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Franchising in Nigeria

Why Businesses Should Pay Attention



Understanding the growth
opportunity, legal structure
and future of franchising.



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What Exactly is **Franchising** ?

Franchising is a business arrangement where a brand (the franchisor) grants another party (the franchisee) the right to operate under its established system.

In exchange, the franchisee pays fees and complies with set quality standards.

A franchise arrangement is typically built around three core pillars:



Brand Name

Operate under a recognized identity.



Business Model

Replicate a proven formula.



Operational Systems

Follow standardized processes.



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Embrace the Franchise Advantage

Franchising offers a strategic pathway for Nigerian businesses to scale, innovate, and achieve sustainable success.



As a Franchisor



Protect your brand, structure your agreements, and license your model to grow across Nigeria and Africa.

As a Franchisee



Invest in a proven system, reduce your risk, and join a growing network of successful operators.



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Why Does This Matter ?

Franchising creates value for two key groups and both stand to gain significantly.

For Business Owners

It allows you to expand rapidly without owning every outlet. You grow your brand's footprint while franchisees invest their own capital and effort.

For Investors

It provides access to a proven business model with reduced risk. You skip the trial-and-error phase and start with a tested system.



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Why Franchising is Gaining Ground in Nigeria

Nigeria's business landscape is shifting and franchising is at the center of that shift.



Restaurants & Retail Boom

Fast-food chains and retail brands are multiplying across major cities.



International Brand Entry

Global franchises are entering Nigeria, raising standards and awareness.



Rising Entrepreneurship

A new generation of entrepreneurs is seeking proven models to invest in.



Nigerian Brands Going Pan-African

Local brands are expanding across Africa using franchise models.



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Franchising is not just a business decision. It is a **legal structure**.

Without proper legal frameworks in place, even the most promising franchise can unravel.

Key risks include:



Brand Misuse

Uncontrolled use
of your identity
damages
reputation.



Revenue Failure

Poorly structured
fees and royalties
collapse income.



Disputes & Collapse

Unclear terms invite
conflict and can
destroy expansion.



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Key Legal Elements of Franchising

A solid franchise is built on four legal pillars. Neglecting any one of them puts the entire structure at risk.

Franchise Agreement



The foundational contract defines rights, obligations, fees, and duration for both parties.

Intellectual Property Protection



Trademarks and brand assets must be registered and legally protected before licensing.

Regulatory Considerations



Compliance with Nigerian commercial law, NOTAP requirements, and sector specific regulations.

Operational & Compliance Framework



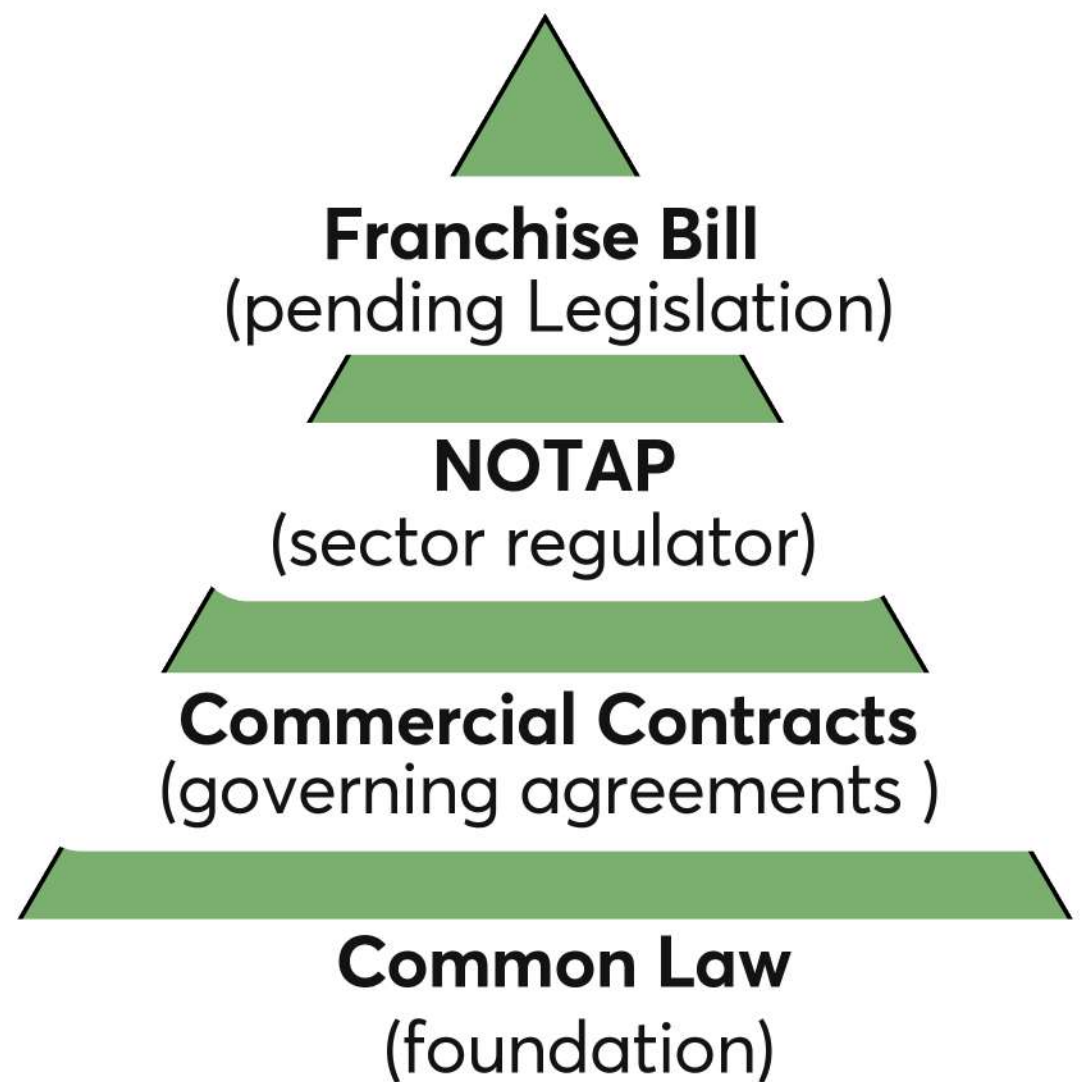
Standard operating procedures ensure consistency and quality across all franchise locations.



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Navigating the Legal & Regulatory Landscape

While Nigeria has no specific franchise law, franchising operates through a combination of existing laws, regulations, and contractual principles.



NOTAP

The National Office for Technology Acquisition and Promotion regulates franchise agreements involving foreign technology transfer.

Franchise Bill

A dedicated Franchise Bill has been submitted to the National Assembly, signaling growing legislative attention.



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Future of Franchising in Nigeria

Franchising is more than a business model. It is a catalyst for national economic growth.



01

Job Creation

Franchises generate employment at scale, from operators to supply chains.



02

Revenue Generation

Franchising drives tax revenue and foreign investment into the economy.



03

Innovation & Sustainability

Proven models reduce failure rates, fostering long-term business resilience.

Franchising Is About Structured, Sustainable Growth

Growth without structure is chaos.
Franchising offers the rare combination
of speed and sustainability when
done right.

The businesses that thrive in
Nigeria's next decade will be
those that scale smartly, protect
their brand, and empower
others to succeed under
their banner.



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www.akinwunmibusari.com



[@akinwunmiandbusari](https://www.instagram.com/akinwunmiandbusari)



(234) - 903 - 4563 - 548



aandb@akinwunmibusari.com



Akinwunmi & Busari LP

