

# Franchising 101:

## Understand Franchising as a Business Ownership Option

Saturday, September 24<sup>th</sup> | Washington State BizFair Renton Technical College

### Link to online presentation:

[https://prezi.com/3jeytkqwobha/franchising-as-a-business-ownership-option/?utm\\_campaign=share&utm\\_medium=copy](https://prezi.com/3jeytkqwobha/franchising-as-a-business-ownership-option/?utm_campaign=share&utm_medium=copy)

### Topics:

- Overview of Franchise Business Model
- Myths & Realities of Franchising
- How to Find Your Franchise Fit
- Minimizing Risk via Research

### Franchising - What is it?

>>> The creation of a \_\_\_\_\_ to build brand identity and attain market dominance... !

### Franchises give you...

A license to use:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

In exchange for:

- \_\_\_\_\_
- \_\_\_\_\_

<i>Advantages of Franchising</i>	<i>Disadvantages of Franchising</i>

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## *Myths and Realities of Franchising*

Myth 1: Only fast food and retail.

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Myth 2: Franchises succeed because of product quality.

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Myth 3: Successful franchises emerge in a new industry with no new competitors.

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Myth 4: Franchises are expensive.

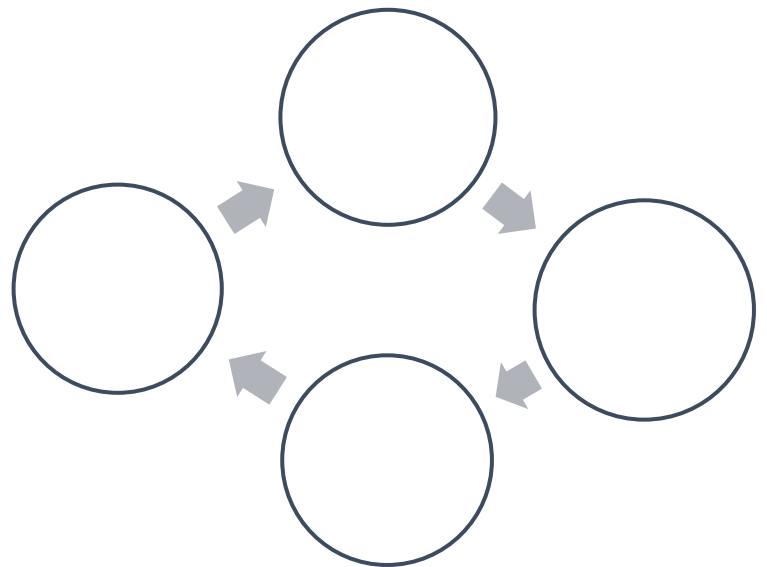
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Sources of Financing:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_



Myth 5: High return requires high investment.

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Myth 6: Industry experience is required

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## Franchise Disclosure Document

Franchisor Info

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Costs

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Franchise Contract

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***Franchises aren't all the same. Make sure it's the right fit for you!***

→ Many units vs. Fewer units

→ Structured vs Flexible Systems

→ Mature vs. Emerging

→ Expensive vs. Inexpensive

Business Models

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***Why own a franchise?***

You are in business for yourself, but not by yourself.

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***Other considerations***

- A decision time frame takes \_\_\_\_\_ days and serious research takes \_\_\_\_ hours per week
- Your \_\_\_\_\_ needs to be supportive
- You need some investment capital, typically around \$50k and be able to support your personal overhead for \_\_\_\_\_ months

- You have created a \_\_\_\_\_ with professional assistance  
(attorney, CPA) if going into business with a partner

***Plan Your Strategy***

When you are thinking about being a business owner, you should develop:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**Professional Resources**

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

***Your Franchise Specialist – Charlie Magee***

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- Franchise Specialist with FranNet since 2012
- Provides guidance to clients at no cost
- 20 years with Franchisors
- Professional Practice Broker
- Puget Sound Resident since '91
- Volunteer in Local Community

***Other Notes***

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