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Growing legal niche: food trucks



STAFF PHOTO: BILL KLOTZ

John Levy, left, and Ken Suzan visit the AZ Canteen food truck in downtown Minneapolis. The lawyers have found as food trucks have multiplied, so has the need for legal services for issues ranging from trademark and social media to navigating local health codes.

As trucks proliferate, so does need for legal services

By Patrick Thornton

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Each weekday morning just before 9 in downtown Minneapolis a herd of brightly colored trucks begins circling the block of Marquette Avenue between Eighth and Seventh streets like a school of hungry sharks.

At 9 a.m. sharp, when parking restrictions end, the trucks rush to slide into of the hotly contested metered spots to set up shop for the lunch rush. By 9:02 it's all over. Across the river in St. Paul, trucks compete for the premium spots near the state Capitol and Rice Park.

Power lunches no longer have to mean white table clothes; they can be

served on wax paper and eaten on a park bench. Food trucks may be a fad, but they are a popular one. According to the newly formed Minnesota Food Truck Association, about 80 trucks are working today and the number has gone up steadily in each of the past four years.

Like any business, food trucks need legal help forming corporate entities, protecting a trademark, complying with state and local health codes, dealing with employment issues or han-

Trucks 'You have to stay on your toes and you can't get complacent'

Continued from page 1

dling tax matters. And that means they need legal advice.

A few local attorneys are working to form niche practice areas providing legal services to the trucks. The attorneys say there isn't enough work yet to devote 100 percent of their practice to food truck law, but like any niche practice they hope to make a name for themselves.

John Levy is a business attorney at Henson & Efron in Minneapolis. He is also an old friend of Andrew Zimmern, the chef, writer and television personality. Levy and Zimmern co-own the AZ Canteen food truck that opened last year and in January Levy founded the

Minnesota Food Truck Association. He serves as president.

Levy said whether it is representing food trucks or hot-air-balloon companies, the best advice for attorneys looking to carve out a niche practice is to find something you enjoy and are passionate about and go for it.

"I have no idea whether there's enough work in that niche to occupy anything approaching a full-time practice, and the only way to find out is to go there," he said.

Levy says he has recruited about half of the 80 trucks to join the association and wants to add more. The trucks are diverse in their menus and the personalities of the people who run them, but they have a common interest. He said as president of the organization he wants to help to develop a best practices for the trucks and to be an advocate and a source for information when trucks deal with licensing, local governments, other businesses and the public. He also said the president can help all the trucks should there be a problem at one operation that turns the public's attention to all trucks.

"What if someone gets sick or there is an injury?" he said. "Having someone who can anticipate some of these problems and react to do some crisis control would be a benefit for the group."

Kenneth Suzan is an intellectual property lawyer at Barnes & Thornburg in Minneapolis. He frequently writes and lectures about food trucks, social media and copyright law and his firm started a specialty practice group to advise the trucks.

Suzan said a big issue for the trucks is protecting their trademarks and not infringing on others, especially in social

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- John Levy, attorney at Henson & Efron in Minneapolis

media and online advertising, but a savvy business lawyer can recognize that the trucks are like any other business and will need legal advice on a whole host of issues.

"It starts from the beginning, how are we going to buy the truck? Do we need to negotiate a loan? Then what are we going to call ourselves? How are we going to communicate with our customers? Then once we have the truck we have to get it licensed and figure out the kitchen and the rules that apply to our suppliers and where we prepare the food," he said.

The trucks are owned by a mix of mom and pop purveyors and well known restaurant groups.

Suzan says that in the coming years he believes the business will grow. Trucks will close and the wave will crest, but the ones that remain will be battle-tested. Some trucks would like to spread to other cities and franchise. As more established businesses continue to enter the food truck game, Suzan sees more work for lawyers too. He is hoping the ones who were in on the ground floor will benefit.

"I don't think there is anything incredibly new with the trucks, but you need to know what is on the books and stay on top of the law as it develops," he said. "The trucks will be looking for the lawyers that established the knowledge in these areas."

Working with the trucks has made

both better lawyers, they say. It might mean extra hours, or occasionally discounting your hourly rate, but Levy said it is worth it to work with "a bunch of diverse, food-oriented small businesses."

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comfort areas, but it's precisely crazy ideas like food trucks that can lead to all sorts of cool places," he said.

One of the issues Levy has dealt with is blowback from traditional restaurants who have complained about the crowds and the lines at the food trucks that make it hard for their

paying customers to get in the door. He has tried to work with the buildings and restaurants in the downtown areas to maintain a competitive, but civil relationship. Levy says he would like for the trucks to spread out more so they don't cause congestion on the more popular locations, but he can't force them to. For one thing, food trucks are finding that location affects business: Levy says AZ Canteen's business drops about 20 percent when it is not on Marquette Avenue. He would also like to see more events at night where trucks could make money.

He said he has no doubts that the trucks are good for the city. They make high quality food and many serve ethnic dishes that aren't readily available elsewhere.

"Why shouldn't the skyway restaurants have some competition? We are only in business for four months a year." Levy said. "As far as some of the animosity between the trucks and the bricks and mortar restaurants, I would say competition is the American way. You have to stay on your toes and you can't get complacent."

