

Q&A's FOR PEOPLE LOOKING TO BE A FRANCHISEE

Where Do I Start?

Other people, books, magazines, exhibitions, the British Franchisee Association, search the internet. I read a couple of books and spoke to someone I knew who had a franchise already, renewing kitchens. I visited a big franchise exhibition at the NEC. From there I found out about websites and magazines about franchises and being a franchisee. I picked up lots of literature and I spoke to all the companies that interested me which started the ball rolling.

What Do I Do About Money?

Talk to the banks. The banks are always happy to help potential franchisees as franchised businesses are statistically hugely more successful than normal start ups. Your franchisor will often help with business plans if you want to borrow or the library will have plenty of books or you can speak to a consultant. Banks will still give you plenty of information even if you don't want to borrow money, they'll want your account so they'll help with anything they can, so ask them anything you like. HSBC, Lloyds TSB, NatWest/RBS all have dedicated franchising departments.

What If I Don't Know How To Run A Business?

The best thing about having a franchise is all the help you get from your franchisor. Once you start they should give you training on all you need to run the business so ask if there is anything you are nervous about.

How Do I Choose From The Many Businesses On Offer?

I drew up a shortlist of favourites that were the right price and then really thought about what it would be like running each one. Think about what your day would be like. Do you want staff? Do you want to work from home? Do you mind working weekends? Only you know what you want, this will cut out quite a few that may sound great but don't suit you. Running any business is hard work, but make sure it is work you want to be doing. As long as you are willing to learn, you probably don't need to limit yourself to businesses doing what you already know.

What About The Franchise Agreement Checks?

A list of Franchise Solicitors is available on the British Franchise Association website: www.thebfa.org and on the Encouraging Women into Franchising (EWIF) website www.ewif.org

What Questions Should I Ask The Franchisor?

Ask their failure rate, how long they have been going and what fees there are – both up front and ongoing. Ask to see the franchise agreement, that will confirm the fees. Ask to speak to at least one existing franchisee and check what you are contracted to buy from the franchisor. For instance if you are going to sell sandwiches, maybe you have to buy your bread from them. That's not necessarily bad, just useful to know. Speaking to franchisees is the best thing you can do though so make the most of them, but remember they have to run a business and so may have limited time.

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