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**For Immediate Release**

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**HOTEL FRANCHISOR UNSUCCESSFULLY ATTEMPTS TO FORCE ITS  
FRANCHISEE TO CONTINUE OPERATING UNDER THE  
FRANCHISOR'S FLAG**

On October 29, 2002, an Arbitrator appointed to decide a dispute between Choice Hotels International, Inc. ("Choice") and one of its franchisees, represented by The Goldstein Law Group, PC, rejected Choice's demand that the Arbitrator order the franchisee to continue to operate its Hotel as a Choice franchise, even though the franchisee had already decided to leave the Choice system. In its request, rejected by the Arbitrator, Choice sought to require the franchisee to continue to fly the Choice flag even though the franchisee decided that its continued operation in the Choice system at the franchisee's location was not in its best interests.

After reading the Arbitrator's Order, Jeffrey Goldstein, Managing Partner of The Goldstein Law Group, commented, "This is a significant victory for franchisees around the country." Mr. Goldstein further stated, "To my knowledge, there are no published opinions addressing whether a hotel franchisor is permitted to 'force' its franchisee against its will to continue to operate a hotel under the franchisor's flag. Franchisors must recognize that we are not living in a 'dictatorial' society where independent businessmen and women can be forced to put their money and life into the operation of unprofitable businesses. This ruling affirms again that Courts in the United States are solicitous of the rights of independent businessmen and women to make their own individual economic decisions regarding whether they wish to continue operating a business."

**For more information, call Jeffrey M. Goldstein, Esq. at The Goldstein Law Group, PC (202)-293-3947 (direct) or (202)-223-2002 (fax), or you can reach him via electronic mail at [jgoldstein@goldlawgroup.com](mailto:jgoldstein@goldlawgroup.com).**