

Noteworthy Events

HAPPY NEW YEAR!



FRANCHISE EXPO
SOUTH



February 5-7, 2015
Houston, TX

INTERNATIONAL
FRANCHISE EXPO



June 18-20, 2015
New York City, NY

WEST COAST
FRANCHISE EXPO



November 12-14, 2015
Anaheim, CA

The 10 Types of Franchises to Watch in 2015

ENTREPRENEUR December 30, 2014

Every year we gaze into the future and try to pick 10 franchise categories that will make the biggest splash in the coming 12 months. For 2015, we've chosen a mix of established categories that are being invigorated by new ideas, sophomore industries that are just starting to show their strength and promising but unproven concepts. No matter what type of franchise you're interested in pursuing, always do your research before investing.

1. **Children's Enrichment** - Children's sports, fitness, art and music programs continue to perform well, but STEM is the big word in the enrichment world. In the past few years, several fast-growing franchises have focused on making science, technology, engineering and math fun for kids.
2. **E-Cigarettes** - With close to 6 million adults now using e-cigarettes, it's no surprise that stores have started to franchise. But legislators scrambling to catch up with the trend by imposing new regulations could challenge the fledgling industry's growth.
3. **Fitness** - You may hate going to the gym, but in the franchise world, there's nothing but love for the fitness category. Large gym franchises are still going strong, while smaller concepts are gaining muscle by offering niche options, like kickboxing, Pilates, dance and in-home training.
4. **Paint-and-Sip Studios** - First added to our trends list last year, this entertainment concept is still relatively new but already proving itself, with more competitors making an appearance and existing companies experiencing impressive growth.
5. **Pizza** - Traditional delivery-focused pizza franchises abound, but it's fast-casual, build-your-own joints using an assembly-line format that are bringing renewed popularity to the sector.
6. **Potatoes** - Is the humble spud ready to go from side dish to starring role? A handful of new franchises are betting on it by offering menus featuring baked potatoes, fries, tater tots, chips and nothing else.
7. **Property Management** - In the wake of the housing market crash of 2008, the number of rental properties rose--and so did the need for people to manage those properties. The success of the franchises that stepped up to fill that need has attracted a healthy group of new competitors.
8. **Senior Care** - Senior home care has become one of the mainstays of franchising, but the field continues to evolve. New companies are competing with their more established counterparts by introducing additional services like patient advocacy and assisted-living placement.
9. **Spa Services** - In just over a decade, the massage business has become one of franchising's most competitive areas. Other spa and beauty services, like waxing, threading and spray tanning, are following its lead to reach more customers through franchising.
10. **Vending** - Vending has long been a popular avenue for those looking to start their own business, yet it has rarely been franchised--until recently. The success of these new ventures is likely to attract even more vending companies to the franchise model in the future.

Moving Cities to Jump From Manager to Franchisee

SmartBrief – December 2014



Working at a franchise before becoming a franchisee offers employees a unique inside look into how a business works. For Brian Stern and Nicole Wiese, working as managers at a Chicago location of Two Men and a Truck convinced the pair to buy their own franchise. To open the location, the duo decided to relocate to Massachusetts. Here's what they've learned as managers and franchisees from Chicago to Boston.

Name: Brian Stern and Nicole Wiese

Franchise owned: Two Men and a Truck, in Boston.

How long have you owned a franchise? Less than a year.

Why franchising?

When we started working at Two Men and a Truck, we quickly learned the benefits of being part of a franchise system. Your network within a franchise system is endless. You get perspectives from a diverse group of backgrounds from every aspect of the business. Because of this, we are able to choose what mold fits our business model the best. We are always growing together.

What were you doing before you became a franchise owner?

We worked at the franchise level at a different location of Two Men and a Truck as managers.

Why did you choose this particular franchise?

We see it as a good fit for not only our business values but our own personal values. The franchise system as a whole constantly gives back to each community it is in with every move on both a local and national level.

Where did you get most of your advice/do most of your research?

With the help of the team around us, we have been able to learn and grow within the company. We have very seasoned business partners who have helped us along the way and taught us how to successfully run a business.

What were the most unexpected challenges of opening your franchise?

I think that the local challenges are things people do not expect. When you move from one state to another, you learn that there are state specific rules and guidelines that you are unaware of. Therefore, when coming into a new market, you have to perform your research to understand how you must operate in a new state.

What advice do you have for individuals who want to own their own franchise?

Go for it! Spend time at the franchise level and know the business. Don't be scared away by the small things, it will all fall into place.

What's next for you and your business?

Growth! We plan to open several additional locations in the metro Boston area. We believe that this will help us better serve our customers in Massachusetts.

Are You Franchise Material?

Source: Franchise Research Corp. 2014

Franchise consultants speak to many people that are considering the purchase of a franchise. And one of the questions they hear most often is “do I have the right stuff?” There is no easy or quick answer to that question – until they get to know you a little better. While they like to think that every person has his or her own individual merits in this world of ours, and could succeed at franchising, given the right “match.” But, in truth, there are a few things that we have learned over the years that generally make someone better “franchise material” than others.

So what makes someone good “franchise material?”

Ability to Follow a System

- If ever there were a “disqualifier” in franchising, this is it. Franchisors are looking for team players, for people who recognize they have purchased a system, and are willing and wanting to follow it. If you have always been incredibly independent, and find “going with the flow” against your nature, then franchising probably isn’t for you. And, by the way, franchisors don’t seek this trait because they want things to be “smooth” – they seek it because they know their system works. Most franchise failures occur because owners don’t follow the system provided – somehow, these owners thought they “were smarter” than their franchisor – and you have to wonder, why did they buy a franchise to begin with if that’s how they felt?
- So how much “following” do you have to do? That depends on each franchise. When you are investigating a franchise and its FDD (Franchise Disclosure Document), study these things – and ask a lot of questions. If you are uncomfortable with a franchise’s requirements, choose the franchise that provides you more personal freedom. MOST franchises are far more flexible than you think – particularly after you have established yourself with that franchise.

Emotional Maturity

- How do you handle problems? Do you take responsibility, or “blame others?” When problems do occur in your life, are you able to pick yourself up, dust yourself off, and move forward – or do you lose 3 days feeling sorry for yourself? How well do you get along with people? Are you a natural leader, or a follower? These are extreme examples, of course – but you should, by this point in your life, have a pretty good handle on your ability to deal with the “ups and downs” of life. If you haven’t felt as if you have been very good at “issues” in the past, odds are franchising isn’t right for you. Business ownership requires your “coming to the plate” and handling whatever pitches are thrown your way. You have to be able to persevere to receive life’s rewards.

Positive Attitude – and ability to leverage it.

- We all know people who seem to have a halo around them – a regular “aura.” And don’t confuse them with “the pretty people” in this world – we’re

talking about those that simply have the “right attitude.” There is something “magical” about them – the constant smile on their face, their ability to draw you into a conversation, their sincere interest in what’s happening in your life. They could be telling you about the worst day in their life, and they are laughing the entire time they tell you the story.

- These are the “positive attitude” folks – and they’re great for franchising because they have no qualms about getting out and about and letting the world know they are in business and ready to do business. It isn’t about being able to “sell” – it’s about ensuring that positive relationships can be made – regardless of the business model they choose.

Knowing When to Be Humble

- The smartest, most successful people in the world will often tell you they are able to have achieved what they achieved in life because they “knew their limitations – and asked for help when they needed it.” What they are saying is that they knew when to be humble.
- A very wise leader once said “you can be right all of the time” or “you can be liked.” Business requires a little bit of both – so look inside yourself and decide if this is something you think you can do.

Belief in Calculated Risk

- Franchising is “one step up” from pure entrepreneurship. What this means is that if you are all about taking huge leaps, and big risks – because what you LOVE is the big potential payout, then what you really seek is being a real entrepreneur, and franchising may not be the right choice for you. Franchising begins with a more proven business model – and expands from there – so your risk is more likely to vary from “moderate” to “low.”

If you don’t feel as if you know “you” as well as you would like -- to even be able to compare yourself to these guidelines, then **speak with your consultant**. They are trained to help you do in-depth skills assessment and personality assessment – and help you have a much better idea of how to assess yourself vis-à-vis franchising.

Whatever route you choose, we wish you the very best of luck!

Franchise Jargon Buster | Franchise Terminology | Franchise Basics

Does franchising terminology have you all confused? Don't panic we have you covered. Here is some of the most common franchising jargon explained.



Area Developer – A franchise owner that has the rights to expand in a designated region by either hiring sub-franchise owners or multiple managed outlets.

Business Format Franchise – The franchise owner buys into a franchise business model, brand, experience, training and support.

Business Plan – Document to outline the expectations of a prospective franchise owner. It should document and demonstrate a franchise owners' understanding of the franchise model, their confidence in replicating the model in their chosen location, how they plan to finance the initial investment and required working capital and finally, financial projections, including a forecast trading account, profit and loss account, balance sheet and cash flow projection.

Buyback – Where the franchisor agrees to buy-back the franchise from the franchise owner if they no longer wish to continue running or owning their business.

Disclosure – The practice of detailed information about the franchisor's business performance and package. It's a legal responsibility in the US though it's only voluntary in the UK.

Franchise Agreement – It documents the legal relationship of obligations between franchisor and franchise owner.

Franchise Owner – Also referred to as a 'franchisee', an individual who purchases a license to replicate a business model.

Franchising – A method of marketing goods or services via replicating a proven business model.

Franchisor – The owner of the original franchise. The franchisor ultimately decides who can buy into their business model. Operations Manual – A comprehensive document of the business model and work procedures.

Renewal – Refers to the legal provisions in the Franchise Agreement for renewing or not renewing the franchise for a further term of years.

Resale – This refers to the sale of a franchised area by the franchise owner. These are more expensive than starting from a franchise scratch however you benefit from ongoing customer base, referrals, goodwill and income from day one.

Term – This is the number of years a franchise owner is granted through the Franchise Agreement.

Termination – legal provisions by which either the franchise owner or franchisor can terminate the contract due to a breach of contract.

NEW YEARS RESOLUTION STATISTICS

Top 10 New Year's Resolutions for 2015

1. Lose Weight
2. Getting Organized
3. Spend Less, Save More
4. Enjoy Life to the Fullest
5. Staying Fit and Healthy
6. Learn Something Exciting
7. Quit Smoking
8. Help Others in Their Dreams
9. Fall in Love
10. Spend More Time With Family

Statistics of New Year's Resolutions

Percent of Americans who usually make New Year's Resolutions – 45%
Percent of Americans who infrequently make New Year's Resolutions – 17%
Percent of Americans who absolutely never make New Year's Resolutions – 38%
Percent of people who are successful in achieving their resolution – 8%
Percent who have infrequent success – 49%
Percent who never succeed and fail on their resolution each year – 24%
People who explicitly make resolutions are 10 times more likely to attain their goals than people who don't explicitly make resolutions

Age Success Rates

Percent of people in their twenties who achieve their resolution each year – 39%
Percent of people over 50 who achieve their resolution each year = 14%

Length of Resolutions

Resolution maintained through first week - 75%
Past two weeks – 71%
Past one month – 64%
Past six months – 46%

WISHING YOU GREAT SUCCESS WITH YOUR RESOLUTIONS!