01/28/2016 Information

Franchising is a business development strategy, a form of commerce that connects a franchisor owner of a trademark and a trader - francisee. For the owner, the franchising is a way to expand the business and for the franchisee is an opportunity to open and operate under a recognized trademark.

Therefore, obtaining of a franchise involves paying a system entrance fee and the obligations payable periodically on fixed dates, usually as a percentage of turnover.

However, at AGEPI, requesting registration of a franchise contract shall be made by filing an application, whose registration is performed on the basis of the request of either Contracting Party for which a fee is paid subsequently.

However, the law on trademark protection does not require registration of contracts with the AGEPI.

Thus, in the period 1994 - 2015, only 40 franchising contracts were registered with the AGEPI, of which 7 were canceled and for 17 contracts the term has expired.

In Moldova the franchise system is actively developing through other forms such as dealer agreements and through official representatives of foreign companies, therefore the number of contracts is very small.

We should note that the beneficiary of a franchise has the advantage to operate under the protection of a brand that is already known and present in public consciousness. Thus, it is much easier to attract customers. They also benefit from the reputation of trademarks, copyright, trade secrets or other secret and successful proceedings held by the franchisee.

However, this system of contractual relations involves certain costs, in addition to franchise granting fee and annual fees, which erodes the profits of the beneficiary, the latter must constantly maintain a certain standard of quality.

Below is the full list of companies operating in the Republic of Moldova on the basis of a franchising registered with the State Agency on Intellectual Property:

- Andy’s Pizza
- Pizza Mania
- TONY & GUY
- Tirex Petrol
- Planeta Sushi
- Il Patio
- Hertz
- Furset
- La placinte



[1]

Source URL: https://agepi.md/en/news/what-franchising-and-which-are-companies-operating-under-system-republic-moldova