

**BLOGS**  
Damages

## Iowa Appeals Court Allows Monetary Damages Under State Farm Implements Dealer Law

The Iowa Court of Appeals has overturned a trial court's decision and allowed a dealer to recover monetary damages under the Iowa Farm Implements Dealer Law. The case is *FECO, Ltd. v. Highway Equip. Co., Inc.*, Bus. Franchise Guide (CCH) ¶ 14,522 (Iowa Ct. App. Dec. 22, 2010). The manufacturer had admitted that it did not have good cause to terminate the dealership agreement. At issue then was the interpretation of various provisions of the statute, including its Section 322F.7, which sets forth a list of violations. Section 322F.8 in turn states that monetary damages are allowed for a violation of "this chapter." The manufacturer contended that, because termination without good cause is not explicitly listed in Section 322F.7, the manufacturer was not liable for monetary damages. The appellate court disagreed. According to the court, the language in Section 322F.8 that a dealer may recover damages when there is a violation of "this chapter" refers to all parts of the Iowa Farm Implements Dealer Law, not just to those violations specifically enumerated in Section 322F.7. Because good cause for termination is required elsewhere in the statute, the appellate court reversed and remanded to the trial court.