

Franchise update

BUSINESS INTELLIGENCE FOR GROWING FRANCHISORS

Q1 | 2016

FABULOUS FEMALE FRANCHISE FOUNDERS

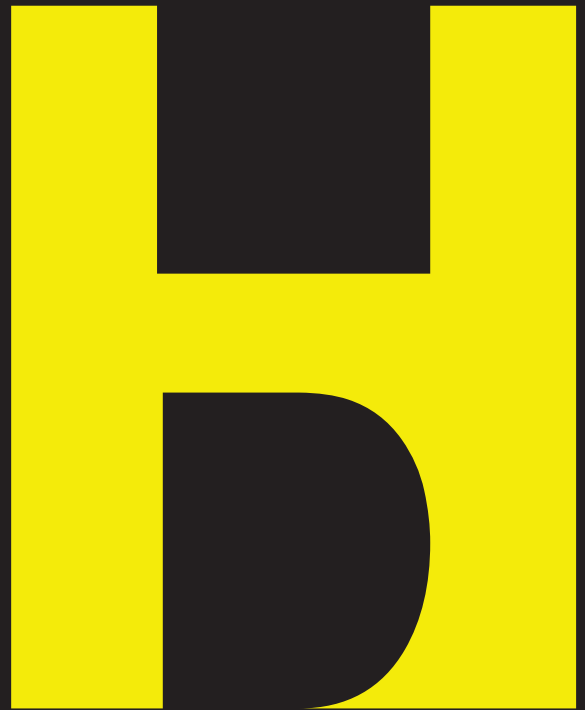


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Franchise update

BUSINESS INTELLIGENCE FOR GROWING FRANCHISORS

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If You Can See It, You Can Be It

I don't know where this adage came from, but it sums up our purpose for this issue. If more of us in the publishing industry fail to tell the stories of women in business, their insights and experience will never be heard. The stories of women who are open to sharing it all can be game-changers for other women in their life choices, whether in starting a business, building a business, or rising to the C-suite.

What an inspiring group of women profiled in this edition! Their motivations to start their franchise systems, fund them, and overcome obstacles provide invaluable lessons for all.

In this, our 3rd Annual Issue on Women in Franchising, we've put the focus on female founders and co-founders. The 15 brands we selected have built cumulative annual system-wide revenues of almost \$1.4 billion, opened 2,000 locations, and have helped countless women (and men) realize their entrepreneurial dreams through franchising.

We were surprised that we could only identify about 75 franchise companies founded or co-founded by women. (We're sure there are more out there, and we'd like to hear from you!) The lion's share of these brands were started after 2000—no surprise, given the trends of women business ownership in the years preceding.

Common challenges cited by the founders of the 15 profiled brands that they say men don't face to the same extent as women, include:

- 1) balancing family with leading and building a company;
- 2) greater difficulty financing their dreams (a male banker told one of them to go home and raise her kids!);
- 3) being judged when assertive as overbearing or too aggressive; and
- 4) imbalance of equal pay for equal work.

The bigger picture

As immersed as we all are in the franchising community, it's a big business world out there, and franchising takes place within it. Here's a sampling of what we found as we explored the theme of women franchise founders.

Between 1997 and 2015, the growth in the

number (up 74%), employment (up 12%), and revenues (up 79%) of women-owned firms exceeds the growth rates of all but the largest, publicly traded firms—topping growth rates among all other privately held businesses over this period. Since 2007, women-owned firms have added an estimated 340,000 jobs, while among men-owned and equally owned firms, employment declined in that period. (“The 2015 State of Women-Owned Businesses,” Womenable and American Express OPEN).

And here's a selection from “30 Surprising Facts About Female Founders” (by Lisa Calhoun,

general partner at Valor Ventures, for *Inc.* magazine):

- From 2009 to 2014, the absolute number of startups in Crunchbase with at least one female founder nearly quintupled, rising from 117 to 555.

- Women entrepreneurs in the U.S. rank their happiness at nearly three times that of women who are not entrepreneurs or established business owners.

- Today, 18 percent of all startups have at least one female founder.

- There are just over 9 million women-owned companies in the U.S.

- Hotbeds of women entrepreneurship: Brooklyn has the most; and at 26 percent, Las Vegas has the highest percentage of venture-backed companies with at least one female founder.

- Not-so-hotbeds: Silicon Valley's Palo Alto and San Jose have the smallest percentage of female founders; and Texas has the worst record of supporting women seeking venture capital.

- Venture capital firms with women partners are more than twice as likely to invest in companies with a woman on the executive team.

- Venture firms with a woman partner are more than three times as likely to invest in companies with women CEOs; yet 94% of decision-makers at VC funds are male.

Change takes time, but women are moving ahead today faster than ever. As Sharon DiMinico, who founded Learning Express Toys nearly 30 years ago, said, “We're just getting started!”

—THERESE THILGEN, co-founder and CEO,
Franchise Update Media



Franchise update IQ1

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Leadership

FRANCHISE LEADERSHIP AND MANAGEMENT

8 Fabulous Female Founders

In our 3rd Annual Women's Issue, we profile the women who founded 15 successful franchise brands. We're sure you'll find their stories truly inspiring. We did!

63 Founders List

Our list of women franchise founders by the numbers



Fast funding?
Of course

Simple process?
You bet

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FABULOUS FEMALE FRANCHISE FOUNDERS

When the team at Franchise Update first floated the idea of highlighting female franchise founders, we didn't realize how many there are! Our list filled quickly before the day ended, and we continued to add more in the weeks that followed. But perhaps we shouldn't have been surprised. After all, we see successful women leaders in franchising all the time, both franchisors and franchisees.

Like most, we were aware of the more well-known women who founded franchise brands. (Quick: Name five!) But as we dug deeper, we began discovering how *many* women had pioneered their own businesses and turned to franchising to expand them across the country and, for some, around the world. But why should we have been surprised (other than historical bias, prejudice, and stereotypes that just won't fade away)?

Some well-known female founders are among our list, along with many more who aren't so well-known—but likely will be in the not-too-distant future. (Our sincere apologies to anyone we missed). Each has worked tirelessly not only to create a company built around a product or service they saw a need for, but also to spread their vision far and wide, creating tens of thousands of jobs along the way. They are proud of their companies, and despite years of sacrifice and sleepless nights, they wouldn't have it any other way.

While critical to success, the normal yardsticks (sales, units, territories, annual growth) don't shed light on human factors such as courage, determination, and the ceaseless belief in a dream. It takes a strong person to create, build, and sustain a business that began with only a germ of an idea and grew over the years, overcoming all the usual obstacles along the

way—and then some. In their responses to our questions, women founders repeatedly mentioned two challenges, which if not unique to women, are problems they say most men don't face to the extent they did: 1) balancing family with leading and building a company; and 2) greater difficulty financing their dreams (a male banker told one of them to go home and raise her kids!).

We wanted to know more about these incredible women. What was it like for them in the early days? How did they transition from founders to leaders? What are their plans for the future? There was so much we wanted to ask... so we did.

We chose 15 brands, 2 of which were co-founded by women, for a total of 17 Fabulous Female Franchise Founders. Our goal was to provide a detailed, personal look into their journeys so far. We asked them about everything—from how they got started to their influences, mentors, keys to

success, and advice for other women entrepreneurs seeking to follow in their footsteps.

We think you'll see their passion jumping off the pages as you read their stories about the people and events that shaped them—long before they sold their first franchise and then in the years that followed. Time and again they reveal how smart, savvy, and resourceful they had to be in overcoming challenges and making the most of the opportunities that came their way.

These remarkable women were generous enough to share their stories and their time, and we thank them. We hope you're as inspired as we have been in meeting them as we put this, our Annual Women's Issue, together. Courage! And kudos to all! ■



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Entrepreneur

37 Years Strong in the
Franchise Market

BY KERRY PIPES

ART APPRECIATION

Sharing a passion for teaching, kids, and art



Mary Rogers (at right) likes to start things and she likes to see children learn. In 1984, she started Computer Explorers, a brand created to teach kids how to work with the newly arriving wave of personal computers. It was a successful brand she deeply enjoyed being a part of, and it's where she first worked with Rosemarie Hartnett (at left). In 1997, with about 150 franchises in 11 countries, Rogers sold her interest in Computer Explorers. "I left thinking I would just spend the rest of my career consulting and doing various other projects that were of great interest to me," she says.

But the franchise start-up bug wouldn't leave her alone. In 2002, she and Hartnett, who had since spent time with the Tutor Time brand, teamed up to launch a new franchise company focused on delivering art programs to children. They both had observed schools cutting back on art curriculum budgets following the bursting of the dot-com bubble of the late '90s, and thought there might be a niche for their concept. They named it Abrakadoodle and in 2004 started franchising.

NAMES/TITLES: Rosemarie Hartnett, president; Mary C. Rogers, CEO

COMPANY: Abrakadoodle

SYSTEM-WIDE REVENUE: \$5 million (approx.)

NO. OF UNITS: 180 franchised

INTERNATIONAL UNITS: 130

GROWTH PLANS: To bring art education to children all around the world

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2002

YEAR STARTED FRANCHISING: 2004

YOUR YEARS IN FRANCHISING: 25 years (both)

FEMALE FOUNDERS

"I developed the curriculum and Rosemarie handled the marketing and looked for opportunities and challenges," says Rogers. Their divide-and-conquer approach paid off.

Today, Abrakadoodle provides after-school arts programs to children all over the world, from 20 months to 12 years old, and even offers classes for adults. Hartnett keeps the reins on the business side, working with franchisees, watching the financials, and handling the administration at their office in Sterling, Va. Rogers continues to focus on the program and content side, deciding on art techniques, styles, artists, and art history for the students.

The co-founders and partners nurture their shared passion for art. "Art had been a big influence in both of our lives and is certainly one of the influences in our becoming creative entrepreneurs," says Rogers. "Kids need art to develop creativity, independent thought, and innovation." As long as Rogers and Hartnett are around, there's sure to be plenty of opportunity for that.

GETTING STARTED

What inspired you to start your business? We have a passion for art. We were saddened to see that the schools were cutting back on art education. Art had been a big influence in both of our lives, certainly one of the influences in our becoming creative entrepreneurs. Kids need art to develop creativity, independent thought, and innovation.

What is your background, and how did it prepare you for starting your business? Hartnett: I grew up in franchising, first running all the support and training services at Computer Explorers and eventually running their international operations and development. I eventually moved on to join Tutor Time as vice president of international development. I have a BA in sociology, which has provided great insight into how groups work. But my real lifelong passion has always been the study of art history. Rogers: I had co-founded Computer Explorers. Before that I was a special education teacher. I have a master's degree in education. Abrakadoodle is an

education company so my background and experience greatly helped in creating a solid, exciting educational program for kids as well as training programs. I developed business skills along the way.

What's the best and worst advice you got when starting out? Best: To take advantage of the many opportunities to learn and grow professionally. We joined the IFA, attended seminars, participated in networking groups, and tried to absorb all that we could. There are great educational opportunities through the CFE program. Worst: To think about all the things that can go wrong.

Why did you choose franchising? We liked that franchise owners are invested in their own success. Franchising also gave us the opportunity to help people realize a goal of owning a business.

How did you get started in franchising? We got our feet wet with another franchise: Computer Explorers technology education for kids.

Did you have a partner/co-founder when you started? Why? Hartnett: Yes, Mary Rogers. We shared the same vision for the company, a passion for children's education, and the same code of values in conducting business. We have worked well together for about 25 years and know we make a great team. Rogers: Yes, Rosemarie Hartnett. We shared the same passion and vision for the company, combined with a love of kids and learning.

How important was that in building your company? Hartnett: Critical. Rogers: Essential.

How did you fund your company at the beginning? As you grew? In the beginning, with personal funds. As we grew, the company was self-funded.

What were the keys to funding your brand? Continued growth both in the U.S. and internationally.

BUILDING THE BUSINESS

What has been the best and the hardest

thing about being an entrepreneur?

Best: That your success falls squarely on your shoulders. Hardest: That you are totally responsible for what happens. That responsibility is at times a hard load to carry.

How has your experience in running a franchise business been different from what you expected? Hartnett:

The extent to which we have touched lives worldwide (franchise owners, children, and their parents) has exceeded my expectations. Franchise owners have built strong businesses! Families worldwide want the same thing for their children. For example, during a visit to our franchise owners in Beijing, we conducted a creativity workshop showcasing the value of building creativity in children through arts education. The parents, educators, and the media were all so engaged! Children in Abrakadoodle art classes responded as joyfully in their learning as children here in the U.S. It has proven to be what author of *Good to Great* Jim Collins would call "meaningful work!" Rogers: I think the biggest surprise is the opportunities that arise that you did not expect. While we started out offering art classes for kids, our customers let us know they wanted camps and special events and programs for adults. Paying attention to customer wants and needs opened up many new avenues.

How did you grow the brand at first?

What changed as you expanded? At first, by word of mouth. Later, we greatly expanded our online presence through a mobile-friendly website and various social media channels.

How did you transition from founding a brand to leading a brand? We

wanted to fill a niche by providing a wonderful educational experience for kids. Once we established a solid footing nationally, we expanded our vision to reach kids everywhere. Today Abrakadoodle has an international presence.

How would you describe your leadership style? Hartnett: Lead by example and have the "right people on the bus!"

(another Jim Collins quote). Rogers: For me it's about having the right people in

the right positions and then letting them go with guidance and direction, as needed. I don't keep people in ill-suited positions for too long.

What is the key to your company's success? Hartnett: All in the company sharing a commitment to the highest standard of excellence—headquarters staff, franchise owners, and their staff—everyone sharing this commitment and passion. Rogers: 1) the people involved in the company—franchise owners, teachers, and staff; and 2) a great program that's fun, educational, and always new!

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? Hartnett: Our franchise system consists mainly of women. I think this provided us great common ground to begin our relationship with our owners. They are often stepping into business for the first time, and we can relate to their challenges as women. Rogers: Perhaps an advantage because most of the people who purchase the Abrakadoodle franchise are women, and we can identify with the challenges they face in building a business while juggling personal and family issues.

Have you found specific advantages or disadvantages to being a woman business owner? Hartnett: Women often make great multi-taskers, a good skill to have when you run a business. Rogers: I feel that women have an advantage in businesses that thrive on building relationships, such as Abrakadoodle. Our franchise owners build relationships with people in schools and other community locations. Also, there are a lot of organizations devoted to helping other women in business such as the National Association of Women Business Owners (NAWBO) and the Women's Franchise Network. A distinct disadvantage is that women are not always invited to the table to participate on boards and other influential venues. Less-qualified men are often chosen over highly talented women.

What has been your biggest challenge as a woman entrepreneur?

Hartnett: Time management! Juggling all the balls—a family with 3 children and running a business. Rogers: Making everything work well—business, family, and other obligations.

Why do you think there are fewer start-ups with female founders than male ones? Rogers: Really? There are conflicting reports on this. I think that women start smaller businesses than men. They are more likely to start small and build rather than to raise money and start a business on a grander scale. Hartnett: Mmm... I know quite a few women who are the founders of their companies! Women, in general, however, I would say tend to be more risk-averse.

What do you think is the biggest issue for women in the workplace? Hartnett: Being paid equally as their male counterparts and building confidence in their abilities. Rogers: Equal pay for equal work. It's crazy that we are still talking about this.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? Hartnett: There are more women envisioning themselves in and achieving leadership roles than when we started in franchising. The fact that so many of our women leaders in franchising are committed to mentoring other women has and will continue to grow female leadership. Rogers: There are longer lines in the restrooms at conferences. Yes, there are a lot more women in franchising companies than when I started my career in franchising. And they are savvy and taking strong leadership roles in the industry.

Which female leaders do you admire? Why? Hartnett: My business partner, Mary Rogers, who has provided great vision, friendship, and collaboration. She also has the best laugh you've ever heard! Kathryn Morgan of the IFA Educational Foundation and Jan Muhleman at re:group have served on our board of advisors and offered invaluable counsel over the years. Women like Dina Dwyer-Owens of The Dwyer Group, Melanie Bergeron at Two Men and a Truck, and Karen Powell of

Decor&You have been longtime colleagues and friends who have shared their time, experiences, learning, and offered great examples in leadership. Rogers: Kathryn Morgan, who is wise, thoughtful, and fun. Rosemarie Hartnett of Abrakadoodle, who is a skilled communicator, steady, focused, and funny. And Jan Muhleman, who is a quiet force in the world of marketing, very innovative and smart.

Has mentorship made a difference in your professional and personal life? How? Hartnett: It is so very important to be open to different perspectives and feedback. It is instrumental in helping you see the opportunities and different solutions to challenges for your brand, as well as your personal life. To surround yourself with positive and talented people you trust—and who won't hesitate to sometimes "save you from yourself"—is invaluable. Rogers: We have been so fortunate to have a very strong board of advisors. They are always ready to offer their perspective and advice. They bring wisdom, experience, and encouragement. I've been fortunate to have friends and family who offer their support and do not hesitate to let me know what I need to hear.

Are you involved in any female entrepreneur organizations? Hartnett: Yes, I am co-chair of the IFA's Women's Franchise Network in my area, and a longtime supporter of the IFA's Women's Franchise Committee. Rogers: NAWBO, and the Women's Franchise Network.

PERSONAL

What does your typical day look like? Rogers: Busy. Hartnett: Very busy.

How do you maintain a work/life balance? Hartnett: I'm still working on this one, but I do try to emulate role models who I think do a good job at this. Rogers: I like hard cider. Seriously, it's not a big issue now that I'm an empty nester.

What are your top 5 favorite things to do? Hartnett: Learn new things, travel to interesting places, explore museums, and wander... I just love to wander. As J.R.R. Tolkien said, "Not all those who wander

FEMALE FOUNDERS

are lost.” Rogers: Create, design, write, share ideas, and get feedback.

What are 3 key words to describe yourself? Hartnett: Intentional, passionate, curious. Rogers: Quiet (not shy), curious, logical (sounds boring doesn’t it?).

LESSONS/ADVICE

What’s the most important lesson you’ve learned so far? Hartnett: Believe in yourself and surround yourself with positive and talented people. Rogers: Synchronized swimming is good, working together for a shared vision.

If you could do one thing differently, what would it be? Hartnett: Be kinder to myself. Rogers: Take more vacations.

What’s the best piece of advice you have ever been given? Hartnett: You can never go back, you can only go forward. Rogers: Post-it Notes messages.

Many tasks can be overwhelming. Use a Post-it Note that you see first thing in the morning to remind yourself to tackle just a piece of the task that day. It’s amazing what you can accomplish if you do just a little each day!

What advice would you give to other women considering starting their own franchise brand?

Hartnett: Being a franchisor is a great responsibility and very hard work. Ensure that you have a proven system, a financially solid and “franchisable” model to offer your owners. Franchise owners who join your system will not only invest in your brand financially, but also from a very personal place—they will also invest with their hopes and dreams of business ownership. Rogers: Do the work to make sure you have a solid business opportunity to offer. Does your business model work? Will it work in other locations? Does it make a reasonable income for franchise owners within a reasonable time? Is it easy to implement? Have you

determined the barriers to market entry? Do you know what franchise owners will face in terms of competition? Is it really a product or service that is in demand? Are you adequately capitalized? If yes, to these questions, then GO FOR IT!

WHAT’S NEXT

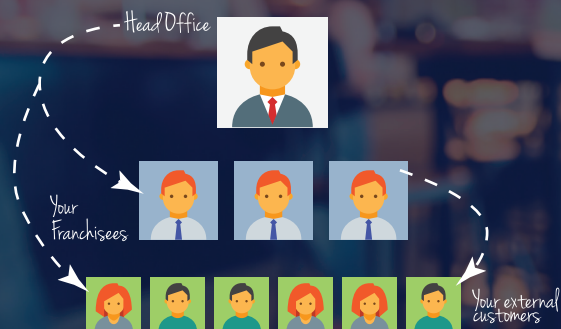
What would you like to achieve in the next 5 years? Hartnett: Help Abrakadoodle continue to expand worldwide through new opportunities and collaborations! Rogers: Retirement. I presently speak about franchising at the Mason School of Business of the College of William and Mary for both grad and undergrad students, each semester. I would like to do more of that.

What’s coming up that you’re excited about? Hartnett: New growth opportunities for Abrakadoodle! Rogers: Abrakadoodle has some very exciting opportunities for collaboration and growth in the works! I am excited to see how they evolve! ■

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BY EDDY GOLDBERG

BRAND BUILDERS!

Blaze Pizza is disrupting the industry

If you had LeBron James on your team, you'd feel pretty good about your chances of winning—big. And that's exactly what Blaze "Fast-Fire'd" Pizza intends to do. James made news last October when he didn't renew his deal with McDonald's and opted instead to publicly endorse Blaze Pizza.

"We're very lucky to have him," says Elise Wetzel, who co-founded the brand in 2011 with her husband Rick (of Wetzel's Pretzel's). But unlike his paid deal with the Golden Arches, James is an investor in Blaze Pizza. In fact, he's been one since 2012.

"LeBron came on as a founding investor and he had been silent and in the background," Rick Wetzel told ESPN last fall. "Now we're using him to get our message out there and put the spotlight on our brand."

Sales last year reached \$105 million, up from about \$33 million in 2014, and other serious investors agree this concept has legs. Blaze already has sold out the entire U.S. to 44 franchisee groups, including former NBA player and mega-franchisee Junior Bridgeman (365 units: Wendy's,

Chili's, and now Blaze).

As for James, says Elise Wetzel, his brand meshes perfectly with that of Blaze. "He likes being an owner of the business and is not a paid endorser. He believes in the food, likes 'disruptive,' and sees we're a transformative brand. That's who he is: he strives for excellence and has changed the

game by the way he plays." And that, she adds, is what Blaze is all about as a brand.

"My background is in branding. That's been my most significant contribution to this concept," she says. "It's bigger than just opening restaurants and building a business. It's important for all of us to remember that we're building a *brand*."



NAME: Elise Wetzel

TITLE: Co-founder

COMPANY: Blaze "Fast-Fire'd" Pizza

SYSTEM-WIDE REVENUE: \$105 million in 2015

NO. OF UNITS: 105 (5 corporate)

INTERNATIONAL UNITS: 1

GROWTH PLANS: 2016, 200; 2017, 300; 2018, 400

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2011

YEAR STARTED FRANCHISING: 2013

YOUR YEARS IN FRANCHISING: 3

Even the apostrophe in the name is purposeful. "It's all about unfollowing the rules," she says. Plus it helps people see "fire" (not "fried"), an integral part of the brand's identity of cooking pizza with fire. "That's how pizza is supposed to be done," she adds.

Even the structure of the company is different. It's been decentralized from the start, she says, with the 44 partners getting together monthly for a conference call. "The amount of communication and involvement here is different. I don't know how many franchise companies have monthly meetings," she says, comparing their structure to Major League Baseball's, where all the owners have a seat at the table.

And, if each of the 44 partners opens just 2 or 3 restaurants per year, the brand's goal of adding about 100 a year will be a slam dunk.

GETTING STARTED

What inspired you to start your business? It was what I call an "Aha!" moment. My husband Rick and I were craving pizza for lunch, but were short on time, so we ended up at a Chipotle instead. The idea for Blaze was sketched out on the back of a napkin in less time than you can fold a burrito.

What is your background? How did it prepare you for starting your business? I spent most of my career in consumer packaged goods, with a focus on new product development. It taught me the importance of creating and defining the essence of a brand, and then having the discipline to stay true to it. People are attracted to self-confident individuals. It's the same with brands. You need to know who you are, what you stand for, and then stick to it.

What's the best and worst advice you got when starting out? Best: Forward invest. From the beginning, we invested in an insanely great group of seasoned industry professionals who could join us on this journey. We also invested up front in training and marketing to make sure each restaurant opens and operates to Blaze's standards. Worst: Have your employees hide their tattoos. It was terrible advice

"People are attracted to self-confident individuals. It's the same with brands. You need to know who you are, what you stand for, and then stick to it."

rooted in conventional fast-food wisdom, and I ignored it. We're a concept that's rooted in individual expression, so asking your employees to hide who they are is something I just didn't believe in.

Why did you choose franchising?

I felt that franchising would allow us to better execute the concept. Our franchise partners bring an enormous amount of restaurant know-how, plus a connection to the local communities in which they operate. They also understand the importance of collectively maintaining the integrity of the brand. From the outset, we designed a fairly unique structure and chose to limit the number of partners, so that each would have a "seat at the table" as we develop and grow. It's a very modern approach to franchising.

How did you get started in franchising?

I've had past involvement in several franchise concepts, including Wetzel's Pretzels.

Did you have a partner/co-founder when you started? How important was that in building your company?

Yes! My husband Rick and I founded Blaze together. We've been working together on different concepts for more than 20 years. Our professional strengths complement each other, so as we were developing the concept we made different types of contri-

butions. We've learned when and how to advise each other, and when to step back. How important was that? It was essential.

How did you fund your company at the beginning? As you grew?

Private investments from friends and family. My husband and I provided the seed money initially. Once we had done a lot of the development work and finalized a business plan, we reached out to a small group of friends and colleagues as angel investors.

What were the keys to funding your brand?

Having a great vision and clearly articulated business plan, along with having a track record in doing this before.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur?

Best: By far, the ability to assemble a group of talented, creative individuals and work collaboratively to build something original that has a great vibe to it. The fast food landscape is moving forward, and it's fun to be part of an industry that's disrupting the status quo and elevating expectations for what fast food can be. The hardest part is also one of the most important: making sure we are careful stewards of the brand. The brand's essence defines our approach to food, design, even the music that we play. As we grow, it will be important that we always move forward in ways that stay true to the brand.

How has your experience in running a franchise business been different from what you expected?

I thought that I would be my own boss, but in reality, with a franchise organization you involve all of your franchise partners in the decision-making. It ultimately makes for a much stronger business.

How did you grow the brand at first? What changed as you expanded?

When we opened the first Blaze Pizza in Irvine, Calif., in 2012, we got the word out through Facebook and a free pizza day. Today, these are still important marketing tools in our kit, but we now have more ways to get the word out. It's all about trial and cultivating fanatics. Word

FEMALE FOUNDERS

of mouth definitely continues to be our best marketing.

How did you transition from founding a brand to leading a brand? The founding of the brand occurred the year before we opened the first restaurant. It was a really fun, creative time where we got to develop the essence of the brand. After we opened the first restaurant, the game changed. We had overhead, P&Ls to manage. It becomes more practical, but there always are ways to still be creative.

How would you describe your leadership style? Focused yet collaborative.

What is the key to your company's success? Having a passion for what you're working on, and having a clear vision for the brand you're building. That allowed us to attract some great talent. Then it was all about getting out of the way and letting others make their own contributions to the organization. We have a great culture that values individuality, and recognizes that everyone has a point of view and lots of great ideas.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? I don't really see gender having an impact. The team we've assembled here is quite diverse, and we pride ourselves on letting everyone's voice be heard. We've built a great orchestra. If anything, being female has allowed me to model the importance of inclusivity, of listening to different opinions and voices in the room.

What has been your biggest challenge as a woman entrepreneur? Balancing my home life and being a mom with the demanding aspects of running a business.

Why do you think there are fewer start-ups with female founders than male ones? I'm surprised by this statistic. I know so many incredibly entrepreneurial women starting up everything from food concepts to design houses to ad agencies. Many of them created their own companies so they could have more flexibility and

"We're on a path to become the fifth-largest pizza company in the U.S. in about 5 or 6 years. That's going to be a really exciting milestone for us to reach."

control over when and where they worked.

What do you think is the biggest issue for women in the workplace? Finding the right work/family balance is a challenge for both men and women.

Which female leaders do you admire? Why? I'm always inspired by Tina Fey and Amy Poehler. They're both uber-cool women who always speak their minds. Plus, they get paid to make people laugh.

Has mentorship made a difference in your professional and personal life? How? I can't point to a single individual, but rather I've learned from a tapestry of different colleagues during the arc of my career.

Are you involved in any female entrepreneur organizations? Not currently.

PERSONAL

What does your typical day look like? My office is an open house. Colleagues come in to bounce ideas around, to talk about what does and doesn't feel right for the brand. We're cultivating a group of Blaze Jedis. It's important that they all understand the brand's "true north."

How do you maintain a work/life balance? I skip lunch a lot!

What are your top 5 favorite things to do? I love to travel, dine at great restaurants (one of the perks of the food business!), watch independent films, go to music festivals, and hang out at home with my husband and two teenagers.

What are 3 key words to describe yourself? Resourceful, upbeat, unconventional.

LESSONS/ADVICE

What's the most important lesson you've learned so far? I love the story of *The Three Little Pigs*. It's so important to invest the time and money to build your house out of bricks. Straw houses fall down.

If you could do one thing differently, what would it be? Nothing. No regrets. I'm a big believer in always looking forward.

What's the best piece of advice you have ever been given? It's a marathon, not a sprint. Make decisions that consider the long term, and be a careful steward of the brand.

What advice would you give to other women considering starting their own franchise brand? I would offer words of encouragement, but also words of caution. Open up your own locations first, fully define the brand, and prove out your economic model.

WHAT'S NEXT

What would you like to achieve in the next 5 years? We're trying to build a legacy brand that our guests connect to and that will continue to thrive long into the future. That would be the biggest accomplishment I could ever hope to achieve.

What's coming up that you're excited about? We're really starting to get a national footprint of restaurants. As a marketer, I'm looking forward to growing our brand awareness. We're on a path to become the fifth-largest pizza company in the U.S. in about 5 or 6 years. That's going to be a really exciting milestone for us to reach. ■

BY EDDY GOLDBERG

ART PARTY!

Uncorking everyone's inner artist

When Nancy Bigley arrived at Bottle & Bottega in 2011, it was called Bottles & Brushes and was doing all right as a small, mobile pop-up business. The name wasn't particularly memorable though, says Bigley, whose mission was to transform the business into a national franchised brand. After some brainstorming, she awoke one morning and knew "bottega" was the word she was looking for.

For you non-artists out there, Merriam-Webster says a bottega is "the studio or workshop of a major artist in which other artists may participate in the execution of the projects or commissions of the major artist." For customers, it means a place they can go to spend an enjoyable few hours sipping wine and being instructed

in painting by local artists in a safe, comfortable setting.

Fortunately, since the company had operated as a pop-up model before, there

were no studios and signage to change. Bigley, who had spent time at Dunkin' Brands, Mr. Electric (The Dwyer Group), and American Leak Detection, began her work building the newly christened brand. The wine, along with the bottles in the logo, stayed.

Stephanie King-Myers, who started the company in 2009, 18 months before Bigley came on board, is the artist in the family. Bigley, who says she has "no artistic ability whatsoever," does, however, have an affinity for art.

"That makes me our typical consumer," she says: people who don't know how to paint, never picked up a paintbrush before, but who love and appreciate art. "Guests come in with very low expectations. They leave saying, 'Omigod, I can't believe I

NAME: Nancy Bigley

TITLE: Founder, CEO

COMPANY: Bottle & Bottega

SYSTEM-WIDE REVENUE: \$4 million

NO. OF UNITS: 19 (2 corporate)

INTERNATIONAL UNITS: 0

GROWTH PLANS: 50% unit growth each year over next 5 years

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2009

YEAR STARTED FRANCHISING: 2011

YOUR YEARS IN FRANCHISING: 24



painted this. I'm going to buy a frame and put it on the wall!"

Franchisees are hands-on owners from an operational and business perspective, but are not necessarily artists. Rather, says Bigley, they hire or contract out with local artists. "Their responsibility is to be the host of their studios and grow the business."

Most of the artists do other things full-time. The studios usually are held at night, so it provides them with supplemental income—and being artists, they have a passion for the work. "They love it," says Bigley.

The brand also hosts corporate team-building events in the afternoons, bachelorette parties (yes, with nude models if requested), date nights for couples, and private parties for 10 to 40 people. With just 19 studios now (2 corporate), Bigley is looking for 50 percent annual growth in the next 5 years, which will take the brand to about 100 units.

GETTING STARTED

What inspired you to start your business? I've been blessed to have built a successful career in franchising and accomplished many of my business goals. The next step for me was to bring it all together and launch a franchise concept of my own. Having started in franchising working for a founder/franchisor, it was always my dream to do the same. I just had to find the right concept.

What's the best and worst advice you got when starting out? Best: Be confident, passionate, and focused about your business and remember that nobody knows your business better than you do. Also, do not be too proud to ask for help. Worst: I had someone advise me to drastically change our business model, which I didn't, and was so happy I didn't.

Why did you choose franchising? I think it's the best model out there to grow a brand and ultimately be successful in business. I wanted a business that would provide opportunities for others to live their dream of owning their own business and build a community of like-minded successful entrepreneurs. That's the core of what franchising is all about.

How did you get started in franchising? Totally by accident. I was working in the clothing industry after college and decided it was ultimately not the industry I wanted to build my career in. A friend told me about a company called American Leak Detection. They needed someone to run their company operations. They were a franchise (which I knew nothing about) and a concealed plumbing business (which I also knew nothing about), but after starting I quickly found my passion. Twelve years, 125 additional franchisees, and vice president of the company later, I learned how to build a franchise company one department at a time. It was an amazing opportunity—and little did I know at the time, the building blocks for me to build Bottle & Bottega.

Did you have a partner/co-founder when you started? How important was that in building your company? Yes, my business partner Stephanie King-Myers started our business as a mobile pop-up model in 2009 and I came on board in 2011 to build the franchise. Although we didn't have a studio model proven out yet, the initial lessons and success from her first 1.5 years gave me a higher level of confidence that we could make the full-scale model work. I feel it allowed us to ramp up much faster.

How did you fund your company at the beginning? As you grew? We did a combination of personal funding and using revenue from our company-owned studios. We then extended to bank lines of credit when needed for key development periods. I found that establishing a strong relationship with our banker from day one and keeping them regularly updated on our growth and plans was key. When I needed help they already knew the business, and me, so the process was much easier than going in cold.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: That I can execute my vision and my ideas how and when I see fit and get such gratification when we succeed. Hardest: Being the leader

of a company can be a lonely position. You have to be the visionary, cheerleader, brand and goal ambassador/enforcer, and everyone's rock and rudder every day to keep the business positive and moving forward. There are days when being that person is extremely tough. That's where girls night out helps.

How has your experience in running a franchise business been different from what you expected? It's been extremely gratifying, which I did expect. I'd say it's been a lot more work and taken a lot more money than I expected. There is always something new to build or something existing that you want to be better. The evolution of the business just never stops.

How did you grow the brand at first? What changed as you expanded? It was very organic at the beginning because we didn't have a lot of money. As we continue to grow, we are able to add more resources and people who help us move the needle faster with additional layers of expertise. It's not just Stephanie and me doing all the work anymore.

How did you transition from founding a brand to leading a brand? We've tried really hard to keep our team focused on where we are trying to go and letting them know that the decisions we make today have to be scalable for future growth. Additionally, I knew I had to focus on getting my head out of the weeds and better delegating certain aspects of the business to my team. I've continued to work on myself and develop my own skills to be a better leader and CEO. As leaders, we have to keep up with all that is changing in the business world.

How would you describe your leadership style? I'm a very hands-on, direct, results-driven leader. I work hard to be a calm and positive leader, especially in a crisis. I try to be the constant coach and role model helping develop my team in their roles and giving them opportunities to make mistakes and learn. Early in my career it was hard for me to let go and trust others to make decisions for me. I knew that to grow a business from the ground up I had to learn to let go and trust more.

FEMALE FOUNDERS

I continue to have to work hard at it, but it's getting easier.

What is the key to your company's success? First and foremost, Bottle & Bottega is a great business. I mean who doesn't like to drink wine and paint? We were clear on our customer and differentiators from day one and have not deviated from that once. That clarity and focus has been huge. We center our decisions always with an eye toward our guest satisfaction and executing a high-quality, unique studio experience for them. We organize people's special events every day, so we have to get it right the first time. Our guests notice and appreciate that. Additionally, we've done a great job of building a strong headquarters team as well as franchise family. We work hard on the relationships and on seeking input from our franchisees on key initiatives to ensure we are on the right path so we don't have to lose time and money backtracking. Building a successful business is reliant on everyone in the brand moving in the same direction, believing in the same vision and strategies, and supporting each other. We got that part right.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? I don't feel it was either, really. I've always charged forward in business as a business person first. I put in the time, do my research, present solid ideas, and back them up with results. I'm not afraid to ask for help, and I take constructive feedback pretty well. I've been blessed to have built a very strong network of business friends who are there when I need honest advice and guidance.

Have you found specific advantages or disadvantages to being a woman business owner? I feel as a woman that I'm a bit more tuned in to the pulse and mood of my franchisees, which is critical to get ahead of and address. On the flip side, that intuition and those relationships can keep me up some nights. I take the success of my franchisees personally, so if anyone is having challenges it hits home, and I can sometimes over-process. I feel

men are a little better about not over-processing business situations.

What has been your biggest challenge as a woman entrepreneur?

Just my own internal pressure to succeed mainly, and to be the best role model for other women. Throughout my career I've taken roles that were hard, unfamiliar to me, and unintentionally male-dominated (plumbing, electrical, food) because I get bored easily and I love to learn. So, starting my own business was just a natural next step I needed to take.

Why do you think there are fewer start-ups with female founders than male ones? Men just had a head start. Give us time, we are coming along fast.

What do you think is the biggest issue for women in the workplace? I think women have a bit of an aversion to take risks in comparison with our male counterparts. Women are great planners and executors. However, we tend to not be as big risk-takers. I've found getting more comfortable with risk is important to develop into a stronger leader.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? I've seen so many cool new concepts that I think are really unique, interesting, and ideal for female ownership. Many have been a by-product of the recession, and their founders have discovered ways to reduce risk by making them more attractive and fun for women to consider. In addition, I've seen so many more women in key leadership roles in franchising. It's exciting! The franchise community is such a supportive and collaborative community. It's a perfect environment for women in business to thrive.

Which female leaders do you admire?

Why? There have been many female CEOs and presidents I've met over my 24 years in franchising who have become mentors, advisors, and friends. I appreciate their vision, strength, results, ability to build strong cultures and teams, and willingness to help and advise me and others even when I know they don't have

the time. Whenever I'm going through a difficult leadership moment, I'll stop and think of one of them and say, "How would they handle this challenge?" That question really helps me model the behavior I want to have and be the best leader in that moment.

Has mentorship made a difference in your professional and personal life?

How? Yes. I have had many mentors, both formal and informal, throughout my career who have helped shape my leadership style and confidence. I have also been a mentor for more than 7 years within the IFA Franchise program. We mentor franchise leaders new to franchising. It's been amazing for me to participate in, as it's allowed me to pay back the kindness shown to me by my mentors and help others hopefully avoid some of the mistakes I've made.

Are you involved in any female entrepreneur organizations?

Yes. I am vice chair of the IFAs Women's Franchise Committee. Part of my role is to plan the Leadership Conference at the annual IFA Convention. We attract about 325 attendees and focus on key leadership lessons. In addition, we have local Women's Franchise Network meetings throughout the year across the country. I try to attend those and recently hosted one at our studio in Chicago.

PERSONAL

What does your typical day look like?

Work out first always, then a quick review of our KPIs and financials to ensure we are on track. I spend an hour on my key project, then knock out my team meeting calls, franchisee calls, and move through my task list for the day. I usually start at 7 a.m. and end around 7 p.m. I always end the day with a glass of wine or ice cold beer. It's my celebration of my accomplishments for the day.

How do you maintain a work/life balance?

It's hard, especially with a young and growing brand, so I have to make a game of it and schedule stuff out. I create a personal calendar at the beginning of each year and start to populate it with small trips to take and things to do on the weeks I am

FEMALE FOUNDERS

home. I recently bought a cool “Wish Jar” so I could populate it with things I want to do. When I find I’m working too much on the weekend I can reach into my wish jar and go on an adventure.

What are your top 5 favorite things to do? Mountain bike riding, hosting parties for my friends, traveling anywhere, art/wine or beer festivals, lounging by the pool or beach with a good book.

What are 3 key words to describe yourself? Driven, resilient, focused.

LESSONS/ADVICE

What’s the most important lesson you’ve learned so far? Listen to your gut—it’s usually right on. Hire the best possible people you can who have great attitudes and a passion for your business. Working at a start-up is tough. It’s a special employee who can stick with you through the growth.

If you could do one thing differently, what would it be? Reverse bad hiring decisions faster. A bad hire or bad vendor partner doesn’t usually get any better, but it can kill all of your momentum.

What’s the best piece of advice you have ever been given? That I don’t always have to be the one with all the answers, I just need to know the right person to ask. That advice allowed me to take a lot of pressure off myself and ensure that I built a strong team of advisors I could quickly get advice and guidance from.

What advice would you give to other women considering starting their own franchise brand? Be well funded, have a strong, loyal, and experienced team you can trust, be confident in your decisions but don’t be afraid to ask for help from experts, stay calm under pressure, don’t take things too personally, and never stop being nice and helping others.

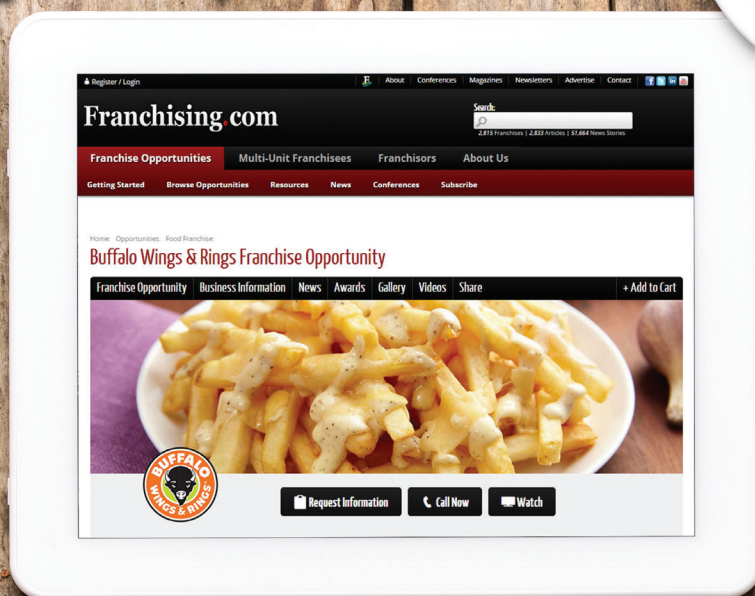
WHAT’S NEXT

What would you like to achieve in the next 5 years? Maintaining and building strong, controlled growth with the right franchisees in the right markets. This will allow us to maintain strong metrics and relationships and continue to lead in innovation for our industry.

What’s coming up that you’re excited about? I recently added a new member to our headquarters team to take over our franchise sales department. He is a seasoned franchise sales leader who is innovative, conscientious, and gets results. We’ve worked together for years at other brands so I have tremendous trust in him and his decision and feel very lucky. With him in place, I will have more time to focus on developing and improving our products, programs, and systems, which will in turn move the brand forward faster. I’m super-excited to have that time back to better lead our company into the future. ■

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BY KERRY PIPES

FOUNDED IN LOVE

Necessity was the grandmother of this brand

Shelly Sun, co-founder of BrightStar Care, never planned to start a company. But in 2001, she and her husband, J.D. Sun, were struggling to find quality in-home care for his grandmother and discovered they weren't alone. Soon after, they decided to take matters into their own hands.

"We built a healthcare staffing company to provide the full continuum of care, from home care to supplemental staffing for corporate clients such as nursing homes and physicians," she says. Sun says she worked 90 to 100 hours, 7 days a week in those early years, but the payoff has been worth it.

They launched the company in 2002 and began franchising in 2005. "Although we already had three successful company-owned locations, we knew that through franchising we would be able to expand much faster than if we were to do it on our own," she says. BrightStar Care was the first franchising company in the U.S. to specialize in both medical and non-medical care and healthcare staffing.

Now a decade later, BrightStar has grown to more than 300 locations nationwide serving more than 15,000 families and generating more than \$350 million in system-wide revenue. The brand offers a full continuum of caregiving in the home, including adult, elder, and child care, along with baby-sitter and nanny services. And Sun says there's much more to come, including a new, complementary brand.

"I'm excited about the

NAME: Shelly Sun

TITLE: CEO, co-founder

COMPANY: BrightStar Care

SYSTEM-WIDE REVENUE: \$350 million

NO. OF UNITS: 309

INTERNATIONAL UNITS: 0

GROWTH PLANS: By 2018, we plan to have 3 brands and be operating in at least 8 international markets. In the next 10 years, I predict that BrightStar Care will be serving 250,000 families and will have grown in revenue to \$3 billion.

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2002

YEAR STARTED FRANCHISING: 2005

YOUR YEARS IN FRANCHISING: 11

start-up phase of our second brand, BrightStar Senior Living and Memory Care, and the international expansion of BrightStar Care in 2016," she says.

GETTING STARTED

What inspired you to start your business?

In late 2001, my husband J.D.'s grandmother was in need of quality in-home healthcare. Through our personal journey, we identified a gaping hole in the healthcare sector, and we saw firsthand the need for a better in-home care option. In early 2002, my husband's grandmother passed away. Shortly after her death, we were given the book *Rich Dad Poor Dad* as a gift. The book relays a message for its readers to take control of their own destiny. We took this as a serious sign to start our own business that would offer families a service we were once desperate for, a service that was not being provided anywhere else. From there, J.D. and I founded BrightStar Care in late 2002.

What is your background? How did it prepare you for starting your business?

I hold a B.S. in accounting from the University of Tennessee and an M.S. in accounting from the University of Colorado. Before BrightStar, I held executive positions in the airline, insurance, distribution, and technology industries. The common theme is that I was often tasked with leading large teams and have frequently moved from accounting roles into operations when the needs of the business called for it.



I enjoy leading and inspiring teams to reach higher levels of performance and helping individuals reach their potential. I have strong financial acumen and am able to manage the results and personnel to a critical set of metrics. My background with numbers, leadership, team development, and organizational planning were a critical foundation to succeed as an entrepreneur and to access capital along the way to expand as opportunities arose.

What's the best and worst advice you got when starting out? Best: Establish an advisory board to assist me in my entrepreneurial journey. I was encouraged to have other founders on the board along with franchise experts. This advice has proven invaluable. My advisory board has evolved three times at different stages of the business's life cycle. On my current board, I feel blessed to have tapped into the talent of David Barr and Sid Feltenstein as we tackle uncharted territory with international expansion, debt recapitalization, national TV advertising, and many more exciting opportunities for growth. Worst: That it would take only \$100,000 to launch our franchise initiative. Since I am a CPA by background and conservative, I planned for a cushion and ensured we had \$250,000 to invest in launching our franchise opportunity. We needed nearly \$500,000 to get our franchising organization to be self-sufficient where recurring revenues were more than expenses.

Why did you choose franchising? In our original business plan we would expand to have hundreds of locations across the country. In that original plan, we didn't know if we would raise money and have all locations be company-owned, if we would enter into joint venture partnerships to share the investment/risk with local operators, or if we would franchise. As franchisees ourselves (Choice Hotels in 2004), seeing the hotel franchise model up close made the path of franchising crystal clear.

How did you get started in franchising? My mother-in-law invested in two hotels in mid-2004 and invited us to invest as well. I attended the franchise's new owner and new manager training with her

"Although we already had three successful company-owned locations, we knew that through franchising we would be able to expand much faster than if we were to do it on our own."

and came away from the training classes with the idea that BrightStar Care could work as a franchise, expanding much more quickly than if we were to open locations on our own. After successfully opening a second and third location in McHenry and Chicago, we knew we had a business model that could be successfully replicated and that we had the systems to open and grow a location to help others do the same. We sold our first franchise location in late 2005.

Did you have a partner/co-founder when you started? How important was that in building your company? My husband J.D. and I co-founded BrightStar Care together (see above). J.D. was strong at sales and handled that function. I handled the recruiting, customer service, operations, and finance functions and built the organization to handle the scale as the business grew. It was a great partnership. Eventually we backfilled our old roles, and I went on to start and run the franchise company with J.D. handling franchise sales at different points in our life cycle until we hired an industry veteran to build out an entire franchise development team.

How did you fund your company at

the beginning? As you grew? In the beginning I used the majority of my severance package from United Airlines to launch BrightStar Care and coupled that with a bank line of credit to fund accounts receivable. As the company grew, we were fortunate to be approved for State of Illinois Department of Commerce loans set aside for female-owned businesses.

What were the keys to funding your brand? In the beginning with company-owned stores, the keys to funding were sufficient working capital lines of credit to cover the growth in accounts receivable as sales ramped up. As we expanded into franchising, we used profits from company-owned operations, but we also needed loans and lines of credit to assist with the costs incurred ahead of when revenues were earned. We leveraged state programs created to assist female-owned businesses to access the capital we needed to launch the franchise brand and again to further its growth.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: The opportunity to help others become entrepreneurs through our franchisees and other emerging franchisors I mentor. It is such an incredible honor to work alongside passionate, driven franchisees who serve customers and create jobs in their communities. I may be a little biased, but I believe we have the best franchisees of any system. It is always an amazing experience to open the awards ceremony at our Annual Conference Gala and look at a roomful of more than 250 people who have become dear friends and achieved great success and remember that just 10 years ago none of it existed. Hardest: Never being able to have a bad day. My temperament sets the tone for the organization—for our team members and for our franchisees—so I am cognizant that my attitude and optimism are essential to accomplish our collective goals. I can't have a down day in front of the team, franchisees, customers, and suppliers. Fortunately, most days are optimistic and exciting as I usually view the world as a glass half-full. But on occasion

when it is a tough day, I am grateful for my current and former board members to reach out to.

How has your experience in running a franchise business been different from what you expected?

The tension between positioning the brand for growth and addressing franchisees' preferences for the current state is different than I would have expected. We have multiple stakeholders and they are at different stages: a franchisee in their first 24 months needs very different things and has far different priorities for themselves and what they want from the brand than a franchisee with 7 years who is within 5 years of an exit strategy. Trying to balance the needs of a diverse group while staying true to the decisions that will propel the brand forward is much different than I expected.

How did you grow the brand at first?

What changed as you expanded? In the beginning we added new franchisees based on strong relationships with brokers that helped us get our message out to more prospects than we could have reached on our own. In our first 5 years, the franchisees that came through brokers were roughly 80 percent of the total new units added. As we became more established and built out a franchise development team, more of our new franchisees came through the Internet and referrals.

How did you transition from founding a brand to leading a brand?

In the first several years I had to roll up my sleeves and be a generalist and do what was needed: supporting franchisees, teaching training classes, processing payroll, and many other tasks. As the business grew, I transitioned to leading the brand by building a stellar team and allowing my team to handle what they were best at. We had to move from generalists to specialists. Even now, I continue to evolve to be more the visionary, strategist, and chief culture officer for the brand while empowering a president to run the day-to-day operations. Leadership transitions are about ensuring you can spend more and more time leveraging your unique gifts and ensuring the same is true throughout the organization by empowering others to handle what

they can do better. I love being involved in strategy—for our organization and in helping franchisees define their strategy for realizing their potential—and spending time focused on regulatory and advocacy, industry leadership, mentoring, and public speaking. Building a great team allows me to have the time to do the things I love and have others handle everything else.

How would you describe your leadership style?

I believe in high performance for our entire team and also for myself. I believe in sharing success with our team because they are key to our growth and to the service and results we deliver for our franchisees. Every employee in our organization, from receptionist to president, has stock options in our company. We work hard and we play hard, and we enjoy each other both inside and outside of work. I also believe in empowering others to make decisions and ensuring that everyone in the organization is clear on our plan for the future, from the 1-year plan to the 10-year plan and everything in between so we are all rowing in the same direction.

What is the key to your company's success?

We designed services that meet a need and we have invested to ensure we can deliver on the quality that is part of the brand promise. We benchmark ourselves with accreditation and data to ensure we are the market leader, and continue adapting and investing to stay the market leader in quality, patient outcomes, Net Promoter Scores, revenue per franchisee, franchisee profitability, franchisor profitability, etc.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How?

I don't think being female was either an advantage or disadvantage in building the business. I think my finance skills were critical in accessing initial financing and growth capital. That is a skill set not commonly held by women, and often not encouraged for girls in school systems.

Have you found specific advantages or disadvantages to being a woman

business owner? I think there are great leaders of both genders. I do think my strong empathy and big heart have kept me focused on building a strong culture and ensuring intentional communication with my team and franchisees. I also value strong relationships. It is weird to think in terms of advantage or disadvantage as it is just me and isn't intentional, but rather just comes naturally.

What has been your biggest challenge as a woman entrepreneur?

Formulating the best approach for capitalization to grow. We have considered debt and equity options. And while there are many, many great private equity firms that are respectful of women, there have been a surprising number that will defer to my male colleagues and continue to do so even after my male colleagues point out my role and that questions should be directed to me. This led to my decision to hire an investment banking firm, William Blair, to ensure I had the right platform to maximize my options in the future and not have my gender negatively affect my financial options or outcome.

Why do you think there are fewer start-ups with female founders than male ones?

I think women need to have not only the skills and capital, but also the support system to become entrepreneurs. There is a bias that society has and that we as women put on ourselves that we have to be Superwoman and perfectly juggle our children, our spouse/partner, and our business. I think the expectation that we are able to do it all keeps many women from attempting to fulfill their dreams of entrepreneurship because they are afraid that their role as wife/partner and mother will suffer in some way. I give myself permission that in any given month I will be a great mom, a great wife, and a great entrepreneur, and that on a given day one of the three will suffer. But over the long haul, there is time to have it all.

What do you think is the biggest issue for women in the workplace?

I think it is a bias toward style. I have a strong personality and am outspoken when I believe it is required to chart a better

course or to point out issues that others may prefer to ignore. The words and tone I use would be considered assertive if a man used them but can be labeled as aggressive or worse when used by a woman. I find the bias as strong (sadly) in women who grew up during a time when women deferred to their male counterparts and are deeply uncomfortable with confrontation. I hope in time that organizations and the people within them show as much support for the diversity of style as they do for the diversity of ethnicity, gender, sexual orientation, etc.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? I think more women leaders are getting involved in advocacy and association leadership in franchising. I think more women leaders are networking with one another to share professional and personal best practices and to support one another to continue shattering the glass ceiling for ourselves and for the women who come after us.

Which female leaders do you admire? Why? One person I admire, as a mother and entrepreneur, is Gloria Jean Kvetko, founder of Gloria Jean's Coffee. She was a member of my advisory board for many years, constantly encourages me to see a different perspective, and has been a great role model and friend to me over the years. She took such a risk following her passion and established the flavored coffee industry despite naysayers. She is brilliant yet humble and is the most resilient, positive person I know. Catherine Monson, CEO of Fastsigns, is also a great example of an outstanding female leader in my life. A couple times a year we get together for a "girls trip" to not only recharge, but to bounce ideas back and forth. Catherine is an amazing leader. She never settles for the status quo and is always reading, learning, and sharing to be and make others better. I feel it is extremely important to have other women in my life I can relate to and talk through problems with.

Has mentorship made a difference in your professional and personal

life? How? Mentoring has made a huge difference in my professional life. From Lane Fisher introducing me around at my first franchise event (the 2006 Franchise Update Leadership & Development Conference), I recognized that learning from the experts in franchising to accelerate my learning curve was key to success. My mentors continue to provide valuable input and have become dear friends. Mentorship has made a profound impact in my personal life as well. I get great joy from mentoring others, and I continue to make more and more time for mentoring. I usually have 10 to 20 active mentees at any one time.

Are you involved in any female entrepreneur organizations? Women Presidents' Organization.

PERSONAL

What does your typical day look like? Nowadays, I spend 50 percent of my time outside the walls of the office working on behalf of franchisors and our franchisees in combating regulatory threats, researching healthcare trends, etc. I have brought on an experienced executive team including President and COO Thom Gilday, who takes care of day-to-day company operations. Thom's leadership allows me to use my time on strategy, culture, public speaking, and industry and advocacy issues. In addition, I spend about 20 percent of my time mentoring other business owners and helping them develop franchise concepts.

How do you maintain a work/life balance? I have given myself permission to not be Superwoman. In any given month, I know I will be a great mom, wife, and businesswoman, but I am okay knowing that sometimes one is going to win over the others. Vacations are a very important part of our family life, and we are sure to take them, whether out of town or on a "staycation."

What are your top 5 favorite things to do? Spend time with my twin boys, drink great red wine with friends, attend a YPO-Harvard event every year, read, and buy shoes.

What are 3 key words to describe yourself? Tenacious, driven, passionate.

LESSONS/ADVICE

What's the most important lesson you've learned so far? The single biggest contributor to BrightStar's success has been our commitment to hiring ahead of growth and focusing on having the right people in the right seats to deliver the highest level of support and care to our customers, franchisees, and the communities we serve. I've made slight adjustments to our organizational structure to help me move into a visionary role for the organization and to empower my senior leadership team to manage the day-to-day business. This has freed me up to work on the big picture opportunities and threats for our franchisees, our brand, and all our stakeholders.

If you could do one thing differently, what would it be? I would have backfilled key roles earlier when I knew someone was leaving. I would have forced conversations sooner when someone's work performance declined so we could plan for change and handle the team member more gracefully in their need for an exit.

What advice would you give to other women considering starting their own franchise brand? Believe in yourself. Surround yourself with positive influences. And be adequately capitalized to reach 50 to 75 units—the level it typically takes when recurring revenues exceed expenses.

WHAT'S NEXT

What would you like to achieve in the next 5 years? By 2018, we plan to have 3 brands in total and we will be operating in at least 8 international markets. In the next 10 years, I predict that BrightStar Care will be serving 250,000 families and will have grown in revenue to \$3 billion.

What's coming up that you're excited about? The start-up phase of our second brand, BrightStar Senior Living and Memory Care, and the international expansion of BrightStar Care in 2016. ■

BY KERRY PIPES

TRAGEDY TO TRIUMPH

Heidi Ganahl kept her focus on her dream

Heidi Ganahl says she has always been an entrepreneur and dog lover. “My husband and I were characterized by two things: we thought up crazy, wild ideas and we loved taking care of our two dogs,” she says of their life in the early 1990s. They even wrote a business plan for a “fun doggy daycare business” with a camp-like theme they thought would be great someday. But then tragedy struck: her husband Bion was killed in an airplane accident.

“That was a tough period,” recalls Ganahl. “It took a few years before I came back around to the idea of our dog day-

NAME: Heidi Ganahl

TITLE: CEO, founder, Top Dog

COMPANY: Camp Bow Wow

SYSTEM-WIDE REVENUE: \$86 million

NO. OF UNITS: 180 (6 corporate)

INTERNATIONAL UNITS: 1 (Nova Scotia)

GROWTH PLANS: 500 locations in 5 years

PUBLIC OR PRIVATE? Public

YEAR COMPANY FOUNDED: 2000

YEAR STARTED FRANCHISING: 2003

YOUR YEARS IN FRANCHISING: 12

care business.” That’s when her brother Patrick encouraged her to use money she had left from the accident settlement to start the company she had always been passionate about.

In December 2000, she opened the first Camp Bow Wow, in Denver. Its success led to a second location—and a timely suggestion from one of her clients who happened to be a franchisee of Mrs. Fields Cookies. “He suggested franchising as a tool for expanding my company,” she says. With some research, planning, and the usual paperwork, three years later she began franchising the brand.



FEMALE FOUNDERS

Today there are 180 Camp Bow Wow locations, 6 of them company-operated. In 2014, Camp Bow Wow was acquired by VCA Inc., an animal healthcare company with more than 600 animal hospitals in the U.S. and Canada, which strengthened the brand's position and Ganahl's resolve to see it grow. "We have plans to open Camp Bow Wow locations in some of these VCA facilities," she says.

Ganahl, who sees herself as a visionary and strategist who loves constantly working on the brand and with franchisees to make things even better for customers, says one dominant thought has motivated her business journey and success. "Find something you are passionate about to start a business around, create a great plan, and find the best people you can to help launch it. Keep your focus on your dream, dream big, and go after it!"

Her current dream? 1,000 locations.

GETTING STARTED

What inspired you to start your business? I always was an entrepreneur and thinking up crazy ideas, and my first husband was like that as well. We had two big mutts we adored, and we abused our friends and family because we had to come up with different options for taking care of them. So we came up with this idea based on a brand-new thing out there in the big cities called "doggy daycare." We created Camp Bow Wow and used the camp theme and made it fun and cool and upscale. We wrote the business plan in 1994 when we were in our mid-20s and didn't have a lot of money. Six months later, my husband died in a plane crash and the business plan got shelved.

What is your background, and how did it prepare you for starting your business? I was in pharmaceutical sales out of college, and I was pretty bored. I made a good living, though—we called it "the golden handcuffs." My pharmaceutical sales experience taught me how to connect with clients and how to effectively communicate our brand. My advertising experience has helped tremendously in building our brand!

What's the best and worst advice

"Find something you are passionate about to start a business around, create a great plan, and find the best people you can to help launch it. Keep your focus on your dream, dream big, and go after it!"

you got when starting out? Best: To start a business you're passionate about. I was always passionate about the Camp Bow Wow idea, but tabled it in pursuit of a couple other endeavors that were more "practical." Worst: To invest in things we weren't quite ready for, and hiring too many people too quickly when we were just getting started.

Why did you choose franchising? I love the visionary part of growing the business and building the brand, but I needed great people to do the operations side. Franchising was the perfect model.

How did you get started in franchising? We started Camp Bow Wow in December 2000, and it did really well. We started a second location near Boulder, and that one did really well, too. One of my clients there was in franchising with Mrs. Fields Cookies, asked if I had ever thought of franchising, and introduced me to some great people who ended up mentoring me and got us off the ground.

Did you have a partner/co-founder when you started? How important was that in building your company? My little brother, Patrick, was the one

who convinced me to dust off the Camp Bow Wow business plan and invest the last of my settlement into the first camp. We made a great team: I was good at the marketing and strategic side, and Patrick was good at managing the operations and the dogs. We butted heads and even fired each other a few times, but our skills meshed and allowed us to grow.

How did you fund your company at the beginning? As you grew? I had about \$80,000 left from the settlement I received after my husband's death that I invested into the business originally. As we sold more and more franchises, we were able to grow quickly.

What were the keys to funding your brand? Finding the right people—people who believed in us and believed in the brand enough to invest.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: As an entrepreneur, you're an artist. You're seeing your vision play out and it's really fun and fulfilling. The hardest part is it takes over your life. There's no vacation, no time off. It consumes you and it can consume your family, too.

How has your experience in running a franchise business been different from what you expected? Managing the relationships and the business at the same time. I care about our franchise owners and sometimes it's hard to make tough business decisions.

How did you grow the brand at first? What changed as you expanded? At first, it was a lot of grassroots marketing to grow the business and get new clients. I was at the dog park or local events every weekend handing out coupons and talking about camp. Now, the grassroots tactics are still important but we have a much heavier focus online and making sure we have a great digital presence.

How did you transition from founding a brand to leading a brand? I surrounded myself with great people, did a lot

FEMALE FOUNDERS

of leadership development work, coaching work, and learning as I grew.

How would you describe your leadership style? I empower my team to do what they're best at. I build personal relationships with my employees and trust them to do what they're talented at and what they were hired to do.

What is the key to your company's success? The people I've surrounded myself with over the years: our franchisees, employees, and loyal clients.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? Both. It was a disadvantage when trying to get capital and raise money, but it was an advantage in connecting with our clientele, who are mostly women and appreciate that caring aspect when it comes to their pets.

Have you found specific advantages or disadvantages to being a woman business owner? I've never looked at it that way. It only occurred to me when I was trying to raise capital. I had to work harder to make people take me seriously.

What has been your biggest challenge as a woman entrepreneur? Balancing work and family.

Why do you think there are fewer start-ups with female founders than male ones? Women are generally more risk-averse. We need to encourage our girls early on that entrepreneurship is a great way to express themselves and do something they love.

What do you think is the biggest issue for women in the workplace? Trying to have it all—you can't do everything and you can't be perfect at everything you do. Some days you're going to be a great business owner and some days you're going to be a great mom, but you probably won't be both in the same day.

From a woman's perspective, what notable changes have you seen for

women in franchising since starting your brand? The most notable change is there are more women! There were very few women in franchising in 2003. There's a great community of female founders and we're very supportive of each other. It's one of the most supportive women in business communities I've ever seen.

Which female leaders do you admire? Why? Sheryl Sandberg and Condoleezza Rice. They are clear with their vision, but they are also relatable and authentic. I also appreciate leaders who give back, like Sara Blakely with Spanx and Tory Burch.

Has mentorship made a difference in your professional and personal life? How? I've had a number of great mentors



over the years who have helped me grow personally and professionally. I also love being a mentor, working with high school and college kids and instilling in them an excitement around entrepreneurship and following their passion.

PERSONAL

How do you maintain a work/life balance? Sometimes I don't very well :) but I try to take each day at a time and put my faith and family first always. I also have learned not to beat myself up if I have to work hard for a few days away from my family, or if I need to spend time with my family and give up on work a bit.

What are your top 5 favorite things to do? Hang with my four kids, watch college football, travel, give back/volunteer, and speaking engagements to tell my story and inspire others.

LESSONS/ADVICE

What's the most important lesson you've learned so far? The Golden Rule: treat others how you want to be treated.

If you could do one thing differently, what would it be? It comes down to the people. I would have trusted my gut more often when it came to people and I would have been slower to hire and quicker to fire.

What advice would you give to other women considering starting their own franchise brand? Align your business to your passions. If you firmly believe in your idea and pour your heart and soul into it, you will make a much bigger impact.

WHAT'S NEXT

What would you like to achieve in the next 5 years? I hope to see the number of camps grow to 1,000 over the next several years so we can provide superior pet care to even more pets who have yet to experience Camp Bow Wow.

What's coming up that you're excited about? I can't wait to see how technology plays into pet care. ■

BY KERRY PIPES

MAMA POP

Doc Popcorn spreads smiles worldwide

Renée Israel loves the smell and taste of fresh, kettle-cooked popcorn. When she and her husband Rob spotted mom-and-pop kettle corn makers at a farmers market in Boulder, Colo., in

the early 2000s, it got them thinking. How could they bring fresh-popped flavored popcorn to a wider audience?

“We spent the next few years perfecting a unique, fresh, flavored popcorn that

could be easily prepared on the spot,” she says of their pet project, which they named Doc Popcorn. They also developed a variety of simple and flexible business models for distribution in high-traffic venues. Places such as convention centers, entertainment venues, malls, and stadiums could all sell popcorn from carts, kiosks, or inline stores.

During the first decade of Doc Popcorn, they ran several stores themselves in Colorado, honing and perfecting their model. “Rob and I saw the potential in our popcorn business,” she says. “When we were ready to expand outside of Colorado we turned to franchising. Our product was simple, all the flavors could be made with one machine, and with our different methods of distribution we thought entrepreneurs would love popping a fresh, better-for-you-snack in their own markets.” Their first franchised location was in the Mall of America in 2010. It was a big hit and they’ve never looked back.

Israel says part of her inspiration for building a brand from scratch was that she had always been interested in marketing and emerging brands. She had spent 5 years working for Digitas, where she



NAME: Renée Israel

TITLE: Co-founder, Mama Pop

COMPANY: Doc Popcorn

SYSTEM-WIDE REVENUE: N/A

NO. OF UNITS: 102 (2 corporate)

INTERNATIONAL UNITS: 8

GROWTH PLANS: 1 year, 120; 3 years, 150

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2003

YEAR STARTED FRANCHISING: 2009

YOUR YEARS IN FRANCHISING: 6

provided marketing and product innovation leadership to senior-level executives at Fortune 500 companies.

The Isaacs sold Doc Popcorn to Dippin' Dots in July 2014 but have remained actively involved in the business. "It's been a win-win for us," she says. "We are now co-branding with Dippin' Dots, and their widespread presence and iconic ice cream products have opened up a whole new world of opportunities for our franchise base, and vice versa."

Today, Doc Popcorn has 102 locations throughout the country and 8 international locations, and she continues to oversee marketing, brand development, and creative strategy for the company.

"We built a brand around a great product and we built a culture," she says. "Franchising is a wonderful industry and our journey so far has been fantastic!"

GETTING STARTED

What inspired you to start your business? When my husband Rob saw some mom-and-pop kettle corn makers at a Boulder farmers market, we quickly recognized the opportunity to bring fresh-popped flavored popcorn to a wider audience, and do so in a way that had never been done before. We spent almost a decade perfecting a unique, branded offering of fresh, flavored popcorn along with a variety of simple and flexible business models appropriate for high-traffic venues such as convention centers, entertainment venues, malls and stadiums, using carts, kiosks, and inline stores.

What is your background? How did it prepare you for starting your business? Before Doc Popcorn I was a vice president of marketing for Digitas, a top integrated brand agency, where I learned to create a strategy and then manage a team to execute it. The methodologies I learned working for Fortune 500 clients—which included being accountable for client satisfaction and running a profitable bottom line—were useful in creating the Doc Popcorn brand and the initial systems and processes required to get started.

What's the best and worst advice

"When my husband Rob saw some mom-and-pop kettle corn makers at a Boulder farmers market, we quickly recognized the opportunity to bring fresh-popped flavored popcorn to a wider audience, and do so in a way that had never been done before."

you got when starting out? Best: Joining the IFA. We attended our first conference in 2010, a few months after we started franchising. I learned so much at the various sessions. I was also enamored by how much people were willing to help. I went through the attendance list in advance and organized meetings with folks I never thought would return my emails or phone calls. I wound up with a full calendar and received invaluable mentorship. Worst: Since I'm a brander and marketer by trade, listening to those who said to not start a marketing fund from day one. It sounded like a good idea at the time, but if I knew then what I know now, I would have done it differently.

Why did you choose franchising? In addition to some of the reasons I mentioned earlier, the popcorn industry was fragmented, and a large popcorn franchise didn't exist in the U.S. There were a few players with locations and big build-outs,

but our model was simple, replicable, and easier for an entrepreneur to execute. Also, we wanted people to love the business and our vision of creating smiles with our product as much as we did. Having corporate-owned locations and hiring managers around the country wouldn't have accomplished that.

How did you get started in franchising? We grew the business in Colorado to 11 locations, using a variety of models in high-traffic venues. From 2003 to 2008, we owned three mall locations, kiosks, and storefronts, and operated mobile units at several event and entertainment venues. We knew it was time to grow the business outside of Colorado, but strongly believed in a vision where every location would pop its own product and integrate into its local community. We were excited by the idea of helping people who wanted to start their own business using Doc Popcorn to do it.

Did you have a partner/co-founder when you started? How important was that in building your company? My husband Rob and I are co-founders. He's the big, audacious idea guy and a serial entrepreneur with a background in retail, real estate, sales, and investing, and my background is brand, marketing, and business strategy for Fortune 500s and start-ups. We make a good team. As far as an additional business partner, we knew our business, but not the business of franchising. So we turned to the expertise of a franchise incubator to get the ABCs of the franchise model, like creating the FDD and proper operational processes. It was an invaluable step for Doc Popcorn's growth.

How did you fund your company at the beginning? As you grew? We were entirely self-funding until we started franchising, at which time we took on a franchise incubator as a partner for equity in exchange for expertise and support.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: There is a real sense

FEMALE FOUNDERS

BEING FEMALE

of accomplishment in building a business from scratch, particularly one that makes people smile and that creates jobs. Working alongside my husband and an amazing team makes it even better. Hardest: Particularly as an emerging brand, when it's all getting off the ground there is a heavy sense of responsibility. A lot of people are counting on you, from employees to franchise owners, to get it right. It can also be a little lonely sometimes making some tough decisions that you know are better in the long run.

How did you grow the brand at first? What changed as you expanded?

When we first started franchising, we used a lot of third-party providers for everything from lead generation to real estate. They had the expertise and relationships we needed, and enabled us to better manage cash flow. But as we emerged into young adulthood, we brought many of those areas in-house. Another change is how we approach our growth geographically. We're more focused on specific markets and venues than in the past. We know a lot more about where and how we're going to be successful.

How did you transition from founding a brand to leading a brand?

There was a point when we were concerned about growth and getting traction. But once we had 15 or so franchise owners, it was a turning point to start building processes to manage and support the franchise base. We started to hire specialists and trust them to take over a subset of responsibilities that we used to manage ourselves. That wasn't easy. Being more hands-off is hard. But at some point you realize that the business needs you more for a strategic vision versus the day-to-day.

How would you describe your leadership style?

My ultimate goal is to be a coaching leader. I also try to play more of a project manager role, making sure team members are getting the information they need in the most efficient way possible to keep the ball moving in the right direction.

What is the key to your company's success?

Product and people.

Was being female an advantage or disadvantage for you in building your company? How?

Our business is successful not because I am a woman or my husband is a man. It's about the individual skill sets we each bring to the table and how they complement each other. I came from Fortune 500 companies and Rob was a born entrepreneur, so we think a little differently and that makes for a great partnership. I will say, however, that some of our best franchise owners are couples or families. The fact that my husband and I have that same dynamic is helpful.

What has been your biggest challenge as a woman entrepreneur?

Even in an executive position or in owning my own business, sometimes I have felt like I had to prove that I earned my seat at the table. Whether it was truly necessary or imaginary, there have been circumstances where deep down I felt a need to show that I'm worth my value and more. Judging by conversations I have with female counterparts, I'm not alone.

Why do you think there are fewer start-ups with female founders than

"Our business is successful not because I am a woman or my husband is a man. It's about the individual skill sets we each bring to the table and how they complement each other."

male ones? Generally speaking, when it comes to raising money, women have a hard time asking for what they want to get their idea off the ground. I think this is changing, but this is what I have personally observed with women entrepreneurs I have mentored over the years.

What do you think is the biggest issue for women in the workplace?

Communicating in an effective and honest way what we need and deserve is critical, and that goes for both women who own their own companies and for women working for someone else in a more traditional environment. But first we have to convince ourselves we are worthy before we can convince others. This is one of the reasons there is still a culture that includes unequal pay and women with children leaving the workplace. I don't believe we are always comfortable making sure we are heard and that our needs are addressed.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand?

I've definitely seen more women becoming the face of leadership at the IFA. When I started it seemed speaking positions and panels were mostly male-driven. More recently I have seen leaders such as Catherine Monson, Shelly Sun, Dina Dwyer-Owens, Jania Bailey, and many others taking on leadership roles and I'm seeing more women speakers on panels and committees. I've also noticed growth in the number of Women's Franchise Networks around the country.

Which female leaders do you admire?

Why? Angelina Jolie, Hillary Rodham Clinton, and Margaret Thatcher come to mind. These are women who aren't afraid to take a stand or make tough decisions, even if the decisions are unpopular. In franchising, there are now many amazing female leaders, and I hope you all know who you are. Many serve, or have previously served, on the Women's Franchise Committee and other IFA-related committees. Each and every one of them inspires me every day.

Has mentorship made a difference in

your professional and personal life?

How? Mentorship is a two-way street in my life. It's equally important to mentor others as well as to be mentored. I have several mentors—women and men, including my husband—whom I can trust to help me when I need it. I continue to seek out mentors, too. For example, when I'm going to an industry conference, I make it a point to know who else is attending so I can set up meetings in advance with people I can learn from. I always have three questions ready so I can ask the right people when I have a hallway opportunity. I enjoy coaching others, too, whether I'm guest lecturing at a business school or meeting someone for lunch to talk about a new business idea. I learn a lot from the people I mentor, including my kids. They remind me every day about being playful and present.

Are you involved in any female entrepreneur organizations?

Yes: Women's Franchise Committee (IFA), Chair Taskforce for Women's Franchise Network (IFA), The Women's Foundation of Colorado, and Emerging Women.

PERSONAL

What does your typical day look like?

Get up, wake the kids, help them prepare for their day, and get myself ready for my day. I check emails, sit in meetings and on conference calls, check more emails, have more meetings, make sure that somewhere in between I work out for an hour—which is a must for my productivity. Sometimes I get to pick up my kids and go to activities with them. I cook dinner, and generally we eat as a family. When the kids are in bed, I work until about midnight. Lather, rinse, repeat.

How do you maintain a work/life balance?

I don't believe in work/life balance on a daily basis, but it can be achieved on a weekly basis with well-thought-out planning and the right support. Each Sunday, Rob and I sit down to talk about our plans for the week. Doing that gives us a sense of what we'll be doing and allows us an opportunity to create a balanced plan for business and family. The goal is to make sure one of us is always available for the

"Ultimately when someone is asked, 'What is your favorite popcorn?' The answer will be, 'Doc Popcorn!'"

kids. And if that isn't possible, because sometimes we are both traveling, we make sure to leverage family so the kids feel connected. We also eat with our kids most nights (with cell phones switched off), and when we are in town we have a goal of giving each of our three kiddos present, undivided attention with a "special mission" for at least one hour a week.

What are your top 5 favorite things to do?

Be with my kids. Be with my husband. Run and be athletic and spend time outdoors. Eat awesome food. Read self-development books of all kinds.

What are 3 key words to describe yourself? Self-disciplined, builder, taskmaster.

LESSONS/ADVICE

What's the most important lesson you've learned so far?

One of the greatest lessons we have learned since we began franchising in 2009 is how important it is to anticipate processes and systems we will need before we actually need them, and getting those systems in place to support our franchise family at the right time. When we began franchising, we established a franchise advisory board to make sure our franchise partners could communicate ideas and have a voice on key initiatives they feel would help grow their businesses at the local level. This concept is truly the cornerstone of how we run our business. We are learning every day how to work together to drive the brand and keep our POPrioters, as we like to call them, smiling. Since we've hit the 100-unit mark this year, I'd say this is

the most important lesson we've learned.

What's the best piece of advice you have ever been given?

Learn how to say "no" so you can say "yes." My executive coach taught me to ask myself a two-part question before I agree to take on any project. If I answer "yes," what do I have to say "no" to? And if I answer "no," what do I get to say "yes" to later? It's helped me set boundaries so I can achieve the greatest results for my life outside of work as well as for the business. The questions put me in a position of power that allows me to keep doing more of what I want to do and less of what I don't want to do.

What advice would you give to other women considering starting their own franchise brand?

This goes for both men and women: Ask yourself why you want to franchise and define the goals you are hoping to achieve through franchising, not just for yourself, but for others. What needs do you satisfy by starting one? Everyone's definition of success is different. Also ask yourself if you want to do this alone or with a partner. If you want a partner, make sure their goals align with yours.

WHAT'S NEXT

What would you like to achieve in the next 5 years?

I want to see Doc Popcorn continue on a trajectory to be a household name with many more points of presence, smiling guests, and happy franchise owners. Ultimately when someone is asked, "What is your favorite popcorn?" The answer will be, "Doc Popcorn!"

What's coming up that you're excited about?

Doc Popcorn, Dippin' Dots, and Crumbs Bake Shop are all owned by Fischer Enterprises, and the organization plans to have more like-minded brands join the family. This provides an exciting opportunity for Doc Popcorn in the way of co-branding. We have already seen early success with the Dippin' Dots/Doc Popcorn co-brand model and plan to continue our co-brand trajectory into 2016 and beyond. Seeing a stronger bottom line for franchise owners with another iconic brand is very exciting. ■

BY EDDY GOLDBERG

AMERICAN DREAM

Growing the brand, one client at a time

Mila Feldman came to the U.S. from Ukraine in 1980, when she was 12, a refugee from religious persecution. She settled in Brooklyn with her family, which arrived in the U.S. with only one suitcase. They had no furni-

ture and slept on the floor until a neighbor looked in on them. “Soon everybody was bringing us things,” she says, from clothes to furniture. Her parents took odd jobs to put food on the table.

At 15, she met Lenny Verkhoglaz, her

husband-to-be and future co-founder of their franchise business, in a store where he was working to put himself through college. They began to date and five and a half years later, married and moved to New Jersey, where their company, Executive Care, had its serendipitous beginning.

It was Valentine’s Day and the couple was preparing to go out when her rabbi called and asked her to look in on an elderly neighbor, Helen, whose daughter was away and had left her mother to fend for herself. “I couldn’t understand how her daughter went on vacation for two weeks. It was heartbreaking to see,” says Feldman, who spent the next week caring for her bedridden neighbor. (See below for more details.)

Neither of them had ever done this before, but after that week, she says, “I went home and told Lenny that this is what I wanted to be doing with my time, helping the elderly in need of care and their families.”

She soon left her job to provide one-on-one home care, adding one client at



NAME: Mila Feldman

TITLE: Co-founder

COMPANY: Executive Care

SYSTEM-WIDE REVENUE: \$10 million

NO. OF UNITS: 27 (13 corporate)

INTERNATIONAL UNITS: 0

GROWTH PLANS: 1 year, 10; 3 years, 15; 5 years, 20

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2004

YEAR STARTED FRANCHISING: 2013

YOUR YEARS IN FRANCHISING: 3

a time, starting with Helen. Since those humble beginnings, she and her husband have expanded the services they provide. Today Executive Care offers companionship, homemaking, personal care, live-in care, skilled nursing, specialized services, and supplemental staffing. “Why should Ms. Jones need one type of care, and later when she needs more skilled care, we pass her off to someone else?” says Feldman.

In 2012, after 10 years of slow and steady growth, they began franchising. “You need to know what you’re doing before you start telling other people what to do,” she says. “We made some mistakes, but now we’re teaching people all the right things.”

They also wanted to set up their children for a good future. “I know my parents gave us everything they possibly could, and I wanted to do the same,” she says. “I thank my parents every day. They had no money, no language. I don’t how they did it.”

GETTING STARTED

What inspired you to start your business? I was volunteering at a local community center in 2003 when I received a call on Valentine’s Day from them asking if I could check in on an elderly woman in the neighborhood whose daughter had gone out of town. I had plans with my husband, Lenny Verkhogla, but thought I’d bring her over some food and visit for a bit. When I got there I realized she was bedridden. Lenny and I ended up canceling our plans and I spent all week with her until her daughter returned. After that week, I went home and told Lenny that this is what I wanted to be doing with my time, helping the elderly in need of care and their families.

What is your background, and how did it prepare you for starting your business? Since I was young I have always held a job that required working closely with others. All of my past work experiences have helped me to be the owner and leader I am today. I have also learned from observing my past bosses that it is important to surround yourself with like-minded people who are invested. I work very closely with my husband, who brings additional skills and experiences.

What’s the best and worst advice you got when starting out? To launch Executive Care I had to leave a great job with UnitedHealth Group. My boss, who I looked up to immensely, told me that I was going to be successful at owning my own business because I genuinely care about people and have always put them ahead of myself.

Why did you choose franchising? We saw franchising as a great opportunity to grow the company. We believe in our business and services and knew that we could teach others how to do what we were doing.

How did you get started in franchising? I knew I wanted to make the level of care we were providing to seniors in Hackensack, N.J., available to others throughout the country. Franchising allows us to do just that. We have been able to welcome great franchise partners into the system who are invested in the business, have passion, and care about the well-being of others.

Did you have a partner/co-founder when you started? How important was that in building your company? Yes, my husband is the CEO and has been heavily involved since the very beginning. The two of us create a strong team that allows for immense collaboration. Each of us brings something different to the table that has helped to shape and mold Executive Care into the company it is today.

How did you fund your company at the beginning? As you grew? We used our personal funds to start the business. Then, once we established a steady stream of clients we used those funds.

What were the keys to funding your brand? Working smart and strategic planning have been crucial in our ability to fund our business.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: Having flexibility to do what you want to do. I’ve been able to have time for my family when it is needed,

whether that means attending one of my daughters’ events or going on vacation with my husband. Hardest: Being able to move past all the worries. I have lots of worries all the time. Are my employees happy? Are the franchise partners understanding and following the model? Is everything being done the right way? I’ve learned that having worries is good; they are a constant reminder that I care. But it is important to be able to move through the worries and stay focused. Everything will fall into place.

How has your experience in running a franchise business been different from what you expected? I didn’t realize how many amazing people I would meet. There are a lot of successful people out there who want to network, brainstorm, and share tips. It’s also made me realize the constant need for innovation. We need to always be thinking ahead of the curve to ensure we stay ahead of the competition.

How did you grow the brand at first? What changed as you expanded? When I opened the office in Hackensack, our main focus was to provide great care to each client by helping one at a time. Through word of mouth, we signed additional clients who were interested in receiving the same type of individual care. Always putting the clients first has helped us grow.

How did you transition from founding a brand to leading a brand? I am no longer running day-to-day operations. I have a good team in place that helps to manage and look over those components. I now spend my time game planning and establishing plans for the future. I also spend a lot of time with our franchising team and franchisees.

How would you describe your leadership style? I’m very hands-on and involved in the business. I treat our employees like family and am very trusting.

What is the key to your company’s success? We work to do the very best for our clients and the team we have working for us. We aim to always do what is right and to never cut corners.

FEMALE FOUNDERS

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? I believe it's been an advantage for me. In many ways, what we do is provide care to our clients, and as a parent this has come naturally to me. Since starting the company, I have found that being a woman has allowed me to connect easily with patients and their families. However, we have a lot of great men at our company and in the field who are also great at what they do.

Have you found specific advantages or disadvantages to being a woman business owner? I am very proud of what I have accomplished and receive a lot of compliments for how I have operated the business. There have not been any disadvantages. Everyone I've worked with respects both women and men entrepreneurs.

What has been your biggest challenge as a woman entrepreneur? There have been challenges in running the business, but nothing I would pinpoint as a challenge because I was a woman entrepreneur. Opening and operating a business is full of obstacles. One of the most challenging times for me was when I was working to get a particular partnership with a hospital. I was persistent and believed in our concept, and eventually it all paid off as we signed a deal with the hospital. Since I was a young girl, I have always pushed myself to meet challenges and be the best version of myself. With this mindset, I've been able to overcome the challenges put in front of me.

Why do you think there are fewer start-ups with female founders than male ones? I think women are more afraid to take risks. I had to leave a good job with good pay, which was a risk, but one that has worked out quite well.

What do you think is the biggest issue for women in the workplace? An issue I still see is women being able to maintain a work/life/family balance without being punished for it.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? I see a lot more women involved with franchising when I attend expositions, seminars, conferences, etc. There are a lot more women achieving success throughout the industry. It's empowering to see and be a part of.

Which female leaders do you admire? Why? I've had a lot of strong, independent women in my family who I admire and look to for guidance. My mom has been a great role model for me. My family came to America from Russia with one suitcase when I was a young girl. We had nothing, but my mom always made me feel like I could do anything, like there was nothing holding me back from achieving my dreams.

Has mentorship made a difference in your professional and personal life? How? Yes, you always need people to give you advice. Everything I have achieved is from the advice and mentoring I've received.

Are you involved in any female entrepreneur organizations? No.

PERSONAL

What does your typical day look like? I get into the office before everyone else so I can eat breakfast and get situated for the day. I have meetings in the mornings with different team members to get an update on how everything is going. Then I spend most of my time with the franchising team. I want to know how the franchise partners are doing, who needs what, what events are coming up, etc. Every day flies by.

How do you maintain a work/life balance? I work during the day and then go home and enjoy time with family. It's easier now that my children are older and no longer at home. But even when they were young, I found a way to squeeze everything in—family time, hanging out with friends, and traveling.

What are 3 key words to describe

yourself? Expressive, people person, very honest.

What are your top 5 favorite things to do? Travel, read, watch TV, spend time with my family, and enjoy good food.

LESSONS/ADVICE

What's the most important lesson you've learned so far? Be honest! I've always said it is best to be honest and explain the whole situation, even if it's news a client or family doesn't want to hear.

If you could do one thing differently, what would it be? I would have started franchising earlier. We waited 10 years because we wanted to be certain that we could teach our way of doing business to others and that it was replicable. The whole franchising experience has been amazing. If I could I go back, I would have started doing it much sooner.

What's the best piece of advice you have ever been given? My parents taught me to be honest, to always do what is right, to do things correctly the first time around, and to not cause harm to others. I often reflect on these thoughts now as I operate the business.

What advice would you give to other women considering starting their own franchise brand? Just do it! It's one of the best things I've done. Anyone should be proud to be a business owner. It has been very rewarding.

WHAT'S NEXT

What would you like to achieve in the next 5 years? My goal is to find more wonderful franchise partners who are passionate about the industry to join the team. Finding the right people to grow with us is a huge focus right now.

What's coming up that you're excited about? As we look at 2016, we're excited about the possibilities for expansion into new markets like Orlando, Boston, Phoenix, and Denver. We are planning to open 10 new units within the year. It's a very exciting time for the Executive Care family. ■

BY KERRY PIPES

TOY STORY

It all began at nursery school...

Sharon DiMinico had a “Eureka” moment following the birth of her second child in 1987. She recognized something was missing for the parents and children in her local community. “I saw there was a real need for a unique store that could offer high-quality toys, books, and games for little children through preteens,” she recalls.

DiMinico already had some retail and business experience and knew firsthand what parents were looking for when it came to raising their children. She wrote a business plan for a special kind of toy store and presented it to her children’s nursery school in Acton, Mass., where she was a board member. Her idea was not only to provide needed resources to the children, but also to supplement the school’s revenue. It worked, and then some.

In March 1987, the school opened the first Learning Express store. Six months later, DiMinico opened a second store with her sister and two friends in nearby

NAME: Sharon DiMinico

TITLE: Founder, CEO

COMPANY: Learning Express Toys

SYSTEM-WIDE REVENUE: \$95 million

NO. OF UNITS: 126 stores in 35 states

INTERNATIONAL UNITS: 0

GROWTH PLANS: 5 to 10 stores per year

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 1987

YEAR STARTED FRANCHISING: 1990

YOUR YEARS IN FRANCHISING: 25



FEMALE FOUNDERS

Needham. Inspired by an article about franchising she'd read in *Inc.* magazine, 3 years later DiMinico licensed the company's first franchise location, in Andover, Mass. In 1995, she began a regional developer program that accelerated growth, and today Learning Express Toys is the nation's leading franchisor of educational toy stores, with 126 stores in 35 states.

"My father was an entrepreneur and instilled in us the belief that we could do anything if we worked hard," says DiMinico. "This company is my passion and my joy. And every day I continue to learn."

DiMinico says she was attracted to the franchising model for growth not only because of the *Inc.* article, but also because, she says, "I believe that owners of a business will work harder and do a better job than store managers of a business."

She cites her father as her best mentor and says he inspired her along her own path. "My father started his own company when I was seven years old," she says. "He was always very encouraging and supportive."

Learning Express is on track to do more than \$100 million in revenue this year, and DiMinico hopes to continue a pace of opening 5 to 10 stores a year. The brand will also open a corporate location with the launch of a new children's activity center concept, Learning Express Play, which will open in June 2016 in Bedford, Mass. And, of course, DiMinico will be there cheering on the continued growth of a brand she has nurtured, loved, and developed since day one.

GETTING STARTED

What inspired you to start your business? I owned a construction/retail business for 10 years before marrying my husband and starting a family. When I was shopping for my daughter's nursery with my sister, I was amazed at how exciting and moving it was shopping for a baby. At the register, I told my sister, "My next business is going to be a kid's business." I immediately understood how parents want to provide every opportunity for their children. I looked into furniture, gear, and clothing, but decided on toys. There were not many really great toy stores in my area so I felt the timing was just right.

Learning Express
is on track to
do more than
\$100 million
in revenue this
year,
and DiMinico
hopes to
continue a pace
of opening 5 to
10 stores a year.

What is your background? How did it prepare you for starting your business?

1968–71, National Geographic Society. 1972–73, sales, design, and book-keeping at Beacon Tile & Marble, where I learned all about business (I was an English literature major). 1974–82, Upstairs/Downstairs Tile and Bath (design, sales, and installation of ceramic tile, marble, European plumbing and hardware, and retail sales of kitchen and bath furnishings and accessories), which I sold in 1982.

What's the best and worst advice you got when starting out? Best: Grow conservatively. Worst: Don't do it!

Why did you choose franchising?

I believe that owners of a business will work harder and do a better job than store managers of a business. It was also a good way to grow nationally. In 1995 we started a regional developer program and went from a local, Massachusetts-only franchise to a national franchise with 13 regional developers.

How did you get started in franchising?

Right after opening the first Learning Express store for my children's nursery school in March 1987, I read an article in *Inc.* magazine about franchising. Six months later, I opened my own store.

Three years later, in September 1990, I sold my first franchise.

Did you have a partner/co-founder when you started? No.

What were the keys to funding your brand? I used personal funds and grew the business slowly. Our regional developer program allowed us to become a national player.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: Having an outlet for creativity. Hardest: Expecting others to have the same passion and vision I do.

How has your experience in running a franchise business been different from what you expected? I expected franchisees to have the same passion and energy level that I do.

How did you transition from founding a brand to leading a brand? It was a natural progression. As the company grew, I tried to hire people who were better at their job than I could have been.

How would you describe your leadership style? I try to set a good example, set the goals and expectations, and then get out of the way. I do not micromanage.

What is the key to your company's success? I attribute our success to my team. They work hard and feel good about supporting our store owners and their families.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? Definitely an advantage. Women are great at multi-tasking, and a lot of multi-tasking is required when starting and building a business.

Have you found specific advantages or disadvantages to being a woman business owner? Not really. Perhaps only that our natural tendency is to "take

FEMALE FOUNDERS

care” of people. I feel I do a pretty good job with my co-workers.

What has been your biggest challenge as a woman entrepreneur? Separating home life from work life.

Why do you think there are fewer start-ups with female founders than male ones? I’m not sure. I recently read there are more women in medical school than men now. There are more women attending college than men. Living in Massachusetts, there are many, many women entrepreneurs, CEOs of large corporations, presidents of universities, etc. We’re just getting started!

What do you think is the biggest issue for women in the workplace? I’ve always found that being a woman in business is advantageous, even in my former construction business.

From a woman’s perspective, what notable changes have you seen for women in franchising since starting your brand? The biggest change is that there are a lot more of them. For me personally, I would have to say the Internet has changed business more than anything else. Back in 1987, I didn’t own a fax machine or a cell phone. There was no social media or email, no Twitter, Pinterest, or Instagram. Business has gotten a lot more complicated.

Which female leaders do you admire? If Condoleezza Rice were running for president, I would vote for her. I’m also impressed with Carly Fiorina and Sheryl Sandberg.

Has mentorship made a difference in your professional and personal life? How? The only mentor I had was my father, who started his company when I was seven years old. He was always very encouraging and supportive.

Are you involved in any female entrepreneur organizations? No.

PERSONAL

What does your typical day look

“Back in 1987, I didn’t own a fax machine or a cell phone. There was no social media or email, no Twitter, Pinterest, or Instagram. Business has gotten a lot more complicated.”

like? At the office 10 a.m. to 6 p.m.; at the kitchen table on my computer 8 to 10 p.m. Meeting schedule every other week: Mondays I meet with our president, Kathy Troknya, to discuss issues that have come up since the last time we met. We also discuss our team and their needs. Monday afternoons I meet with the Learning Express Play development team, our new children’s activity concept (weekly). Tuesday mornings I meet with our development team to review new stores that are opening, people in the pipeline, and contract and lease renewals. Wednesdays I meet with the buying team in the morning to review product selection for catalogs and the inventory mix for the new stores we are opening. Wednesday afternoons I meet with the marketing and graphics departments so we can anticipate our store and e-commerce needs for the coming weeks. In between these meetings I’m answering email, talking to stores, meeting with vendors, etc. I work from our lake house on most Thursdays and Fridays.

How do you maintain a work/life balance? For the first 13 years, my office

was in a converted, antique schoolhouse on our property, so when the kids came home from school they could visit with me in the afternoon. When they were in high school, we moved the office to Devens, which was only 4 miles from home. We went to every soccer game and ski race. I missed one mother/daughter tea when my daughter was in the 8th grade and I was at Toy Fair. That’s pretty good!

What are your top 5 favorite things to do? I love to work, read, cook, go to the movies, and have dinner out with my husband and friends. Also, I’m a new grandmother and love to see my two grandsons.

LESSONS/ADVICE

What’s the most important lesson you’ve learned so far? No matter what business you are in, the relationship with staff, store owners, customers, and vendors is paramount.

If you could do one thing differently, what would it be? I’ve made hiring mistakes along the way. And I should have gotten into e-commerce earlier.

What’s the best piece of advice you have ever been given? My father told me, “If you never spend money, you’ll never make money.” I have a tendency to be too conservative.

What advice would you give to women considering starting their own franchise brand? Go for it! Be prepared to work hard!

WHAT’S NEXT

What would you like to achieve in the next 5 years? To increase profitability for all our store owners, open 5 to 10 stores per year, and start franchising our new Learning Express Play concept.

What’s coming up that you’re excited about? We have developed a new children’s activity center concept, Learning Express Play, which will open in June 2016 in Bedford, Mass. We hope to franchise it in 2019. ■

BY EDDY GOLDBERG

FROM PAIN TO GAIN

Shane Evans' back problem led to a successful brand

How do you cure years of debilitating, recurring back pain? For Shane Evans, it was therapeutic massage. She liked the results so much that she started a franchise to offer that same experience to others. "I haven't had a back problem since I started Massage Heights," says Evans who co-founded the company with her husband Wayne in 2004.

When they opened their first unit in San Antonio and found customers clamoring for more—as well as asking about how they could open one themselves—they knew they were on to something. After 3 years of perfecting the model, they began expanding nationally through franchising. Today they have 140 open and are looking to hit the 300 mark by the end of 2018.

Their success—and appeal—has not gone unnoticed. In 2013, she appeared on

"Undercover Boss," wearing glasses and a red, big-hair wig straight out of 1962. Viewers responded positively: in the first week it aired, 3,500 people submitted job applications. "In our industry, our prod-

uct is our people. We can't supply those services without them," she says.

The experience gave her a newfound respect for the massage therapists. "It seems like every boss that goes undercover says 'I gained a new perspective,' but I really did! They are skilled professionals, and until you've tried performing a massage on someone, you really don't get it."

After meeting and learning about the backstories of the therapists she met, she was genuinely awed by how they are able to put aside their often serious problems and provide a comfortable, healing experience for customers. "You never know what people are dealing with, yet they have to let go and serve the customer," she says. "Our therapists do so much for our guests and members. I began thinking, 'What would it be like to help them?'"

Her answer was to create the Heights Family Fund, a non-profit that helps employees in crisis situations by providing emergency relief.

NAME: Shane Evans

TITLE: Co-founder, president

COMPANY: Massage Heights

SYSTEM-WIDE REVENUE: \$86 million

NO. OF UNITS: 140

INTERNATIONAL UNITS: 12

GROWTH PLANS: 2016, 175 units open and operating; 2017, 235; 2018, 300

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2004

YEAR STARTED FRANCHISING: 2007

YOUR YEARS IN FRANCHISING: 9



GETTING STARTED

What inspired you to start your business? Because of my own experiences, I recognized the need for affordable, convenient, and professional massage services. When I was 18 and nearly every year after, my back would "go out" and I would end up lying flat on the floor with my feet up on a chair for a solid week, barely able to move. When I first had this issue, I would see a chiropractor and it would just make it worse. After several years of this, I finally went to a massage therapist instead and gained mobility almost immediately. I knew that if I were able to get regular massage therapy it would help prevent these instances in the future, but regular massage therapy did not seem attainable because of cost, time, and inconsistencies in the therapists' environments.

What is your background? How did it prepare you for starting your business? I've been in sales and marketing since I was 16. When you are selling something, you must be a consultant to people. Listening to their concerns and asking questions to help them find their own answer and plan is the key to getting commitment. Learning to ask questions and listen is key in our business.

What's the best and worst advice you got when starting out? Best: To have solid franchise documents from the get-go. We've never had to worry about inconsistencies or strength in our franchise documents. Our franchise agreements have not only protected the franchising entity, but also the franchisees who have invested in the brand. The worst advice I got was from a team of sales people who tried to convince us that "selling"—and the keyword is "selling"—franchises was the key to growth. The true key to creating sustainable growth is *awarding* the *right* franchise opportunity to the *right* franchise partners who are well-aligned with the company values.

Why did you choose franchising? To expand our brand faster. We knew we had something really special based on the inquiries we were getting and wanted to ensure that we claimed our space in the membership-based massage therapy vertical. We also liked the idea of business partners with a capital interest because of the operational commitment from a franchisee versus an employee.

How did you get started in franchising? When we opened our first location in San Antonio, people were coming from all over the city. They really saw the value proposition in the business model, which inspired many to ask about additional, more convenient locations and how they might get involved in investing. We knew then that we had a really viable concept that we needed to grow fairly fast. We opened our second location within a year and started getting members, friends, and family involved through franchising not long after. We were a regional company, but then we were approached by a development company to help take our brand national.

Did you have a partner/co-founder when you started? Why? How important was that in building your company? My husband was and still is my partner in the business. In about 2008, we offered equity to my brother. He had sacrificed a lot financially to help us streamline our operations to begin nationwide franchising, and then continued to help us grow the brand through franchise development.

How did you fund your company at the beginning? As you grew? Initially, on our savings, 401(k), stock, and kids' education plans, along with the proceeds from our operating locations. We were a bit short on cash when developing our second location and borrowed money from a friend. We were able to pay that back as soon as we received our tenant improvement allowance. Our franchise company is 100 percent debt-free and always has been. My husband and I recently took on debt to open more of our own locations and worked with Benetrends for financing.

What were the keys to funding your brand? The keys to funding individual locations are good, solid pro formas that aren't too aggressive, and then meeting the sales and profitability goals. We've done that over and over again, as have our franchisees. It's an attractive model to lenders because it's a subscription-based model. The franchise company is the same. The banks recognize that you have a stream of royalties coming in every single month and are willing to lend based on securing those.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: Knowing that I have the ability, along with my team, to create a guest experience for customers that we can be proud of; that our vision comes to life and people benefit from that! The best part of being a franchisor is having the ability to help other entrepreneurial people realize their own dreams of business ownership. I *love* that! Worst: The highs and lows that we can experience from the roller coaster ride we are on every day. The highs are great, but the lows are tough.

How has your experience in running a franchise business been different from what you expected? Franchisee-franchisor relationships can be difficult if you don't know what you're doing from the beginning. Franchisees are entrepreneurial or they wouldn't take the risk in investing in any business. Therefore we need to recognize them as a great vested resource. In my view, the relationship should be respected and treated like a partnership, collaborating with one another to strengthen the relationship and the system.

How did you grow the brand at first? What changed as you expanded? We initially grew our brand regionally in the San Antonio and Austin markets. Customers were coming in from all areas of the city for their massages and asking when we were going to build a location on their side of town. They loved what we were doing and wanted to get involved somehow. After a few months of this, we knew we had something special and needed to build more. We built our second San Antonio location within 9 months of the flagship, and not long after started exploring regional expansion through partnerships and franchising. Our first franchisees were friends, family, and customers. Today we offer multi-unit and large development opportunities and support the development strategy through print, digital media, and franchise-specific shows like the Multi-Unit Franchising Conference.

How did you transition from founding a brand to leading a brand? Running a retail service operation is much different than leading a franchise company. It's necessary to still have a pulse on the day-to-day operations of the retail outlets, what the franchisee, employee, and customer experiences at the retail level are, because that is your brand. However, a very deliberate transition to leading a team of people you don't have day-to-day influence or control over is critical. Getting involved in the IFA, attending conferences such as Franchise Media Update's Leadership & Development Conference, along with others, is key is understanding how to be a leader to franchisee partners, how to drive the business when someone else is really in control at the local level.

FEMALE FOUNDERS

How would you describe your leadership style? Serious but fun. Collaborative. Driven. Passionate.

What in your opinion, is the key to your company's success? Our people. We have great franchise partners and team members!

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? With our brand I feel it is an advantage. Our customer skews high female and so do our franchise candidates. Being a woman of a primarily female brand resonates well with consumers and franchise candidates alike.

Have you found specific advantages or disadvantages to being a woman business owner? The advantages I have experienced come from the support of other women and entrepreneurs. I believe much of that advantage is based on our ability to empathize with our teams and our customers. Women play an important role and have become more powerful in entrepreneurial roles in the past 20 years. The only disadvantages from my perspective are the pressures and expectations I put on myself. Trying to be a diligent, successful business owner and attentive wife and mother does not balance well sometimes.

What has been your biggest challenge as a woman entrepreneur? Refining my leadership style to be reflective of who I am as a woman, but still being seen as strong. I think women who are diligent and passionate can sometime be seen as aggressive and bossy. I want to be recognized as strong, but compassionate and as someone who makes things happen through diligence and motivation, not bossiness. Being authentic to yourself in business can be challenging, but I've found that authenticity in all relationships is more beneficial than putting up a front and trying to be someone you are not. People will generally love you for it.

Why do you think there are fewer start-ups with female founders than male ones? Men generally take more

risks than women. My thought is it has something to do with the way girls of a certain generation were raised versus boys. Boys in general seem to have the parental support and drive to go out and own or run something, so that's the expectation.

What do you think is the biggest issue for women in the workplace?

Women can be perceived differently than men when being assertive. It's unfortunate that assertiveness can be perceived as anything more than drive, passion, and being results-oriented.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? I see so many more women franchisors; at least that's my perception. I love it because these women are open to mentoring one another, helping and lifting each other up.

Which female leaders do you admire? Why? No one specific, but I really admire women who are strong, smart, gutsy, authentic to who they are, and who possess humility.

Has mentorship made a difference in your professional and personal life? How? I have several women in my life professionally and personally who make me think differently about things, become more clear in my path, remind me that I am still a girl at heart, and lift me up and encourage me. I love women who support one another!

Are you involved in any female entrepreneur organizations? The Young Presidents' Organization's Young Women's Group.

PERSONAL

What does your typical day look like? A light breakfast with my husband and our youngest daughter. Cycling or walking. Planning. Coaching. Email. Board/committee meetings/staff meetings. Travel. Reading.

How do you maintain a work/life balance? My husband and my children are the driving force in creating balance

in my life. If it weren't for them I would work all the time. I love what I do and who I get to do it with!

What are your top 5 favorite things to do? 1) I love visiting with team members throughout the country, recognizing them for their efforts and helping them feel more connected to our brand. 2) I love seeing our franchisees' dreams come to life. Helping people get in business for themselves is just too cool! 3) I love spending time with my family. I have three daughters and a great husband who somehow lives with us! 4) Spending time outdoors, camping, hiking, running, and biking and am inspired when it's cool outside or there's great scenery. 5) Self-development through professional organizations and reading. 6) Traveling and exploring new places.

What are 3 key words to describe yourself? Passionate. Diligent. Authentic.

LESSONS/ADVICE

What's the most important lesson you've learned so far? Learn to collaborate with franchise partners. You do not have to make every decision on your own.

If you could do one thing differently, what would it be? Bring in capital partners with executive-level franchise experience.

What's the best piece of advice you have ever been given? Be authentic and tell lots of stories.

What advice would you give to other women considering starting their own franchise brand? Just do it. It won't always be easy, but it will be worth it!

WHAT'S NEXT

What would you like to achieve in the next 5 years? 500 units.

What's coming up that you're excited about? Our 7th Annual Massage Heights International Franchise Convention. We are hosting it in San Diego this year. It's always wonderful to get everyone together. We have fun challenging ourselves to create an elevated experience every year. ■

BY KERRY PIPES

CAKES? NOTHING BUNDT!

Baking dreams into a deliciously thriving business

Debra Shwetz was a stay-at-home mom working part-time while her kids were going to school. Working for a multi-level marketing company in her hometown of Las Vegas, she met Dena Tripp, making a personal connection that would evolve into a professional relationship—and a franchise concept, Nothing Bundt Cakes, with more than \$100 million in sales. “That experience exposed me to all kinds of operational functions, organizational strategies, and interpersonal relationship dynamics with an assortment of people,” she says.

In 1997, she and Tripp were enjoying dinner and discussing the best way to frost a Bundt cake when they had a brainstorm. “We came up with a great idea and neither of us could let it go. So we wrote a business plan and worked out of my kitchen creating a quality, home-made, great-tasting product that would become the cornerstone of the business,” she recalls.

NAME: Debra Shwetz

TITLE: Co-founder

COMPANY: Nothing Bundt Cakes

SYSTEM-WIDE REVENUE: \$119 million

NO. OF UNITS: 153

INTERNATIONAL UNITS: 0

GROWTH PLANS: 40 bakeries/year

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 1998

YEAR STARTED FRANCHISING: 2006

YOUR YEARS IN FRANCHISING: 10



In 1998, they opened their first store. For the first few years they owned and operated it themselves and opened a second location, also in Las Vegas. When they decided to open a third location, in Phoenix, she inadvertently discovered one of the benefits of expanding through franchising, versus opening corporate stores and hiring managers to run them.

"We had hired a manager to take care of the Phoenix store. I made a surprise visit one day and found the entire staff watching 'Shrek' on the manager's computer in a back office," she says. "That's when I knew I needed a system in place that would ensure effective and successful operations." She had been aware of franchising, but it wasn't until after attending a Franchise Expo and speaking with several consultants that she fully embraced the franchise business model.

Nothing Bundt Cakes began franchising in 2006. Shwetz developed the sales process, wrote the manuals, and created the system for opening and operating the bakery locations. Today, with more than 150 locations doing more than \$100 million in revenue, she remains an integral part of the brand, not only through her leadership and founder's vision, but also by assisting in sales, program development, franchisee support, franchisee relations, and strategic planning.

"The franchising model is so effective," she says. "It's not just a way to grow a successful business, it also provides opportunities for people to realize their own dreams through owning and operating their own franchise location."

GETTING STARTED

What inspired you to start your business? My friend and partner, Dena Tripp, brought a Bundt cake to my house for dinner one night. I had a great cream-cheese-and-butter frosting recipe I had shared with her, so I asked her why she didn't frost the cake with my frosting. She said she couldn't figure out how to frost a Bundt cake and make it look nice, considering the shape and the peaks and valleys created by the Bundt pan. We started to discuss how this might be done, that it would be fun to figure out how to fill the middle, and the idea was born! Neither

of us could let it go. So we got together, wrote a business plan, and worked out of my kitchen for a year creating a quality, homemade-tasting product that would become the cornerstone of our business.

What is your background? I come from a middle-class family. My dad was a salesman for U.S. Steel and my mom stayed at home. Both were well-educated and very hard-working. My grandfather owned his business and had 31 patents. I remember touring his business with him and watching him interact with his employees, make decisions on the spot, direct and lead, and then clean the bathroom. I graduated from the University of Washington in Seattle with a degree in psychology, worked in a multi-level marketing company, worked for my insurance agent, and was a medical transcriptionist. My goal in these positions was to supplement family income, yet still be able to pick my kids up from school. I was a mom first.

How did it prepare you for starting your business? Growing up in my family, we all had to share in the work of maintaining our household. My job was yard work and weeding every Saturday morning before I could play with my friends. I clearly remember the moment I understood that I could put my nose to the grindstone and finish the job as quickly as possible or I could drag it out all day. This task taught me the value of doing it now and you have more time for fun! I was also very close to my grandfather. He spent a lot of time with me as a mentor and shared with me some of his trials and tribulations, and he walked his talk. I admired him very much and was apparently soaking up his work ethic and entrepreneurial spirit as I grew.

What's the best and worst advice you got when starting out? Best: Put the time into understanding your brand as this is your message to the consumer; and, if you need to, re-brand your company before opening your first franchise. Worst: Don't take the risk of opening a single-product, niche concept. It won't work.

How did you get started in franchising? We initially intended to grow cor-

porately. We were headquartered in Las Vegas with two locations. We decided to open our third location in Phoenix as it was a community similar to Las Vegas, yet far enough away for us to begin to understand how to support a remote location. On a surprise visit we found the entire staff in the back of the bakery watching "Shrek" on the manager's computer! Needless to say, we let the manager go, but we were left in a quandary. Many of our guests asked if we had considered franchising, so we decided to investigate this business model further by attending the Franchise Expo held at that time in Washington, D.C. At this show, we walked the floor, listened to every breakout session we could possibly attend, and met with two franchise consulting companies to better understand the process.

Why did you choose franchising? After investigating the business model and understanding that we would be growing with people who were as invested in our concept as we were, it made great sense. Also, understanding there was an entire franchising community from which to draw information and to provide support made a big difference in our decision.

Did you have a partner/co-founder when you started? Yes, my friend, partner, and co-founder Dena Tripp. We were friends who had always talked about going into business together. I was the baker, she was the creative, and together we were stronger than we were alone.

How important was that in building your company? It was extremely important. We each had strengths and weaknesses that were the yin and yang of each other. We made each other stretch, we took the burden off the other when needed, and we had a lot of fun along the way. It was a pleasure to share the ups and downs with someone who cared just as much as I did.

How did you fund your company at the beginning? As you grew? We started our company in my house with \$2,500 each. We worked for a year and realized we had a great product and a strong customer base. We made the decision to open our first location and each

invested \$25,000 cash. We took no salary for the first 2 years and put everything back into the business. It was very important to have another source of income that allowed us to grow our company this way. When we opened the Phoenix location, we borrowed about half of the amount needed. We were able to get the loan because we had 5 years of proven business experience under our belts and money in the bank. We did our best to pay cash for everything and continued to reinvest in our company. We did not take salaries or distributions until the company could actually afford them.

What were the keys to funding your brand? We funded the brand with cash from our three corporately owned bakeries. We worked with iFranchise Group to set up our brand, and we re-branded just as we were on the brink of selling our first franchise (which set us back about 9 months). During 2008 when times got really tough, we shut down our corporate office and moved back into our bakeries. At this time, we realized we needed a financial infusion and were very fortunate to have Craig Moore, former president of CiCi's Pizza, join our company as a partner.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: The responsibility for your success or failure is all yours. I like that kind of control. Hardest: The responsibility for your success or failure is all yours. This definitely keeps you up at night and creates a work ethic that can interfere with your life balance.

How has your experience in running a franchise business been different from what you expected? I didn't truly understand what was entailed until I walked in the shoes of every department, which I did in the beginning. We always talk about choosing the right people, but actually doing so was much more difficult than I anticipated. The evolution of our sales/evaluation process has been an amazing journey.

How did you grow the brand at first?

What changed as you expanded?

We were fortunate in that we have never advertised for a lead or used a franchise broker. Our leads come from either the bakery experience or from someone eating the cake, loving it, and deciding to check into whether or not we are a franchise. From the beginning, we understood that franchising is a symbiotic relationship, and that if we were to succeed we had to make sure our franchisees were successful. Dena and I were extremely hands-on with each franchisee and were the opening team for the first 15 bakeries. Through this process we learned what was missing in our opening documentation, training, and how we needed to improve. Each opening taught us something new, and with our egos aside we continued to learn and make the necessary changes to improve the process and set up the franchisees for success. As we have expanded, we continue to learn but now have an amazing team of people to wear the many hats we used to wear. We have chosen our team wisely and they fit our culture. They have the spirit of a champion, a servant's heart, and they make genuine connections serving our franchisees. The right people on the team make all the difference.

How did you transition from founding a brand to leading a brand?

I listened and learned. The experience of having people look to you for answers demands leadership. One of the toughest transitions was letting go of my "baby" (the founder mentality) and realizing this was now a business that was the livelihood of many other people too. Deciding to franchise meant Nothing Bundt Cakes could no longer be mine, that it had to evolve and change.

How would you describe your leadership style?

I am an information gatherer and like to involve my team in the decision-making process. Then I will make a final decision. One of my hardest lessons learned was that decisions simply need to be made, and if they are wrong, fix them and move on!

What is the key to your company's success? An unbelievably great product that we have never compromised, and

a warm, welcoming brand that attracts great franchise candidates. In addition, at about 13 locations, we knew we needed some strong franchise experience and so we brought in Craig Moore as a partner. He had led CiCi's to great success and brought us tremendous knowledge and perspective, which was key at this time in the life of the brand.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? I can honestly say that we never really gave being female a thought. We simply worked hard and made things happen, never running into any roadblocks that had to do with being female. We were self-funded so we did not have to get a loan to start our company. This may have been a place we would have felt disadvantaged, as we lacked the experience a bank would have been seeking.

Have you found specific advantages or disadvantages to being a woman business owner?

There are some community and federal programs that give women-owned businesses some advantages. We did not ever access any of these. One place where women-owned businesses have a distinct advantage is in opening airport locations. I keep this nugget in the back of my mind for possible future use.

What has been your biggest challenge as a woman entrepreneur?

Balancing family and work.

Why do you think there are fewer start-ups with female founders than male ones?

I think women are not taught to be entrepreneurs and often don't imagine themselves as the head of a company. And again, I think the lack of exposure to finances holds women back.

What do you think is the biggest issue for women in the workplace?

I have honestly never faced an issue that was specifically related to being a woman. However, I would say that getting funding for women is a difficult task. Many women

FEMALE FOUNDERS

do not have the financial background or experience necessary to meet bank loan requirements. I think this is a societal problem. I also would like to see more young women encouraged in math and science.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand?

I see more women rising through the ranks in franchise companies, and many are branching off and starting their own brands. I see more women leading brands, and I see many more women attending the IFA Convention. In 2006 when I first attended, women were a very clear and definite minority. I also see funding options education more front and center. I think more women are realizing their potential today.

Which female leaders do you admire?

Why? Margaret Thatcher. She was the first female prime minister of Britain. She was tough, strong, smart, driven, fair, and led a country that really didn't place women in positions of leadership. She was the "Iron Lady" and proved that a little backbone can take you a long way!

Has mentorship made a difference in your professional and personal life?

How? I mentioned my dad and my grandfather earlier and how their work ethic and mentorship shaped me personally. Professionally, I have had several mentors who generously gave their time and knowledge to help me along the way. One of these was Mary Ann O'Connell of FranWise. She took me under her wing and brought me into the Women's Franchise Committee. She taught me the art of mentorship and I have gladly passed it on. I take many calls from young women entrepreneurs who are leading or starting brands, and I find giving back incredibly rewarding.

Are you involved in any female entrepreneur organizations?

I have been involved with the Women's Franchise Committee for the past 6 years, and this is my final year as chair. We had a "Dress for Success" charity initiative this year that was very successful and rewarding. For the past 2 years I led a panel on "Women in Franchising" at the West Coast Franchise

Expo and enjoyed watching the women in attendance learn and benefit from the experience of the panel. I do some work locally with Leadership Las Vegas, and I speak with and am available to local Las Vegas entrepreneurs.

PERSONAL

What does your typical day look like?

I get up about 6:30 every morning and have a cup of coffee with my husband. Then to the computer to check emails and respond to any emergencies. I have my list for the day ready (made the day before) and get started crossing things off. At about 9 a.m. I go to the gym to clear my head (part of that life balance thing). When I return I generally work until about 4 p.m. We live on a golf course, so my husband and I will head out and play a few holes or hit balls. Then we cook dinner and relax.

How do you maintain a work/life balance?

I follow the "do it now" philosophy and am pretty good at compartmentalizing and prioritizing. Good communication allows me to do what needs to be done, balanced with the demands of the other side of my life. I am a list person and love getting things down on paper and then crossing them off! I do still ask myself, "What will happen if you don't get to this right now?" And as long as I am not letting down a franchisee, I am willing to let some things go in order to get to the personal side of my life.

What are your top 5 favorite things to do? Golf, read, cook, work out, and mentor my bakery manager.

What are 3 key words to describe yourself? Loyal, driven, kind.

LESSONS/ADVICE

What's the most important lesson you've learned so far?

Know when it is time to bring in people who are smarter than you—and then get out of their way so they can make the difference you seek.

If you could do one thing differently, what would it be? I would have gotten

a business degree with a psychology minor. Not having a business background meant I had to work harder and longer to grasp some concepts and sometimes to understand the big picture. It's been a little bit of growth and learning by fire. The psychology degree always comes in handy in a people business, and franchising is definitely in that category.

What's the best piece of advice you have ever been given?

Be teachable. Egos are our greatest downfall and create unbelievably difficult situations that could have been remedied if someone were able to listen, learn, and at least consider the possibility of change or of embracing someone else's idea.

What advice would you give to other women considering starting their own franchise brand?

Read, investigate, network, study, and be willing to put in the time and money to make it happen. Also, I would recommend they really spend some time understanding the tug of war they are about to enter as they balance their family and their new "baby": their business.

WHAT'S NEXT

What would you like to achieve in the next 5 years?

I'd like to see us involved in international franchising and our brand at about 450 units in the U.S. Most of all, I would like to see our franchisees continue to grow, reach their goals, and provide their families with the lifestyle they dream of. I'd like us to be a brand of choice, not only for the opportunity, but also for the culture and because we continue to care about and nurture our franchisees.

What's coming up that you are excited about?

I am super-excited about the growth of the brand and love hearing Bundt cake stories coming in from the other side of the country. I have always keenly felt the responsibility for each franchisee's investment, and for their hopes and dreams. Their stories are inspirational and keep franchising fresh and new for me. I am looking forward to more great people joining our brand. ■

BY KERRY PIPES

SIP, PAINT, GIVE

Making a difference and having fun



In 2005, Hurricane Katrina devastated the Mandeville, La., community where Cathy Deano (sitting) and her friend Renee Maloney lived. In fact, it flooded Deano's house and destroyed Maloney's husband's three truck stops there. The pair, who had become friends when their children attended school together, felt compelled to do something, but weren't sure exactly what.

Looking for a way to be more involved in their community and to give back, they brainstormed several ideas before their "Aha" moment came. They knew their friends and neighbors could use a distraction, so they hosted a backyard party that combined painting and relaxing over a few glasses of wine. The idea was a hit.

Together they invested \$10,000 and opened their company in 2007. Originally called Corks N Canvas before rebranding to franchise two year later, Painting with a Twist was born. They offered two- to three-hour painting classes four times a week at affordable prices. "It was bring your own wine. We supplied everything else," says Maloney. Each month, they

NAMES: Cathy Deano, Renee Maloney

TITLE: Co-founders

COMPANY: Painting with a Twist

SYSTEM-WIDE REVENUE: \$62 million in 2015 (\$152 million since 2010)

NO. OF UNITS: 263 (6 corporate)

NO. OF INTERNATIONAL UNITS: 0

GROWTH PLANS: 100 new studios in 2016; 25% annual growth after that

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2007

YEAR STARTED FRANCHISING: 2009

YOUR YEARS IN FRANCHISING: 6

donated a day's worth of sales to charity.

Before long, they began getting inquiries from customers interested in starting studios of their own. That was a surprise to Deano who says, "This is Mandeville, not exactly the hotbed of franchise activity." (Mandeville is located on the north shore of Lake Pontchartrain, across the lake from New Orleans; the population in the 2010 U.S. Census was 11,560). Nevertheless, the partners met with a franchise attorney and began mapping out a plan to franchise their creation. They sold their first franchise in 2009 and have been growing ever since.

"We knew we were making a difference as far as offering an escape to our customers locally, but never did we think it would take off across the country," says Maloney. "Now there are more than 250 Painting with a Twist studios in 32 states."

GETTING STARTED

What inspired you to start your business? Deano: Renee and I had both been very involved in volunteering around our Mandeville community long before the idea for Painting with a Twist ever came about. When Hurricane Katrina struck, our town, our homes, and our sense of joy were destroyed for a while. An event like that forces you to reevaluate your life, and we both knew we wanted to do something really meaningful and beneficial for our community. Renee and I would take walks every morning and think of business ideas that would allow us to use our fundraising skills to give back to our community. Knowing our friends and neighbors could use a distraction, we began hosting paint parties in my garage while relaxing with a few glasses of wine. What started as a distraction from a terrible natural disaster turned into a national business venture that blends a non-intimidating art studio experience with a new form of socializing and de-stressing with friends.

What is your background, and how did it prepare you for starting your business? Deano: I have a degree in interior design and Renee was trained in marketing and office management, so when we started the business, we divided tasks accordingly. I am in charge of the

art side and Renee handles most of the business side.

Why did you choose franchising? Maloney: In a lot of ways, franchising chose us! When we first founded Painting with a Twist, we had no plans or expectations to grow the company into what it is today. The initial concept was less about developing a fast-growing brand, and more about creating a fun, social event with fundraising potential for community needs. We are so grateful for the leadership and counsel we've received from experts in the industry to help us grow the company through franchising, yet still maintain the core values we built the company on.

How did you get started in franchising? Maloney: Our original goal was to have one little location in Mandeville. When we saw the impact it was having on the lives of our customers, providing an escape from the pressures of daily life, we knew we needed to open more locations. We wanted to open another location in New Orleans, and that is when the franchise side of Painting with a Twist really took off. We had customers from out of town coming in to see relatives or help rebuild in the city. Once they experienced our concept, they wanted one in their hometown. We had customers begging us to franchise! We knew we were making a difference as far as offering an escape to our customers locally, but never did we think it would take off across the country. Now, there are more than 250 Painting with a Twist studios in 32 states.

Did you have a partner/co-founder when you started? How important was that in building your company?

Deano: I think both of us could confidently say we wouldn't be where we are today without one another. We have a very strong work relationship and friendship, which allows us to not only effectively and successfully run a national business, but also to have fun while doing it! We trust each other completely with our lives, our children, and our business, which we believe is the main ingredient in any business partnership. Maloney: Being in business with Cathy was key to building the brand. We knew we could forge ahead together

because our priorities and culture are in alignment. We agree that family comes first, community second, and business third. We always have each other's back and realize we are in this together. Being business partners is a commitment that is similar to a marriage. It takes very good communication skills as well as a common vision of the ultimate goal: a successful business.

How did you fund your company at the beginning? As you grew? Deano: We jointly invested \$10,000 to get the first studio open. It really was a shoestring budget. We were on our hands and knees scrubbing and painting until the place looked presentable. I brought in glass tables from my house and we shared a used laptop computer to keep things organized. We have never had to fund it personally since that initial investment.

BUILDING THE BUSINESS

What has been the best and hardest thing about being an entrepreneur?

Deano: The best thing is having a career doing something I am truly passionate about and that I am in complete control of the future and integrity of the company. Knowing that I am partially responsible for creating a company that not only changes the lives of our franchisees for the better, but also the lives of our customers and the organizations we benefit through our charitable arm, Painting with a Purpose, provides me with complete satisfaction every day. Hardest: Managing the growth of your business while staying true to your core values and vision. Larger businesses demand structured systems, which are sometimes in conflict with the original culture.

How has your experience in running a franchise business been different from what you expected? Deano: Neither of us set out to run a franchise business, but the experience has been truly rewarding, since we are helping other people around the country change their lives by becoming a local business owner and doing something they love and are passionate about. I believe our company's success rests in our foundation of giving

FEMALE FOUNDERS

back to the communities we serve, which is something we didn't realize could be such a huge part of franchising. All of our corporate studios and a large majority of our franchisees host Painting with a Purpose classes regularly. In these classes, the studio partners with a local 501(c)(3) nonprofit, and anywhere from 50 to 100 percent of the proceeds are donated to that nonprofit. To date, we have raised more than \$2 million for nonprofits in areas where we have franchises. It is one of our proudest achievements.

How did you grow the brand at first? What changed as you expanded?

Maloney: Our growth was truly organic. Social media has been instrumental in the rapid growth of our system. We are a very visual business, and our base customers are women active on social media. Women would go to a class and post photos saying how much fun they had. People would see those posts, look up the website, and see our franchising page. As we expanded, we added a really good franchise development leader, Mike Powers. Mike had 12 years of franchising experience. He was a good cultural fit and has contributed to our growth.

How did you transition from founding a brand to leading a brand?

Deano: By leading with our core values and keeping in the forefront of our minds that franchising is about people, ideas, and support. As we have grown we have added support staff so that we know our franchisees can get the assistance they need. Successful franchisees are the best tool to securing additional franchisees.

How would you describe your leadership style?

Deano: Sincere, ethical, fun.

What is the key to your company's success?

Deano: The paint-and-sip business has tapped into society's need to reconnect. In the age of screens, when people who are sitting in the same room are texting each other and all communication is done electronically, people are looking to have a real connection and have somewhere to digitally detox. We are human beings and we're naturally wired to interact. In the age of technology, we are

becoming increasingly alone in a world full of people. It is human nature to want to interact with others, to laugh, to sing, and to share creative experiences. All of that is achieved at Painting with a Twist. In our system, we train our team on how to facilitate that in a class. It's our "Secret Sauce," and we really do it best!

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How?

Maloney: Painting with a Twist is a company created for women, by women. As women, founding this company has not only been an advantage for us, but it's given us an edge over competitors. We have a better perspective on what kind of experience our female customers are looking for and will benefit from.

Have you found specific advantages or disadvantages to being a woman business owner?

Deano: I feel women multi-task really well. We can see any problem not only from a business standpoint, but also an emotional standpoint. Since you are always dealing with people, you need both business and emotion to make a fair, appropriate decision.

What has been your biggest challenge as a woman entrepreneur?

Deano: Work/life balance. Although our office motto is "family first" and we try to live that, sometimes schedules conflict. Women are usually the nurturer as well as the maker of plans in a family. Being a mother is a full-time, rewarding job. So is being a successful business owner. Melding the two can be a challenge.

Why do you think there are fewer start-ups with female founders than male ones?

Deano: I do think that is changing, but historically it has been the men who have been given the opportunities and have been groomed by society to be the leaders. The women have been expected to run the home. As recently as my mother's generation, women were not likely to be in business, so the prospect of opening a business was not in their realm of expectation.

What do you think is the biggest issue for women in the workplace?

Maloney: Many women are naturally programmed to want to do it all. As female employees, bosses, or entrepreneurs, we need to avoid handling every single aspect of business. Surround yourself with competent counterparts whom you trust and can rely upon. You are the tree. The branches and the leaves can handle certain decisions and tasks.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand?

Maloney: Women have become more active and front and center in the 6 years we have been members. Melanie Bergeron, a woman, is the IFA Chair. Women franchisors are more visible. Women in Franchising has become a wonderful initiative celebrating the strides women have made in the franchising world.

Which female leaders do you admire?

Maloney: Cathy and I really admire Melanie Bergeron, founder of Two Men and a Truck. Melanie not only taught us to stick to our core values, she also instilled in us the courage to not be afraid to be innovative when developing a business.

Has mentorship made a difference in your professional and personal life?

Deano: As we were pioneering a new industry, Melanie greatly helped us in the franchising space. She inspired us to hire people we trust and who can also imagine the vision. Each person hired had to be trained to a system for an industry that did not yet exist. We had to find special artists who could construct paintings that could be taught in two to three hours to guests. Because this seems like an easy business to start, there have been many copycats sprouting up nationwide, but Painting with a Twist has maintained its success because of our unrivaled customer service, superior training of artists and franchisees, a strong home office support team of 25, and an exemplary art library of more than 7,500 copyrighted paintings. Melanie guided us to establish our franchise early on, allowing us to stay ahead of the competition and remain the nation's original and largest paint-and-sip franchise.

Are you involved in any female entrepreneur organizations? No. We are in a small community and have not found any that we feel is a fit.

PERSONAL

What does your typical day look like?

Deano: As founders, Renee and I are involved in all aspects of the business. For me, a typical day would entail answering emails from franchisees and vendors wanting to partner with us, as well as meetings with our operations team. I also oversee all of the art and copyrights, so I confer with my team about who we should send infringement letters to, and which infringements warrant a look from our trademark/copyright attorney. I review and approve all art submissions from our franchise artists. I also usually meet with our manager of development to see what areas we will be licensing in the near future. Maloney: Interacting and organizing projects with our home office staff, along with meetings, brainstorming creative ideas, and looking at ideas that come from our franchisees. I am also in charge of the money side of the business, so I look at numbers and trends, along with budgets and forecasting for future growth.

How do you maintain a work/life balance?

Deano: Work/life balance can definitely be challenging. I love my job so I find myself staying late brainstorming with Renee and our development manager. To balance a hectic work schedule, I try to travel for fun as often as I can, and attempt to shut off “work mode” on weekends. I read a lot for pleasure, too. Maintaining a balance between work and home life helps when you have a *very* understanding 17-year-old son like I do. He is used to my schedule and understands I am working hard to secure our future. Maloney: Work/life balance is a constant dilemma for me, and it takes planning and a lot of communication to keep things stable. My goal is to be the best boss, wife, and mother that I can be. A very wise person once told me that you can be all of those—just not all in the same day! I try to make plans and then communicate them to the people around me. I look at schedules and make sure I plan a late night at work on a

“Make sure you love your concept, believe in the partnerships you make with your franchisees, live the vision of the company, and continue to innovate and collaborate.”

night that my daughter is having dinner with her grandmother. When I am out of the office doing family things, I do my best to totally disconnect from technology and work, and dedicate that time to my family. The hardest thing for me is to remember to take time for myself. My best friend has to remind me to put the oxygen mask on myself first, or I am of no use to anyone else.

What are your top 5 favorite things to do?

Deano: Travel, read, garden, help people, spend time with friends. Maloney: Be with my family, garden, read, travel, enjoy a nice glass of wine.

What are 3 key words to describe yourself?

Deano: Fun, compassionate, creative. Maloney: Passionate, fun-loving, caring.

LESSONS/ADVICE

What's the most important lesson you've learned so far?

Maloney: Not to think you know it all just because it was your idea. Make sure to surround yourself with people who have something to offer and have the same vision for the future growth of the business.

If you could do one thing differently, what would it be?

Deano: We would

have joined the IFA before we licensed our first franchise. There is such a support system and knowledge base at the IFA. Any beginning franchisee would benefit greatly from becoming a member as soon as possible.

What's the best piece of advice you have ever been given?

Deano: To not continuously look back at competitors. We are first in the paint-and-sip category, the largest and the most successful. It is like a quarterback running with the ball: If he keeps looking back he loses speed and the person running after him may catch up. Move forward with honesty and integrity. Maloney: We were matched with Melanie Bergeron of Two Men and a Truck through the IFA's Franchise mentoring program. Melanie coached Cathy and me to stick to our core values. She taught us to refer to our core values to help make all decisions. We took this advice to heart and have always turned to our core values as a decision-making guide for the company.

What advice would you give to other women considering starting their own franchise brand?

Maloney: Make sure you love your concept, believe in the partnerships you make with your franchisees, live the vision of the company, and continue to innovate and collaborate.

WHAT'S NEXT

What would you like to achieve in the next 5 years?

Deano: We'd like to continue to grow smart and steady over the next 5 years. We are focused on exposing a large audience to art through an extraordinary experience and giving back to local communities.

What's coming up that you're excited about?

Deano: We will pass our 300th franchise in 2016. Painting with a Purpose, our fundraising arm, was just approved for nonprofit status. We are excited about starting the programming that will help artists throughout our system. Maloney: We always look forward to sharing our brand and vision with other people who are interested and passionate about running their own business and love sharing art and creativity with their customers. ■

BY EDDY GOLDBERG

AHEAD OF HER TIME

And beyond her wildest dreams

Mary Ellen Sheets, founder of Two Men and a Truck, says she's done every job in the company but drive a truck. Retired now at 76 from a remarkable career in business, and spending the winter in warm, sunny Florida, she's not done yet with being remarkable: she plans to buy a miniature tugboat this summer when she returns home to Michigan, where the company began 30 years ago.

It would be fair to say she's led an interesting—and pioneering—life. How many women do you know who founded a moving company starting with one \$350 “beater” truck that grew to become a \$400 million company with 27 international locations? Or who'd spent the preceding 20 years as a self-professed “computer nerd” during an era when computers were as big as trucks and PCs were nonexistent?

“It was very unusual,” she acknowledges, for a woman to be involved in computing at the time. It began with a job at a wholesale grocery company where, with

no background in computing, she taught herself COBOL and Fortran—mainframe computer programming languages from the stone age of computing.

“When I look back, that was pretty amazing,” says Sheets today. Working for the State of Michigan for two decades, she began as a programmer and became



NAME: Mary Ellen Sheets

TITLE: Founder

COMPANY: Two Men and a Truck

SYSTEM-WIDE REVENUE: \$405 million in 2015

NO. OF UNITS: 370 (2 corporate)

INTERNATIONAL UNITS: 27

GROWTH PLANS: 14 percent growth; we grew on average 17 percent the 5 previous years with 60 months of consecutive record growth

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 1985

YEAR STARTED FRANCHISING: 1989

YOUR YEARS IN FRANCHISING: 27

FEMALE FOUNDERS

a systems analyst—skills that would come in handy when she started Two Men and a Truck in 1985: she says the company has been very computerized and organized right from the beginning.

Here's her own version of how the company began, from a 1999 book, *Women Entrepreneurs Only* by Gregory K. Ericksen:

"I became, to my surprise, a single mother; all of a sudden divorced, with two sons and a daughter. The boys wanted to earn their own spending money, and I tried to help them. When their father left, he left an old green pickup truck that we bought from Michigan State University.... The boys wanted to use it to move people, so I put a little ad in our local shopping guide, and that's how it all started. The first line of the ad was Two Men and a Truck, though they weren't men. Brig, the older, was just 16, and John was 13."

She made them a form to keep track of their business, and drew a whimsical logo the company still uses today, 30 years and nearly 400 units later. Today, those "boys" are running the company, along with her daughter, Melanie Bergeron, who is the outgoing chair of the IFA.

GETTING STARTED

What inspired you to start your business? My teenaged sons were hauling and moving with an old pickup truck for spending money. When they left for college, people continued to call for their services, so I bought an old cube van for \$350—the only money I ever invested in the company—and hired two men.

What is your background? How did it prepare you for starting your business? Growing up, my father owned a small bus line, so I was used to being around big vehicles. I was the kid with the Kool-Aid stand, selling tomatoes door to door out of a wagon, etc. In my 20s I became a "computer nerd" (systems analyst) for the State of Michigan, sitting in a cubicle for 20 years. I was 46 when I became an entrepreneur—never too late, hm? As a result, Two Men and a Truck has been very computerized and organized right from the beginning.

What's the best and worst advice you got when starting out? Best: Charge

"The only money I invested was the first \$350 truck. It was really a beater. It was a miracle I had even saved that much money."

more. We were only charging \$40 an hour. Did it. Worst: Change the name to AJAX movers. Didn't do it.

Why did you choose franchising? I fell into it at the suggestion of a friend. Several people told me I should franchise, but I didn't really know much about it. I made an appointment with a man who taught franchising at the local community college and he told me I had nothing to franchise. Another acquaintance, an attorney, told me I would need at least \$150,000 to franchise (I had zip). I finally met a local franchise attorney and he said he would help me. My kids were skeptical.

How did you get started in franchising? I met a lady on a small-business owner panel at Michigan State University. She had franchised her business and told me I should do the same. She introduced me to her franchise attorney. I knew *nothing* about franchising and had no idea what he was talking about, but I signed an agreement to franchise.

Did you have a partner/co-founder when you started? How important was that in building your company? I started from scratch and worked alone for 9 years. In the next 2 years, all three of my children (Melanie Bergeron, Brig Sorber, and Jon Sorber) moved back to our hometown and got involved. I could hardly pay them. We all sacrificed a lot. They have all held important positions with

the company over the years and our amazing growth came under their leadership.

How did you fund your company at the beginning? As you grew? The only money I invested was the first \$350 truck. It was really a beater. It was a miracle I had even saved that much money. I'm not a saver, plus I was a single mom with three college-aged kids. The little moving company gave me money to pay the first attorney, for ads, fees for franchise shows, office supplies, etc. I continued to work in the beginning. We didn't make any money for a long, long time. I charged our first annual meeting on my credit card (\$4,000). It took me years to pay it off.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: Creating a company that has improved so many people's lives. Worst: Watching someone fail when they won't follow the system.

How has your experience in running a franchise business been different from what you expected? I had no expectations, but it ended up beyond my wildest dreams.

How did you grow the brand at first? What changed as you expanded? The signage on our trucks has always been our best advertising tool. In the beginning, it was very tacky: "Fast and Cheap—Call Anytime." I used to hang tear-off notices on grocery store and laundromat message boards. I delivered logo'd mugs full of jelly beans to storage unit managers. I never turned down an opportunity to meet and speak to people about the business, even though I was extremely shy. People called me "Pinky" because I blushed all the time.

How did you transition from founding a brand to leading a brand? I'm not sure. I never changed, it just happened. I worked like crazy. I loved it. I could be the poster child for "The American Dream."

How would you describe your leadership style? Transparent and caring.

FEMALE FOUNDERS

What is the key to your company's success? People say I found a niche. I say we found the Grand Canyon! Movers used to be a scroungy lot, but we cleaned up their image. We offer the best possible moving services. We run our company by The Grandma Rule: treat every customer as though it was your grandma. The model for our Grandma is actually my mother, Helen Eberly—a cute, tiny (4 feet 10 inches) lady with a bun on her head. She passed away many years ago, but was very proud of TMT and a big help to me.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? Moving and trucking has some pretty rough characters and regulations. I found it was best to focus on my customers and not think about some of the dirty tricks they were pulling on me. I appeared naive, but inside I was seething... and planning.

Have you found specific advantages or disadvantages to being a woman business owner? Not really.

What has been your biggest challenge as a woman entrepreneur? Competitors thought I was weak. I thought they were stupid.

What do you think is the biggest issue for women in the workplace? They have so much responsibility: kids, home, groceries, laundry, babysitters, lack of spousal support—let me count them!!!

Why do you think there are fewer start-ups with female founders than male ones? See above!

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? There is so much more information available now for anyone interested in franchising: "how-to" books, the Internet, and the IFA. When we started all I had to go on was what our first franchise attorney told me. There have been other women to lead the way—and don't let those "good old boy networks" scare you.

"We run our company by The Grandma Rule: treat every customer as though it was your grandma."

Which female leaders do you admire? Why? None, really.

Has mentorship made a difference in your professional and personal life? How? I never really had a mentor. I got advice along the way from many, which was helpful, but no one person.

Are you involved in any female entrepreneur organizations? No.

PERSONAL

What does your typical day look like? I'm 76 and retired now, so I'm living the perfect life. I get up at 6 a.m. and stay on my computer for at least 2 hours, reading newspapers, checking e-mails, etc. The rest of the day is typical housewifely things. I do like to read—a lot. I like movies. Lunch and dinner with friends. Watch news on TV and follow some sports. We are big Michigan State University sports supporters and have season tickets for basketball and football. We were world travelers, but have slowed down somewhat. I'm ready to go to bed by 9 p.m. Boring? Perfect for me!!

How do you maintain a work/life balance? No more work. I ended my career by doing a lot of public speaking until a few years ago, then handed that off to my daughter, Melanie, the 2015 chair of the IFA.

What are your top 5 favorite things to do? Spend time with family. Go out with friends. Read. Computer. Movies.

What are 3 key words to describe

yourself? Friendly, organized, informed.

LESSONS/ADVICE

What's the most important lesson you've learned so far? I call these my "Lessons Learned":

- 1) Even if you are shy, you can do public speaking if you do it enough.
- 2) Always give back to your community.
- 3) The customer *always* comes first!
- 4) Love what you do—life is not a dress rehearsal.
- 5) Don't listen to negative comments.
- 6) Even if you are broke, let people know you *will* pay them back. Keep in contact with them. Send as much as you can afford every month.
- 7) Always say Yes! to any opportunity, as you don't know where it will lead you.
- 8) Don't lose your focus.
- 9) Take lots of pictures! You will be so glad someday you did.
- 10) If you want to do something badly enough, you can make it happen. Even if you can only do a little each day, do something, and when you look back you will see you have accomplished a lot!

If you could do one thing differently, what would it be? Nothing really. Every mistake I made turned out to be a lesson I used to teach my franchisees.

What's the best piece of advice you have ever been given? Charge more!

What advice would you give to other women considering starting their own franchise brand? Have one unit up and successfully operating. Your core business and your franchising business are two different animals. Be prepared to run two businesses.

WHAT'S NEXT

What would you like to achieve in the next 5 years? Stay alive.

What's coming up that you're excited about? We're in Florida for the winter and many friends and family members will be visiting. I'm getting a new boat in the summer up north—a miniature tugboat. ■

BY EDDY GOLDBERG

"WHAT'S AN AÇAÍ BOWL?"

Spreading the word, one bowl at a time

Let's start with what's an açai berry. Looking like a cross between a grape and a blueberry, the açai (ah-sigh-EE) berry is a small, reddish-purple fruit harvested from palm trees that grow around the Amazon River Basin. Its taste has been described as evocative of wild berries and chocolate. Its health benefits as an anti-oxidant "superfood" are well-known.

So, can you build a business around a Brazilian berry? Tara Gilad and her husband Roy think they can, and in 2011 founded Vitality Bowls, a Superfood Café.

"We think there's a really big gap in the market," she says. "People want healthy food and healthy options." However, she realizes that a business is not built on açai bowls alone. The brand has a diverse product line that also includes other "super" or

exotic foods (guarana seed, goji berries, bee pollen, spirulina, dragon fruit, maca, and the more pedestrian kale, to name a few)—as well as smoothies, paninis, salads, soups, specials, fresh juice, and a kid's menu.

NAME: Tara Gilad

TITLE: Co-founder, COO

BRAND: Vitality Bowls

SYSTEM-WIDE REVENUE: \$1.5 million in 2015 (approx.)

NO. OF UNITS: 20 (3 corporate)

INTERNATIONAL UNITS: 0

GROWTH PLANS: \$2 million in 2016

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2011

YEAR STARTED FRANCHISING: 2014

YOUR YEARS IN FRANCHISING: 3

Marketing a selection of fruits and berries that many customers have never heard of (or can even pronounce) means educational, missionary selling—at least in today's U.S., but Vitality Bowls and a growing number of other brands have been working hard to change all that. After all, it wasn't so long ago that anyone in the U.S. knew what a "chipotle" was, and now we can't seem to get away from it.

First, says Gilad, "We have to educate our employees, and then the public when they come in, to explain the benefits of the products." One of the most frequent questions, of course, is "What's an açai bowl?"

One of her test markets for new bowl recipes is her husband's basketball-playing friends. One message they conveyed, she says, runs something like, "It's delicious, but I still feel like I need bread and meat." They responded by adding hot paninis with turkey, ham, and salami. There's even peanut butter for a non-meat protein fix, and the kid's menu offers grilled cheese.

As the saying goes, it's an evolution, not a revolution. Power to the superfoods!

GETTING STARTED

What inspired you to start your business? After finding out my daughter had severe food allergies, I was inspired to create an allergy-safe, healthy restaurant where our family could eat comfortably. I've always loved açai bowls and came up with the concept of a casual superfood cafe where people could eat delicious, chemical-free dishes from a kitchen that avoided cross-contamination of common food allergy ingredients.

What is your background? How did it prepare you for starting your business?

I have a background in entrepreneurship, from a successful accounting and finance recruiting company to a tanning spa. So it helped to know a bit about the challenges and rewards of starting my own business.



FEMALE FOUNDERS

What's the best and worst advice you got when starting out? Best: From my husband, who said, "We can do this." I was hesitant and scared, but he was right. Without him pushing me I probably wouldn't have moved forward. Worst: "Don't open a restaurant! Are you crazy? You're going to be there every night and weekends."

Why did you choose franchising? We realized there were other entrepreneurs like us who wanted to bring healthy food to their communities. That really helped in our decision to franchise. I didn't open Vitality Bowls with the intention of franchising, but even though it happened organically, it turned out to be the best decision.

How did you get started in franchising? After opening three corporate Vitality Bowls to huge success, we realized there were no other franchises that offered the quality and variety of our açai bowls and other superfood menu items. People were begging us to start franchising. We finally took the plunge in 2014.

Did you have a partner/co-founder when you started? How important was that in building your company? Yes, my husband and I started the business together. Since he's an entrepreneur with a background in finance and real estate, it really helped to have someone with that knowledge from the beginning. I then brought in my brother who has an extensive culinary background and experience in the foodservice industry.

How did you fund your company at the beginning? As you grew? We've been self-funded from the beginning and hope to continue to stay that way.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: Watching the growth and success of our franchisees bringing allergy-safe and healthy food to other communities. The most challenging thing is that you are on call 24/7.

How has your experience in running a franchise business been different

from what you expected? Working with so many other entrepreneurs can be rewarding and challenging. Everyone brings different skills sets to the table, so identifying how I need to cater toward each can be a challenge.

How did you grow the brand at first? What changed as you expanded? In the beginning, we were able to create new menu items and recipes to launch with little turnaround time. Now things take more time since we need to have consistency with each location. We have to make sure we give everyone enough time, educate them, source ingredients in different locations, and make sure our marketing material is ready.

How did you transition from founding a brand to leading a brand? How would you describe your leadership style? Making decisions that affect only you is one thing, but making huge decisions that affect others is a tremendous responsibility. I try to lead by example and build strong relationships with each franchisee. Communication is everything! I try to be fair to every franchisee and take their suggestions or ideas into consideration. I want my passion for our food and brand to translate down to each franchisee.

What is the key to your company's success? Having an incredible team I can count on, and partnering with dedicated franchisees who stand for the healthy lifestyle we're so passionate about. Also, having my husband and brother on board makes us a power team with our different skill sets.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? I didn't think it was either. It could have been a disadvantage working with contractors who might try to take advantage of a female, but I'd built two other businesses before and knew what accurate costs should be.

Have you found specific advantages or disadvantages to being a woman business owner? Advantages: I get to choose my own hours and balance my fam-

ily life with my work life. Disadvantage: Same thing: juggling and balancing work with family and giving each the attention they need.

What has been your biggest challenge as a woman entrepreneur? As the mom, I'm the primary caretaker, making dinners and spending quality time with my two young children. I work a lot of late nights when they're sleeping.

Why do you think there are fewer start-ups with female founders than male ones? I think many women are concerned with work/life balance and trying to manage having a family with the demands of their own business. I've not faced any challenges from being a woman entrepreneur other than trying to balance family life. With a 4- and 6-year-old, my schedule has to be flexible for them. I encourage more women to create businesses of their own to ensure more control over their schedules.

What do you think is the biggest issue for women in the workplace? My kids are my first priority, and business secondary. I think that's what prevents most women from taking on starting a new company. Still, you get more balance when you're in charge of your own schedule.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? We have several woman franchisees who now own their business and are experiencing success on their own. It's amazing to be a part of it.

Which female leaders do you admire? Why? Lori Greiner. She is a mega entrepreneur! I met her last year and was actually starstruck!

Has mentorship made a difference in your professional and personal life? How? Yes. It's very rewarding. We hire a lot of young adults and we mentor them. We teach them work ethic and job skills. I've been interviewed by many students for projects they are doing in school. It's a great feeling to empower young adults.

FEMALE FOUNDERS

Are you involved in any female entrepreneur organizations? No, I have no time! I would love to be a part of them.

PERSONAL

What does your typical day look like?

I sneak in a quick workout, drop my kids off at school, and then head to one or two meetings, either with potential and current franchisees or with new distributors. I usually have two to three conference calls a day. Afternoons are at one of our three corporate stores spending time with my team. After picking up my kids from school, we typically eat dinner and spend time together as a family. After the kids go to sleep, I catch up on email, paperwork, and phone calls.

How do you maintain a work/life balance? See above.

What are your top 5 favorite things to do? Day trips to my mom's organic

farm, date nights with my husband, hiking, family dinners, traveling.

What are 3 key words to describe yourself? Driven, compassionate, type A.

LESSONS/ADVICE

What's the most important lesson you've learned so far? That we are making a serious difference in people's lives. We have to continue bringing healthy food to every community across the country. Eating healthy should be available to everyone!

If you could do one thing differently, what would it be? I would educate myself on social media. I'm extremely social media illiterate!

What's the best piece of advice you have ever been given? Years ago my dad said to me, "Why would you ever want to go work for someone else?" It resonated with me and I knew in college I wanted

to start my own business. I come from a family of entrepreneurs.

What advice would you give to other women considering starting their own franchise brand? Do it!! Don't be afraid. The positivity and rewards that come from it far outweigh the hard work and long hours.

WHAT'S NEXT

What would you like to achieve in the next 5 years? I'd like to see a Vitality Bowls in every community across the country!

What's coming up that you're excited about? We're opening a new corporate location in Miami in February. We're also launching a superfood coffee bar at some locations with organic espresso and cold-brew coffee drinks made with antioxidant-rich açai, pitaya (dragon fruit), matcha (powdered green tea), and more. ■

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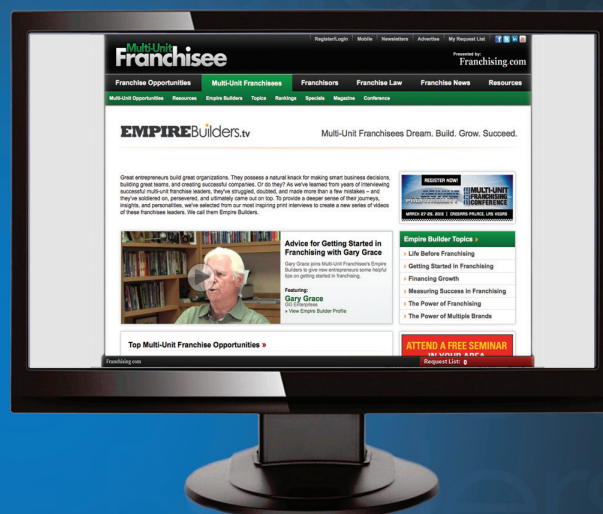
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BY EDDY GOLDBERG

RECIPE FOR SUCCESS

Making a difference in children's lives

If “Undercover Boss” doesn’t call you (or perhaps you just don’t like cameras or value your privacy), you still can go undercover. Julie Burleson, founder of Young Chefs Academy (YCA), did that for two *months* and calls it one of the best things she’s ever done.

Giving the popular E-Myth trope a new spin, she says, “In order to be able to work *on* your business, you have to work *in* it.” She wasn’t in disguise, but the people at a company-owned store in Atlanta (she’s based in Waco) didn’t know who she was—and she didn’t tell them.

“I did everything from grocery shopping to scheduling classes to teaching classes, talking with parents, and answering the phone.” What better way to discover what works and what doesn’t, what your franchisees need and what they don’t.

Founded in 2003 and franchising since 2005, YCA is a cooking school for children that encourages discovery and creativity. “Kids take cooking so seriously these days,” she says, watching cooking shows and getting involved in preparing meals at home and with friends.

YCA employs a membership-based model, and classes are held weekly. The programs not only teach the techniques,

creativity, and fun of cooking—a life-long skill—they also serve as a social skills program in the age of social media. “Kids from all walks and interests come together in a classroom,” says Burleson. And in YCA’s summer camp programs, 15 to 20 kids who met for the first time are not only collaborating in the kitchen, by

the end of camp they’re making plans to get together afterward. It’s also a social mixer for children of all types. “You see the little shy girl with the soccer star and cheerleaders,” she says.

There also are birthday parties at YCA (think pizza), field trips, home school groups, and seasonal workshops (ginger-



NAME: Julie Burleson

TITLE: Founder, CEO

COMPANY: Young Chefs Academy

NO. OF UNITS: 20 (franchised)

INTERNATIONAL UNITS: 9 (master licensed)

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 2003

YEAR STARTED FRANCHISING: 2005

YOUR YEARS IN FRANCHISING: 10

bread at Christmas, Mother's Day teas). And to promote the brand and offer a richer potpourri of experiences, YCA has partnered with cooking- and kids-oriented organizations such as *Parenting* magazine and The Food Network.

"What's great is that there are so many areas I can be creative in. It never gets old. We have new customers and a new curriculum all the time," says Burleson. "There's nothing *not* fun or rewarding about this business, but then I'm an entrepreneur at heart."

But clearly, her heart belongs to the children. "The most rewarding part is making a difference in kids' lives," she says. "You just get attached to the kids who come to summer camp one or two weeks at a time."

GETTING STARTED

What inspired you to start your business? I've loved cooking since I was a little girl cooking with my mom, and I've always been drawn to all things culinary. One day it came around full circle. I was in the kitchen preparing a meal when my son asked me if he could help. That's when I had my "light bulb" moment. I'm an entrepreneur at heart, so I'm constantly on the lookout for new ideas.

What is your background? How did it prepare you for starting your business? Before Young Chefs Academy, I was running a small catering business. Before that, I was a scholarship program officer at Baylor University. My background is in business and personnel administration. I think every job you have can prepare you for running a business, whether it's learning how to interact with customers or clients, or negotiating deals with associates. It's all about building strong, healthy relationships through effective communication.

What's the best and worst advice you got when starting out? Best: From my dad, who would always say, "If something sounds too good to be true, it probably is." You have to trust your gut when it comes to important decisions. Worst: From a person who would always say, "Trust me." I learned the hard way (by *not* listening to my father's advice) not to trust some-

one implicitly just because they tell you to, even if they are "successful." Check your sources. Don't get caught up in the excitement of the moment.

Why did you choose franchising? I've always appreciated the business model and thought it could help build Young Chefs Academy into the nation's premier children's cooking school. Franchise owners, as opposed to managers of a chain, have a vested interest in their success, as well as the passion required to operate a franchise. With the help of the right franchise partners, we have created something amazing together.

How did you get started in franchising? I appreciate franchising as a business model and I had even looked into becoming a franchisee for various concepts. As for franchising, I didn't originally plan to, but when I moved to Waco and saw that it was a hub for acclaimed franchise companies, I had access to experts in the industry, a crucial step for taking my business to the next level.

Did you have a partner/co-founder when you started? Why? How important was that in building your company? I enlisted a dear friend as my partner and co-founder. I came up with the idea for Young Chefs Academy and she helped give me the courage to launch the business. In the beginning, it was nice to have somebody hold my hand and jump off the cliff with me. She has since moved on to other things, but she played a key role in the beginning stages and we went through a lot together. It was comforting to have a friend to go through both the challenges and exciting times.

How did you fund your company at the beginning? As you grew? I have invested a lot of my own money and went to the bank for a line of credit. In the very beginning, my partner and I also brought on a partner who made an initial investment.

What were the keys to funding your brand? I was fortunate that I had all of the key elements investors are looking for in a business venture: an exciting and

unique business concept, a proven business model, and a strong trademark.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: The opportunity to be creative and work toward seeing your dream become a reality. The hardest part is making decisions that are in the best interest of your company, no matter what. When you take on the responsibility of owning a company, you don't have the luxury of avoiding a business decision when it might hurt someone's feelings or a relationship. You have an obligation to your company and the people who are counting on you to do what is right for the business.

How has your experience in running a franchise business been different from what you expected? Leading a franchise is different than starting your own standalone business. As a franchisor, you are not only a leader of a company. You are also a coach, cheerleader, mentor, motivator, and sometimes rule enforcer for your franchise partners. That said, the role of rule enforcer is less of a necessity if a franchise owner is an effective leader overall.

How did you grow the brand at first? What changed as you expanded? When we first grew the brand, I enlisted a sales team with a lot of experience selling franchises. I quickly learned they were not a good fit for my system. My partner at the time and I relinquished our ties with that sales team and put a temporary halt on selling. During this time, I knew I needed systems in place to ensure a) that my franchisees would be fully supported as we grew, and b) that each new franchise owner was the right fit for the company. That's when I brought on two new business partners who were of the same mindset about how we needed to support our franchisees, who we would sell to, and how we would qualify owners.

How did you transition from founding a brand to leading a brand? It's been a process, and a fun one at that. Overall, I'm learning every day how to be

FEMALE FOUNDERS

a more effective leader, while growing in a way that keeps pace with the direction of the brand.

How would you describe your leadership style? I'm very hands-on and I try to make myself easily approachable. I like to be available to my staff and franchisees. I also know I don't have all of the answers or skills, so I like to delegate tasks that are not the best fit for me and let my team have a chance to shine and do what they're good at. We're a big family, and nothing makes me happier than when my franchisees are succeeding and happy. I grew up as a middle child in a family of five kids and supported all of my siblings. I decided one of my sisters should be on the gymnastics team, so I taught her how to do back handsprings. I didn't know how to do them, but I made sure she did. Then I decided another sister needed to be student council president and I was her campaign manager. Just as I did with my siblings, I'm here to make sure my franchisees (who I also look at as family) are successful.

What is the key to your company's success? Even though I've been in this for 10 years, I'm just as passionate about this business as I was the day I thought of it. And I'm surrounded by staff who are just as passionate about our business. I think that's the key: being passionate and loving what you do every day.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How? I don't ever let being female be an issue with me. I would never think of it as an advantage or disadvantage. I believe that if you go into a situation thinking you are at a disadvantage, you are already making excuses for failure. You can't have that mindset if you want to succeed at something. Alternatively, if you enter a situation thinking you have an advantage, you may be fooling yourself into thinking you don't have to work hard enough. However, there have been times when I've sat back and thought, "Is he treating me differently because I'm a woman?" I don't think about it on a day-to-day basis, but I've had moments where

I've asked myself, "Would he be talking this way if I were a man?"

Have you found specific advantages or disadvantages to being a woman business owner? I don't let being a woman get in the way of running my business. Here in America, we are often very fortunate. I have conversations with some of my international franchisees who face debilitating disadvantages at home. For example, one woman was not allowed by her country's law to fly by herself to visit us in Waco.

What has been your biggest challenge as a woman entrepreneur? I have been faced with moments when I feel as though I'm being patronized or talked down to because I'm a woman. I always remind myself that these people are usually untrustworthy. That type of behavior is a manipulation tactic that I don't have time for, in life or in business. My biggest challenge starting out was realizing I was being manipulated. I had to learn how to see through people to discern their true intentions.

Why do you think there are fewer start-ups with female founders than male ones? For some, the problem could be work/life balance. For example, it can be very challenging for female business owners to provide both their family and their career with all of their attention all of the time. It is for this reason, I can only imagine, that plenty of women are overlooking executive-level career opportunities and business ownership opportunities because it is a hard balance to strike.

What do you think is the biggest issue for women in the workplace? Women, and certainly everyone else, should make it a point to be as confident as possible. When you are confident, nothing in the world can bring you down. I think this confidence can only be developed if a woman is aware of how she works best, as well as what her talents and gifts are.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand? I'm seeing more women

involved in franchising and leadership in general than there were 10 years ago. In fact, in the past 5 years, the number of women in franchising has increased by 45 percent.

Which female leaders do you admire? Why? I've always admired Sarah Blakely, the founder of Spanx. I like her tenacity. She is an entrepreneur at heart, and like all of us, she had her share of failures before she found her success. I also admire Dina Dwyer-Owens, co-chair of The Dwyer Group. It's been a pleasure getting to know her. She is one of those experts who always had time for me. She is always available and generous with her time and sincere desire to help, including introducing me to other mentors in the industry.

Has mentorship made a difference in your professional and personal life? How? Absolutely. Having a mentor is invaluable. It's important to have that unbiased sounding board. They have your best interest at heart and can look at your situation from the 30,000-foot level while you are swimming upstream at sea level.

Are you involved in any female entrepreneur organizations? Not currently.

PERSONAL

What does your typical day look like? I don't normally have a "typical" day. Many days include coming to the office and having meetings with key staff, whether it's planning or brainstorming. I also regularly check in with my franchisees and go over reports. Exciting things are happening here all the time. We just had visitors from Dubai and I will be out visiting franchisees soon.

How do you maintain a work/life balance? For me, having a work/life balance is one of the benefits of being a business owner. You have to work harder and longer, but it affords you the freedom to be able to participate in more family activities. I'm usually able to schedule my work day around important family events like my son's basketball schedule. We try to make family dinner a priority at home. I also make a point of not talking about

FEMALE FOUNDERS

business with my family unless they ask me about it. When I'm with my family, my focus is on my family.

What are your top 5 favorite things to do? Traveling, cooking, spending time with my husband and two children, spending time with my sisters and girlfriends, reading.

What are 3 key words to describe yourself? Creative, motivator, calming.

LESSONS/ADVICE

What's the most important lesson you've learned so far? Always listen to your gut. If something doesn't feel right, then it isn't right. Sometimes you get so caught up in the excitement of growing your business and seeing your dream become a reality that you choose to ignore these voices.

If you could do one thing differently,

what would it be? I would have gathered as much advice from as many franchise experts as I could when I was starting out. Nonetheless, I learned many lessons firsthand that have made me wiser, stronger, and a better leader today.

What's the best piece of advice you have ever been given? My dad used to always tell me that if something sounds too good to be true, it probably is. As I mentioned, it is so important to listen to your gut feeling.

What advice would you give to other women considering starting their own franchise brand? Surround yourself with as many mentors as you can. Joining the IFA is a great first step. Get in front of people in the industry who will give you their time and share their experiences. I always take the time to share what I've learned with anyone who asks me, and I have found that most entrepreneurs will do the same.

WHAT'S NEXT

What would you like to achieve in the next 5 years? I would like to see our current owners grow their businesses and become multiple-unit owners. I would also like to see our brand meet our goals for expansion in the U.S., as well as internationally.

What's coming up that you're excited about? We've spent the past year and a half getting our systems in place, so I'm excited about the growth of the company. I'm also excited to hit the road and start visiting our franchise locations again. It's important to keep a pulse on the business so you can know exactly what to work on. I went on a South and Southeast tour last year, and this year I'm visiting our New York, California, Florida, and Midwest locations. I can't wait to see the great things our owners are doing around the country, as well as the smiles on all of the children's faces. I can't imagine a more rewarding business to be involved in! ■

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BY EDDY GOLDBERG

ARTISTIC VISION

Raising a generation that values the power and passion of art

Turning your passion into a successful business is every entrepreneur's dream. Turning it into a business that helps other entrepreneurs realize *their* dreams is even better. Combine that with helping children realize their own creativity and passion is the best.

"We attract people who really want to make a difference," says Bette Fetter, founder of Young Rembrandts, a children's drawing program with nearly 100 offices in the U.S. and abroad. Her home-based business, which she started in the Chicago area, soon grew to have 90 teachers working part-time.

"The company started out as Bette's Art Class, but when I incorporated I wanted the name of an artist who was known for his technical skill. Rembrandt is known for his ability to draw and paint, and for his real mastery of art technique," says Fetter, who, in addition to being an educator, is an artist herself. (See her water color of one of the brand's students on page 61.)

NAME: Bette Fetter

TITLE: Founder, CEO

BRAND: Young Rembrandts

SYSTEM-WIDE REVENUE: \$9.5 million

NO. OF UNITS: 97

INTERNATIONAL UNITS: 5

PUBLIC OR PRIVATE? Private

YEAR COMPANY FOUNDED: 1992

YEAR STARTED FRANCHISING: 2001

YOUR YEARS IN FRANCHISING: 15

Most programs are taught as after-school enrichment programs in schools, their popularity fueled by cutbacks in public school art budgets. "It's much more convenient for the parents and also allows more children to participate in the arts," says Fetter, who's also written a book, *Being Visual: Raising a Generation of Innovative Thinkers*.

Franchising at Young Rembrandts is based on a managerial model, but Fetter says a passion for children and art is a key ingredient in her most successful franchisees. "We are such a passionate business," she says, citing research showing that franchisees who are passionate about their product or service do better than those who aren't. Franchisees hire part-time art teachers, who work mostly in the afternoons after school and in summer programs. They often are veterans of successful corporate careers who possess "serious business skills," she says. The model allows them to work out of their home and set their own schedule.

Fetter says women in business



today generally have many more options than when she was growing up. "I was an accountant like my mom told me," she says. "This time it's for me."

GETTING STARTED

What inspired you to start your business? I was teaching art classes out of my home and at a local Montessori school as a favor to a friend and they were in high demand, so I decided to expand and turn it into a home-based business. I thought it could be a good part-time gig while raising my family.

What is your background, and how did it prepare you for starting your business? My education background is in studio arts, but I was also a mom, working in childcare and doing freelance art. All these things prepared me for entrepreneurship because I was my target market. I also had extensive experience doing art and teaching, which gave me an advantage over other art programs.

What's the best and worst advice you got when starting out? Best: Research your market! When I was first launching I kept selling classes in my hometown, but classes wouldn't fill up. A friend of mine suggested I try a different city with higher income and more demand for extracurricular activities. It was only a few towns over, but it made all the difference. Worst: I went in for a line of credit and several male bankers told me I was ridiculous and this would never work. One actually told me to go home and take care of my kids.

Why did you choose franchising? When we expanded nationally we wanted people to reap the rewards of their efforts. We had a great product, great training material and support, and we needed people who could implement it locally in a way that they would directly benefit. For years my husband worked corporate sales, and we witnessed years and years of him working hard while the company reaped the benefits. We loved franchising because when franchisees dig in and do the work, they reap the rewards of their efforts.

How did you get started in franchis-

ing? My little part-time business grew into a good-sized business that offered classes throughout the entire northwest suburbs of Chicago. We had a huge teaching staff and taught thousands of kids every week. When it was time to expand nationally, I decided to franchise the business. We had several key employees who had worked in the business for several years and transitioned to working for the franchise company. It was wonderful to have them as part of the management team. Their experience running a Young Rembrandts business was a huge asset when supporting our franchisees.

Did you have a partner/co-founder when you started? Why? How important was that in building your company? I started the business by myself. It was a great part-time gig while I raised my four small children. But it was more successful than I expected, and as the demand continued to grow we needed to keep growing. So after a few years my husband left his corporate sales job and joined the company. We were a great combination. I had lived in the trenches developing our product and teaching method. He had always seen the big picture and was very encouraging about how far we could take this.

How did you fund your company at the beginning? As you grew? We started as a small, home-based business and lived off the revenues we made. As the company grew, we were able to use those revenues to fund the development of the franchise.

BUILDING THE BUSINESS

What has been the best and the hardest thing about being an entrepreneur? Best: I am really innovative and creative by nature. Being an entrepreneur has allowed me to use those gifts in every area of the business: product development, marketing, team-building, and internal systems and processes. Hardest: Most of the other people in your life are working for someone else, and as much as they try to understand they have no idea about the lifestyle, responsibilities, joys, hardships, etc. of being an entrepreneur.

How has your experience in running

a franchise business been different from what you expected? I had no idea who our franchisees would be! I am constantly delighted, impressed, and excited by the level of talent and expertise in the people we have attracted as franchisees. We're a passionate, mission-driven business and have some high-caliber professionals who have had amazing careers and are now part of the Young Rembrandts community, helping us reach more children and have an impact on education with art.

How did you grow the brand at first? What changed as you expanded? The biggest change in our years running the business and franchising has been the shift to email marketing, websites, and social media. None of that even existed when I started the business. I look back at our paper ads and my handwritten newsletters and am astounded at the evolution our marketing alone has gone through.

How did you transition from founding a brand to leading a brand? Founding the brand was all about boots on the ground, pushing, selling, hiring, etc. But leading the brand requires something different, something extra. Our mission statement is "Raising generations that value the power, passion, and significance of art." So for me, it's meant working on a broader level to get that message out. I published my first book, *Being Visual: Raising a Generation of Innovative Thinkers*, in 2012 and now have a blog and podcast devoted to speaking to the value of art in education. The more I can do to expand the awareness of the arts as central to education, the more our brand will succeed and achieve our mission.

How would you describe your leadership style? I'm a team builder and like to work collaboratively. I have a strong vision of the direction of the organization and what our goals are, but it takes a village to get there. I love to find strong people and work together with them so they can bring in their ideas, skills, and expertise and we can take whatever idea I had to an entirely different level.

What is the key to your company's success? Passion. We're a mission-driv-

FEMALE FOUNDERS

en business, with tremendous passion for bringing art to kids. Our franchisees, staff, and even the thousands of Young Rembrandts instructors all across the country share the same drive for excellence, art, and education.

BEING FEMALE

Was being female an advantage or disadvantage for you in building your company? How?

Being a female has been an advantage for me because of the market I'm in. I was very comfortable in the classroom. I had a lot of relationships with schools and teachers because of being a mom and having worked in education. I knew my customers because I *was* my customer!

Have you found specific advantages or disadvantages to being a woman business owner?

Some disadvantages I found were my professionals. Lawyers, bankers, and accountants didn't take me seriously because I was a woman. Over the years I have surrounded myself with like-minded professionals—and as it turns out, many of them are women.

What do you think is the biggest issue for women in the workplace?

Women are still faced with the struggle to balance career and family. With four kids of my own, I was fortunate to have my own business and for it to be in a child-related field. This is why Young Rembrandts attracts corporate professionals, because our business model and target market are all about family and education. One of the things we see when new franchisees come on board is their excitement to build a business and still have a healthy work/life balance—something they couldn't do as easily in Corporate America.

From a woman's perspective, what notable changes have you seen for women in franchising since starting your brand?

When it comes to work and family, women are still the ones who struggle most to balance or choose one or the other. But now there are more choices for women as far as career versus home life. They can choose to pur-

sue their career while having kids, take time off and be at home, or some variation and it's all okay. It's about choice without judgment.

Which female leaders do you admire? Why?

Eleanor Roosevelt is one of my heroes. She was all about social causes and in a position of profound influence. She was really in touch with the needs of the people. She made things happen and got things done, with immense grace and professionalism.



Has mentorship made a difference in your professional and personal life?

How? I have a strong network of female professionals who have been invaluable in my personal and business development. And most of them are entrepreneurs!

Are you involved in any female entrepreneur organizations?

I was involved in the Women Presidents' Organization for several years, but not currently. They are a great group of women leaders, many of them entrepreneurs who really share and encourage other women in business. Right now I have several female friends who are entrepreneurs and we are each other's support group!

PERSONAL

What does your typical day look like?

As a leader I truly believe you need to spend as much time working for the future as you are working in the present. For me

that means being in the office three full days a week, doing more operational and CEO kind of work. The other two days a week are devoted to thought leadership: writing for my blog, recording the podcast, planning, strategizing, speaking, product development, and networking. I refer to this as my "genius time," and it's invaluable.

How do you maintain a work/life balance?

I started my own business because I wanted to maintain work/life balance, and for years I've been blessed to

do just that. I had four young kids when I started my business and managed to adapt my schedule along the way to be very available for them, involved in their education and activities, while still growing a great business.

What are your top 5 favorite things to do?

1) I love my job! We have a remarkably dynamic staff who love what they do. They care deeply about our franchisees and their success. They're innovative, creative, and always looking to make things even better than they already are. I love to work with our franchisees, too. We are a happy, productive group that loves what we do. 2) I love children. Children are so full of possibility and promise. I'm enormously thankful my life's work and career have all been about kids and art. Everything we do is about educating, empowering, and valuing kids. 3) I love art. I love seeing, making, and sharing art. Young

FEMALE FOUNDERS

Rembrandts has been a wonderful way to encourage, share, and teach others the joy of doing art. When I do get to the drawing board myself I enjoy drawing, color pencils, and watercolors. 4) I really enjoy developing new products. I'm one of those right-brain innovative and creative thinkers, so when I see a need I really enjoy figuring out how to fill it. 5) I love spending time with my family. My adult children are my dearest friends and the grandchildren are a delight. We all enjoy cooking shows and our time in the kitchen together, as well as vacations, reading, and any time we spend together.

What are 3 key words to describe yourself? Innovative, passionate, determined.

LESSONS/ADVICE

What's the most important lesson you've learned so far? Know your strengths and weaknesses, but challenge

yourself to grow with your company. There were times as we grew that I doubted my ability to lead a larger, changing organization. But with the help of the right consultants and continued development of my own skills, I discovered new abilities and strengths. And I'm really happy about that because I love my company. I love my brand and am excited that I'm strong enough to take it so much further than I originally imagined.

What's the best piece of advice you have ever been given? A friend of mine once said, "You're a visionary, and every visionary needs an implementer." Hearing this really affected me. I never really thought about it that way. Entrepreneurs are visionary and may know their own business really well and have lots more ideas, but they need a staff that can implement their ideas. Ever since then I've been very intentional about building a team with skills that balance and complement my abilities and theirs as well.

WHAT'S NEXT

What would you like to achieve in the next 5 years? I would like to really expand the number of our domestic franchisees as well as our international presence. There are millions of children in the world, and only a fraction get to experience the arts on a daily or weekly basis. I want to change that. I also want to expand our reach so more people understand the value of the arts and honor those kids and adults who think differently and thrive when given the tools to create and express themselves artistically.

What's coming up that you're excited about? Young Rembrandts is now aligned with global learning company Houghton Mifflin Harcourt's new early learning app, Curious World. We are thrilled to be a part of Curious World as now even more children can experience a part of what we offer in the classroom using the mobile app. And we have a few other projects like that in the works. ■

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FEMALE FRANCHISE FOUNDERS

| NAME | TITLE | COMPANY | FOUNDED | BUSINESS EST'D/ FRANCHISING SINCE | FRANCHISED UNITS | TOTAL INVESTMENT |
|---------------------------------|-------------|--------------------------------------|---------|--------------------------------------|---------------------|---------------------------|
| Heather Hudson | Co-founder | 9round | 2008 | 2009 | 243 | \$70,000 - \$90,000 |
| Mary Rogers, Rosemarie Hartnett | Co-founders | Abrakadoodle | 2002 | 2004 | 180 | \$37,842 - \$80,492 |
| Sherri Mitchell | Co-founder | All About People | 2002 | 2014 | 4 | \$97,686 - \$149,788 |
| Arianne Bennett | Co-founder | Amsterdam Falafelshop | 2004 | 2010 | 6 | \$364,000 - \$540,000 |
| Anne Beiler | Co-founder | Auntie Anne's | 1988 | 1991 | 956 | \$197,875 - \$439,100 |
| Kristen Horler | Founder | Baby Boot Camp | 2001 | 2005 | 119 | \$3,690 - \$9,700 |
| Elise Wetzel | Co-founder | Blaze Pizza | 2011 | 2013 | 105 | \$394,000 - \$857,000 |
| Nancy Bigley | Founder | Bottle & Bottega | 2009 | 2011 | 19 | \$94,300 - \$146,100 |
| Alexandra Ireland | Co-founder | Bottoms Up Espresso | 2015 | N/A | N/A | \$106,100 - \$245,300 |
| Shelly Sun | Co-founder | BrightStar Care | 2002 | 2005 | 309 | \$93,542 - \$172,965 |
| Rita Goldberg | Founder | British Swim School | 1981 | 2011 | 23 | \$47,000 - \$75,000 |
| Elizabeth Porikos-Gorgees | Founder | Brow Art 23 | 2005 | 2008 | 183 | \$80,000 - \$150,000 |
| Arlene Johnston | Co-founder | Burger 21 | 2010 | 2011 | 26 | \$422,083 - \$974,395 |
| Heidi Ganahl | Founder | Camp Bow Wow | 2000 | 2003 | 186 | \$356,000 - \$1,000,000 |
| Cindy Bowser, Amy Jech | Co-founders | Camy Couture | 2006 | 2010 | 5 | \$51,000 |
| Margaret McEntire | Founder | Candy Bouquet International | 1989 | 1993 | 555 | \$10,200 - \$46,600 |
| Lauren Piskin | Co-founder | ChaiseFitness | 2015 | 2015 | 4 | N/A |
| Stacy Brown | Founder | Chicken Salad Chick | 2011 | 2012 | 11 | \$242,000 - \$508,200 |
| JoAnne Shaw | Co-founder | Coffee Beanery | 1976 | 1985 | 75 | \$268,000 - \$446,000 |
| Lia Smith, Kimberly Gerber | Co-founders | Compatible Home Care | 2010 | 2011 | N/A | \$70,000 - \$120,000 |
| Gwen Willhite | Founder | Cookies By Design/ Cookie Bouquet | 1983 | 1983 | 85 | \$100,000 - \$250,000 |
| Karen Powell, Josie Cicerale | Co-founders | Decor & You | 1994 | 1998 | 21 | \$49,620 - \$58,920 |
| Renée Israel | Co-founder | Doc Popcorn | 2003 | 2009 | 104 | \$39,500 - \$355,050 |
| Amy Nichols | Founder | Dogtopia | 2001 | 2005 | 31 | \$350,000 - \$450,000 |
| Dori Roberts | Founder | Engineering For Kids | 2009 | 2012 | 145 | \$38,000 - \$58,000 |
| Mila Feldman | Co-founder | Executive Care | 2004 | 2013 | 27 | \$105,000 - \$172,000 |
| Suzy Boerboom | Co-founder | Fitness After 50 | 2010 | 2012 | 4 | \$230,000 - \$350,000 |
| Mandy Calara | Founder | Forever Yogurt | 2010 | 2012 | 24 | \$250,000 - \$375,000 |
| Erin Owens, Lisa Vukonich | Co-founders | Fuchsia Spa | 2006 | 2015 | 1 | N/A |
| Gina "Gigi" Butler | Founder | Gigi's Cupcakes | 2008 | 2008 | 99 | \$235,500 - \$396,000 |
| Gloria Jean Kvetko | Founder | Gloria Jean's Coffees | 1979 | 1986 | 75 | N/A |
| Jenny McCuiston | Co-founder | Goldfish Swim School | 2006 | 2008 | 22 | \$1,100,000 - \$1,800,000 |
| Eileen Huntington | Co-founder | Huntington Learning Center | 1977 | 1985 | 254 | \$99,000 - \$204,000 |
| Patricia Maisano | Founder | IKOR International | 2007 | 2008 | 14 | \$83,200 - \$135,833 |
| Elyse McNergney | Founder | IM=X Pilates and Fitness | 1994 | 2003 | 6 | \$80,000 - \$150,000 |
| Judi Sheppard Missett | Founder | Jazzercise | 1969 | 1982 | 6,948 | \$9,000 - \$38,000 |

continued on next page

FEMALE FRANCHISE FOUNDERS

| NAME | TITLE | COMPANY | FOUNDED | BUSINESS EST'D/ FRANCHISING SINCE | FRANCHISED UNITS | TOTAL INVESTMENT |
|--|-------------|--|---------|--------------------------------------|---------------------|-------------------------|
| Tracy Flanagan | Co-founder | JDog Junk Removal & Hauling | 2011 | 2012 | 13 | \$39,000 - \$97,400 |
| Margaret Knudson | Co-founder | Jimboy's Tacos | 1954 | 1966 | 37 | \$256,000 - \$1,444,000 |
| Shannon Wilburn, Daven Tackett | Co-founders | Just Between Friends | 1997 | 2004 | 150 | \$24,074 - \$33,668 |
| Jeanie Smith | Founder | Kids Incorporated Learning Centers | 1998 | 2012 | 4 | N/A |
| Shari Misher Stenzler | Co-founder | Kidville | 2005 | 2007 | 28 | \$300,000 - \$450,000 |
| Mary Obana | Co-founder | Koko FitClub | 2006 | 2008 | 81 | \$203,439 - \$396,337 |
| Sharon DiMinico | Founder | Learning Express Toys | 1987 | 1990 | 126 | \$197,500 - \$386,775 |
| Julia Falzarano | Co-founder | Lightbridge Academy | 1997 | 2011 | 16 | \$470,400 - \$688,600 |
| Marian Ilitch | Co-founder | Little Caesars Pizza | 1959 | 1962 | 4,059 | \$266,000 - \$681,500 |
| Debi Lane | Founder | LunchBox | 2010 | 2013 | 17 | \$133,400 - \$340,900 |
| Shane Evans | Co-founder | Massage Heights | 2004 | 2007 | 140 | \$222,100 - \$591,000 |
| Danna Caldwell | Co-founder | Menchie's Frozen Yogurt | 2007 | 2008 | 500+ | \$310,000 - \$320,000 |
| Ciara Stockeland | Founder | MODE | 2006 | 2011 | 9 | \$171,000 (avg.) |
| Nancy Boehm | Co-founder | Montessori Kids Universe | 1988 | 2013 | 1 | \$217,400 - \$336,400 |
| Debra Shwetz | Co-founder | Nothing Bundt Cakes | 1998 | 2006 | 153 | \$390,000 - \$490,000 |
| Catherine Deano, Renee Maloney | Co-founders | Painting with a Twist | 2007 | 2009 | 269 | \$75,000 - \$130,000 |
| Carrie Rezaback Dorr | Founder | Pure Barre | 2001 | 2009 | 155 | \$152,000 - \$275,000 |
| Molly Zamucen | Founder | Saint Home Care | N/A | N/A | N/A | N/A |
| Adrienne Kallweit | Co-founder | SeekingSitters | 2004 | 2006 | 92 | \$59,200 - \$91,000 |
| Patti McCormick | Founder | Serasana | 2004 | 2014 | 4 | \$275,000 - \$570,000 |
| Linda Sharkey | Co-founder | Sharkey's Cuts for Kids | 2001 | 2004 | 38 | \$102,000 - \$138,000 |
| Karen Cockrill | Founder | Snaggle Foot Dog Walks & Pet Care | 2006 | 2008 | 31 | \$12,200 - \$21,800 |
| Johnette van Eeden | Founder | Star Wellness | 2003 | 2011 | 3 | \$70,000 - \$125,000 |
| Madeline Ross | Founder | SuperSlow Zone | 2004 | 2005 | 20 | \$119,890 - \$266,460 |
| Lorraine Platman | Founder | Sweet Lorraine's Fabulous Mac n' Cheez | 1982 | 2013 | 6 | \$150,000 (min.) |
| Jessi Walter Brelsford | Founder | Taste Buds Kitchen | 2007 | 2013 | 4 | \$183,800 - \$286,900 |
| Kathy Hill | Founder | Tax Tiger | 2002 | 2008 | N/A | N/A |
| Alison Lovell | Co-founder | The Barbers | 1999 | 2004 | 29 | N/A |
| Mary Ellen Sheets | Founder | Two Men and a Truck | 1985 | 1989 | 370 | \$178,000 - \$555,500 |
| Tara Gilad | Co-founder | Vitality Bowls | 2011 | 2014 | 20 | \$75,000 - \$200,000 |
| Summer Vasilas, Robin Schoh, Alex Jimenez, Marilyn Hartshorn | Co-founders | Waxing the City | 2003 | 2010 | 40 | \$97,400 - \$326,250 |
| Debbie Blacher | Founder | Wholesome Tummies | 2007 | 2010 | 22 | \$88,150 - \$270,000 |
| Jeni Garrett | Founder | Woodhouse Day Spa | 2001 | 2003 | 29 | \$420,250 - \$552,200 |
| Andrea Leigh Rogers | Founder | Xtend Barre | 2008 | 2010 | 30 | \$162,800 - \$516,900 |
| Julie Burleson | Founder | Young Chefs Academy | 2003 | 2005 | 2 | \$72,000 - \$128,000 |
| Bette Fetter | Founder | Young Rembrandts | 1992 | 2001 | 97 | \$37,200 - \$48,900 |

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CMOQ&A

He's with the Band

Elliot Baldini amps up School of Rock

BY KERRY PIPES

A senior vice president of marketing for School of Rock, Elliot Baldini is a perfect fit. A self-professed lifelong musician with a passion for performance, he also sports wicked marketing chops. He's been "with the band" at School of Rock since last June, when he was brought in to take charge of their marketing programs including digital, local, events, and franchise development.

Music is in his blood. Before joining School of Rock, his previous "band" was Guitar Center, where he played multiple roles: director of strategy and CRM, director of strategic marketing initiatives, and director of merchandising—and also was responsible for the development and execution of top priority, high-impact marketing strategy and CRM initiatives for Guitar Center's online brands. Before that, he played a gig at Sears Holding Corp. as director of financial services, marketing manager, and senior marketing analyst.

Though still new to the School of Rock, Baldini has already faced some challenges and opportunities. "We needed to modify a number of long-held approaches to marketing, and change can be difficult for owners and other stakeholders," he says. "However, we are working to provide a number of communication channels to help ease this transition."

He says the brand is already seeing results. "We're just now at the point where we're starting to see huge improvements from the changes we made. New student interest in School of Rock is at an all-time high, enrollment is growing by double digits, and more people than ever are submitting requests to buy a franchise. It's exciting to see not only these results, but also a sense of understanding and adoption of the new programs and processes we're implementing as a marketing group."

Baldini's passion for the brand—especially its students—is palpable. "It's personally rewarding to work every day

in a company that aims to help our students transform into the best versions of themselves," he says. "In my opinion, there's nothing else like it in the market. Because of this, I believe we have so much potential for future growth and success."



Describe your role at School of Rock.

As SVP of marketing, I am responsible for developing the brand in two distinct areas. First, I oversee all matters related to consumer marketing and communications. This involves marketing the value of our product and promoting awareness for the brand. Additionally, I am responsible for our franchise marketing program—marketing to new potential franchise owners. Over the past two years, School of Rock has expanded its footprint across the country with 60 new school openings.

What's unique about the CMO position at School of Rock?

Marketing has always been the focus of my career, but here I am executing strategies at a higher level. The great part of my job is that our

product—our educational experience—is far superior to others in the marketplace. Our music programs are not only highly experiential, they also serve as a tool to build confidence in individuals. It's personally rewarding to work every day in a company that aims to help our students transform into the best versions of themselves. Thus, a lot of my job is to find a way to concisely articulate this brand promise to customers.

What are the 3 most important keys to being an effective CMO leader today?

1) *Customer communication.* A comprehensive understanding of what makes your product special, and the ability to succinctly articulate that message to your customers is the foundation to being a successful marketing leader. 2) *Internal communication.* An external communication strategy hinges on a marketing leader's ability to align internal team members and stakeholders around the same idea. Many areas of a marketing team (or business) have touch points with the customer, and it's critical that each touch point rolls up to the same communication and brand strategy. 3) *Objectivity.* You must have the ability to look beyond your own experiences or biases and objectively determine what is best for the customers and the company.

How do you prepare a marketing plan and execute the strategies?

My team and I follow a disciplined approach beginning with an in-depth analysis using historical data, customer research, and predictive tools. This allows for forecasts to be made for both consumer and franchise marketing programs. Based on these forecasts, we finalize decisions on how to allocate budget and effort for each campaign and create lists of deliverables. Before each initiative's execution is considered complete, we create a series of metric dashboards to track performance.

How do you measure marketing results and effectiveness?

The key is knowing exactly what you want to measure. As we build business models, we identify the performance indicators that will ultimately determine a program's success. These are then the key metrics we track.

Discuss your core consumer marketing strategies and objectives. Like most franchise businesses, it's important to maintain a strong partnership with your franchise system. This means 1) helping franchise owners market successfully within their local markets, and 2) providing larger, national/international programs to drive overall brand value. The integration of these two things—local support and a national/international umbrella—results in an effective, holistic marketing program.

How do you go about creating a “customer-centric” marketing and brand philosophy? School of Rock strives to be the best music educational brand in the world. We continuously review all areas of our business and ensure each customer touch point lives up to that goal: providing the best-in-class music education experience for our students.

Describe your marketing team and the role each plays. We are a lean, but very effective team. We are an extremely results-driven marketing organization. This approach will continue as we continue to grow. We seek to bring on only the most capable individuals who will take pride with us in producing exceptional results.

When it comes to helping the brand connect with franchise prospects, why is it so important for the marketing department to have a “personal touch”? With all marketing communications, the more personalized and relevant the communication, the more likely a franchise prospect will respond. We want great franchise owners to join this brand. Personal, targeted touches help inspire and motivate these candidates to take interest in our brand.

How does this help your franchise sales and development effort? This targeted approach ultimately drives your marketing ROI.

What ways/tools do you rely on to do this? There's a lot of analysis that goes into our targeting and communication strategy. As an example, we create analytical models to locate potential franchise owners and expand business in the most relevant markets to our brand.

Do today's prospects expect more from the franchise marketing department? What, and how do you provide it? A major benefit of a franchise business is that franchisees join a model that's been established and replicated hundreds of times—the operational model and the marketing model are optimized and templated with the goal of providing the best approach for new owners to achieve success. School of Rock has opened more than 170 schools, which has allowed us to become experts in these processes. Because of this, expectations from new prospects are understandably high. And our goal is to live up to these expectations. Since I joined the company in mid-2015, we've begun implementing a number of new programs that have resulted in significant success. I'm even more excited for 2016. We have a lot of great initiatives in the pipe!

How is technology changing the way franchise marketing is done in terms of one-on-one contact? Digital technologies provide many opportunities to better target our customers and customize our communications. We have a variety of options to identify targets and connect with them more efficiently.

How are you assisting your existing franchisees with more contact and transparency? What are their immediate needs? With so many locations throughout the world, it is important to stay connected with franchisees. This is an area of focus for my team in 2016. We are very fortunate to have a lot of really smart and passionate owners in our system who have great ideas, and I want to make sure they have a forum to share those ideas. We have weekly system-wide calls focused on marketing where we share results, status, and talk through potential initiatives.

How do you work with other internal departments, and does technology help? We have a really tight-knit leadership team. Unfortunately, we're scattered around the country. Our main office is in LA, but we have team members in the South, East, and Midwest. Technology is critical to this team because of the geographic differences, and it allows us to stay really close and connected.

How do you manage costs and budgets for the marketing department? We continually evaluate and analyze our current marketing programs. We then use this information to decide which tactics will produce the greatest results and return for the franchise.

Do you see vendors as business partners? Why/why not? Yes, we have great vendors, and they are extremely valuable business partners. They play a big part in contributing to the success of our organization, and we in turn lend to their success as well. It is a mutually beneficial relationship.

How have marketing strategies/tools changed over the past decade? How have you adapted? Personally, I've observed a major adoption of data-driven marketing principles. The abundance of new digital tactics has contributed to this trend, as most digital tactics allow for fairly thorough tracking and measurement.

How is your marketing/branding strategy developed, and how does it flow through the system? This is a topic I'm very passionate about. Over the past year we've gone through a brand realignment. This was an analytical exercise that used consumer feedback to focus the way we communicate as a brand. We have a truly remarkable product, and our students blossom in unimaginable ways. This is what makes School of Rock special. It's vital that we articulate our brand promise clearly to our target customers. The result of our brand realignment was the development of new style guides and communication approaches that will be implemented in 2016. It's very exciting!

What advice would you offer to aspiring CMO executives? Do not underestimate the importance of learning how to get things done. Many marketers are big thinkers, but often cannot effectively execute their ideas. Learn how to get things done effectively! I was fortunate to have mentors early in my career who taught me the principles of project management. These skills allowed me to actually execute my ideas. Marketers today must be a good blend of strategy and execution. ■

CMO roundtable

"WHAT CHANGES TO YOUR MARKETING STRATEGIES AND TACTICS DO YOU PLAN FOR 2016?"

Brooke Budke Chief Marketing Officer Title Boxing Club

The past year brought numerous new developments and milestones in social media and social networking. From the rise of live streaming on social platforms like Periscope, to instant short-lived videos on Snapchat, to the 1 billion users who use Facebook on a daily basis, brands are being tasked with finding new ways to engage with their customers and fans. Whether your followers deem your content good or bad, they will tell you, and it's how you react that will either win them over or lose them as loyal customers.

As an experience-based brand, Title Boxing Club's social success depends largely on the quality of the relationships we build with our audience, meaning the brand campaigns must live online and also be manifested in physical form in our clubs. We encourage our franchisees to give their local communities a "sneak peek" inside their clubs through engaging posts, photos, and special events. For example, this past November we had a social campaign called "Planksgiving," encouraging followers to give planks and thanks all month, while inside our clubs the trainers guided members through a 30-day plank calendar to strengthen their core. The power of social influence is undeniable, and our brand puts a large emphasis on sharing best practices with our entire system, which helps to ensure that, as a brand, we are giving people a reason to follow and engage with us.

A successful social media strategy combines building brand awareness and bringing the company closer to its core follower base. To evaluate if a strategy is successful you need to analyze the results. We pay close attention to the time of day, type of post, and amount of engagement we receive on our social channels. Often we have content designed to drive conversation, while other posts are meant for brand awareness

or showcasing what's happening inside the clubs across the country. Our national and regional PR approach also fuels our social pages with third-party credibility: followers love to see their favorite workout featured in the pages of *Women's Health* or *Shape* magazine.



It's a fun thing to tap into the power of social influence to bring a brand to life—and yet, a wild adventure for a marketer to keep up with the ever-changing trends and technologies. Overall, as social media and social network platforms continue to evolve and grow, they will undoubtedly become an even more integral part of the online experience and a critical part

of business growth.

Lori Shepard Senior Director, Digital Experience Waxing the City, Anytime Fitness

With both of our brands, Waxing the City and Anytime Fitness, we develop close relationships with our customers. On our social media platforms, we hope to extend the services and advice that differentiate our brands online. For Waxing the City, we work hard to extend our vision, "To make everyone feel awesome," into the channel in an authentic way. Authentic is key. Whenever we post content, we use the filter of: "Would our technicians really say this? Is this valuable to our clients? Is this our voice?" Our customer interactions on social media are just as important to us as the hello they receive when they walk into our studios. Our mission is not confined to the walls of our studios. It's everywhere we are.

We understand that every time we post on social media we have an opportunity to syndicate our content and increase brand

visibility and recognition. Each action we take increases our credibility and expertise. We take this seriously: our social media team is committed to service first and branding second. By operating as a personable, trusted, and empowering resource on social media, we significantly increase our chances of converting customers. To serve as a trusted resource and information destination on the topic of waxing and personal care, we focus heavily on content creation. If what we publish is engaging, then the likelihood of a conversion increases.

To measure our social media performance at Waxing the City, we take the time to align our goals with the proper metrics. For example, if our goal is to increase brand awareness, then reach and engagement are our metrics. If our goal is to increase service bookings, then we measure conversion rates. Taking the time to predetermine goals and metrics allows us to determine social media success. We consistently use our metrics to pivot our approach, and we have been able to test messaging effectiveness on social media to shift some of our farther-reaching, investment-heavy marketing efforts. We get really excited when something resonates with our audience. It's rewarding for our



teams to be able to provide information that is valuable to our clients and builds connections. We have a "best of" wall in our office (and a "worst of" wall, too).

To maximize our potential and spread the word about Waxing the City, we are constantly evolving in response to the ever-changing digital world. Not only is it an exciting channel, providing new ways to reach our consumers, it's a playground for marketers as a visible and effective way to "peel back the layers" of a brand and explore the nuances of our personality. What we learn here can reach outside the boundaries of digital strategy into the core business strategy of our brands. ■

Millennials

No More “Millennials”?

Taking a deeper dive into this group

BY ADAM PIERNO

Millennials. You are likely tired of reading about them but you can't stop, because with 60 million Americans in this generation, they're too big to ignore. This group probably makes up the majority of your customers, employees, and potential franchisees.

Technically, we at Santy define Millennials as those born between the years of 1982 and 2004. Even at their massive reported scale, as a group they have begun to seem larger, haven't they? It's almost like they're all around you.

Here's why. As with any influential group, their behaviors have been adopted by older and younger people, and some of their actions have been given a bad rap for having caught on. The examples to follow come from a 2015 Elite Daily study on Millennial consumers. Some of these may sound familiar—and not just with Millennials.

1. They are using multiple devices.

Nearly 9 in 10 (87 percent) of Millennials polled in the study use between two and three tech devices on a daily basis. But I'm sure your older customers don't do this. No one over 35 has a smartphone, a tablet, and a laptop. Or even just two of those. And it's only Millennials switching between those devices throughout the day, right? Obviously, we have all become multiple device users and have our own usage patterns based on tasks and entertainment, as well as location.

What does this mean for your business?

Reaching consumers with a consistent marketing message takes much more thought today. And keeping the attention of staff may be harder than ever as they continue to look down at their phones. For marketing or internal communications you'll need to identify platforms that provide flexibility across devices to make sure (a) your prospective customers can find you on the device of their choice, and (b) your staff can communicate as reliably as is needed.

2. They (claim they) aren't influ-

Nearly 9 in 10 Millennials polled in the study use between two and three tech devices on a daily basis.



enced by advertising. Only 1 percent in the poll said an ad leads them to trust a brand more. They skip TV ads and don't click banners. Surely this behavior is exclusive to people born between '82 and '04. Gen Xers (the tribe to which I belong) were harshly critiqued when they came of age for being aloof and cynical. We *invented* claiming to not be influenced by advertising. No youngster is taking that from me!

What does this mean for your business?

Reaching people is getting harder and harder, whether you're selling product or recruiting staff. This is especially true when combined with the effects of point number one. People's attention is always divided today, so make sure you get your

point across. You'll need to be focused on producing messages that are compelling through intriguing creative—or, more likely, by being relevant. Capitalize on the micro-moments that consumers are willing to spend with your company during that brief time they seek you out.

3. They read online reviews to inform purchases. One third (33 percent) of the Millennials in the study named blogs as their most influential source of pre-purchase information. That number actually seems low to me. And I'm thinking anecdotally about the Boomers in my life who don't have a meal that doesn't begin with a visit to Yelp.

What does this mean for your business?

Your current and potential customers are reading reviews about you all the time, on review sites like Yelp or blogs, or in micro-posts on Twitter and Facebook. This is another pastime that has become extremely pervasive for people of all ages. And guess what? Your potential employees are reading about the way you run your business on sites like Glassdoor. Regardless of age, it's time to recognize that we are in the age of transparency, and the best way to succeed in reputation management is to provide great experiences for your customers and staff and to improve on your mistakes.

Our team at Santy has moved our focus from “Millennials” to a deeper understanding of segments inside large demographic groups. They can be divided any number of ways, based on interests or beliefs. The most basic division is what we refer to as “life stages.” A single 32-year-old in a city center will have different motivations than another “Millennial” who happens to be a married homeowner living in a suburb of that same city.

Yes, Millennials are a large and influential group of consumers and workers. Their influence has already altered the behavior of the U.S. Now it's time to focus on the behaviors and stop focusing on the age. ■

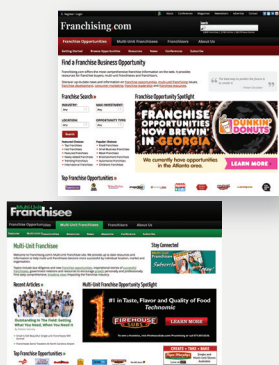
Adam Pierno, director of brand strategy and planning at Santy, unearths Millennial insights at the convergence of media, technology, and the marketplace that lead to positive and revenue-enhancing change for clients. Contact him at apierno@santy.com or 480-710-4243.

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Customer service

Customer Service Vision

The one statement employees must know

BY JOHN DIJULIUS

When we start working with a consulting client and tell them the first place we start is creating a customer service vision statement, they say, “The last thing we need is another statement. We have mission statements, purpose statements, and our employees can’t even keep them straight.”

Good businesses have evolved away from lengthy, wordy mission statements that no employee can recite, much less remember. Today it is okay to have *three* major company statements—provided it’s clear as to how they differ and how your employees need to decipher them.

While every company needs strong, inspiring mission and purpose statements, they are results, not actions. For example, if your mission is to be the #1 financial

institution in the world, what does that tell a bank teller or loan officer to do today as they interact with each customer? Even the greatest mission and purpose statements are not actionable by employees. Let’s look at two great mission statements.

- Starbucks: To inspire and nurture the human spirit—one person, one cup and one neighborhood at a time.

- Another Broken Egg Cafe: It is the mission of Another Broken Egg of America, Inc. to be the world’s best breakfast, brunch and lunch cafe, delivering guest satisfaction beyond your expectations with a warm and friendly smile in a clean and relaxing family atmosphere. It is our commitment to deliver “Egg” ceptional food and exemplary service creating a unique and memorable experience.

Both of those are strong mission statements and do excite people about the impact they can eventually have. I believe mission and purpose statements should be shared and discussed at orientation, posted on walls, even displayed on the company’s website. I think employees should be familiar with them, but I do not think it is realistic for them to remember exactly, word-for-word, your mission statement or your purpose statement—and that is totally okay.

Customer service vision

Think of a mission statement for a professional football team (certainly not the Cleveland Browns this year!). Is it to win the Super Bowl? However, “Let’s win the Super Bowl! Ready? Break!” is not what the offense or defense says in the huddle. Winning the Super Bowl is a result, not the action. *The customer service vision statement is the actionable play.* It is the one statement I want every employee in the organization to be able to recite and know backward and forward.

The customer service vision provides a meaningful purpose for your employees—and is what every employee, regardless of department, level, or pay grade, must deliver to every customer, every time. The customer service vision never gets shared with the outside public, i.e., customers. It is only to be marketed to the employees. It is the one thing that gets them out of bed in the morning and racing to work. Let’s look at the same two companies’ customer service vision statements:

- Starbucks: We create inspired moments in each customer’s day.

- Another Broken Egg Cafe: Happy People Sharing Happiness.

Make sure your customer service vision statement is actionable, measurable, observable, and trainable. This means that you can actually watch an employee interact with a customer face-to-face, read their email, or listen to them on a call and be able to say, “Yes/No, they did/did not achieve our customer service vision statement.” ■

John R. DiJulius III is the author of *The Customer Service Revolution* and president of The DiJulius Group, a customer service consulting firm whose clients include Starbucks, Chick-fil-A, The Ritz-Carlton, Nestle, PwC, Lexus, and many more. Email him at john@thedijuliusgroup.com.



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BY DARIN HARRIS

BEYOND PIZZA

Cicis redefines its 30-year-old brand

For 30 years, Cicis has been delivering unlimited pizza, pasta, salad, and dessert to every guest who enters its restaurants. But over the course of three decades, customers evolved. They wanted something better, more innovation, more contemporary restaurant designs... something beyond where Cicis had been.

So, with the introduction of the company's new leadership team, the Cicis brand underwent a comprehensive review to pull itself out of the past and into the future. We started from the ground up to evolve every facet of the business, including product, price, place, promotion, and the meaning behind our name.

First, we listened

The first step to understanding where we needed to go was to listen in on what guests enjoyed about Cicis today. Our guests expressed their love for the great value Cicis gives them and their families,

as well as the freedom to choose whatever flavor or combination they desire. Kids also love the freedom they get within a Cicis, and they love our game room. We also looked to our founding franchisees. The Cicis brand could be sustained only



through the success of these partners, and with their partnership we've crafted a future for Cicis using its history and heritage as a foundation. With these crucial insights, "Feeding Individuality" was solidified as our brand positioning.

Next, we planned

"Feeding Individuality" gave us the platform to develop our strategic marketing plan to fully transform the Cicis brand, with the goal of continuous improvement of sales results and a strong, positive momentum with franchisees. Not only must our guests be empowered by their personal choices, but those choices must be from a great variety of high-quality products. That's why our product and product lineup saw transformation, with continuous commitment to improving flavor, the upgrade of our salad bar and core pizza recipes, and the introduction of our





Stuffed Crust Pizza. Hence, the marketing campaign “Better. Believe it!”

We agreed with our franchise advisory board that to properly relaunch the brand, we first needed to create and activate a unique vision of its future. That vision would help identify the Cicis ideal, while inspiring our franchisee community and our employees.

Cicis began as the first of its kind—the first restaurant to offer an unlimited pizza buffet. We did things differently 30 years ago, which is why we decided to reframe the brand to set us apart from the competition with a different kind of relevance to our target consumers—relevance that was more than just pizza.

Defining the new brand vision

Working with our design partners and our franchisees we set out to create a new brand vision to fulfill our strategic outcomes. Together we developed its identity, personality, and new restaurant design.

Through the use of demographic and psychographic data, our target consumer was comprehensively identified as the “Connected Idealist”: a person who craves the freedom to be themselves and who encourages independence and originality for themselves and for their families. Coupled with this target consumer, we clarified our brand character as “The Maverick”: independent, carefree, bold, confident,

energetic, and expressive.

Visually, Cicis moved its brand forward with its boldest evolution yet. The Cicis logo took a clean, simple, and contemporary new approach. “Pizza” was removed from our name to give life to our modifier “Beyond Pizza.” This reinforced the notion of Cicis offering pasta, salad, soup, desserts, and a fun game room experience—more than just another pizza place. The logo visualizes this as well, uniting



various colors around a central point to represent variety and unique individuals coming together.

In keeping with the focus on cleanliness and simplicity, the CiCi’s apostrophe was removed and the second “C” became lowercased, completing the conversion from CiCi’s Pizza to simply Cicis.

Bringing the brand to life in a contemporary yet comfortable environment was a crucial part of the rebrand. Our partnerships with Sterling-Rice Group on the

brand and design, and with Atlanta-based Back Lot Productions helped develop an energetic color palette for a friendly and inviting atmosphere. This included a creative space design that’s both inspiring and distinctive, with zones for individuals or families and groups, as well as a game room with its own entertaining theme. The restaurant experience will eventually include a new technology component that enables guests to satisfy their unique tastes, echoing the “Feeding Individuality” positioning.

Next up: Execution

The rollout of the new branding to restaurants in the construction pipeline, as well as those undergoing renovations and upgrades, is already under way. We are very pleased with our new restaurant prototype design, which will debut in the second quarter of 2016.

As the leadership team, and in partnership with our Franchise Advisory Council, we are incredibly excited about the direction our brand is headed. A great deal of time and effort went into making sure our new logo, our updated look, and our new prototype fit what the brand represents from its roots.

We firmly believe that these changes are the right moves for the brand. It’s an exciting time for Cicis. ■

Darin Harris is CEO of Cicis, which has nearly 450 restaurants in 32 states.

Challenge the pros

"WHAT ARE THE KEYS TO BUILDING, TRAINING, AND RETAINING A GREAT SALES AND DEVELOPMENT TEAM AT YOUR BRAND?"

Marcia Mead
Vice President of Franchise
Development
PuroClean

The process of hiring, training, and retaining qualified individuals for sales and development is a necessary company practice that should not be taken lightly. Having a great sales and development team as the backbone of your business is critical to company success in both the immediate and distant future.

Hiring the most qualified people for your company can be challenging, but if you take the time to work diligently in the early stages of seeking out a potential employee, there is great long-term payoff. At PuroClean, we first identify which candidates can fit in with our company culture. It's important to seek an individual with experience in franchise development, but if a person can't fit in with the dynamic of the organization, the hire will simply not work out. When you have people who know and understand company culture, you will develop your brand with the right franchisees on board.

The ideal candidates will have past experiences that match the company profile. During the interview process, ask questions that will have them demonstrate their hands-on experience and show they can be prepared for any situation. You should also invite final candidates to attend a discovery day, spend time with the corporate team in the office and socially, and give them an opportunity to meet franchisees. Finally, before making the hire, always view the candidate's online profiles, including LinkedIn and Facebook, and call their references for second and third opinions.

After hiring, proper training is critical. It is vital that your new hire knows what messages need to be expressed when selling and helping develop the company. PuroClean outlines employee expectations from the beginning and continues to work

with new hires for several weeks before letting them set sail, including partner work in person and over the phone with the franchise development team, franchisee training academy, and meetings with key members of the operations team. The more



comfortable the business is with the new employee, and vice versa, the greater chance the employee has to succeed and stay with the company. When a franchise development employee successfully comes on board and hits their stride, the results will be the proper development of your brand *and* a celebrated employee.

Without a determined, eager sales and development team, a business cannot grow. If franchisors take the time to seek out the people who best fit their company culture, they will see the most achievement and success.

Jill Szymanski
Director of Franchise and Real Estate
Bar Louie

In building great teams, I always look back at teams I was fortunate to be a part of. When I was with Burger King in the '80s, we accomplished some seemingly insurmountable tasks in a relatively short time. What we did, how we did it, and what I learned in the process has carried with me to today. Through the years, the following time-tested principles, when implemented, usually translate into great results and happy people.

1. Love what you do. I love doing deals. Hiring like-minded people in sales and development is crucial. I often think of a quote from the chair and CEO of PepsiCo, Indra Nooyi: "Whatever anyone says or does, assume positive intent."

This changes your perspective in any of your dealings and elevates your approach to any problem-solving.

2. Keep the long term in mind. In sales, we are always about deadlines and sales goals. These are important, but we must not sacrifice by giving in to something we know won't stand the test of time. This applies to selectivity of candidates—particularly in franchising, where we're dealing with major financial and personal investments from people, in what may become a lifelong business for them or a legacy for their families.

3. Training and development. Love of learning fosters new ways of thinking and strategies. With the pace of change so constant, we must keep educating ourselves. Supporting teams and encouraging them in this pursuit provides additional value to team members.

Equally important is to follow the Golden Rule, give feedback, schedule one-on-one time, and provide tools to help them succeed.

At Applebee's, I was fortunate to have an experienced team that I learned from every day. My role was more support and helping them get through roadblocks, whether with corporate, franchisees, or landlords. Communication and honesty, especially with a large field team, were integral to success.

Today at Bar Louie, we have a unique culture that is carried throughout the organization to the restaurants. It's hard to describe, but you can definitely feel it. The idea of being "supportive but truly entrepreneurial" allows us to be creative and think outside the box—to be "more than



ordinary." We have the freedom to look at things from an owner perspective and design deals to fit the franchisee or the location to its environment. This is different from other organizations and one of the keys at Bar Louie that keeps our sales team happy. ■

Sales smarts

Listen Up!

Candidates have a lot to say, if you let them

BY JIM BENDER

In the life of a franchise sales professional, never a day should go by when we do not learn (or relearn) a selling skill. We are the tip of the spear when it comes to representing our brand to future franchise owners. We possess the sales skills to guide candidates from every conceivable background through a selection process that ultimately causes them to embrace risk and make a life-changing decision. And we are accountable to select only those candidates who will make positive and valuable contributions to the brand.

Wow! That is a lot of responsibility. However it is an accurate description of the contribution franchise sales professionals bring to their brand. It is also what brings us to the office day after day, year after year (or decade after decade).

Given the enormous implications of what we do, there is irony in the fact that there is little uniformity across the industry regarding franchise development. While there is similarity of intent, execution varies dramatically depending upon the business category, investment, and past experience of those on the front lines. Some brands manage the process in-house, others out-source. Some use qualifiers while others use a single salesperson. Some qualify during discovery day while others use it as a closing event.

Whatever the process employed at your brand, it begins with an introductory call to the candidate. Everyone in the industry approaches this call with one goal in mind: to capture sufficient information to decide whether to invest time and energy over the next 30 to 90 days. Typically that means providing a brand overview sprinkled with a few qualifying questions. Most times it is 90 percent brand overview and 10 percent qualifying—and that is just wrong.

In many ways the initial phone conversation is the most important call of the many you make during the franchise development process. It sets the stage for what happens next. Along with gathering

basic qualifying information, the initial call must achieve the following:

1. Convince the candidate we are not telemarketers but professionals seeking to match strong partners in a long-term business relationship.
2. Identify the candidate's strengths and weaknesses and what specific support we may need to provide.

Never a day
should go by
when we do not
learn (or relearn)
a selling skill.

3. Provide a clear understanding of the candidate's motivation and goal in pursuing business ownership.
4. Provide an understanding of what changed in their life causing them to inquire at this time.
5. Provide an exceptionally clear understanding of what they seek to avoid by becoming an entrepreneur.

Most important, these five insights provide a plan to follow during every subsequent phone conversation. The answers to these five questions provide the key to your success ("I need to escape from employment."). They provide the list of buttons you need to push to keep everyone focused on the cause ("Sorry you are on the road again. Were you not on the road last week as well?"). They provide a new agenda for future calls specific to each candidate's concerns ("Let me talk specifically about how we can help you with hiring staff.").

In the quest to perform more productive initial calls we ask ourselves, "What is really going on during that first introductory call?" Among our clients the collective opinion was that the initial introductory call is really two individuals on the line together, each with something to prove

and anxious to prove it.

So we "tweaked" our mindset about those two people on the line. It sounds like this: There are two parties on the line. Each has something to prove and is anxious to prove it. The sales professional wants to prove their brand is the best opportunity on the planet. The candidate wants to prove they are the best candidate ever for your brand. So we tweaked our mindset by shelving all discussion about brand benefits during the first call and began doing everything possible to enable the candidate to prove their point.

Stated more directly, people love to talk about themselves, so help them do so. We ask a few questions regarding related experience, solo or partnership, family and education, timing and investment budget, and let them talk. When the candidate asks a direct question we answer it swiftly, then ask a question that moves the conversation to a new topic. How do you handle the "Tell me about your franchise" question? Present a 90-second elevator pitch ending with the estimated investment and close with, "Is that the investment budget you are considering?"

Today our goal with every initial call is to find ways to help candidates prove they are the best qualified we have ever seen—not that we are the best franchise they've ever seen. Candidates now speak 90 percent of the time and give us all the information we need to:

- Focus future calls with pinpoint accuracy on resolving each candidate's fears.
- Continually reinforce the prospect's unique motivations and goal.
- Gently repeat the need to eliminate or avoid what causes them pain.
- Build a personal and trusting relationship that gives us permission to ask for the order.

Most times a little "tweak" is all you need to succeed.

Happy Selling,
Jim

Jim Bender is the president and owner of Franchise System Builders. He has been in the franchise industry for 37 years and has provided clients with sales outsourcing and concept packaging services since 2002. Contact him at jtjbender@franchisesystembuilders.com or 248-647-1989.

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Market trends

Sub-Sectors Rising

New concepts provide clues for 2016

BY DARRELL JOHNSON

Nearly seven years after the recession ended, the U.S. economy has become a slow-growth machine. In these years of sluggish growth, the franchise business model has found ways to expand. We examined franchising at the sector level to provide some clues and insights about what's in store for 2016 and beyond.

the past three years. Several observations jump out of this graph: 1) only two of the eight segments are in food; 2) the other six sell services, not products; and 3) four of the six non-food segments are personal or family discretionary services. Finally, all of these segments have been significantly changed by technology.

Not obvious from these graphs is a trend that applies to all: sub-sector specialization. As industries mature, the franchising business model is being used to fill in the gaps quickly, and some of these sub-sectors are realizing tremendous new concept growth on a relative basis.

For instance, Education-Related is the leading category in new concept percentages. Moving beyond general education concepts, the franchise business model is being used to more quickly expand innovative new ideas, programs, and technologies into the market, and in doing so is reshaping the way we educate America's youths.

Health & Fitness, the #2 fastest-growing industry by new concept percentage,

has added 107 new concepts since 2013. Growth is coming from a shift in big box gyms to boutique and specialized fitness centers (a pattern reflected in almost all retail industry categories). In addition to the usual access to equipment, new concepts offer a complete package of services and classes and often specialize in niche services that feature proprietary technology, training programs, or workout routines that differentiate them from the masses of existing fitness centers.

Looking at the companies that own the new concepts, a significant number are coming from existing franchise companies. I believe this is an important economic signal. To capture a narrower slice of the market, existing franchise companies are investing capital and making material modifications to their proven concepts to work in new brands that diversify their market reach. In other words, we are seeing sub-sector specialization in large part because growth is otherwise difficult when the overall economy is growing sluggishly.

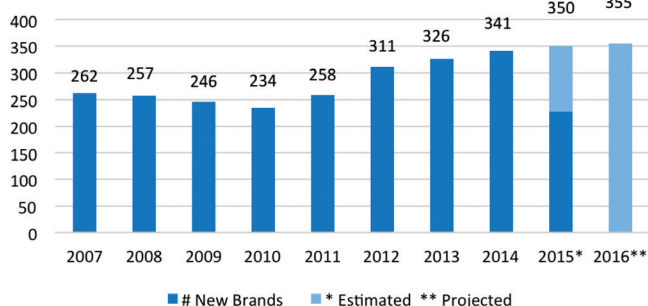
A key factor in sub-sector specialization seen in all these fast-growth segments is how technology is becoming a key component in the actual delivery of services. In franchising, the use of technology is rapidly moving beyond the marketing and operations sides of the business and is being woven more comprehensively into the delivery of the service experience itself. For example, by integrating personal health and physical achievement monitoring programs with fitness networks (online as well as in studios), Health & Fitness brands are demonstrating this almost every time a new brand arises.

2016 is going to be a difficult economic year for same-store sales growth. If an economic downturn develops, expect new concept growth to decline as it did in the

recession. If 2016 continues on a positive but sluggish path, expect more franchisors to launch new brands with a narrower customer focus. ■

Darrell Johnson is CEO of FRANDATA, an independent research company supplying information and analysis for the franchising sector since 1989. He can be reached at 703-740-4700 or djohnson@frandata.com.

New Concepts Entering the Market

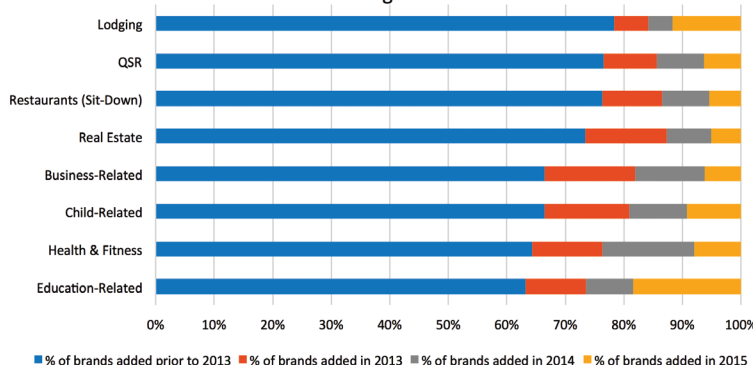


We are projecting that, on average, about one new concept will begin to franchise every day in 2016, continuing a streak of increases in annual new concept growth that began in 2011. If the number of new franchise concepts were a small fraction of all franchise concepts, this wouldn't be all that significant. However, we are adding new concepts at an annual rate of about 6 to 8 percent a year. That's impressive by any measure in this weak expansionary economy.

Sub-sector specialization

To understand this better, let's take a look at the faster-growing segments. These industry segments each added between one-fifth and one-third of their current brands in

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International

Global Women

Female leadership in international franchising

BY WILLIAM EDWARDS

In the U.S. we are privileged to have many women senior franchise executives (some of whom are profiled in this issue—Editors). We also have the Leadership Conference at the annual IFA convention, which is put on by the very active IFA Women's Franchise Committee. And, of course, we have the Women's Franchise Network, which has meetings during the year across the country. But what about the rest of the world? There are many, many women leading franchise companies around the world. Here are just some of them.

• **Australia.** The Franchise Council of Australia is this country's version of the IFA. Its Women in Franchising (WIF) Committee is a very busy group with a representative from each of the six states in Australia, and each year makes a Franchise Woman of the Year award. In 2015, Marlies Hobbs, founder of the Paleo Café franchise received the award. Previously a lawyer, Hobbs saw a need for a Paleo food lifestyle restaurant. In 2012, the annual award was given to Carolyn McManus, a multi-unit franchisee of The Coffee Club, a highly successful local franchise chain. She has also been the brand's Franchisee of the Year several times.

• **Canada.** Lorraine McLachlan is the president and CEO of the Canadian Franchise Association, a vibrant association that is very active for its members and for franchising in Canada.

• **Chile.** Veronica Pinto, the senior commercial specialist at the U.S. Commercial Service office in Santiago, focuses on helping U.S. franchisors enter this first-world country in South America. She is known for finding innovative ways to market U.S. brands to find their licensees.

• **China.** Yao Li, CEO of Right at Home China, was the CEO of the large Beijing Yinda Property Management group until she acquired the Right at Home master franchise license for all of

China a few years ago. She is the founder of the BN Vocational School, the first charity school for underprivileged youths in China. She saw the commercial and giving back opportunities for the Right at Home business for China and recently been focused full-time on developing the brand across China.

• **India.** Rajeev Manchanda, managing director of Inventure India and an executive of the Franchising Association of India, highlights several women in his country in senior roles:

— Mala Venkat is senior trade specialist

at the U.S. Commercial Service office in Chennai. Over the years she has helped a large number of U.S. franchisors find their India licensees and find their way in the wonders of the Indian market.

— K. Veena is the founder of the Natura's chain of hair and beauty salons. Her chain now has 450 franchise units across India and is considered the #1 hair and beauty chain in the country.

— Shahnaz Husain founded and operates the Shahnaz Husain Herbal organic beauty salon chain with franchised units in the Middle East, Central Europe, Africa, and Western Europe. In addition to the salons, the group markets its 375 products in retail outlets worldwide.

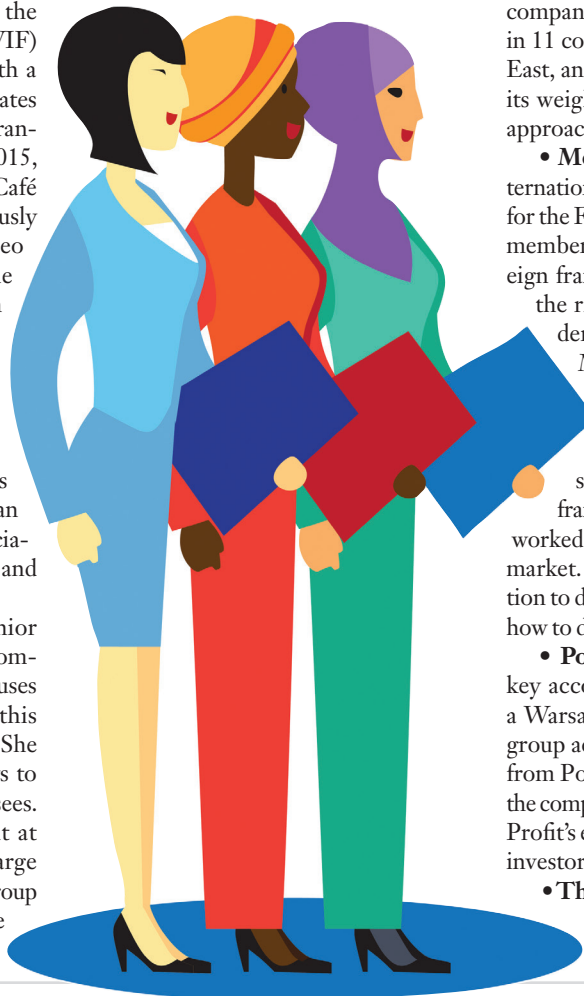
— Sudha Gupta is the founder and chair of Mother's Pride, a pre-school with a scientifically planned curriculum and computer instruction she started in 1996. Today there are 50 schools across India developed using the franchise model.

— Vandana Luthra founded VLCC Health Care in 1989 to transform lives. The company, with 301 locations in 134 cities in 11 countries in South Asia, the Middle East, and Africa, is widely recognized for its weight loss solutions and therapeutic approach to beauty treatments.

• **Mexico.** Angeles Avila manages international license development in Mexico for the Feher & Feher group, an active IFA member. She is in charge of helping foreign franchise brands enter Mexico with the right licensees and with a full understanding of the market potential. Martha Sanchez is a commercial specialist at the U.S. Commercial Service office in Mexico City who focuses on the franchise sector. Over the years, many IFA franchisor members have successfully worked with her to enter this neighboring market. Sanchez is known for her attention to detail and for her understanding of how to deal with U.S. franchise executives.

• **Poland.** Małgorzata Boruń is the key account manager for Profit system, a Warsaw-based franchise development group active across all of Central Europe from Poland through Bulgaria. She helps the company's franchisor clients make use of Profit's expo, magazine, online portal, and investor database assets to find licensees.

• **The Philippines.** Amy Palisoc is vice president for corporate planning for The Bistro Group, the coun-



try licensee for TGI Fridays, Buffalo Wild Wings, Texas Roadhouse, and several other international food and beverage brands. Yvette Orbeta is president of the Philippine Franchise Association and chair of Wenphil Corp., which has developed the Wendy's franchise across the Philippines.

Spain. Angela Turrin is an international trade specialist with the U.S. Commercial Service office in Madrid. She specializes in franchising and has taken on a Europe-wide role to coordinate U.S. Commercial Service resources for U.S. franchisors.

• **Tunisia.** Rym Bedoui Ayari, as a franchise consultant, has assisted Tunisian companies in negotiating licenses for Chili's, Hardee's, Johnny Rockets, Papa John's, and Wing Zone. She is currently assisting other foreign brands to enter both the Tunisian and French markets.

• **Vietnam.** Le Hong Thuy Tien is president of Imex Pan Pacific Group (IPP), the country licensee for Domino's Pizza, Burger King, Dunkin' Donuts, and Pop-eyes Louisiana Chicken. IPP is also a major retail store operator with 150 stores selling well-known international brands that include Rolex, Chanel, Ferragamo, Burberry, Cartier, Versace, and many more.

• **The United Kingdom.** Farrah Rose, a frequent IFA convention speaker, has advised U.K., U.S., European, and Middle Eastern franchise companies for many years in her role as director of international development at The Franchising Centre. She also advises governments in several countries on the value of franchising as a business growth model.

Conclusion

What we see across the world today is the continued growth of the franchise model as a way to establish and grow businesses and increase local employment. Entrepreneurship is alive and well across many countries in the franchise sector, as it is here in North America. Today we increasingly see women executives in the franchise sector leading this growth. ■

William Edwards, CEO of EGS LLC, has 40 years of international business experience. He has lived in 7 countries, worked on projects in more than 60, and has advised more than 50 U.S. companies on international development. Contact him at 949-375-1896, bedwards@egs-intl.com, or read his blog at edwardsglobal.com/blog

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Supplier Spotlight:

BY KERRY PIPES

CAPITAL RESOURCES

Direct Capital offers full spectrum of financing solutions

Smart franchise brands—and especially growing franchisees—are always on the lookout for resources that will help them expand the business. For some, a healthy business model that generates steady revenue and profits allows for reinvesting their own capital. For others, external financing plays a key strategic role. Of course there are local and national banks, but specialized third-party lenders have become a much bigger part of the franchising lending landscape. There are a number of players in this sector. One of them is Direct Capital.

Once a small-ticket lender, Direct Capital was acquired by CIT Bank in 2014, which provided an infusion of capital that has made the company a major player and source of financing in franchising. The company offers financing options ranging from just \$2,000 up to \$20 million. And, as a financial-technology (fin-tech) company, Direct Capital can get funds in action quickly through its online setup: loan application and approval can happen in just minutes.

"We have streamlined a process for franchisees to apply for financing anytime, anywhere with our simple online finance center," explains Direct Capital's Vice President of Strategic Relationships Douglas Solomon. The company has also

worked closely with some franchise brands to create custom online finance portals that highlight and recommend equipment upgrades based on current mandates from the brand. Says Solomon, "We distinguish ourselves from fin-tech competitors and traditional banks

DIRECTCAPITAL®

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primarily through our commitment to product innovation, where 'speed and ease' is our constant mantra."

Beyond sheer growth through



Douglas Solomon

unit acquisition and new build-outs, franchisees also need capital to buy equipment, remodel locations, handle upgrades, refinance debt, or establish a line of credit. Direct Capital can handle all those needs. When offering a loan, the company takes into account personal and business credit, the experience of the franchisee, and the

strength of the brand. "We place a high value on the brand's strength, which often opens the door for franchisees to secure loans they might not have otherwise obtained," says Solomon.

How it works

All of Direct Capital's programs have term lengths ranging from 3 months to 7 years. For most transactions, a

franchisee can get started with the completion of a simple one-page application, either online or with the help of one of their dedicated franchise account managers. Approvals are typically issued within 24 hours of receiving the request. Once approved, the franchisee

is able to choose their term length and finance structure, then sign the finance contracts online right through their smart-

phone or computer.

After the contracts have been signed, the franchisee is able to direct their account manager on how they would like to release the funds; whether their vendor or contractor needs a deposit or full payment, the franchisee controls the entire process.

Direct Capital has worked with franchise brands ranging from Denny's and Dunkin' Donuts to Choice Hotels International and Wyndham Hotel Group. Working with so many brands, says Solomon, allows the company to keep its finger on the pulse of franchising. "We are currently seeing an increase in store acquisitions where larger multi-unit franchisees are buying out single-unit and low volume multi-unit operators," he says. He says the future looks good in the QSR, hospitality and printing sectors, and that they typically see a higher demand in the QSR space.

"As franchisees demand more services from financing institutions—and are demanding them faster than ever before—our team continues to blaze a trail of innovation," says Solomon. ■

CASE STUDY: GROWING STEADY

Dairy Queen franchisee Dan Byrne speaks of his life experiences with more passion than most. "It's in your blood," he says. "I love getting up every morning and making a difference in my business."

Byrne, a franchisee for 32 years, began his career at Dunkin' Donuts and Baskin-Robbins. After building his first Baskin-Robbins in Florida 20 years ago, he sold it 5 years later to move into the Dairy Queen brand. And for the past 15 years, he's been the owner of two Dairy Queen stores in Florida—one of which Direct Capital helped him acquire.

When Byrne was ready to expand, he went searching for his next location, which turned out to be in Ormond Beach, Fla. He knew the franchisee and wanted to see if he could help buy him out. Before making any commitments, however, he needed to see the volume and variables. He soon realized that the store was "critical and inconsistent," and bought it only after negotiating down the price.

Looking to keep the business in the family, he put his daughter Angela and son-in-law James in charge. "And the rest is history," he says. "The community already loves them." So much so, he adds,

that they are looking to increase revenue by \$100,000 in one year. A big contributor to that growth will be the DQ Bakes! Program, introduced last June, adding hot sandwiches, snacks, and desserts to the menu. "I think it's going to be phenomenal," he says.

Byrne's relationship with Direct Capital began in 2010, when he first started seeing Matt Goyette, vice president of major accounts for Direct Capital, at conferences and expos. When he moved into the

projects in the future," he says. And the client relationship managers at Direct Capital agree. They've greatly enjoyed the relationship they've built with Byrne.

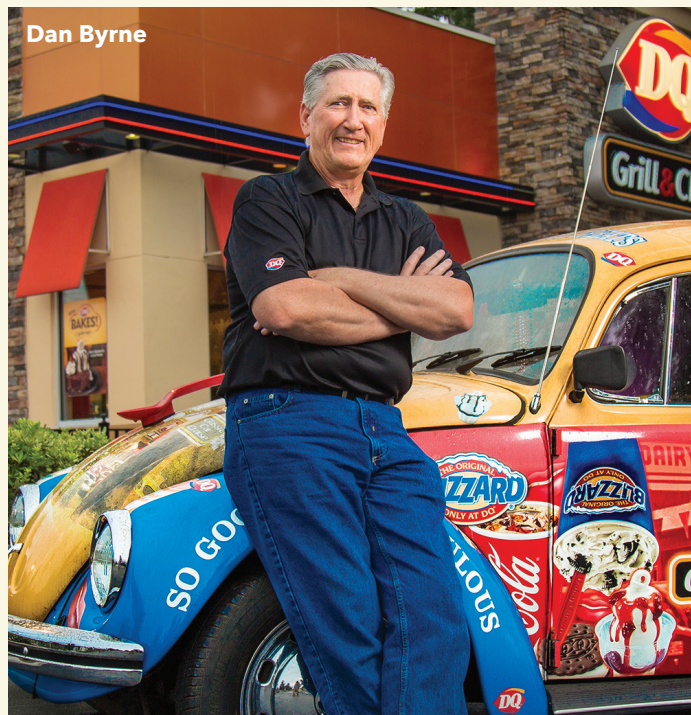
Timothy Amero, senior franchise client service manager, says, "We're pleased to have had the opportunity to provide the financing Dan needed to acquire the Ormond Beach Dairy Queen location. Dan's extensive knowledge, energy, and passion for the Dairy Queen brand is unmatched."

Because Direct Capital's process is "seamless and painless," says Byrne, when he opens his next location, a Dairy Queen/Orange Julius in a Florida mall, he'll be looking to Direct Capital again. "I've been able to turn stores into gold mines for over 20 years," says Byrne, "This could be a home run."

He said that with all of the great things happening in the world of Dairy Queen franchisees, he's thrilled to be a part of it all—and to know his financing partner will

be there with him.

"I can't say enough about the job Direct Capital has done for us," he says. "I've been around a long time. I've worked with the best and the worst. To be able to pick up the phone and call your lender... that's a relationship." ■



Ormond Beach location, he looked to Goyette and Direct Capital for help with financing that acquisition, and he's been working with Direct Capital ever since.

Relationships are important to Byrne. "We've formed a nice working relationship for this store and

It's closing time Are You Qualified?

Pre-qualifiers bring many benefits to sales

BY STEVE OLSON

Often, young franchisors have their sales executive initially screen and pre-qualify prospects. This certainly makes sense during the start-up phase, especially when dollars and inquiries are scarce. However, when franchise sales start multiplying, a qualification specialist can be worth their weight in platinum. Why? Simply because your star recruiter gets bogged down with time-robbars that begin cutting away at their sales productivity. Often they become shackled by departmental meetings, reports, paperwork, coordination with real estate, marketing operations, trade shows, conferences, and travel.

As shown in Franchise Update's 2015 annual mystery shopping survey, qualified prospect leads tumble through the cracks all too often. Even though 143 participating brands knew they were being mystery shopped, 43 percent still failed to contact these qualified prospects within 24 hours—and some didn't contact them at all.

Closing the performance gap

Because dedicated qualifiers are readily accessible, they are much faster following up with every lead. Within their parameters, they are often more disciplined to stick within your scripted vetting process than your salesperson is. Their sole mission is to eliminate poor and mismatched inquiries, and produce only properly screened appointments to speak with your development professional. This frees your sales executive to zero in on pre-qualified leads—increasing the number of candidates they can effectively handle, and consequently providing greater opportunities to sell more deals.

What makes a successful franchise qualifier?

"It's all about your responsiveness," advises Dominique Main, qualification specialist for two food franchises and a business-to-business brand. She adds, "If you're not on top of every inquiry, you

lose the race. Same-day service wins! If an inquirer has to wait more than 24 hours, they're gone." She also cautions, "Don't put on the sales pitch!" For Dominique it's about helping people with their investigation, and then motivating those who initially qualify to take the next step. To expedite setting appointments,

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she books the meeting on the spot by accessing the sales executive's calendar online. If prospects need to change the time, they can rebook by accessing the calendar themselves. Dominique sends a text reminder on the day of the scheduled call to both the franchise sales executive and the prospect. This saves time, expedites communication, and helps accelerate the process.

Stephanie Zinsmeyer of Sport Clips is the franchise recruitment specialist in their sales department. She is passionate about her key role vetting franchise inquiries. She proudly views herself as "the brand ambassador" and the first contact representing the Sport Clips franchise opportunity. And she emphasizes her responsibility to be genuine with every person inquiring about the brand. "I won't dance around the tough questions. It's my job with potential prospects to share both the good aspects and the challenges of ownership they must consider in their particular situations," she says. Her team energy as a member of the Sport Clips brand culture is cer-

tainly infectious. "It's my obligation to be totally transparent with people who are investing their savings, families, and energies in a life-changing event."

Also, representing a highly recognized brand with multiple thousands of customers, Zinsmeyer must be particularly aware of its fan base. "It's not unusual for us to be speaking with Sport Clips customers interested in our opportunity." Showing sensitivity for those who don't qualify takes diplomacy and honesty. "Maintaining our brand relationships with our customers is always top priority," she says. "First impressions make lasting impressions." It's not surprising that on several occasions discovery day candidates have asked to meet her.

Sharon Mettra, who does franchise development for Mettra Marketing, is a master at developing credibility, confidence, and trust by implementing her informal, somewhat unusual approach. She asks key questions that allow inquiring individuals to make choices during the pre-qualification call. She wants them to feel comfortable while capturing information to see if there's a potential fit for the brand. "Personally, I don't like sales people," she laughs. "I want to do what's right for the prospect and the franchise. It's my obligation as a sales qualifier to instantly engage and build rapport with potential prospects." She adeptly uses a reverse process of gathering information with these types of questions: *Would you like me to answer questions or would you prefer an overview? Do you have an idea of what you are looking for? What would you like to hear about? How much do you know about our brand? Can I share with you what sets us apart from other brands?*

Longer-term benefits

Top pre-qualifiers are great listeners, relationship builders, and "process driven" individuals who often become successful sales executives themselves. They certainly learned the skill sets and gained the experience and knowledge to teach new qualifiers to vet prospects for their sales! ■

Steve Olson is a 30-year franchise development veteran and author of the #1 Amazon best-seller, *Grow to Greatness: How to Build a World-Class Franchise System Faster*, available at www.growtogreatness.net. He can be reached at OlsonandAssociates.com.



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