



Legal Checklist for Canadian Franchises Expanding into the U.S.

Canada boasts the world's second-largest franchise industry, contributing \$120 billion to the national economy in 2024. There exists significant interest in Canadian brands entering and expanding within the U.S. market. Many Canadian entrepreneurs are attracted to the U.S. marketplace's large consumer base and the opportunity for rapid growth through the franchise model.

The following checklist outlines the steps for expansion into the United States:

1. Register trademarks, copyrights, and patents.
2. Americanize your franchise agreement.
3. Draft a franchise disclosure document that complies with FTC Franchise Rule and state regulations.
4. Register in franchise registration states.
5. Ensure that the franchisor's employees can operate in the U.S. (Immigration).
6. Deal with employment and employment benefits issues, if U.S. employees are being hired.
7. Work out supply chain issues, including the impact of tariffs.
8. File business opportunity law exemptions or comply with the disclosure obligations under such laws.

Reach out to our experienced cross-border attorneys who help Canadian franchisors navigate the **complex and evolving U.S. federal and state laws** when looking to expand into the United States through franchising or contractual distribution relationships.



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