Definition of Franchise Agreement in European Community Law

European Community Law, as legislation, gave its first definition of a franchise within the context of competition law. In particular, EEC Regulation Number 4087/88 offered one of the most successful notions of a franchise agreement, which emerged as a result of all the definitions given over the years by scholars and case law in the major European countries. The increasing proliferation of this ambiguous commercial practice further emphasized all the limits existing in the traditional contractual schemes utilized so far and pushed the legislator to seriously think about the necessity to draw up a legislative framework for the whole subject.