner of SGEx Group

Works on contract matters, commercial agency disputes and economic and financial rebalancing of contracts and concessions. Accountant, economist and attorney.



Marco Bole

Managing Partner, Advisory and Finance

Business administrator (CRA-SP) and former auditor at Mazars. Works on investigative, preventive and special audits and leads the condominium and non-profit practice.



Fabricio Franco

Operations Coordinator and Senior Expert, Disputes, Investigations and Forensic Services

Involved in accounting claims engagements of substantial value and high complexity. Accounting expert (CNPJ-CFC no. 8116); also works on condominium audits.

Request an Assessment

Describe the network, the contract and the issue in dispute. SGEx will assess the scope before submitting any proposal.

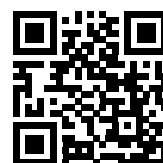
WhatsApp +55 11 96501-2034

contato@sgex.com.br

Phone +55 11 5081-3667

www.sgexpericias.com.br

Rua Vergueiro, 2556, 4th floor, Vila Mariana, São Paulo, SP, Brazil



Chat on WhatsApp