NORTH CAROLINA SUPERIOR COURT, NORTH CAROLINA BUSINESS COURT

PJC Management Group, LLC v. MAACO Franchisor SPV LLC

2026 NCBC 37 · No. 25CV059334-590 · Decided April 22, 2026

SUMMARY

The North Carolina Business Court addresses defendants' Rule 12(b)(6) motion in a dispute between MAACO franchisees and the franchisor concerning advertising fees, accounting disclosures, and related contractual obligations. The court allows the contract, implied-covenant, and declaratory-judgment claims to proceed against MAACO, while dismissing those claims without prejudice against Driven Brands and Driven Systems. The court dismisses the North Carolina General Statutes § 75-1.1 claim with prejudice and dismisses the accounting claim without prejudice to seeking an accounting as a later remedy.

CASE DETAILS

COURT	North Carolina Superior Court, North Carolina Business Court
WRITING FOR THE COURT	Adam M. Conrad
JURISDICTION	North Carolina Superior Court, North Carolina Business Court
DECIDED	April 22, 2026
DOCKET	25CV059334-590
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved under North Carolina Rule of Civil Procedure 12(b)(6) to dismiss the complaint, which asserted contract, implied-covenant, accounting, unfair-or-deceptive-trade-practices, and declaratory-judgment claims. The Business Court granted the motion in part and denied it in part.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court tests the legal sufficiency of the complaint, accepts well-pleaded allegations as true, views facts and permissible inferences in the light most favorable to the nonmoving party, and does not accept legal conclusions or unwarranted factual deductions. The court may consider documents that are the subject of and specifically referenced in the complaint without converting the motion into one for summary judgment.
PRECEDENTIAL VALUE	Published North Carolina Business Court order and opinion

TOPICS

motions to dismiss · breach of contract · implied covenant of good faith · deceptive trade practices · accounting

PRACTICE AREAS

contracts · civil procedure · commercial litigation · consumer protection · remedies

QUESTIONS PRESENTED

1. Whether the complaint adequately stated breach-of-contract, implied-covenant, and declaratory-judgment claims against MAACO.
2. Whether the complaint adequately stated contract-related claims against MAACO's alleged guarantors, Driven Brands and Driven System.
3. Whether alleged failure to provide contractual accounting information and alleged misuse of advertising fees constituted substantial aggravating circumstances sufficient to state a claim under North Carolina General Statutes section 75-1.1.
4. Whether an accounting could be pleaded as an independent cause of action or was available only as an equitable remedy.

HOLDINGS

1. The complaint adequately stated a breach-of-contract claim against MAACO because it alleged valid franchise agreements and facts supporting both misuse of advertising fees and failure to provide contractually required annual statements of receipts and disbursements.
2. The implied-covenant and declaratory-judgment claims against MAACO survived because defendants offered no independent grounds for dismissing them and they were based on the same alleged conduct as the surviving contract claim.
3. The contract-related claims against Driven Brands and Driven System were dismissed without prejudice because the complaint contained only threadbare allegations that they guaranteed MAACO's obligations and did not allege that either guarantor breached its guaranty.
4. The complaint did not state a section 75-1.1 claim because the alleged failure to provide contractually required statements and alleged misuse of fees amounted, at most, to an intentional breach of contract and did not constitute substantial aggravating circumstances.
5. The accounting claim was dismissed without prejudice to plaintiffs' ability to seek an accounting as a remedy at a later stage.

KEY QUOTATIONS

> *"A Rule 12(b)(6) motion to dismiss "tests the legal sufficiency of the complaint.""* (¶ 12)

> *"When these elements are alleged, "it is error to dismiss a breach of contract claim under Rule 12(b)(6).""* (¶ 15)

> *“To state a claim, the plaintiff must also allege “substantial aggravating circumstances attending the breach.””* (¶ 23)

> *“It is a remedy, not an independent cause of action, and is available only if the plaintiff first shows that he lacks an adequate remedy at law and alleges facts in the complaint to that effect.”* (¶ 28)

FACTUAL BACKGROUND

Plaintiffs operate nearly fifty MAACO franchises under substantially similar franchise agreements requiring them to pay weekly marketing fees. The agreements required MAACO to use those fees for advertising and marketing and, upon request, provide annual statements of marketing-fee receipts and disbursements. Plaintiffs alleged that MAACO reduced advertising expenditures, increased administrative fees, failed for years to provide adequate accounting information, produced unexplained transactions, and assessed unsupported charges, leading them to believe that advertising fees had been misused. Driven Brands and Driven System allegedly guaranteed MAACO's duties under the franchise agreements.

PROCEDURAL HISTORY

Plaintiffs, franchisees of MAACO, sued MAACO Franchisor SPV LLC and its parent companies, Driven Brands Inc. and Driven System LLC. Defendants moved to dismiss all claims under Rule 12(b)(6). After a hearing on April 1, 2026, the court dismissed the contract-related claims against Driven Brands and Driven System without prejudice, dismissed the North Carolina General Statutes section 75-1.1 claim against the defendants with prejudice, dismissed the accounting claim without prejudice as an independent cause of action, and allowed the contract, implied-covenant, and declaratory-judgment claims to proceed against MAACO.

DISPOSITION

other

CASES CITED

- Isenhour v. Hutto, 350 N.C. 601, 604 (1999)
- Corwin v. Brit. Am. Tobacco PLC, 371 N.C. 605, 615 (2018)
- Sykes v. Health Network Sols., Inc., 372 N.C. 326, 332 (2019)
- Wray v. City of Greensboro, 370 N.C. 41, 46 (2017)
- Oberlin Cap., L.P. v. Slavin, 147 N.C. App. 52, 60 (2001)
- Poor v. Hill, 138 N.C. App. 19, 26 (2000)
- Woolard v. Davenport, 166 N.C. App. 129, 134 (2004)
- Vanguard Pai Lung, LLC v. Moody, 2019 NCBC LEXIS 39, at *11 (N.C. Super. Ct. June 19, 2019)
- Myrtle Apartments, Inc. v. Lumbermen’s Mut. Casualty Co., 258 N.C. 49, 51 (1962)
- Cordaro v. Harrington Bank, FSB, 260 N.C. App. 26, 38 (2018)
- Davis v. Davis Funeral Serv., Inc., 2023 NCBC LEXIS 133, at *5 (N.C. Super. Ct. Oct. 25, 2023)

- Gateway Mgmt. Servs. v. Carrbridge Berkshire Grp., Inc., 2018 NCBC LEXIS 45, at *26 (N.C. Super. Ct. May 9, 2018)
- Dalton v. Camp, 353 N.C. 647, 657 (2001)
- Branch Banking & Trust Co. v. Thompson, 107 N.C. App. 53, 62 (1992)
- Eastover Ridge, L.L.C. v. Metric Constructors, Inc., 139 N.C. App. 360, 368 (2000)
- Heron Bay Acquisition, LLC v. United Metal Finishing, Inc., 245 N.C. App. 378, 383 (2016)
- Post v. Avita Drugs, LLC, 2017 NCBC LEXIS 95, at *10–11 (N.C. Super. Ct. Oct. 11, 2017)
- Haddock v. Volunteers of Am., Inc., 2021 NCBC LEXIS 70, at *27 (N.C. Super. Ct. Aug. 25, 2021)
- Maxwell Foods, LLC v. Smithfield Foods, Inc., 2021 NCBC LEXIS 71, at *27 (N.C. Super. Ct. Aug. 26, 2021)
- Kerry Bodenhamer Farms, LLC v. Nature's Pearl Corp., 2017 NCBC LEXIS 27, at *20 (N.C. Super. Ct. Mar. 27, 2017)
- First Fed. Bank v. Aldridge, 230 N.C. App. 187, 191 (2013)
- JT Russell & Sons, Inc. v. Russell, 2024 NCBC LEXIS 37, at *11 (N.C. Super. Ct. Feb. 28, 2024)
- Elhulu v. Alshalabi, 2021 NCBC LEXIS 44, at *20 (N.C. Super. Ct. Apr. 29, 2021)
