

CASE STUDIES

Summary Judgment Victories for Choice Hotels International, Inc.

TVPRA Litigation / 2024

Client: Choice Hotels International, Inc.

Client industry: Hotels/Hospitality

Type of case: Human Trafficking

Court: Northern District of Ohio

Result: Won two of the first summary judgments in human trafficking cases against hotel franchisors in the country.

A Baker Donelson team, led by Sara M. Turner, defended Choice Hotels International, Inc., in several cases pending in the Northern District of Ohio. Choice is one of the largest and most successful lodging franchisors in the world, franchising more than 7,000 hotels, representing nearly 570,000 rooms, in more than 40 countries and territories. The allegations made against Choice were brought under the Trafficking Victims Protection Reauthorization Act (TVPRA), 18 U.S.C. § 1595. Section 1595 of the TVPRA provides a civil remedy for victims of human trafficking. It allows victims to file lawsuits against perpetrators or anyone who knowingly participates in and benefits from a trafficking venture. Public arbitration and settlements against hotel owners, as opposed to franchisors, in similar cases have ranged in the multiple millions of dollars.

Baker Donelson's representation of Choice helped generate two of the first summary judgment victories for franchisor hotel defendants facing TVPRA civil claims. In denying reconsideration of one of the judgments by one of the plaintiffs, the trial court found that the plaintiff failed to provide evidence showing Choice's participation or knowledge as required under the TVPRA. Additionally, the court held that Choice did not have sufficient control over the franchisee owned and operated hotels to establish an agency relationship. To date, neither plaintiff has sought to appeal the decisions to the Sixth Circuit Court of Appeals.

S.C. v. Wyndham Hotels & Resorts, Inc., No. 1:23-CV-00871, 2024 WL 1429114 (N.D. Ohio Apr. 2, 2024)

*R.C. Plaintiff, v. CHOICE HOTELS INTERNATIONAL, INC., et al., Defendant., No. 5:23-CV-00872, 2024 WL 1443412, at *1 (N.D. Ohio Apr. 2, 2024)*