

WHAT YOU NEED TO KNOW ABOUT FRANCHISING YOUR BUSINESS

What do you need in developing a franchise?

The development of a franchising is a continuous process so long as you are offering franchises. Some of the items that you are going to need are as follows:

- Corporate Structure
- Federal Trade Mark Registration
- Audited Financial Statements
- Uniform Franchise Offering Circular
- Promotional & Marketing Materials (could be a web site)
- Manuals (Development & Operations)
- Franchisee Training Program
- Franchisee Support
- Registration in Regulatory States
- Profile of who your franchisees will be
- Marketing Procedures

How long does it take to develop a franchise?

National Franchise Services is able to get a franchisor client up and marketing within 45 to 60 days once development has begun. However, full development is an on-going process and requires at least 12 months to create the materials and tools that a franchisor needs.

What are the costs associated with franchising?

Some franchisors can begin the process with a budget of under \$40,000.

However, the costs are continuous just like development. If a franchisor elects to begin marketing while still in development, money will begin flowing into the franchisors bank account from the sale of franchises. This eases the financial burden of the franchisor. Recently a franchisor began franchising who had a limited budget but was committed to the venture and within 8 weeks of development had 12 franchises sold which brought into the company \$300,000 in fees.

Does my business need to be in operation for a period of time before I franchise?

There are no requirements or restrictions concerning the business or length of time in existence. However, a track record that allows you to understand your business is important if you are going to teach others how to operate and run the business.