

Your Name _____

Selecting a Franchise



Select two franchise opportunities that you would consider starting in your community. Research and record information about each business below. Use a colored marker to highlight features of each franchise that give it an advantage over the other.

	#1	#2
Franchise name Product or service \$ Needed to start Annual royalty and advertising fees Number of existing franchises Years franchiser has been in operation Location of franchise headquarters		
Abilities and Interests <ul style="list-style-type: none"> ➤ Is this a business that you think you would enjoy over time? ➤ Do current franchise owners have any prior technical backgrounds or special training that helps them succeed? What is it? ➤ Do you have a similar background? ➤ Do you have any other skills or abilities that can help this franchise succeed? 		
Consumer Demand <ul style="list-style-type: none"> ➤ Is there a demand for the franchiser's products or services in your community? ➤ Is the demand seasonal? For example, lawn and garden care or swimming pool maintenance may be profitable only in the spring or summer. ➤ Is there likely to be a continuing demand for the products or services in the future? ➤ Does the product or service generate repeat business? 		

<p>Market Competition</p> <ul style="list-style-type: none"> ➤ What is the level of competition for the product or service, nationally? ➤ What is the level of competition in your community? ➤ How many franchised and company-owned outlets does the franchiser have in your area? ➤ How many competing companies sell the same or similar products or services in your area? ➤ Are these competing companies well established, with wide name recognition in your community? ➤ Do they offer the same goods and services at the same or lower price? 		
<p>Name Recognition</p> <ul style="list-style-type: none"> ➤ Is the company's name widely recognized? ➤ Does the company have a reputation for quality products or services? 		
<p>Training and Support Services</p> <ul style="list-style-type: none"> ➤ What support does the franchiser provide? <ul style="list-style-type: none"> • Site selection • Building design and construction • Financing • Training • Ongoing supervision and management help • Advertising and other marketing • Bulk purchasing • Other ➤ Does the franchiser has sufficient financial assets and staff to support the franchisees? 		

Which of these franchises would you choose to start near where you live or go to school? On a separate sheet of paper, write one or two paragraphs telling your choice. Cite at least three reasons for your decision.

Questions adapted from the Federal Trade Commission publication, **A Consumer Guide to Buying a Franchise** [<http://www.ftc.gov/bcp/online/pubs/invest/buyfran.htm>][©]