Multi-Unit Franchisee

Q2 | 2020


# MULTI-BRAND 50

## Dustin King becomes the 3rd generation to lead the family business

**MULTI-BRAND 50**
Largest U.S. operators and their favorite 25 brands pg. 38

**2020 MUFC PREVIEW**
Multi-Unit Franchising Conference rescheduled pg. 50

**DELIVERY DILEMMAS**
Restaurants race to keep up with "eating in" trends pg. 60

# YOUR BIG BREAK

Avg. Second Year Total Revenue for Top 25 Stores

**$693K**

Avg. Second Year Net Income for Top 25 Stores

**$120K**

Contact Brynson Smith

**877-224-4349**

Franchising@uBreakiFix.com

*As published in Item 19 of our FDD dated April 19, 2019, as amended October 31, 2019 and updated November 12, 2019 these figures represent the average total revenue and net income (total revenue, minus cost of goods sold and expenses excluding interest and income taxes) for the top 25 of 257 out of 420 US franchisee-operated UBREAKIFIX stores that submitted unaudited profit and loss statements from Jan. 2013 through Dec. 2018. Average second year total revenue for the top 25 stores was $693,389 (median $672,037). Average second year net income for the top 25 stores was $120,217 (median $87,649). Of the stores included for the second year, 10 (or 45%) attained or exceeded the average total revenue and 7 (or 32%) attained or exceeded the average net income. Average second year total revenue for the bottom 25 stores was $234,062 (median $235,698). Average second year net income for the bottom 25 stores was -$14,743 (median $36,956). Of the stores included for the second year, 9 (or 53%) attained or exceeded the average total revenue and 7 (or 41%) attained or exceeded the average net income. You should review our FDD for details about these numbers. Your results may differ and there are no assurances you will do as well and must accept that risk.

**This information is not intended as an offer to sell, or the solicitation of an offer to buy a franchise. If you are a resident of or want to locate a franchise in a state that regulates the offer and sale of franchises, we will not offer you a franchise unless we have complied with that applicable pre-sale registration and disclosure requirement in your state.

This advertisement is not an offering. An offering can only be made by a franchise disclosure document filed with the Department of Law of the State of New York. Such filing does not constitute approval by the Department of Law of the State of New York. These franchises have been registered under the franchise investment law of the State of California. Such registration does not constitute approval, recommendation or endorsement by the Commissioner of Business Oversight nor a finding by the commissioner that the information provided herein is true, complete and not misleading. Minnesota Department of Commerce File No. F-7063.

Entrepreneur FRANCHISE 500® RANKED #1 IN CATEGORY 2020

UBREAKIFIX®

Franchise Opportunities

www.uBreakiFix.com/Franchising

Carl's Jr.® Hardee's®

# BEEF IT UP!

## WITH A JUICY PORTFOLIO OPPORTUNITY

**Carl's Jr. and Hardee's are keeping it BOLD and bringing the BEEF as America's premium burger brand.** We are currently seeking qualified franchise candidates for exclusive development territories throughout the Unites States.

**866.253.7655 | CKEFRANCHISE.COM**





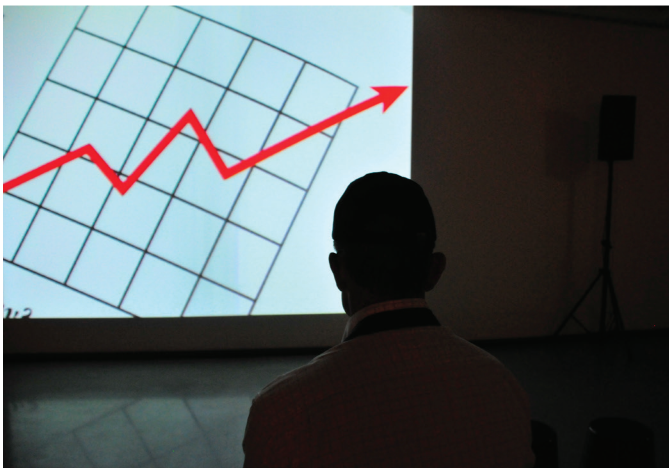

*See Item 19 of the current FDD

**This number represents 26% of system traditional drive-ins

***Figure reflects system-wide average gross sales for 2,655 affiliate-owned and franchised restaurants that were open during the entire period from January 3, 2018 through January 1, 2019, as published in Item 19 of our April 2019 Franchise Disclosure Document. Of these 2,655 restaurants, 1,150 (43%) had higher gross sales. A new franchisee's results may differ from the represented performance. There is no assurance that you will do as well and you must accept that risk.

# CONTENTS

Multi-Unit Franchisee | Q2, 2020





38 COVER STORY
**MULTI-BRAND 50**

08 CHAIRMAN'S NOTE
**MULTI-UNIT FRANCHISING CONFERENCE TURNS 20 IN A BIG WAY**

10 MU PROFILE
**ERIC DANVER**
Hard work and dedication really do pay off!

16 MU PROFILE
**NEAL & JULIE STARLING**
Husband-and-wife team bet their life savings—and win

22 MU PROFILE
**DUSTIN KING**
At just 32, he's stepping up to lead the family business

26 MU PROFILE
**KASH AKHTAR**
Swapping an engineering career for multi-brand franchising

30 MU PROFILE
**SHAHID HASHMI – RECONNECT**
Making up for a late start with rapid growth and 3 brands

34 MU PROFILE
**DEREK TATE – PRO ATHLETE**
Retired baseball pro pays it forward as a franchisee

38 RANKINGS
**MULTI-BRAND 50 RANKINGS**
Franchising's annual list of top operators and their brands

50 FEATURE

2020 MU FC MULTI-UNIT FRANCHISING CONFERENCE

AUG 31 – SEPT 03, 2020 | CAESARS FORUM

**2020 MUFC RESCHEDULED**
New venue, new agenda, new speakers promise a spectacular event

56 FEATURE

**EMMFC STORY**

European conference draws record crowds

60 FEATURE

**RESTAURANTS ON THE RUN?**

Technology is making “eating in” the new normal

68 CUSTOMER SERVICE

**ENERGY GIVER OR VAMPIRE?**

Which leadership style do you have?

70 PEOPLE

**ON-DEMAND HIRING**

A better way for hourly hiring is on the way

72 FINANCE

**EXPANSION PLANNING**

How to make $5 million in franchising

74 INVESTMENT INSIGHTS

**2020 FORESIGHT**

Obstacles and opportunities in the coming decade

76 SUCCESSION PLANNING

**FAMILY, IT’S COMPLICATED**

Partners, children, and the bottom line

78 EXIT STRATEGIES

**M&A TRENDS ACCELERATE**

2020 will be a busy year for deals!

80 MARKET TRENDS

**PRICING POWER**

Is opening a franchise getting less expensive?



**CHAIRMAN**
Gary Gardner

**CEO**
Therese Thilgen

**EXECUTIVE VP OPERATIONS**
Sue Logan

**SVP, CHIEF CONTENT OFFICER**
Diane Phibbs

**VP BUSINESS DEVELOPMENT**
Barbara Yelmene

**BUSINESS DEVELOPMENT EXECUTIVES**
Krystal Acre, Jeff Katis, Judy Reichman

**EXECUTIVE EDITOR**
Kerry Pipes

**MANAGING EDITOR**
Eddy Goldberg

**CREATIVE DIRECTOR**
Cindy Cruz

**GRAPHIC DESIGNER**
Kit Anderson

**DIRECTOR OF TECHNOLOGY**
Benjamin Foley

**WEB DEVELOPER**
Don Rush

**WEB PRODUCTION ASSISTANTS**
Esther Foley, Juliana Foley

**SENIOR MANAGER, EVENTS & PRODUCTION**
Katy Coutts

**SENIOR SUPPORT MANAGER**
Sharon Wilkinson

**PROJECT MANAGER, CLIENT ENGAGEMENT**
Joanne Peralta

**SENIOR SUPPORT COORDINATOR FRANCHISEE LIAISON**
Leticia Pascal

**VIDEO PRODUCTION MANAGER**
Greg DelBene

**SPEAKER LIAISON**
Chelsea Weitzman

**CONTRIBUTING EDITORS**
Jeff Bannon, Rod Bristol, Carty Davis, Luis Despradel, John DiJulius, Darrell Johnson, Carol Schleif, Mathieu Stevenson

**CONTRIBUTING WRITERS**
Helen Bond, Sara Wykes

**ADVERTISING & EDITORIAL OFFICES**
Franchise Update Media
6489 Camden Avenue, Suite 204
San Jose, CA 95120
Telephone: 408-402-5681
Fax: 408-402-5738

**SEND ARTICLE INQUIRIES TO:**
editorial@franchiseupdate.com

**MULTI-UNIT FRANCHISEE MAGAZINE IS PUBLISHED FOUR TIMES ANNUALLY**
Annual Subscription rate is $39.95 (U.S.)

**SUBSCRIPTIONS**
subscriptions@franchising.com
408-402-5681

**REPRINTS**
Foster Printing at 800-382-0808
www.fosterprinting.com

## EDITOR'S NOTE

This issue was written and closed before the coronavirus swept across the U.S., upending business as usual. We will be following up regularly at **franchising.com** with news from franchisees about how they are weathering the storm.



CHAIRMAN'S NOTE

# WE ARE LIVING IN UNPRECEDENTED TIMES

In a matter of weeks our world has been drastically changed by a disease that was unknown just a few months ago. Covid-19 has wreaked havoc on populations across the globe, killing thousands and making many more thousands ill. And while the economic toll will be far reaching and long lasting, human life and well-being are more valuable than dollars and cents.

As you know, Franchise Update Media and the Conference Advisory Board have decided to postpone the 20th annual Multi-Unit Franchising Conference, originally scheduled to be held April 14–17 at Caesars Forum in Las Vegas.

As of this magazine's printing, the conference has been rescheduled to August 31–September 3 at the same venue. Our hope is that this worldwide pandemic will be under control by then, and a sense of normalcy restored throughout our country and the world.

The rescheduled conference will include most, if not all, of our originally scheduled speakers, panelists, sponsors, and exhibitors, who have reconfirmed their commitment to be on board when the conference is relaunched. You will not want to miss NASA astronaut Captain Scott Kelly talking about his year in space; Kevin O'Leary, author and investor on ABC's "Shark Tank"; Dunkin' Brands Chairman Nigel Travis; and Flynn Restaurant Group CEO Greg Flynn—along with many other influencers in the franchising world who will be on hand to help celebrate the 20th anniversary of the MUFC.

This conference is unlike any other because it is designed specifically for multi-unit franchisees to network, share successes, and solve some of the challenges facing franchise operators, investors, brands, and suppliers. We are all dealing with unprecedented challenges with Covid-19. We will be sure to cover the impact of the coronavirus on our businesses, and how franchisors and franchisees are coping.

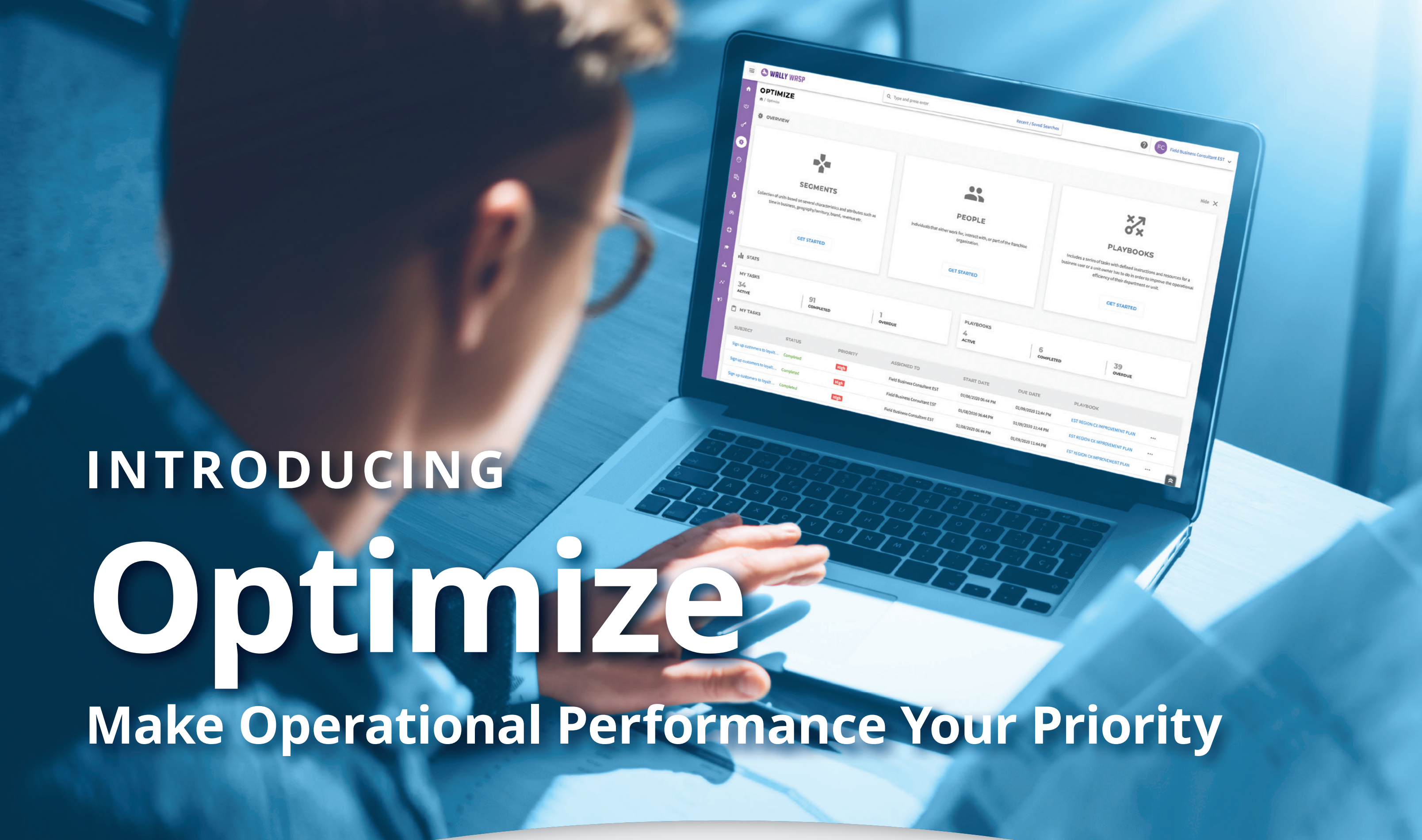
This will be my 15th year attending the Multi-Unit Franchising Conference, and it seems every year is better than the one before. That's the result of a great team at Franchise Update Media, and my fellow franchisees who have diligently served on the Conference Advisory Board over the years. Together, they know what content and value the franchisees, sponsors, and franchisors seek at this conference.

The knowledge shared during the conference will far exceed any value you hope for, with inspiring stories, franchising updates, varied business approaches, and a wealth of experience on display to be shared and learned from.

In times like these, we must unite as business leaders, as Americans, and as human beings.
Let's all do so at this year's MUFC.

Tony Lutfi
2020 MUFC Chair

Tony Lutfi




INTRODUCING

# Optimize

## Make Operational Performance Your Priority

### Here's what franchise experts have to say about Optimize:

"Optimize gives franchisors a competitive advantage that no other technology can offer.

– **Kay Ainsley,** *Managing Director, MSA Worldwide*

---

"Optimize creates an environment for collaboration and a constant feedback loop like nothing else can. It really has the potential to change the game.

– **John Francis,** *Next Level Franchise Group*

---

"The best franchisors in the business understand that franchise business consultants and multi-unit owners require remote access to KPIs and roadmaps to improve profit and cash flow. It all starts with identifying the KPIs that are essential for their business and the playbooks that outline the catalysts for change. Optimize has it. Very impressive.

– **Barbara Nuss,** *Owner, Profit Soup*

"Optimize helps franchisors measure franchisee performance in real time and notifies both support staff and franchisees of areas of concern, along with descriptors of the most probable causes and a recommended action plan, This tool will help the franchisor standardize and elevate its field support from one of 'compliance' to one of real strategic and tactical value, driving both the franchisee and support team to address problem areas as they occur.

– **Joe Mathews,** *CEO, Franchise Performance Group*

---

"Optimize is an integral part of how franchisors achieve accountability. It's the only platform you need to grow your franchise system.

– **Gerry Henley,** *President, Launch to Growth*

*Schedule your demonstration today*

franconnect

SALES@FRANCONNECT.COM · 1-844-344-4303 · +1-703-390-9300
WWW.FRANCONNECT.COM/FRANCHISE-SOFTWARE/OPTIMIZE

# Proven Results

## Hard work and dedication really do pay off

Written By **KERRY PIPES**


*"I have always been a worker. I started out at 12 or so with paper routes, and by the time I was 14 I was doing some summertime farm labor until I was 16, when I was able to get a 'real' job as a dishwasher."*

It took Eric Danver only 5 years to become the largest Hand & Stone Massage and Facial Spa franchisee in the system. In that time he grew to 16 units, more than 400 employees, and nearly $20 million in annual revenue. But that's not all. He also oversaw a Papa John's portfolio that reached 53 units at its peak before slimming back to a still-healthy 18 units today. It's all the result of a work ethic that has been part of his life since he was young.

"I started out at 12 or so with paper routes, and by the time I was 14 I was doing some summertime farm labor until I was 16, when I was able to get a 'real' job as a dishwasher," says the 57-year-old.

Danver, who's been in franchising for 25 years, began as an operating partner for a Papa John's franchisee. It didn't take him long to become a full partner. He says that was a real turning point in his career. "I earned a little equity early in the business and proved myself," he says. "The success we had resulted in me becoming a partner."

Until about 7 years ago, Papa John's was his sole business focus. That was when he discovered Hand & Stone. He began as a client who liked what he saw, then did further research, met with corporate leadership, including CEO Todd Leff, and decided he wanted to be part of the brand. Another bonus to operating Hand & Stone came later: his three youngest children have become part of the business.

"Each of them worked their way up all the way from working at the front desk to becoming regional managers," he says. "I've loved watching them grow into great leaders."

Today Danver is primarily focused on expanding the Hand & Stone portion of his business and wants to reach 50 units in the next 5 years. To do that, he has plans lined up that may include dipping his toe into the private equity pool for the first time. This year he's looking to acquire another 8 to 10 Hand & Stone spas. "We have two under our belt, so we're on our way."

**PERSONAL**

**First job:** I have always been a worker. I started out at 12 or so with paper routes, and by the time I was 14 I was doing some summertime farm labor until I was 16, when I was able to get a "real" job as a dishwasher.

**Formative influences/events:** My parents, wife, and faith have been, and remain, my biggest influencers.

**Key accomplishments:** Two of the biggest would be building the Hand & Stone business to 16 units in 5 years and becoming the largest franchisee in the system. We will do over $20 million

# Eric Danver, 57

*Founder & CEO, FGG Spa (Hand & Stone); President & COO, PJPA (Papa John's)*

**Company:** FGG Spa, PJPA

**No. of units:** 16 Hand & Stone Massage and Facial Spa, 18 Papa John's

**Family:** Wife Rosemarie, married 32 years; children Eric, Darielle, Zach, and Katie

**Years in franchising:** 25

**Years in current position:** 25

in revenue this year and employ more than 400 people. Second, I would say is our Papa John's business. At our peak, we owned and operated 53 and were doing over $40 million in revenue and employing more than 1,100 team members.

**Biggest current challenge:** Finding and retaining the right people. If you ask anyone in business today what their biggest challenge is, I believe most, if not all, would say it is people and surrounding yourself with the right team.

**Next big goal:** I really love Hand & Stone and want to continue to grow that business. We want to be at 50 units in the next 5 years.

**First turning point in your career:** When I was given the opportunity to be an operating partner and getting a piece of equity with my partners—that was a big turning point. Over time, once my two partners saw my work ethic and the success we were having, we became full partners and have remained close and are still in business together 25 years later. The other big one would be becoming a Hand & Stone franchisee. I see tremendous opportunity with the brand and am excited to keep growing it in the years ahead.

**Best business decision:** Franchising Hand & Stone. I was a client for a couple of years and really liked everything I could see about the business. My wife told me that she thought it would be a great concept to get into. I did a lot of due diligence and met with some competitors. But meeting the corporate team at Hand & Stone, including CEO Todd Leff, I felt they were going to be the clear winner in the category.

*"When I was given the opportunity to be an operating partner and getting a piece of equity with my partners—that was a big turning point. Over time, once my two partners saw my work ethic and the success we were having, we became full partners and have remained close and are still in business together 25 years later."*

**Hardest lesson learned:** In the early days, it was probably learning you can't do everything yourself. You have to surround yourself with great people. You reach a point at which you need to rely on people to make good business decisions for you. Every entrepreneur likes to have control, but you need to empower people to be successful.

**Work week:** I'm up early at 5 o'clock or so and like to get a lot done in the morning. One of the great things about being an entrepreneur is dictating my schedule. My family would say I'm a workaholic, but I certainly work hard to find a balance as my family is very important to me. My parents are still alive, I have a wonderful relationship with my wife, and we just welcomed our first grandchild (with a second on the way!), so family is extremely important. I work for 5 hours or so and then hit the gym for an hour or so. Afterwards, I'll put in a few more hours of work. And depending on the week and family schedule, I also get some things done in the evening. I also like to get out to our spas and stores as I really love seeing our people. I love it. I really love what I do, and I hope this always shows.

**Exercise/workout:** I'm an avid cyclist and like to ride five days a week or so. It's a good break in the day.

**Best advice you ever got:** My father told me to enjoy your children when they're young. It's so true. Life accelerates faster and faster the older you get, so it's important to cherish every moment.

**What's your passion in business?** I consider myself a people person and love to see young people take advantage of the opportunities we're able to provide them. It's just so awesome to see a young person join our team and work their way up to become an assistant manager, manager, and then regional and beyond. I have also had a few guys go on and become franchisees themselves, which is just so cool to see them fulfill their dreams. The other big one for me is having my three youngest children involved in the Hand & Stone business and watching them grow into great leaders. All of them started at the bottom helping at the front desk for years and have worked their way up to becoming regional managers.

**How do you balance life and work?** I think it's important to have balance and try to maintain that while spending enough time with my people so they know I care about and value their work. When my kids were growing up, I could go to sporting events and go back to work. I've been blessed to make my own schedule. That's why I like working for myself.

**Guilty pleasure:** I would say I have a pretty good sweet tooth!

**Favorite book:** *The Bible.*

**Favorite movie:** "One Flew Over the Cuckoo's Nest," "Rocky," and "The Deer Hunter."

**What do most people not know about you?** I've got a rough exterior since I'm pretty no-nonsense, so people might not know how sensitive I really am.

**Pet peeve:** Lazy people who don't care. People who don't try. I always say that I love a trier. My biggest pet peeve is people with the intellect and skill set to succeed who just don't put their best foot forward.

**What did you want to be when you grew up?** Like every kid, I wanted to be a cop or fireman. After that, I played hockey so had dreams of that, but never really had the skill set to do it

*"We like to analyze a lot of data but not get frozen in this. I heard a long time ago, 'What gets measured gets done,' and it is so true."*

professionally. I was always a hard worker and liked a good challenge, but didn't have a clue until I came into it later in life.

**Last vacation:** Skiing in Colorado a couple of weeks ago.

**Person I'd most like to have lunch with:** Wayne Gretzky. He has always struck me as a very humble, good family guy who was just such an amazing hockey player and I think beyond anything we've ever seen in the game of hockey.

**MANAGEMENT**

**Business philosophy:** Clients and customers are #1. We talk a lot about setting ourselves apart from other businesses with a world-class customer experience, and that is key. Every day, every one of our people needs to take care of our clients and make sure they know that we appreciate their business, and that without them we wouldn't be here. It's about taking care of your guests.

**Management method or style:** I really like the coaching model. I really believe it is our job as leaders to get the most out of our team and show them what they can accomplish when they work hard, stay focused, and really try their best. I'm also a big believer in accountability. We like to analyze a lot of data but not get frozen in this. I heard a long time ago, "What gets measured gets done," and it is so true. We also believe in total transparency. We share income statements with all our managers. We want them to understand and grow, to understand P&Ls, and really understand how everything is top-line related, and that the more revenue we have, the more opportunity there is for them.

**Greatest challenge:** People. You need to have enough people trying to take great care of your customers, but the right people too. If we have a happy staff who feel that we care, they're going to take care of our customers and clients.

**How do others describe you?** I would hope a good leader, a firm, fair, caring individual. Those are the attributes I'd hope they'd say. But that probably depends on the day. (Laughs.)

**One thing I'm looking to do better:** I try to get better every day and keep learning. It's constantly doing the gut check of asking myself, "What can I do to get better?" and really being honest with my assessment of how I am as a leader.

**How I give my team room to innovate and experiment:** With Hand & Stone and Papa John's, we give our managers the ability to control their business. Obviously, as a franchisee we have systems and want to stick with them, but we really try to incorporate the entrepreneurial spirit and want our managers to make decisions. If it is a major one we want to be included, but we want and allow them to make a lot of the daily decisions to run the business. We always say it is really simple as we just need to keep the clients #1, and that whenever a decision is to be made, ask yourself the question, "Will this help me gain or retain a customer, or is this more likely to cause me to lose a customer?" If the answer is to gain or retain, then do it.

**How close are you to operations?** I'm very close. I still enjoy it. I'm not in the locations every single day, but I try to get out to them on a regular basis and as much as possible.

**What are the two most important things you rely on from your franchisor?** Being ahead of the curve when it comes to innovation and technology. Also, protecting franchisees and the system in how they operate and approach the business.

**What I need from vendors:** Responsiveness. Like I ask our team to do, I ask them to care about our business. We try to live by the Golden Rule and that's what I expect from vendors. I'm very responsive to people. I get back to people day-of, regardless of who they are. I feel like people are owed the courtesy of returning calls and emails. I pride myself on that and I expect the same thing from our vendors.

**Have you changed your marketing strategy in response to the economy? How?** No. We haven't changed it. Do the right thing every day. Clients will notice a difference if you're providing a world-class experience.

**How is social media affecting your business?** It can have a very positive or a negative impact depending on the customer's experience. It can be a great asset. We do business where friends and family recommend us, and social media is just like that, it's word-of-mouth advertising. It can be a great help if you're providing a great product or service. With Hand & Stone we are providing something in people's lives who are very stressed out and we've benefited from positive reviews on social media. The other thing with social media is the advertising opportunities and understanding how people are getting information today and how best to get to these audiences. It is a whole other world than it was 25 years ago when it was just print and electronic media.

**How do you hire and fire?** We use different platforms for hiring and look for our best team members to bring on friends and family as well. We start with a phone interview and then do in-person interviews, the number of which depends on the position. Regarding terminating employees, this is a last resort as turnover is just so costly. However, keeping under-performers is even more costly, so it unfortunately is a part of the deal. We do a lot of coaching before any firing takes place unless it's an immediate drastic issue.

**How do you train and retain?** We have a lot of great systems and some great operations people who get it and invest in our teams and set them up to succeed. When they're put into a position to greet our customers and take care of them, they understand what they need to do for success.

**How do you deal with problem employees?** The best thing is to never be passive-aggressive. We want to bring up concerns immediately, discuss what the issue is, and decide how we can fix it immediately. There are variables that play into that. But we're typically going to have a good face-to-face talk and decide where to go from there.

**Fastest way into my doghouse:** Being deceitful. I won't stand for sneakiness. Play it straight. If you make a mistake, own it. We all make mistakes every day. It goes so much further if people own up to it and communicate it to me. It's a sign of strength. Asking for help or saying you don't understand is a sign of strength, not weakness.

www.RNRFranchise.com


# DIVERSIFY YOUR PORTFOLIO

JOIN THE **FASTEST GROWING TIRE** AND **WHEEL** FRANCHISE IN AMERICA

## TOP 20 STORES

# $2,117,326

2018 MEDIAN TOTAL REVENUE*

# $441,982

2018 MEDIAN OPERATING REVENUE*

- OVER 130 LOCATIONS
- OPERATING IN 24 STATES
- OVER 20 YEARS IN BUSINESS
- TURNKEY MARKETING & ADVERTISING PROGRAMS
- NATIONAL VENDOR PROGRAMS
- *UNIQUE BUSINESS MODEL*

FOR MORE INFORMATION, CONTACT:

VINCE FICARROTTA

**800.449.8744**

FRANCHISE@RNRTIRES.COM

VET ★ FRAN

IFA INTERNATIONAL FRANCHISE ASSOCIATION

Entrepreneur FRANCHISE 500 RANKED #1 IN CATEGORY 3 CONSECUTIVE YEARS

*The figures above reflect averages for the 20 top revenue stores (25%) of the 81 stores reporting that opened in 2016 or prior and have been open at least 24 months. These averages are based on a 52-week annual period from January 1, 2018 through December 31, 2018. Of these 20 stores, 9 (45%) had higher total revenue and 9 (45%) had higher operating income. This information has been taken from our item 19 in our FDD. A new franchise owner's results may differ from the presented performance. There is no assurance you'll do as well. If you rely upon our figures you must accept the risk of not doing as well. Entrepreneur - Franchise 500 "Ranked #1 in Category" was for the years 2016-2018. THIS ADVERTISEMENT IS NOT AN OFFERING. AN OFFERING CAN ONLY BE MADE BY A PROSPECTUS FILED FIRST WITH THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK. SUCH FILING DOES NOT CONSTITUTE APPROVAL BY THE DEPARTMENT OF LAW. 

**BOTTOM LINE**

**Annual revenue:** Hand & Stone, $20 million. Papa John's $13 million.

**2020 goals:** We'd like to acquire and hit at least 8 to 10 more Hand & Stone locations this year. We have two under our belt, so we're on our way.

**Growth meter: How do you measure your growth?** Comparable sales is what we focus on with both Papa John's and Hand & Stone. I can pull data every day to see where we stand on a daily basis versus last year; forecasting and more analytics.

**Vision meter: Where do you want to be in 5 years? 10 years?** In 5 years, I want to be at 50 units for Hand & Stone. In 10 years, I want to be retired.

**Do you have brands in different segments? Why/why not?** I saw the opportunity with Hand & Stone specifically. Food was always what I had done in the past, but I really loved the concept and the leadership at Hand & Stone. So far, so good. It proved to be a smart play.

**How is the economy in your regions affecting you, your employees, your customers?** When I first looked at Hand & Stone, the economy was kind of in the dumper. And what I saw was all of these mature spas were still having 75 to 100 new customers coming in every week on top of their regular clients. They were still coming into the spas in droves. I thought to myself, "If this is how people are responding to these services and brand when the economy is bad, what will it be like when the economy gets better, which inevitably will happen?" We're still seeing around 15 percent growth year after year with spas that are now over 5 years old, and all of them just continue to grow. This kind of sustainable growth is just unheard of and really exciting for us.

**Are you experiencing economic growth in your markets?** Yes, with Hand & Stone it has been significant.

**How do changes in the economy affect the way you do business?** Again, it goes back to doing the right things every day and making sure that your clients understand that you value them. I always tell people that we're in the customer service business. If we take care of the customer, all will be well at the end of the day.

*"We go out of our way to make sure our team understands that we care about them. I'll pick up the phone to thank employees who stand out, are recognized by a client review, or if I'm just hearing that they're doing a good job. A three-minute phone call can pay huge dividends when they know that everyone, all the way up to the top, cares about them and is acknowledging their hard work and efforts."*

**How do you forecast for your business?** We have historical data that we look at. We can see membership growth year after year with Hand & Stone, so it's easier to forecast the expected business in the coming year.

**What are the best sources for capital expansion?** Up to this point, our growth has been funded within our company with my partners and myself. We have very little debt. However, as I mentioned, our goal is to get to 40 to 50 units in the next 5 years, and to do this we are now preparing to go out to the private equity market to fuel this growth.

**Experience with private equity, local banks, national banks, other institutions? Why/why not?** We have not worked much with lenders up to this point, as most of our growth has been self-funded except for one acquisition we did through a local bank with an SBA loan.

**What are you doing to take care of your employees?** We had our holiday celebration in Atlantic City and took all of our managers to the Hard Rock Cafe and did our banquet and awards there. We have longevity bonuses in place. If our managers hit their budgeted sales on top of bonus opportunities they are rewarded. We reward for loyalty and for performance. Last, and most important, is to live by the Golden Rule of treating others as we would want to be treated ourselves.

**How are you handling rising employee costs (payroll, minimum wage, healthcare, etc.)?** Fortunately, the revenue stream for our Hand & Stone business has been climbing so we're able to overcome some of those rising costs. Inflation is a part of the economy, but the impact is less when revenue is climbing at a much higher rate. At our Papa John's business, this has had a profound impact because, for most of the kids we hire, it is their first job and so historically they have been at minimum wage. You factor this in, as well as health care, escalating occupancy costs, etc., and it has just become harder and harder to overcome these headwinds in the QSR category.

**How do you reward/recognize top-performing employees?** We try to do a good job with this as we know just how important it is. We use a lot of different ways to recognize our teams, such as on a platform called Slack that all employees are on. We're constantly putting out data, and when we get positive client surveys we put that out there and are constantly using this to share top performance stories. In addition to this, we have monthly meetings to recognize our top performers. We go out of our way to make sure our team understands that we care about them. I'll pick up the phone to thank employees who stand out, are recognized by a client review, or if I'm just hearing that they're doing a good job. A three-minute phone call can pay huge dividends when they know that everyone, all the way up to the top, cares about them and is acknowledging their hard work and efforts.

**What kind of exit strategy do you have in place?** For Hand & Stone, we see private equity as an opportunity to cash out a bit now, and then cash out the rest down the road, if things go as planned. For Papa John's, if the right buyer came around, I'd entertain offers as our primary focus is on the Hand & Stone business. ■

# Franchise Financing in Uncertain Times

WRITTEN BY
Helen Bond

*When it comes to franchising in 2020, expect the unexpected. In this year of guaranteed change, there's one thing you can count on -- the franchise finance experts at ApplePie Capital.*

In this age of uncertainty, there's one thing we know for sure about what's next for franchising.

"2020 is a year of guaranteed change," says Ron Feldman, ApplePie's Chief Development Officer. "We are clearly at the end of an economic cycle, which will cause change. We are in a rocky period politically, which may or may not result in change, but that creates uncertainty. We are also starting to see signs of tightening credit at the lower end of the debt markets, and there seems to be a rush to quality on both the franchisor and franchisee sides. What that means is that your brand and balance sheet matters more now than it has in the past five years."

The good news? When times get tough, franchising historically provides proven brands with strong track records a pathway to growth and a slew of opportunities to get more in the way of location and tenant improvement allowances—for less.

"Successful brands will continue to get access to capital, along with franchisees that are not overly leveraged and have decent liquidity and good cash flows," adds Randy Jones, Head of Originations at ApplePie Capital. "I don't think we are headed towards a complete shutdown, but there is going to be a restriction, and lenders are going to look for borrowers who have a little more wiggle room, as opposed to being completely leveraged. To be armed and ready for any belt-tightening requires forward-thinking franchises to take a proactive and thoughtful approach to growth."

### HERE ARE 4 KEY STRATEGIES TO EMPLOY:

1. **Keep it clean.** Economic uncertainty typically leads to increased lender scrutiny. Financial statements and related records should be concise, transparent—and current. This fiscal discipline includes taxes. To put your best business foot forward, avoid running personal expenses through P&L, and resist the temptation to file an extension.

2. **Be a trend monger.** Anticipate what lenders will ask and know the answer in advance. Sales and revenue trends are key, along with EBITDA and any measure in between, such as costs of goods and labor. If trends are negative, be prepared to share what counter plans are in place. Don't forget to consider expenses on the horizon, such as potential remodels and new builds. Drilling into the numbers is all part of a well-thought-out plan to manage and oversee future growth, notes Jones.

3. **Practice the "what if" scenario game.** Prepare for a potential sales slip with self-assessment. What does your enterprise look like at $950,000, versus a $1 million operation? Are there areas to trim expenses, both professionally and personally? Avoid potential problems that can occur with a tougher stance on loan covenants. Know the warning signs, such as declining revenue or excessive leverage, so a loan covenant isn't inadvertently tripped.

4. **Navigate the political landscape when possible.** No matter what the November presidential election brings, it's critical to be actively aware of legislation that impacts the franchise model, and when combined with the mandated higher minimum wage and an economic downtown, could further harm your business. To stay on top of breaking industry news and make your voice heard, register with the IFA's grassroots Franchise Action Network (franchiseactionnetwork.org) to receive a bi-monthly update on the latest headlines impacting franchising at the federal and state levels.


### FRANCHISE FINANCING MADE SIMPLE

No matter what the future holds, brands and franchisees seeking sustainable success to scale development can count on the franchising industry pro ApplePie Capital, a capital markets and subject matters expert and one of the nation's largest franchise lenders.

"We have been through recessions—with an 's'—and we know how to navigate through uncertain times," says Feldman. "Franchising grows through most recessions, which is positive. We have stress-tested our entire brand portfolio internally, and we are there with multiple sources of capital for the brands and the borrowers that we work with. We provide predictability at a level that they could not provide on their own."

ApplePie creates custom lending programs for each brand tailored to meet the full spectrum of financing needs for their franchisees, focused on future growth from the start. The company funds loans across the United States, ranging from a $10,000 equipment loan to a $20 million multi-unit acquisition and refinance.

ApplePie has already surpassed $600 million in loans originated since their official launch in 2015, and have secured an additional $500 million in committed capital from investors for new loans in the next few years. ■

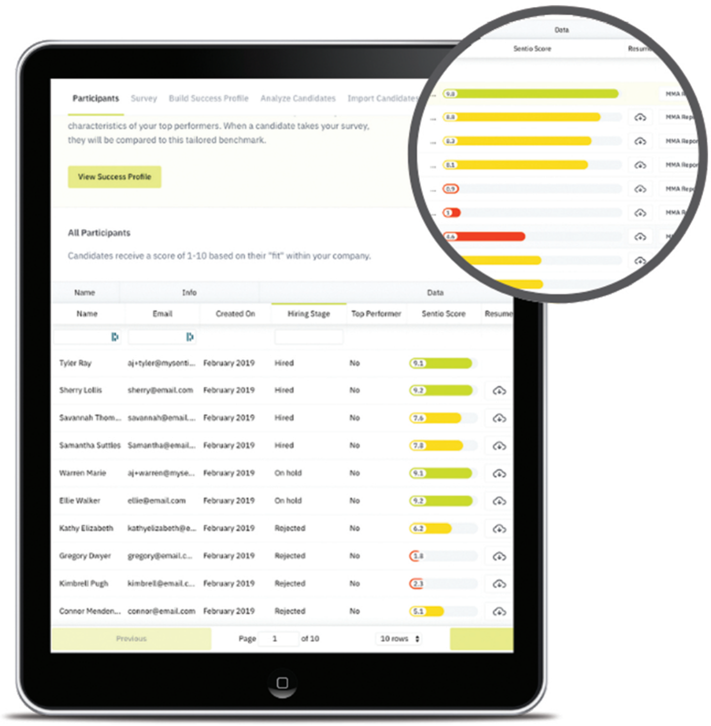
Submit your inquiry online today at **applepiecapital.com/getstarted** or contact us at **1-844-734-GROW** to schedule a free consultation to discuss how to ensure your growth in these uncertain times. Together, we'll plant the seeds for your success. Easy as ApplePie.

# FROM BURGERS to Waffles


## With a dash of energy-efficient technologies on the side

Written By
**KERRY PIPES**

# Reduce employee turnover and grow your franchise.




LESS SCREENING

FEWER INTERVIEWS

BETTER HIRES

REDUCED TURNOVER

"After seeing the technology working in 5 of my locations, I decided to roll it out to all 25. **We are McLovin' it!"**

McTribe - Frankfort, KY

**Trusted By 100s of Brands**

**HIRE WITH SENTIO**

mysentio.com 843-352-8630

**SENTIO**

Applicant Matching Platform

# Neal & Julie Starling

*Co-owners*

**Company:** Gold Valley Development & Larkin Foods

**No. of units:** 5 Five Guys, 8 Bruxie (1 open, 7 in development)

**Age:** Neal, 56

**Family:** Married

**Years in franchising:** 11

**Years in current position:** 11

Franchising was not the first career choice for Neal Starling, but he says it's been the best one. Starling, who operates five Five Guys Burger & Fries and a single Bruxie (with an agreement for seven more) in Southeastern Alabama says, "Starting a franchise business and providing jobs and security for so many employees and their families has been so rewarding."

He's proud to say that he and his wife Julie are co-owners and partners in their business operations, as well as in life. The latter has been at the forefront lately, with Julie currently going through treatments for breast cancer that returned after more than 17 years. Both the prognosis and their attitudes are positive.

Starling's early career was in the Fortune 500 arena working for major corporations such as Emerson, Tyco Electronics, Entergy, and Southern California Edison. Eventually, the entrepreneurial itch became too great to ignore. "I realized that I wanted to build a business on my own," he says. That's when he discovered Five Guys and the opportunity to open a franchise while still working his corporate job.

"Julie and I had to bet on ourselves as we set out on the new challenge of a franchise business," he says of their decision 11 years ago. "We were betting our life savings on this." It turned out to be a good bet that was bolstered by their determination and willingness to make it work.

Starling also is a partner in NCA Lighting Solutions, a company that designs and implements energy-efficient interior and exterior LED lighting retrofits and provides lighting maintenance programs. And, in the quest for more sustainable and efficient energy systems, NCA also sells and installs Software Motor Company's energy-efficient Smart Motor System.

Last year, the Starlings began investigating opportunities to diversify their portfolio and found Bruxie, an emerging fast-casual waffle sandwich chain. They liked what they saw and signed on for 8 locations. They were set to open their first in March and are in the planning stages for the next ones. "We are truly excited to be bringing Bruxie locations to our markets," he says.

Now 56, Starling says he and Julie are still working on an exit strategy and are leaving options open. One of the first things Julie has on their retirement agenda is to hit the high seas for an around-the-world cruise—and he's on board with that.

**PERSONAL**

**First job:** I was a bag boy at IGA and Julie was a cashier at a hoagie restaurant.

**Formative influences/events:** I have been fortunate to have some very positive role models in my life, starting with my mother. After her divorce from my dad, she moved us three kids into a government-subsidized apartment and every day made sure we kept a positive attitude. Through her multiple jobs, she also demonstrated that hard work will pay off. I firmly believe that it is from my mom where I get my determination and focus, and I owe much of my success to her. Another major influence in my life would be the group of Sigma Chi fraternity brothers I met at Troy University in 1982. This group of boys/men showed me that goal-setting, focused efforts, and never shirking from hard work, combined with a major dose of accountability, would make us all successful. Even to this day, at least 20 of these brothers talk or text each other every day in a group text. This group also taught me that while we have to work hard, we can play hard too! You have to find the fun in everything you do! Julie was influenced by her father. After retiring from the US Air Force as a full colonel and running a successful real estate brokerage, he directed her away from her marine biology goal toward a business degree.

**Key accomplishments:** Being the first child in my family to attend and graduate college, as well as marrying Julie and helping raise three great kids. On the business side, I have had many accomplishments working for major corporations such as Emerson, Tyco Electronics, Entergy, and Southern California Edison. But starting and developing a franchise business and providing jobs and security for so many employees and their families is truly the biggest accomplishment. Julie has achieved her MBA degree in business and considers our 30-year-plus marriage and three successful adult children key accomplishments in her life.

**Biggest current challenge:** On a personal side, it has to be currently going through the treatments for Julie's second round of breast cancer after being cancer-free for more than 17 years. On the business side, our greatest challenge is finding good people who want to work and helping them achieve their goals in life while working at our restaurants.

**Next big goal:** Introducing Bruxie restaurants to the South and helping build a great brand.

**First turning point in your career:** While working for Fortune 500 companies, I realized that I wanted to diversify my experiences and build a business on my own. I was lucky enough to have been introduced to the Five Guys brand and family who gave us the opportunity to do so while still working my day job.

**Best business decision:** Betting on myself and Julie to develop a business not knowing all of the challenges that lay ahead of us. This simple belief in ourselves gave us the determination and willingness to bet all of our life savings on a franchise business.

**Hardest lesson learned:** Early on, I brought a friend into the business who did not have the same focus, determination, or financial investment into the business, and it did not end well. Working with friends can be very challenging and detrimental to the business.

**Work week:** I'm not sure the work week ever ends! With two franchise businesses and an electrical and lighting services company, I find myself working very odd hours, and so does Julie. I do believe you have to schedule quality time off to appreciate why you work so hard. I am fortunate that my wife loves to travel and plans incredible vacations.

**Exercise/workout:** I enjoy golf, hiking, and the gym—and I need to do all three more often! Julie enjoys tennis, yoga, and hiking the best.

**Best advice you ever got:** "You're not born a dog and die a cat." This means you are who you are and don't try to be something you are not. People will respect, trust, and support you more if you show your honest self.

**What's your passion in business?** Being able to continue to build a business that employs people and be a place to be proud to work for. I am extremely proud that our personal investment in time and money has provided jobs and careers for so many! We actually have three general managers running stores today who started on the grill or cash register 10 years ago and have grown with our business.

**How do you balance life and work?** My wife helps hold me accountable to balance life and work. I have to be reminded that I work to have a life, not live to do work. When we take time off, I set boundaries around the times I will be available for work-related things.

**Guilty pleasure:** Bourbon for me, chocolate for Julie.

**Favorite book:** *The Reagan Diaries* by Ronald Reagan for me, *Atlas Shrugged* by Ayn Rand for Julie.

**Favorite movie:** I like "Wolf of Wall Street." Julie likes "Pitch Perfect."

**What do most people not know about you?** During my senior year in high school, I lived in the garage apartment of a family friend. Julie looks for "pennies from heaven" on the ground and so far has found nine.

**Pet peeve:** For both of us, it is people who are time wasters and lazy.

**What did you want to be when you grew up?** I wanted to be a politician and Julie wanted to be a marine biologist.

**Last vacation:** We both enjoyed the Dauphin Island, Alabama, Mardi Gras celebration. The very first Mardi Gras was celebrated there many years before it was celebrated in New Orleans. As a result, Mobile (just north of the island) is the birthplace of Mardi Gras.

**Person I'd most like to have lunch with:** Both of us would love to have lunch with our mothers who have passed away.

**MANAGEMENT**

**Business philosophy:** "Trust but verify" is definitely our business philosophy. Provide a positive framework, set realistic expectations, hire the right people, and stay out of their way.

**Management method or style:** Visionary. Giving managers the autonomy to self-direct and make sure they feel it is their personal store and responsibility.

**Greatest challenge:** Motivating crew members to be customer-oriented all the time during their work hours and finding quality people.

"Trust but verify' is definitely our business philosophy. Provide a positive framework, set realistic expectations, hire the right people, and stay out of their way."

"Word of mouth from one customer to the next drives our success. Delivery companies such as Uber Eats and DoorDash have really changed the fast-casual business and we are continually adjusting to improve our operations to support this growing customer base."

**How do others describe you?** I am determined, dependable, and fun. Julie is adventurous, fun, and kind.

**One thing I'm looking to do better:** We both are keeping a strong focus on our personal health and are working to set barriers with our time so that work does truly end at the end of the day.

**How I give my teams room to innovate and experiment:** We have set up a management structure that allows the managers to make decisions at the store level to ensure each customer's satisfaction—no statements of, "You will have to contact our corporate office." Instead, take care of every customer immediately, since they are the sole reason for the business to even exist! Also, every manager and crew member knows that the door is always open to reach us directly, and we can have clear and honest discussions. Reward success. And when a mistake is made, understand how it happened, then fix it and train others so it does not happen again.

**How close are you to operations?** We are involved as needed in the daily operations of the stores. We have hired great people and have given them the responsibility and accountability to make things happen.

**What are the most important things you rely on from your franchisor?** Protection of our corporate brand, communication, and brand marketing.

**What I need from vendors:** On-time deliveries and easy communication channels to resolve problems when they arise. I believe the best vendors step up to help when there is a problem.

**Have you changed your marketing strategy in response to the economy? How?** We continue to support our local communities to drive awareness of our brand. Word of mouth from one customer to the next drives our success. Delivery companies such as Uber Eats and DoorDash have really changed the fast-casual business and we are continually adjusting to improve our operations to support this growing customer base.

**How is social media affecting your business?** Social media seems to be the only way to promote in today's world. We use all of the tools provided by our franchisor and also maintain local social media to support our business. We do our best to connect with our customers and follow up on both positive and negative comments.

**How do you hire and fire?** When it comes to hiring we prefer referrals, but we also use university job service offices and job fairs, Facebook notices, CareerBuilder, talentReef, LinkedIn, and ZipRecruiter. When we have to fire an employee it is very personal and one-on-one.

**How do you train and retain?** Training videos and tests, on-the-job training, reinforcement and repetition, bonus programs and contests, quarterly meetings, holiday parties, and breakfasts. I believe that if we invest in the development of our employees they will know we care about them.

**How do you deal with problem employees?** We first need to determine what the underlying problem is and work with them to improve. But in real life if they don't improve or don't try, you have to cut them from the team.

**Fastest way into my doghouse:** Laziness and not being customer-oriented.

**BOTTOM LINE**

**Annual revenue:** N/A.

**2020 goals:** We are focused on completing refresh programs and opening new restaurant locations.

**Growth meter: How do you measure your growth?** Year-over-year sales and net profit from a financial standpoint. From a development standpoint, what was our employee turnover at a staff level and management level.

**Vision meter: Where do you want to be in 5 years? 10 years?** I want to be retired, but still supporting a growing business where individuals can grow and develop into better entrepreneurs. I really want to teach others how to take a measured risk and be a successful entrepreneur.

**Do you have brands in different segments? Why/why not?** From a franchisee restaurant standpoint, we are only in the fast-casual segment, but we do have other businesses that are focused on energy efficiencies such as LED lighting and smart motors.

**How is the economy in your regions affecting you, your employees, your customers?** It has helped and hurt. On the positive side, we believe more customers are driven to the fast-casual category looking for a higher-quality product, and with both brands we can provide a great dining experience.

**Are you experiencing economic growth in your markets?** Yes, we see a same-store sales increase at every location. The latest trend of delivery services such as Uber Eats and DoorDash is helping new customers experience our high-quality product and making it easier for our loyal customers to enjoy their favorite meals.

**How do changes in the economy affect the way you do business?** The economy continues to increase in our markets, driving increases in the sales at the restaurants and through the delivery companies. The key is to deliver the highest-quality product and a customer experience that will be remembered and talked about.

**How do you forecast for your business?** We keep daily sales calendars that track year-over-year. We also track special events that are happening or that happened last year. Using these tools and the software provided by the franchisor helps us in our forecasting.

**What are the best sources for capital expansion?** We have built a strong relationship with a regional bank. They have continued to understand our business and support our efforts in expansion.

**Experience with private equity, local banks, national banks, other institutions? Why/why not?** As a restaurant franchise business, we have experience only with our regional bank that has supported us. I have worked with private equity partners in my other businesses, and they do provide a tremendous opportunity for growth if the right business relationship can be built.

**What are you doing to take care of your employees?** We always make sure to check in on their personal life, their kids, their health, and keep tabs on what's going on. We also encourage them to get additional schooling if desired, motivate them with compliments, involve them with key aspects of the business, and allow them to develop.

**How are you handling rising employee costs (payroll, minimum wage, healthcare, etc.)?** We have to take those costs out of other areas of the business. Employees who better understand the real cost of running the restaurant help find ways, and we reward those ideas. We were thrilled when one employee found a source of revenue through a private academy that outsourced their lunch program. We are their "Five Guys Fridays!"

**What laws and regulations are affecting your business and how are you dealing with them?** We are continually monitoring all regulations affecting our business. We work with other franchisees to develop best practices that help us respond to these changing laws and regulations.

**How do you reward/recognize top-performing employees?** Quarterly bonus programs, a personal vacation for the yearly top-producing store manager, specialty contests throughout the year for all crew members, providing treats (like cookies) to the store for everyone, positive messages through cards, phone calls, and emails, and money in the crew tip jar.

**What kind of exit strategy do you have in place?** We are still working on that. We are trying to leave as many options open, as the business environment we live in today is continually changing. Julie wants to take an around-the-world cruise upon exiting, so we have a great goal in place. ■

> "Employees who better understand the real cost of running the restaurant help find ways, and we reward those ideas. We were thrilled when one employee found a source of revenue through a private academy that outsourced their lunch program. We are their 'Five Guys Fridays!'"

# FUEL YOUR MULTI-UNIT GROWTH

## TOP-QUARTILE AVERAGE ANNUAL GROSS SALES - $730,278*

* $730,278 is the average gross sales of the top 25% of all traditional franchised units in operation for the entire calendar year ended December 31, 2018. Of the 185 franchised units included in the average gross sales for the top 25%, 73 franchised units (40%) met or exceeded the average gross sales. There is no assurance, however, that you will do as well. See Item 19 of the Smoothie King® Franchise Disclosure Document dated April 2, 2019 for more information.

## INCENTIVES FOR MULTI-UNIT DEVELOPMENT

**SITE SELECTION**

Develop an entire territory and pursue more real estate options

**FLEXIBLE DEVELOPMENT FEES**

Pay half of the development fee upfront and pay the rest at a later date

**STRAIGHTFORWARD CAPITAL REQUIREMENTS**

Minimum financial requirements are the same as standard financial requirements

Call us at **985.635.6984** or visit **SmoothieKingFranchise.com**

SMOOTHIE KING


# SNACKING TO SUCCESS

## Here comes the 3rd generation of the family business

Written By
**KERRY PIPES**

Dustin King, a 32-year-old third-generation operator, is fully engaged in building his family's snack empire. King, who grew up in the business, is now overseeing holdings that include Auntie Anne's, Häagen-Dazs, Cinnabon, Planet Smoothie, Jamba, Nestle Toll House Cookies, and Carvel. Today, the business has more than 60 locations and is still growing.

The company was started by his grandparents in 1992 as a single Auntie Anne's in Knoxville, Tennessee. By age 12 King was working a cash register at the shop. He went on to attend college at Coastal Carolina University, where he was a walk-on baseball player. Afterwards, he returned to the family business and opened his first store in 2009. A year later, when the family gobbled up 10 stores in just 90 days, King says he knew then that he was committed to continuing. In mid-2017, the company began a streak of opening 16 Auntie Anne's locations in 16 months.

Last September, King signed a deal to open 16 Jamba units. Many will be co-branded with Auntie Anne's. He's already opened four Jamba locations and will spearhead the brand's growth in South Carolina, North Carolina, and Tennessee.

King says the family—including brother Derek and parents Andy and Lisa, who also are involved—has focused on snack brands and mall locations and have been successful with the approach. He doesn't seem worried by the decline of malls and their growing vacancies. He says controlling the snack locations in carefully selected malls eliminates competition and leverages resources.

His philosophy is simple and effective: "Own all the snack offerings in the mall space and beyond and be a one-stop shop for landlords," he says.

Auntie Anne's was the first brand the King family became involved with and King says he is proud to have been selected to serve on the brand's franchise advisory council when he was just 23.

You can find the company's stores throughout malls in Georgia, Tennessee, South Carolina, and North Carolina—with more on the way this year. "We plan to open four more Jamba locations in 2020, we'll remodel a couple of stores, and work out some lease renewals," says King. A Millennial's work is never done...

# Dustin King, 32

*CEO*

**Company:** SE Co-Brand Ventures

**No. of units:** 32 Auntie Anne's, 8 Häagen-Dazs, 8 Cinnabon, 4 Planet Smoothie, 4 Jamba, 3 Nestle Toll House Cookies, 2 Carvel

**Family:** Engaged

**Years in franchising:** 10 full-time

**Years in current position:** 2

## PERSONAL

**First job:** Working at my grandparents' Auntie Anne's in Knoxville, Tennessee.

**Key accomplishments:** Walking on for the Coastal Carolina baseball team and winning three regionals. I'm also the first one in my family to graduate college, and I was voted onto Auntie Anne's franchise advisory council at 23.

**Biggest current challenge:** Balancing my work life and my personal life.

**Next big goal:** To get married and start a family.

**First turning point in your career:** It came in 2010. We were able to buy 10 stores in just 90 days.

**Best business decision:** Forming a new company and joining forces with another operator who has a common vision and goals.

**Hardest lesson learned:** Partnerships are not easy.

**Work week:** During a traditional work week, I'll visit stores that are under construction and will work with managers on any labor challenges they are experiencing. It's important for me to get my hands dirty and work to ensure that everything is in place so each store is successful from the beginning.

**Exercise/workout:** Walking in the park.

**Best advice you ever got:** Do things right and do the right thing.

**What's your passion in business?** Serving the best snack product we possibly can, while knowing that we are the best in class.

**How do you balance life and work?** My fiancée has been an integral part of helping me balance the two. Before she came into my life, I was struggling to find the balance. She's helped me immensely in that regard.

**Guilty pleasure:** Häagen-Dazs strawberry ice cream.

**Favorite book:** *Think and Grow Rich* by Napoleon Hill.

**Favorite movie:** "Home Alone."

> "Our greatest challenge continues to be the labor market. Finding, recruiting, and retaining top talent on all levels is an obstacle we are constantly trying to overcome."

**What do most people not know about you?** Beginning at a young age, I took an interest in handyman skills I learned from my father and grandfather. I've used those skills to build stores from scratch.

**Pet peeve:** Tardiness.

**What did you want to be when you grew up?** I've always wanted to be in business with my dad.

**Last vacation:** Turkey with my fiancée and her parents.

**Person I'd most like to have lunch with:** Mark Cuban.

## MANAGEMENT

**Business philosophy:** Own all the snack offerings in the mall space and beyond and be a one-stop shop for landlords.

**Management method or style:** Fair, firm, and consistent.

**Greatest challenge:** Our greatest challenge continues to be the labor market. Finding, recruiting, and retaining top talent on all levels is an obstacle we are constantly trying to overcome.

**How do others describe you?** Intense and direct.

**One thing I'm looking to do better:** Improve my communication skills.

**How I give my team room to innovate and experiment:** Give them flexibility when it comes to local marketing and catering.

**How close are you to operations?** I'm out in the field almost every day.

**What are the two most important things you rely on from your franchisor?** Trust and transparency.

**What I need from vendors:** Reliability, consistency, and responsiveness.

**Have you changed your marketing strategy in response to the economy? How?** A lot of our marketing focus is now on catering and third-party delivery.

**How is social media affecting your business?** It's had a positive and negative influence. Our guests are quick to post their great experience online, but may also share any negative experience with their following. We have to ensure that each guest is satisfied whenever they come through our stores.

**How do you hire and fire?** Hire slow, but fire fast.

**How do you train and retain?** We use training videos and our method is to show, do, and review. We are able to retain our workforce by staying engaged and using consistent evaluations to monitor progress.

**How do you deal with problem employees?** Through disciplinary write-ups and performance improvement plans.

**Fastest way into my doghouse:** Dishonesty.

## BOTTOM LINE

**Annual revenue:** $20 million.

**2020 goals:** Open four Jamba locations, lease renewals, and two store remodels.

**Growth meter: How do you measure your growth?** By units, gross sales, and net profit.

**Vision meter: Where do you want to be in 5 years? 10 years?** In 5 years, I would like to have increased revenue to $30 million.

**Do you have brands in different segments? Why/why not?** We only have snack brands. Our model is to own all the snack locations in a venue. This eliminates competition and leverages our resources.

> "We only have snack brands. Our model is to own all the snack locations in a venue. This eliminates competition and leverages our resources."

**How is the economy in your regions affecting you, your employees, your customers?** When the economy is strong and unemployment is low, it makes it difficult to hire and retain top talent.

**Are you experiencing economic growth in your markets?** Yes.

**How do changes in the economy affect the way you do business?** We are being very strategic about where we are growing right now because the labor market is so challenging and sparse.

**How do you forecast for your business?** As a percentage based on last year's sales.

**What are the best sources for capital expansion?** We have a banking relationship with BB&T.

**Experience with private equity, local banks, national banks, other institutions? Why/why not?** It's important to build a banking relationship because a large part of our business is cash.

**What are you doing to take care of your employees?** We reward them with performance-based bonuses. I also like to show my appreciation with smaller things like gift cards, holiday parties and taking them out to eat. We are only as good as our team, so it's important for them to know how much we appreciate them.

**How are you handling rising employee costs (payroll, minimum wage, healthcare, etc.)?** We use Zignyl, which is a management software tool that helps us with scheduling and timekeeping. We have seen a reduction in our overall cost. It also gives us a variance of actual time worked versus scheduled time worked.

**What laws and regulations are affecting your business and how are you dealing with it?** This has not affected us.

**How do you reward/recognize top-performing employees?** They love brand swag, so we like to reward them with some cool items.

**What kind of exit strategy do you have in place?** I'm still young, so my strategy is growth and acquisitions. I'm not currently thinking about an exit strategy.■

> "We are only as good as our team, so it's important for them to know how much we appreciate them."

# Finding His Way

## *Kash Akhtar trades engineering for franchising*

Written By **KERRY PIPES**

Mohammad "Kash" Akhtar says his father taught him to work hard and never give up. But when his father passed away, he had to pick up the pieces and figure out just where he wanted to take his career.

He remembered his first job at Dairy Queen. Long shifts and hard work taught him about franchising and what it takes to succeed as a franchisee. He also learned it takes teamwork, customer service, and delivery of a consistent product. But Akhtar's professional journey did not begin in the franchising world. He was an engineer at Xerox before getting the entrepreneurial bug and setting out on his own. "I just really wanted to try it for myself," he says.

He did, and has done well for himself with three franchise brands over the past 14 years, starting with Liberty Tax and 9Round Fitness. Now the 43-year-old has teamed up with Tierra Encantada, the Spanish-immersion daycare and preschool for children 6 weeks through 6 years old. Akhtar holds the distinction of signing the brand's first franchise agreement and is scheduled to open three units, starting in Charlotte and Houston.

"Tierra Encantada is a very strong concept that provides a needed service to future generations," he says. "I can't wait to get these open."

Though his new brand will take up much of his time, he'll remain actively involved with his four Liberty Tax units, and as a partner in seven other Liberty Tax locations and two 9Round gyms.

Akhtar, a hands-on operator who generates more than $1.2 million annually from his Liberty Tax units, has high hopes for Tierra Encantada. "I feel confident we can do half a million with Tierra Encantada this year," he says. In the next few years, he hopes to have as many as five more operating, and is looking to grow his Liberty Tax business by both unit count and revenue.

**PERSONAL**

**First job:** Crew member at Dairy Queen.

**Formative influences/events:** My father, who taught me never to give up on working hard.

**Key accomplishments:** My education. I have been part of three successful franchises.

**Biggest current challenge:** I want to get started on prospecting great locations to establish the Tierra Encantada franchise in the markets I am signed to open them in.

**Next big goal:** Help learn the system from the great CEO at Tierra Encantada and her operations team.

**First turning point in your career:** When my father passed away and I had to figure out how to get going with the start of my career.

**Best business decision:** When I left my engineering job at Xerox to focus completely on my businesses.

**Hardest lesson learned:** Complacency kills progress.

**Work week:** I try to work my hardest Monday through Thursday.

**Exercise/workout:** I work out on a daily basis. It is important to stay physically fit.


TERIYAKI MADNESS

# SIMPLE CONCEPT. SMALL MENU. GREAT ROI

## WHY TERIYAKI MADNESS?

AUV
$1,134,507!*

INVESTMENT
$313,500 -$653,860*

FLEXIBLE FOOTPRINT,
1400-2000 SQ FT

MINIMAL STAFF

SIMPLE BUSINESS MODEL

SMALL TOWNS TO LARGE CITIES

**26+** STATES | **70+** SHOPS OPEN | **42+** OPENING 2020 | **55%** SYSTEMWIDE GROWTH!

303-997-0727 | FRANCHISE@TERIYAKIMADNESS.COM | WWW.FRANCHISE.TERIYAKIMADNESS.COM

*Refer to the 2019 Teriyaki Madness Franchise Disclosure Document. The franchise sales information here does not constitute an offer to sell a franchise. This offer of franchise can only be made through the delivery of a Franchise Disclosure Document (FDD). Certain states require that we register tthe FDD in those states. The communications here are not directed by us to the residents of any of those states. Moreover, we will not offer or sell franchises in those states until we have registered the franchise (obtained an applicable exemption from registration) and delivered the FDD to the prospective franchisee in compliance with applicable law.

# Mohammad "Kash" Akhtar, 43

*Owner*

**Company:** Tierra Encantada/Liberty Tax

**No. of units:** Sole operator of 4 Liberty Tax, opening 3 Tierra Encantada; partner in 7 other Liberty Tax and 2 9Round Fitness

**Family:** Engaged

**Years in franchising:** 14

**Years in current position:** 14

**Best advice you ever got:** Attitude is a matter of choice; make the right choice.

**What's your passion in business?** Running a successful business through competent employees and automation.

**How do you balance life and work?** My motto is: Work hard and play hard with my family.

**Guilty pleasure:** I have a daily fight with some sweets but I don't indulge.

**Favorite book:** *The Holy Quran*.

**Favorite movie:** "Castaway."

**What do most people not know about you?** I am full of emotions.

**Pet peeve:** Being redundant about staying focused.

**What did you want to be when you grew up?** Pilot.

**Last vacation:** Disney with the family.

**Person I'd most like to have lunch with:** Warren Buffet.

## MANAGEMENT

**Business philosophy:** Master one thing at a time with full focus and then move on to the next task.

**Management method or style:** Visionary and coaching.

**Greatest challenge:** Buying in to a person before selling my vision.

**How do others describe you?** Persistent.

**One thing I'm looking to do better:** Deploying standard operating procedures regularly with management teams.

**How I give my team room to innovate and experiment:** Refining and sharing my vision with core teams so they can go out and make the decisions to bring our vision to life.

**How close are you to operations?** I live and breathe operations.

**What are the two most important things you rely on from your franchisor?** Operations support and innovation.

**What I need from vendors:** Develop more guerrilla marketing products.

**Have you changed your marketing strategy in response to the economy? How?** Social media marketing is king, so we have spent time focusing on how we can better use the tool, as well as align it with current trends.

**How is social media affecting your business?** By making it easier to reach large groups of people.

**How do you hire and fire?** We hire through job boards. Firing is done on a performance basis.

**How do you train and retain?** Constantly develop the skills of the management team so they can in turn train their subordinates. This sort of training structure ensures that all employees are constantly up-to-date with all our training procedures.

**How do you deal with problem employees?** By giving them a chance to improve through guidance and training.

**Fastest way into my doghouse:** Not being honest in my operations and not providing me with a diligent effort.

## BOTTOM LINE

**Annual revenue:** $1.2 million at Liberty Tax.

**2020 goals:** $1.25 million at Liberty Tax; $500,000 at Tierra Encantada.

**Growth meter: How do you measure your growth?** By staying true to my vision and monitoring KPIs.

**Vision meter: Where do you want to be in 5 years? 10 years?** For Tierra Encantada, I hope to have three to five locations open and operating. With my Liberty Tax business, I hope to continue to grow the brand in my markets and grow revenue as well.

**Do you have brands in different segments? Why/why not?** Yes. I have brands in both the childcare and retail tax segments. It is important to have a diverse portfolio.

**How is the economy in your regions affecting you, your employees, your customers?** It is booming. Money is following, but pay is rising. Hopefully we can stay ahead of the curve.

**Are you experiencing economic growth in your market?** Yes. Charlotte is a rapidly growing city, and opportunities are increasing as well. It is an exciting time for business owners.

**How do changes in the economy affect the way you do business?** We are staying competitive to our service delivery and adding more sales products to the businesses.

**How do you forecast for your business?** Sales projections, operational expenses, royalties.

**What are the best sources for capital expansion?** Reinvesting with some cash injections and traditional banking.

**Experience with private equity, local banks, national banks, other institutions? Why/why not?** Banks and business lines of credit.

**What are you doing to take care of your employees?** Investing in their skill set so they can do their job better.

**How are you handling rising employee costs (payroll, minimum wage, healthcare, etc.)?** Staying above the pay curve and rewarding for performance.

**What laws and regulations are affecting your business and how are you dealing with it?** Childcare facilities requirements in general, and for Liberty Tax the ever-changing tax code. We stay up-to-date and are constantly coming up with ways to innovate so we can provide the best service possible to our customers and clients.

**How do you reward/recognize top-performing employees?** We offer cash bonuses and vacation giveaways.

**What kind of exit strategy do you have in place?** Partner up with successful managers or get my family involved and pass it on to them in future. ■


# Franchise Opportunities For Entrepreneurs

**The Joint is reinventing the health and wellness experience through chiropractic care.**

**Minimal Staffing**

**Recurring Revenue Model**

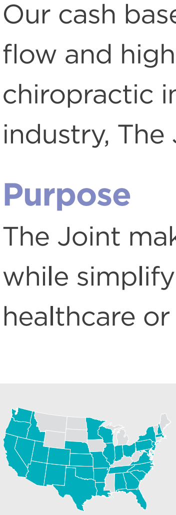
**Zero Cost of Goods**

## Model

Our cash based, no-insurance model allows for fewer employees, stronger cash flow and higher earnings potential. With a proven franchise model in a $14 billion chiropractic industry and favorable trends for the $390 billion health and wellness industry, The Joint is positioned for growth.

## Purpose

The Joint makes quality healthcare affordable and convenient for patients while simplifying operations for entrepreneurs. The best part is, you don't need healthcare or chiropractic experience to become a franchisee.



**500+ nationwide**
thejoint.com/locations

THE JOINT chiropractic

For more information visit **thejoint.com/franchise**

# Better Late Than Never

***Shahid Hashmi (left) makes up for lost time with rapid growth***

Written By
**KERRY PIPES**

Shahid Hashmi and his partner Tony Akaras have spent the past 25 years building a multi-brand portfolio that has included dozens of Popeyes Louisiana Kitchens, Burger Kings, Retro Fitness gyms, and, most recently, ZIPS Dry Cleaners.

When we last spoke with Hashmi (2015, Q1) he was operating 45 Popeyes locations up and down the Eastern seaboard. He has since acquired and opened another 30. He was looking for a way to diversify outside the restaurant space when he signed on with ZIPS Dry Cleaners, opening his first location in Baltimore in 2014. Fast forward to 2019 and Hashmi and Akaras have signed a

development agreement to open five more ZIPS locations in the Norfolk, Virginia market in the coming years. Combine that with their Retro Fitness location (they divested their 2 Burger Kings) and, Hashmi says, "Our revenues are going to exceed $130 million in 2020."

A Pakistani native, Hashmi first caught the franchise bug in the mid-1990s when he was working in the telecom industry. "I saw franchising as an investment opportunity and opened my first Popeyes in Washington, D.C.," he recalls. So he quit his day job and dedicated himself to franchising, realizing, "An entrepreneur can't be part-time."

In the early going, Hashmi relied on his business experience, two MBAs, and his own capital to grow the operation. Burger King, Retro Fitness, and ZIPS were added to a growing Popeyes portfolio for a reason. "I knew I needed to diversify and not have all my eggs in one basket," he says.

At 70, Hashmi still laments getting his start in franchising late in life, but says later was better than never at all.

Next up for Hashmi, "We plan on opening three ZIPS locations in 2020 and another three in 2021," he says. "We're still on course for growing to 100 Popeyes units over the course of the next 5 years."

**PERSONAL**
**First job:** Financial analyst for a telecommunications company, Comsat, in Washington, D.C.

**Formative influences/events:** Becoming an entrepreneur. Two loving parents who always emphasized the importance of education, reading, studying hard, and dreaming.

**Key accomplishments:** Two MBAs, one from the Institute of Business Administration in Karachi, Pakistan, the oldest business school outside North America, and another from Western Illinois University. Growing a brand to 75 stores.

**Biggest current challenge:** Manpower, the labor shortage.

**Next big goal:** To grow ZIPS regionally.

**First turning point in your career:** Deciding to leave the corporate world.

**Best business decision:** Leaving the corporate world to start my own business.

**Hardest lesson learned:** Learning to rely on good people.

**Work week:** Seven days. I usually come into my office at 10:30 a.m. and begin phone calls and teleconferences with my suppliers and vendors. I will also speak with the executive and management teams to address any outstanding agenda items. The majority of the day is spent on the phone discussing strategy and tactics to help move our brands forward. Usually I try to leave my office around 4:30 p.m. After a long day, I have had enough of long telephone calls.

*At 70, Hashmi still laments getting his start in franchising late in life, but says later was better than never at all.*

# Shahid Hashmi, 70

*Managing Partner*
**Company:** Pure Foods Management
**No. of units:** 75 Popeyes, 1 ZIPS Dry Cleaners, 1 Retro Fitness
**Family:** Wife, two children
**Years in franchising:** 26
**Years in current position:** 26

**Exercise/workout:** I enjoy casual walks.

**Best advice you ever got:** Always try your best, be honest, and don't be afraid.

**What's your passion in business?** Be the best you can to all. Be successful.

**How do you balance life and work?** I'm sure to take occasional breaks and travel.

**Guilty pleasure:** Eating good food.

**Favorite book:** *Thou Shalt Innovate: How Israeli Ingenuity Repairs the World* by Avi Jorisch.

**Favorite movie:** "Ben Hur."

**Pet peeve:** Laziness.

**What did you want to be when you grew up?** A doctor.

**Last vacation:** Jerusalem, Istanbul, Pakistan, and Saudi Arabia, a 4-country trip.

**Person I'd most like to have lunch with:** My grandfathers I never got to meet.

**MANAGEMENT**
**Business philosophy:** Work hard and don't give up.

**Management method or style:** Delegation is key. I want a workforce that is empowered and well trained.

**Greatest challenge:** Finding good people.

**How do others describe you?** Friendly, honest, compassionate, fun.

**How I give my team room to innovate and experiment:** By not micromanaging, I give my team autonomy and empower them to make the decisions necessary to run the business.

**How close are you to operations?** Intimately close. I don't deal with the day-to-day operations, but I'm always in the loop on what is going on. I also work closely with my partner to plan and strategize.

**What are the two most important things you rely on from your franchisor?** Protect the franchisee. That means assistance and expertise in brand marketing and operations, and all the factors that are important in effectively running a franchise.

**What I need from vendors:** Quick, timely, and accurate service. Innovation.

**Have you changed your marketing strategy in response to the economy? How?** Our marketing strategy allowed us to expand the demographics we reached and engaged with. The Popeyes chicken sandwich came on the scene and really helped us reach a new


## Where do you want to be in 5 years? 10 years?

*Right where I am today.*

demographic of people we didn't reach in the past. ZIPS has a solid marketing strategy for helping get the word out about their stores, so having that always helps franchise owners as well.

**How is social media affecting your business?** It has been very helpful. An example would be the chicken sandwich situation with Popeyes. We have really ramped up our use of social media in the last year or year-and-a-half. Probably our biggest success during this time was with the Popeyes chicken sandwich. That really took off for us. Obviously it kind of exploded on social media, which really helped spread the word about the new menu item. We have found that both organic engagement and targeted ad campaigns have worked well for our brands.

**How do you hire and fire?** My management team handles those issues. They are on the front lines every day. As long as they follow the guidelines put in place, the processes are much easier and less stressful for all concerned.

**How do you train and retain?** The training department works hard and provides incentives.

**How do you deal with problem employees?** Counsel them and give them another chance. If that doesn't work, remove them.

**Fastest way into my doghouse:** Not do what you preach.

**BOTTOM LINE**

**Annual revenue:** $100 million-plus.

**2020 goals:** Focus on diversification.

**Growth meter: How do you measure your growth?** Comparable sales to the year before with a focus on growing sales—individual store sales and as a whole portfolio.

**Vision meter: Where do you want to be in 5 years? 10 years?** Right where I am today.

**Do you have brands in different segments? Why/why not?** Yes. It is important to diversify your portfolio.

**How is the economy in your regions affecting you, your employees, your customers?** Tight labor market, but the economy is doing well.

**Are you experiencing economic growth in your market?** Yes.

**How do changes in the economy affect the way you do business?** We constantly modify to address the current business landscape.

**How do you forecast for your business?** We follow trends and business pulse, look at forecasts, and adjust when necessary. Still growing.

**What are the best sources for capital expansion?** Lending institutions you can develop relationships with.

**Experience with private equity, local banks, national banks, other institutions? Why/why not?** I have experience with all of the above. They all have their place.

**What are you doing to take care of your employees?** Better incentives for employees as well as promoting from within. Our employees are our customers too. We provide a good work environment and offer cash bonuses based on sales and profits.

**How are you handling rising employee costs (payroll, minimum wage, healthcare, etc.)?** Innovation.

**What laws and regulations are affecting your business and how are you dealing with it?** Labor laws and keeping up with the changing labor landscape.

**How do you reward/recognize top-performing employees?** Financial incentives.

**What kind of exit strategy do you have in place?** I want to transfer my business to my children.■


# Sports Master

## *Retired baseball pro pays it forward as a franchisee*

Written By
**KERRY PIPES**

Derek Tate has been involved with sports as far back as he can remember. "I've played sports, coached in sports, and now at Soccer Shots I get to help a new generation fall in love with sports," says the 38-year-old former minor league baseball player and multi-unit Soccer Shots franchisee in Santa Barbara, California.

Tate was talented enough to make it as a pitcher in college at the University of San Francisco. In 2004, he was drafted by the Toronto Blue Jays in the MLB draft. He was with the organization from 2004 to 2006, where the lefty was primarily a relief pitcher. He then transitioned into coaching and has worked in sports at the collegiate, secondary, and youth levels. Perhaps one of his most famous coaching assignments was when he was a pitching coach at Florida Gulf Coast University. He spent one season working directly with Chris Sale, who went on to become a star pitcher with the Chicago White Sox and the Boston Red Sox. Tate's efforts at helping the young pitcher fine-tune his craft were documented by *ESPN The Magazine* and the *Boston Globe* in 2017.

When playing turned to coaching, he found he had a real passion for working with kids in youth sports. He discovered Soccer Shots, the children's soccer franchise that focuses on character development, and opened his own Soccer Shots Santa Barbara in the fall of 2019. Today he has 8 sites where he carries out the brand's mission.

"What's great about the franchising model is it gives me the chance to scale a business without having to build it from scratch," he says. "We just had our best month yet and we're focused on executing our plan each and every day."

There are similarities between playing baseball and being a business owner, says Tate. "In baseball, you have to be willing to put in the work to become better," he says. "I brought that mentality from sports into the business world." A strong work ethic and confidence in yourself, he says, will breed success both on and off the field.

The entrepreneur sees himself as a "big-picture guy" who has a vision for where he wants his business to go. He says his management style is "hands-off," and he hires the best people he can find, shares his expectations, and gives them the tools they need to do the job.

In 2020, Tate says he'll be looking to grow and expand Soccer Shots beyond his Santa Barbara base and be on the lookout for new partnerships and other ways he can help establish the brand on a wider scale.

**PERSONAL**

**First job:** Professional starting/relief pitcher for the Toronto Blue Jays.

**Formative influences/events:** The biggest influences in my life are my wife, parents, grandfather, college coach, and my former boss.

**Key accomplishments:** I would say some of my key accomplishments were getting drafted to play professionally, earning



# Derek Tate, 38

*Owner*

**Company:** Soccer Shots Santa Barbara

**No. of units:** 8 sites

**Family:** My amazing wife Candice and beautiful baby boy and girl twins, Johnny and Isla. No family is complete without their dog, and we are no exception with our dog Cooper.

**Years in franchising:** 1

**Years in current position:** 1

Baseball America's recognition as Newcomer of the Year, and earning recognition from *ESPN The Magazine* and the *Boston Globe* for my work coaching Chris Sale.

**Biggest current challenge:** Hiring and leading a team to implement Soccer Shots' great service to Santa Barbara County. I'm working with some great individuals, namely Omid Eibagi and Troy Mathew, who are doing a wonderful job building our team, developing our culture, and creating partnerships with our local community. I'm working to find the best ways to be most effective while balancing how to support them to do their best.

**Next big goal:** I want to maximize the potential that Soccer Shots has in Santa Barbara and Central California. Our team has expanded with a variety of community partners, and our goal is to continue making inroads with key partnerships and establishing the brand on a wider scale.

**Best business decision:** Becoming a franchisee. The support our franchisor provides and the greater Soccer Shots network have been incredible in helping us get started. I've been an entrepreneur for 5 years, but this is the first time I've felt this much support, and it's really starting to show. We just had our best month yet! Moving forward, we've set some high goals, and we're focused on executing our plan every day.

**Hardest lesson learned:** You can't take everything and everyone with you. There have been some great opportunities and people I've worked with, but you can't always move someone forward who doesn't want to keep going. As an entrepreneur, I'm always ready to go a little further, but you need to surround yourself with people who will build that mentality up with support.

**What's your passion in business?** I love sports and helping kids. Soccer Shots allows me to combine both and focus on getting kids active in sports, while also developing character-building skills.

**How do you balance life and work?** My wife! She is amazing! We just had twin babies, and we own and operate three different businesses. The work/life balance is always a challenge. Communication is the key. Having set times to sit down and go through the schedule, plans, and all the moving parts is critical. There are some things that we are still figuring out. But we are a team and working together to balance it as best as we can.

**Guilty pleasure:** I watch way too many San Antonio Spurs games.

**Favorite book:** *Jamberry*, by Bruce Degen. It's a children's book my wife and I are currently reading/singing to our kids.

**Favorite movie:** "Major League."

**What do most people not know about you?** That I cook from scratch five to six nights a week.

**Pet peeve:** Loud breathing. (I know, I'm working on my patience.)

**What did you want to be when you grew up?** Baseball player.

**Last vacation:** Seville, Spain. Candice and I spent 10 days there, and I highly recommend it to anyone who is into architecture, tapas, jamon, history, and flamenco dancing!

**The person I'd most like to have lunch with:** I'm anxious for my kids to be big enough to sit in a high chair and ask me to make them pancakes.

**MANAGEMENT**

**Business philosophy:** To hire great motivated people.

**Management method or style:** Solution-oriented. I'm a big picture guy. I'll be the one to paint the outline, but I trust the amazing people I've hired to fill it in. I've learned through Soccer Shots' training the need for a visionary/integrator leadership team. I heavily skew toward visionary.

**Greatest challenge:** Probably the same as any small-business owner: working capital.

**How do others describe you?** My team would describe me as achieving the right amount of "hands-off" managing. I do have high expectations, but I give my team the tools to meet those expectations. Even though I have a hands-off style, I am comfortable jumping in when needed.

**One thing I'm looking to do better:** I'm currently working toward becoming a better communicator. More candid, clearer messaging, and laying out a clearer plan for each quarter.

**How I give my team room to innovate and experiment:** Each leadership team member is asked to create their own plan and goals. Each week we go through our internal operating meeting and lay out our responsibilities. Each team member is accountable


for their department and their goals. The innovation comes from the necessity to solve problems, problems we all identify and solve together.

**How close are you to operations?** It's almost daily. We go through a formal weekly reporting process, but Troy, Omid, and I are in communication almost every day.

**What are the two most important things you rely on from your franchisor?** Soccer Shots does an amazing job supporting their franchisees. Of the variety of things they do to support us, two areas stand out to me. One is the internal operating system, which is extremely impressive. They have strong existing processes and systems that help our team management process. Our workers are able to stay organized, set goals, and stay on track with their tasks. The other is the community built at Soccer Shots. I can easily connect with other franchise partners who have been where I am now and have solutions for problems I am facing. The other franchise partners are a resource, and that is a credit to the success and culture of Soccer Shots.

**SPORTS & BUSINESS**

**What skills/experience from sports have carried over to operating a business?** I've never lost my work ethic. When I was playing baseball, I was always willing to put in the work to become better. That mentality has followed me into the business world. In baseball, I had to have faith in myself. It's not enough to just go out there and put the work in, you need to be confident in your ability. I've found that to be a huge help in the business world as well.

**Which do you find more competitive, sports or business?** They are both equally competitive in terms of effort. The competition isn't external, it's internal. You are competing against yourself. My coach once told me that you are always competing against your daily routine. Each time that you beat the routine, you are better for it.

**Why did you choose franchising as an investment option?** Franchising was the best of both worlds. It offered the chance to scale a business, but it doesn't force you to build it from scratch. I met with the Soccer Shots leadership team and they had clearly built a great service for kids and a great culture.

**How did you transition from sports to franchising?** Technically, I've never left sports. Since I was a little kid chasing a baseball, I've been involved in sports. I've played them, coached them, and now I get to give a new generation a chance to fall in love with sports.

**What was your greatest achievement in sports, and what has been your biggest accomplishment as a franchisee?** As much as sports are a huge part of my life, it is easier to determine my greatest achievement in my playing career because those days are over. I'd say my biggest achievement was playing professionally. I was never sure if I would make it to the pros, and by doing so I've exceeded expectations. It's much harder to say that I've reached my greatest achievement in franchising. I'm just getting started and am looking forward to surpassing any goals that I set.

**BOTTOM LINE**

**Annual revenue:** N/A.

**2020 goals:** For 2020, we're going to continue to grow and expand toward the north of Santa Barbara and beyond. We want to secure 20 new partnerships, as well as achieve an equal number of public programs to private programs. By leveling our public-to-private ratio, we can help a greater number of kids from a larger diversity of backgrounds.

**Growth meter: How do you measure your growth?** Through the number of children we have helped in the area. As that number continues to rise and we can help more and more children fall in love with sports and build their character, that is the foundation of our growth.

**How do you forecast for your business?** We've been able to grow successfully in the area and are ready to begin moving further and further out. With how well our price points have merged into the various communities, we can see our growth potential continuing to improve.■

# 2020 MULTI-BRAND 50

The 2020 Multi-Brand 50 ranking highlights the largest franchisees in the U.S. and their 25 favorite brands

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| **1** | **NPC INTERNATIONAL** | | **1,610** |
| | | PIZZA HUT | 1,225 |
| | | WENDY'S | 385 |
| **2** | **FLYNN RESTAURANT GROUP** | | **1,245** |
| | | APPLEBEE'S | 460 |
| | | ARBY'S | 369 |
| | | TACO BELL | 282 |
| | | PANERA BREAD | 134 |
| **3** | **CARROLS GROUP** | | **1,087** |
| | | BURGER KING | 1,027 |
| | | POPEYES LOUISIANA KITCHEN | 60 |
| **4** | **SUN HOLDINGS** | | **1,005** |
| | | BURGER KING | 291 |
| | | POPEYES LOUISIANA KITCHEN | 161 |
| | | T-MOBILE | 159 |
| | | TACO BUENO | 145 |
| | | ARBY'S | 99 |
| | | GNC | 78 |
| | | CICIS | 31 |
| | | GOLDEN CORRAL | 20 |
| | | KRISPY KREME DOUGHNUTS | 18 |
| | | AIRPORTS | 3 |
| **5** | **DHANANI GROUP** | | **838** |
| | | BURGER KING | 551 |
| | | POPEYES LOUISIANA KITCHEN | 287 |
| **6** | **KBP FOODS** | | **831** |
| | | KFC | 714 |
| | | TACO BELL | 115 |
| | | PIZZA HUT | 2 |
| **7** | **MUY COMPANIES** | | **769** |
| | | PIZZA HUT | 373 |
| | | WENDY'S | 316 |
| | | TACO BELL | 80 |
| **8** | **ARAMARK** | | **628** |
| | | CHICK-FIL-A | 120 |
| | | EINSTEIN BROS. BAGELS | 109 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| | | SUBWAY | 64 |
| | | PANDA EXPRESS | 45 |
| | | OATH PIZZA | 39 |
| | | WHICH WICH | 29 |
| | | DUNKIN' | 24 |
| | | PAPA JOHN'S | 22 |
| | | PIZZA HUT | 22 |
| | | MOE'S SOUTHWEST GRILL | 21 |
| | | STEAK 'N SHAKE | 16 |
| | | FRESHII | 14 |
| | | JAMBA | 13 |
| | | QDOBA MEXICAN EATS | 12 |
| | | TACO BELL | 12 |
| | | CHILI'S | 7 |
| | | TIM HORTONS | 6 |
| | | ERBERT & GERBERT'S | 4 |
| | | MCALISTER'S DELI | 4 |
| | | MOOYAH | 4 |
| | | QUAKER STEAK & LUBE | 4 |
| | | QUIZNOS | 4 |
| | | WENDY'S | 4 |
| | | CARIBOU COFFEE | 3 |
| | | KFC | 3 |
| | | PJ'S COFFEE OF NEW ORLEANS | 3 |
| | | BURGERFI | 2 |
| | | COSI | 2 |
| | | DUNN BROTHERS COFFEE | 2 |
| | | PANERA BREAD | 2 |
| | | THE EXTREME PITA | 2 |
| | | BEEF 'O' BRADY'S | 1 |
| | | DENNY'S | 1 |
| | | FIREHOUSE SUBS | 1 |
| | | IHOP | 1 |
| | | LA MADELEINE FRENCH BAKERY & CAFE | 1 |
| | | NATHAN'S FAMOUS | 1 |
| | | PINKBERRY | 1 |
| | | THE COFFEE BEAN & TEA LEAF | 1 |


## ABOUT SAVE A LOT

We are the nation's leading hard discount grocery chain designed for independent operators. Our business model is focused on empowering our Independent Retailers with the tools to succeed, which includes more effective store layouts, exclusive private label products, buying power, cost savings, and low operating overhead.

### FAST FACTS

- No Franchise or Royalty Fees
- 200+ Independent Operators
- Fastest Growing Grocery Channel

# OWN THE FUTURE OF GROCERY

Save A Lot offers a full program that equips independent operators with an innovative store format designed to give the owner a competitive advantage in the market. Our dynamic format allows you, as a Save A Lot Independent Retailer, to own and operate a turn-key grocery business. Save A Lot's corporate operations include a full support organization to ensure our Independent Retailers are able to fully leverage the benefits of scale that being part of a large national brand provides.

### FINANCIAL SUPPORT

Save A Lot offers a financial support program designed to offset startup costs for independent operators interested in opening or converting new stores. Eligible Independent Retailers can qualify for support towards equipment costs, marketing expenses, and inventory rebate options.

### REAL ESTATE SERVICES

Location is a key success factor for retail businesses. Our teams of real estate professionals are ready to assist Independent Retailers with their real estate needs; providing expert knowledge, time & cost savings, and industry best practices around lease negotiations and ongoing landlord support. A store's location, lease terms, and financial agreements highly influence future business profitability. Our team is here to offer professional support during real estate negotiations to assure that our Independent Retailers are engaging in the best transaction possible.

### OPERATIONAL SUPPORT

Save A Lot's corporate and field support teams provide independent operators with the services and solutions to help them position their business for growth. From store construction & onboarding, to professional & accounting services, to ongoing training courses, to field operations and distribution support. Save A Lot does what it takes to keep our Independent Retailers on the right track.

### RIGHT ASSORTMENT & DEDICATED DISTRIBUTION

On average, we have fewer than 3,000 SKUs per store, tailoring our in-store selection to the families and communities we serve. Fewer SKUs allows much greater operational efficiency, higher velocity, and increased buying power. Our 10+ dedicated distribution centers supply fresh meat, produce, and exclusive private label brands to all operating store units - providing best in class systems and services.

save a lot

**314.592.9350 • savealot.com/own • OwnershipOpportunity@savealot.com**

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| | | WAHOO'S FISH TACO | 1 |
| | | WINGSTOP | 1 |
| **9** | **PILOT TRAVEL CENTERS** | | **620** |
| | | SUBWAY | 200 |
| | | CINNABON | 165 |
| | | WENDY'S | 78 |
| | | DUNKIN' | 61 |
| | | ARBY'S | 55 |
| | | DQ TREAT | 19 |
| | | TACO BELL | 19 |
| | | MOE'S SOUTHWEST GRILL | 9 |
| | | PIZZA HUT | 8 |
| | | HOT STUFF PIZZA | 2 |
| | | KFC | 2 |
| | | CARVEL | 1 |
| | | IHOP | 1 |
| **10** | **ARMY & AIR FORCE EXCHANGE SERVICE** | | **530** |
| | | SUBWAY | 133 |
| | | BURGER KING | 114 |
| | | CHARLEYS PHILLY STEAKS | 83 |
| | | POPEYES LOUISIANA KITCHEN | 54 |
| | | TACO BELL | 41 |
| | | ARBY'S | 27 |
| | | EINSTEIN BROS. BAGELS | 20 |
| | | QDOBA MEXICAN EATS | 12 |
| | | MANCHU WOK | 10 |
| | | BASKIN-ROBBINS | 7 |
| | | DUNKIN' | 7 |
| | | BLIMPIE | 6 |
| | | WING ZONE | 6 |
| | | PIZZA HUT | 5 |
| | | TACO JOHN'S | 3 |
| | | DENNY'S | 1 |
| | | SLIM CHICKENS | 1 |
| **11** | **SPEEDWAY** | | **497** |
| | | DUNKIN' | 466 |
| | | SUBWAY | 15 |
| | | WENDY'S | 11 |
| | | BOJANGLES' | 5 |
| **12** | **GPS HOSPITALITY** | | **487** |
| | | BURGER KING | 399 |
| | | PIZZA HUT | 69 |
| | | POPEYES LOUISIANA KITCHEN | 19 |
| **13** | **LOVE'S TRAVEL STOPS & COUNTRY STORES** | | **478** |
| | | SUBWAY | 212 |
| | | CHESTER'S | 107 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| | | GODFATHER'S PIZZA | 90 |
| | | HARDEE'S | 50 |
| | | IHOP | 9 |
| | | DUNKIN' | 3 |
| | | TACO JOHN'S | 3 |
| | | ARBY'S | 2 |
| | | DQ TREAT | 2 |
| **14** | **AMPEX BRANDS** | | **409** |
| | | KFC | 141 |
| | | PIZZA HUT | 128 |
| | | LONG JOHN SILVER'S | 53 |
| | | TIM HORTONS | 47 |
| | | A&W | 26 |
| | | TACO BELL | 14 |
| **15** | **HARMAN MANAGEMENT** | | **393** |
| | | KFC | 261 |
| | | A&W | 115 |
| | | LONG JOHN SILVER'S | 17 |
| **16** | **SUMMIT RESTAURANT GROUP** | | **388** |
| | | IHOP | 268 |
| | | APPLEBEE'S | 119 |
| **17** | **SIZZLING PLATTER** | | **357** |
| | | LITTLE CAESARS | 259 |
| | | WINGSTOP | 50 |
| | | DUNKIN' | 27 |
| | | SIZZLER | 14 |
| | | RED ROBIN | 6 |
| | | BASKIN-ROBBINS | 1 |
| **18** | **JIB MANAGEMENT/YADAV ENTERPRISES** | | **343** |
| | | JACK IN THE BOX | 224 |
| | | DENNY'S | 45 |
| | | TGI FRIDAYS | 70 |
| | | SIZZLER | 4 |
| **19** | **THE COVELLI FAMILY LTD PARTNERSHIP** | | **301** |
| | | PANERA BREAD | 292 |
| | | DQ GRILL & CHILL | 5 |
| | | DQ TREAT | 4 |
| **19** | **K-MAC ENTERPRISES** | | **301** |
| | | TACO BELL | 290 |
| | | KFC | 11 |
| **21** | **COMPASS GROUP USA** | | **296** |
| | | EINSTEIN BROS. BAGELS | 46 |
| | | SUBWAY | 40 |
| | | BLIMPIE | 35 |
| | | PAPA JOHN'S | 30 |
| | | PANDA EXPRESS | 21 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| | | DUNKIN' | 20 |
| | | MOE'S SOUTHWEST GRILL | 12 |
| | | PIZZA HUT | 10 |
| | | JAMBA | 9 |
| | | SALSARITA'S FRESH MEXICAN GRILL | 6 |
| | | SMASHBURGER | 5 |
| | | STEAK 'N SHAKE | 5 |
| | | TACO BELL | 5 |
| | | CARIBOU COFFEE | 4 |
| | | PJ'S COFFEE OF NEW ORLEANS | 4 |
| | | WENDY'S | 4 |
| | | WHICH WICH | 4 |
| | | QUIZNOS | 3 |
| | | TIM HORTONS | 3 |
| | | BURGER KING | 2 |
| | | CHILI'S | 2 |
| | | ERBERT & GERBERT'S | 2 |
| | | FRESHII | 2 |
| | | ILLY | 2 |
| | | MARCO'S PIZZA | 2 |
| | | NATHAN'S FAMOUS | 2 |
| | | SBARRO | 2 |
| | | BASKIN-ROBBINS | 1 |
| | | BEN & JERRY'S | 1 |
| | | BOJANGLES' | 1 |
| | | CALIFORNIA TORTILLA | 1 |
| | | DENNY'S | 1 |
| | | FREDDY'S FROZEN CUSTARD & STEAKBURGERS | 1 |
| | | IHOP | 1 |
| | | JASON'S DELI | 1 |
| | | JOHNNY ROCKETS | 1 |
| | | KFC | 1 |
| | | PITA PIT | 1 |
| | | PLANET SMOOTHIE | 1 |
| | | POPEYES LOUISIANA KITCHEN | 1 |
| | | SLIM CHICKENS | 1 |
| **22** | **PACIFIC BELLS** | | **291** |
| | | TACO BELL | 223 |
| | | BUFFALO WILD WINGS | 67 |
| | | KFC | 1 |
| **23** | **TA OPERATING** | | **283** |
| | | EINSTEIN BROS. BAGELS | 68 |
| | | CHICK-FIL-A | 66 |
| | | SUBWAY | 26 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| | | PIZZA HUT | 23 |
| | | DUNKIN' | 17 |
| | | JAMBA | 10 |
| | | ERBERT & GERBERT'S | 6 |
| | | QDOBA MEXICAN EATS | 6 |
| | | TACO BELL | 6 |
| | | PAPA JOHN'S | 5 |
| | | STEAK 'N SHAKE | 5 |
| | | BURGER KING | 4 |
| | | GARBANZO MEDITERRANEAN FRESH | 4 |
| | | MOE'S SOUTHWEST GRILL | 4 |
| | | BAJA FRESH | 3 |
| | | HOT STUFF PIZZA | 3 |
| | | MCALISTER'S DELI | 3 |
| | | TIM HORTONS | 3 |
| | | BASKIN-ROBBINS | 2 |
| | | COSI | 2 |
| | | GODFATHER'S PIZZA | 2 |
| | | SMOOTHIE KING | 2 |
| | | THE HABIT BURGER GRILL | 2 |
| | | BLAZE PIZZA | 1 |
| | | CARIBOU COFFEE | 1 |
| | | CHESTER'S | 1 |
| | | DENNY'S | 1 |
| | | DQ TREAT | 1 |
| | | MOOYAH | 1 |
| | | PANERA BREAD | 1 |
| | | QUIZNOS | 1 |
| | | SBARRO | 1 |
| | | THE COFFEE BEAN & TEA LEAF | 1 |
| | | WHICH WICH | 1 |
| **24** | **SODEXO** | | **281** |
| | | EINSTEIN BROS. BAGELS | 66 |
| | | CHICK-FIL-A | 60 |
| | | WOW CAFE & WINGERY | 48 |
| | | SUBWAY | 39 |
| | | PIZZA HUT | 28 |
| | | UFOOD GRILL | 13 |
| | | JAMBA | 10 |
| | | TACO BELL | 9 |
| | | PAPA JOHN'S | 8 |
| | | BAJA FRESH | 7 |
| | | ERBERT & GERBERT'S | 7 |
| | | BURGER KING | 5 |
| | | MOE'S SOUTHWEST GRILL | 4 |


A Transformation Story
With a new Executive Team, Retro Fitness is positioned to have the best year in the history of the company. A new brand voice, world-class solutions and a full suite of dedicated resources is transforming the brand and disrupting the fitness industry. Transformation has never been more profitable.
Retro Fitness
retrofitness.com/franchising

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| | | QDOBA MEXICAN EATS | 4 |
| | | QUIZNOS | 4 |
| | | STEAK 'N SHAKE | 4 |
| | | TIM HORTONS | 4 |
| | | AU BON PAIN | 3 |
| | | DENNY'S | 3 |
| | | GARBANZO MEDITERRANEAN FRESH | 3 |
| | | HOT STUFF PIZZA | 3 |
| | | MCALISTER'S DELI | 3 |
| | | CHESTER'S | 2 |
| | | GODFATHER'S PIZZA | 2 |
| | | NRGIZE LIFESTYLE CAFE | 2 |
| | | SBARRO | 2 |
| | | THE COFFEE BEAN & TEA LEAF | 2 |
| | | FRESHII | 1 |
| | | MOOYAH | 1 |
| **25** | **G & M OIL** | | **278** |
| | | CHEVRON (BRANDED) | 150 |
| | | EXTRAMILE (CHEVRON) | 120 |
| | | TEXACO | 8 |
| **26** | **CAFUA MANAGEMENT** | | **271** |
| | | DUNKIN' | 264 |
| | | BASKIN-ROBBINS | 7 |
| **27** | **DESERT DE ORO FOODS** | | **265** |
| | | TACO BELL | 176 |
| | | PIZZA HUT | 89 |
| **28** | **EYM GROUP** | | **261** |
| | | PIZZA HUT | 168 |
| | | BURGER KING | 92 |
| | | DENNY'S | 1 |
| **28** | **ADF COMPANIES** | | **261** |
| | | PIZZA HUT | 246 |
| | | PANERA BREAD | 15 |
| **30** | **CIRCLE K STORES** | | **249** |
| | | SUBWAY | 168 |
| | | BLIMPIE | 37 |
| | | HOT STUFF PIZZA | 14 |
| | | CHURCH'S CHICKEN | 9 |
| | | HARDEE'S | 6 |
| | | DQ TREAT | 5 |
| | | DQ GRILL & CHILL | 4 |
| | | HUDDLE HOUSE | 2 |
| | | NOBLE ROMAN'S | 2 |
| | | CHEVRON | 1 |
| | | TEXACO | 1 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| **31** | **MITRA QSR** | | **247** |
| | | KFC | 201 |
| | | TACO BELL | 46 |
| **32** | **FUGATE ENTERPRISES** | | **244** |
| | | PIZZA HUT | 169 |
| | | TACO BELL | 75 |
| **32** | **HMSHOST** | | **244** |
| | | BURGER KING | 60 |
| | | SBARRO | 22 |
| | | POPEYES LOUISIANA KITCHEN | 20 |
| | | QUIZNOS | 15 |
| | | CHILI'S | 14 |
| | | ROY ROGERS | 14 |
| | | NATHAN'S FAMOUS | 13 |
| | | PIZZA HUT | 13 |
| | | CHICK-FIL-A | 10 |
| | | FAMOUS FAMIGLIA PIZZERIA | 9 |
| | | GREAT STEAK | 5 |
| | | SMASHBURGER | 5 |
| | | MANCHU WOK | 4 |
| | | PANDA EXPRESS | 4 |
| | | JOHNNY ROCKETS | 3 |
| | | LA MADELEINE FRENCH BAKERY & CAFE | 3 |
| | | PINKBERRY | 3 |
| | | A&W | 2 |
| | | BLAZE PIZZA | 2 |
| | | BLIMPIE | 2 |
| | | BURGERFI | 2 |
| | | CARL'S JR. | 2 |
| | | EINSTEIN BROS. BAGELS | 2 |
| | | FIREHOUSE SUBS | 2 |
| | | GODFATHER'S PIZZA | 2 |
| | | THE COFFEE BEAN & TEA LEAF | 2 |
| | | THE COUNTER | 2 |
| | | UNA MAS MEXICAN GRILL | 2 |
| | | BAJA FRESH | 1 |
| | | BURGER 21 | 1 |
| | | KELLY'S CAJUN GRILL | 1 |
| | | PACIUGO GELATO & CAFFE | 1 |
| | | YEUNG'S LOTUS EXPRESS | 1 |
| **34** | **FOURTEEN FOODS** | | **218** |
| | | DQ GRILL & CHILL | 213 |
| | | DQ TREAT | 5 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| **35** | **APPLE HOSPITALITY REIT** | | **214** |
| | | HILTON GARDEN INN | 38 |
| | | COURTYARD BY MARRIOTT | 37 |
| | | HAMPTON INN BY HILTON | 37 |
| | | HOMEWOOD SUITES BY HILTON | 34 |
| | | RESIDENCE INN BY MARRIOTT | 29 |
| | | SPRINGHILL SUITES BY MARRIOTT | 11 |
| | | FAIRFIELD BY MARRIOTT | 9 |
| | | TOWNEPLACE SUITES BY MARRIOTT | 9 |
| | | HOME2 SUITES BY HILTON | 6 |
| | | EMBASSY SUITES BY HILTON | 2 |
| | | MARRIOTT HOTELS | 2 |
| **36** | **QUALITY DINING** | | **212** |
| | | BURGER KING | 171 |
| | | CHILI'S | 41 |
| **36** | **PALO ALTO** | | **212** |
| | | TACO BELL | 180 |
| | | PIZZA HUT | 32 |
| **38** | **CHARTER FOODS** | | **209** |
| | | TACO BELL | 150 |
| | | LONG JOHN SILVER'S | 56 |
| | | KFC | 3 |
| **39** | **COTTI FOODS** | | **198** |
| | | WENDY'S | 104 |
| | | TACO BELL | 84 |
| | | PIEOLOGY | 10 |
| **40** | **FALCON HOLDINGS** | | **195** |
| | | CHURCH'S CHICKEN | 150 |
| | | LONG JOHN SILVER'S | 45 |
| **41** | **BORDER FOODS** | | **186** |
| | | TACO BELL | 172 |
| | | CHURCH'S CHICKEN | 14 |
| **41** | **NORTHWEST RESTAURANTS** | | **186** |
| | | TACO BELL | 115 |
| | | KFC | 44 |
| | | A&W | 12 |
| | | PIZZA HUT | 8 |
| | | LONG JOHN SILVER'S | 7 |
| **43** | **SUNDANCE** | | **171** |
| | | TACO BELL | 164 |
| | | KFC | 7 |

| RANK | COMPANY | BRANDS | UNITS |
|---|---|---|---|
| **44** | **CELEBRATION RESTAURANT GROUP** | | **170** |
| | | PIZZA HUT | 133 |
| | | TACO BELL | 37 |
| **45** | **BRIAD RESTAURANT GROUP** | | **165** |
| | | WENDY'S | 116 |
| | | TGI FRIDAYS | 49 |
| **46** | **JRN** | | **159** |
| | | KFC | 158 |
| | | PIZZA HUT | 1 |
| **47** | **GHAI MANAGEMENT SERVICES** | | **158** |
| | | BURGER KING | 123 |
| | | TACO BELL | 35 |
| **48** | **HAMRA ENTERPRISES** | | **157** |
| | | WENDY'S | 91 |
| | | PANERA BREAD | 57 |
| | | NOODLES & COMPANY | 9 |
| **49** | **BURGERBUSTERS** | | **153** |
| | | TACO BELL | 131 |
| | | PIZZA HUT | 10 |
| | | STEAK 'N SHAKE | 7 |
| | | KFC | 3 |
| | | LONG JOHN SILVER'S | 2 |
| **50** | **DOHERTY ENTERPRISES** | | **142** |
| | | APPLEBEE'S | 100 |
| | | PANERA BREAD | 41 |
| | | NOODLES & COMPANY | 1 |

# 2020 MULTI-BRAND 50

## Top 25 Brands of the 2020 Multi-Brand 50

| RANK | BRAND | UNITS |
|---|---|---|
| 1 | BURGER KING | 2,839 |
| 2 | PIZZA HUT | 2,750 |
| 3 | TACO BELL | 2,461 |
| 4 | KFC | 1,550 |
| 5 | WENDY'S | 1,110 |
| 6 | SUBWAY | 897 |
| 7 | DUNKIN' | 891 |
| 8 | APPLEBEE'S | 679 |
| 9 | POPEYES LOUISIANA KITCHEN | 602 |
| 10 | ARBY'S | 552 |
| 11 | PANERA BREAD | 542 |
| 12 | EINSTEIN BROS. BAGELS | 311 |
| 13 | IHOP | 280 |
| 14 | CHEVRON (BRANDED)/EXTRAMILE | 270 |
| 15 | LITTLE CAESARS | 259 |
| 16 | DQ GRILL & CHILL/DQ TREAT | 258 |
| 17 | CHICK-FIL-A | 256 |
| 18 | JACK IN THE BOX | 224 |
| 19 | LONG JOHN SILVER'S | 180 |
| 20 | CHURCH'S CHICKEN | 173 |
| 21 | CINNABON | 165 |
| 22 | T-MOBILE | 159 |
| 23 | A&W | 155 |
| 24 | TACO BUENO | 145 |
| 25 | GODFATHER'S PIZZA | 96 |


2020 MU FC MULTI-UNIT FRANCHISING CONFERENCE

# RESCHEDULED

August 31 – September 3, 2020

New sessions added on rebuilding your business after COVID-19

Written By
**EDDY GOLDBERG**

The 2020 Multi-Unit Franchising Conference has been rescheduled to August 31 – September 3. Keynote speakers have committed to the new dates, as have most panelists, barring previous commitments. Yet, as we keep hearing, the situation is fluid. Stay informed through our website at www.multiunitfranchisingconference.com. Till then, keep safe and stay healthy!

The agenda will be updated with the addition of new sessions on the impact, challenges, and opportunities for franchisees and franchisors on how to rebuild, reorganize, and rejuvenate their business in a post-pandemic world.

URBAN AIR ADVENTURE PARK

# AN ADVENTURE PARK WITH EMPHASIS ON 'VENTURE'



Entrepreneur FRANCHISE 500® RANKED #1 IN CATEGORY 2020

Urban Air is an Indoor Adventure Park, offering attractions and a in park café to our wide range of guests. Ranked #1 in the Entertainment Category, one of the fasted growing franchises and the #80 Overall Franchises by Entrepreneur 2020.

In business since 2011 with a proven track-record of success, Urban Air is proving to be the investment of choice for prospective investors. Don't miss your opportunity to own and operate the nation's leading family entertainment business.

- **Over 230 Parks open or in development**
  ***54 New Urban Air Parks Opened in 2019**
- **High Average Unit Volumes**
- **No Park has ever closed**
- **No Park has ever defaulted on a loan**
- **Strong EBITDA Performance**
- **Over 110 support team members at the Home Office**

**UrbanAirFranchise.com**

2019 FUND™ AWARD #TOP$CORE


**CAPT. SCOTT KELLY**
History-Making NASA Astronaut; First to Complete a Year-in-Space Mission

**NIGEL TRAVIS**
Chairman, Dunkin' Brands Inc., Author of *The Challenge Culture*

**KEVIN O'LEARY**
Investor on ABC's *"Shark Tank,"* Chairman of O'Leary Financial Group & Bestselling Author

The Multi-Unit Franchising Conference (MUFC) is marking its 20th year of growth by relocating to the brand new Caesars Forum, Las Vegas's newest conference center. Located across the street from Caesars Palace, the 550,000-sq. ft., $375 million, state-of-the-art venue was chosen to accommodate the event's growing number of attendees and exhibitors.

The first—and largest—conference dedicated exclusively to multi-unit franchising, the 2019 MUFC drew more than 1,700 attendees, representing more than 16,000 units and $9 billion in annual revenue. Before the coronavirus, attendance was on pace to reach or exceed 2,000. We are expecting, and hoping along with everyone else, to come out of this pandemic healthy and eager to resume business in what most likely will be a different marketplace.

"I have been attending the MUFC since 2006 and have made a deal every year I attended, with only one year being the exception," says 2020 Conference Chair Tony Lutfi, a longtime multi-brand franchisee. "Along with my family, I grew our portfolio from less than 50 locations to more than 230 with 7 brands in 11 states. This growth could not have been possible had I not invested the time and energy in meeting, networking, and learning from others at this annual event."

The evening before the conference will feature a franchisee-only get-together at Brooklyn Bowl in The LINQ Promenade, offering attendees a chance to catch up with old friends and meet new ones while enjoying appetizers and drinks.

Day 1 of the conference kicks off the next morning with keynote speaker Kevin O'Leary, best known for his appearances on "Shark Tank." Nigel Travis, Chair and former CEO of Dunkin' Brands, is the afternoon keynote speaker. The day also will include general sessions, an opening networking reception in the Exhibit Hall, and the debut of an after-hours meet-up and cocktails event for all attendees.

Day 2 begins with a bang: a first-person account from keynote speaker Captain Scott Kelly, the first NASA astronaut to complete a full year in space. (His twin brother Mark Kelly, also a NASA astronaut, keynoted at the 2013 MUFC and is now running for the U.S. Senate in Arizona). The keynote will be followed by the much-anticipated annual MVP (Most Valuable Performer) Awards. Each year about a dozen multi-unit franchisees are recognized as MVPs. Categories include Veteran Entrepreneurship, Noble Cause, American Dream, Former Pro Athlete, Mega-Growth Leadership, and more.

With the agenda, sessions, and content based on feedback from last year's attendees and input from the Conference Advisory Board, the 2020 MUFC will feature six educational tracks: Succession Planning, Franchisee Growth, Service Brands, Operations & Profitability, Next-Gen Franchisees, and Legislative Impact. And, as noted, new sessions on rebuilding your business in a post-pandemic world.

"The conference allows you to unwind from your business and open your mind to ideas and methods of business explained by peers who have lived through the issues or potential mistakes you would have made if you did not attend," said Andy Cabral, a franchisee of Dunkin', Baskin-Robbins, and Pollo Campero.

For registration, to learn more, and to keep up on the agenda and other news, visit **www.multiunitfranchisingconference.com.** ■

## 2019 MUFC BY THE NUMBERS

| ATTENDEES | 1 BRAND | 2 BRANDS | 3+ BRANDS |
|---|---|---|---|
| 1,700+ | 50% | 18% | 32% |

| FRANCHISEES | EMPLOYEES | REVENUE | EXHIBITORS |
|---|---|---|---|
| 650+ | 250,000+ | $9 BILLION | 200+ |


# A uniquely FLAVORFUL FRANCHISE OPPORTUNITY

Pollo Campero has served flavorful chicken made with our original family recipe since 1971. Our menu includes fried, grilled, and boneless chicken for wholesome, customizable, easy-to-share meals. Join our family!

- **31** quarters of positive same store sales growth with a compounded annual sales growth of **9.5%** for the past seven years.
- **$2,160,225** franchise freestanding restaurants average unit volume*.
- **25** best fast-food chains in America - **#6** Business Insider.
- Over **350** restaurants system-wide with rapid expansion plans in the Southeast region and other selected growth markets in the U.S.

Pollo CAMPERO®

Contact Sam Wong, Director of Franchising at:
sam.wong@somoscmi.com • 949-769-3979

Visit US.CAMPERO.COM/FRANCHISING to learn more about franchising with Pollo Campero.

*Figure reflects the average annual net sales for the 7 Franchised Pollo Campero Freestanding Restaurants in the system that were open during the measured period from January 1, 2018 through December 31, 2018, as published in Item 19 of our April 1, 2019 Franchise Disclosure Document, as amended August 30, 2019. Of these 7 restaurants, 4 (57.1%) had higher net sales during the reported period. The financial performance representation contained in Item 19 of our April 1, 2019 Franchise Disclosure Document, as amended August 30, 2019, also includes the average and median annual net sales information (1) separately for all franchised Pollo Campero Restaurants, and (2) separately for all company-owned Pollo Campero Restaurants, in operation in the United States during the referenced period. A new franchisee's results may differ from the represented performance. There is no assurance that you will do as well, and you must accept that risk.

# Tracks and Sessions

New sessions to be added on rebuilding after COVID-19

2020 MUFC MULTI-UNIT FRANCHISING CONFERENCE

AUG 31 – SEPT 03, 2020 | CAESARS FORUM

## DAY 1

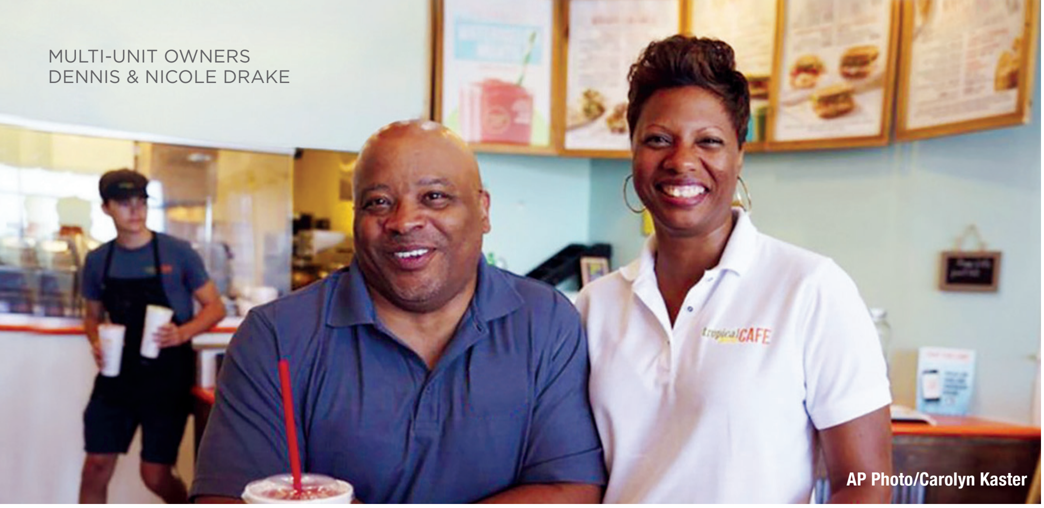
| | |
|---|---|
| 7:30–8:30AM | Continental Breakfast in the Exhibit Hall |
| 8:30–10:15AM | Opening General Session Keynote: **KEVIN O'LEARY** |
| 10:30–11:45AM | General Session: Business Continuity Through the Succession Planning Process |
| 12:00–1:30PM | Luncheon: Franchisee-Only & Franchisor and Supplier |
| 1:45–2:30PM | General Session Keynote: **NIGEL TRAVIS,** The Challenge Culture |
| 2:30–4:00PM | General Session: Lessons From The Edge – Successful Multi-Unit Franchisees Tell Their Growth Stories |
| 4:00–7:00PM | Networking Cocktail Reception, Exhibit Hall |
| 9:00–11:00PM | After-Hours Meet-Up & Cocktails |

## DAY 2

| | |
|---|---|
| 7:30–8:30AM | Continental Breakfast |
| 8:30–10:00AM | Opening General Session Keynote: **CAPTAIN SCOTT KELLY** |
| 10:20–10:40AM | General Session: State of the Industry, FRANdata |
| 10:45–NOON | General Session: Discover New and Innovative Ways To Make Money in Franchising |
| 12:15–2:15PM | Lunch in Exhibit Hall |
| **CONCURRENT BREAKOUT SESSIONS** (x7 Tracks, two 1-hour sessions) | |
| 2:30–4:45PM | **TRACK 1:** Franchise Growth<br>**TRACK 2:** IFA Franchise Action Network<br>**TRACK 3:** Succession Planning<br>**TRACK 4:** Operations & Profitability<br>**TRACK 5:** Service Brands (Non-Brick & Mortar)<br>**TRACK 6:** Next-Gen Franchisees<br>**TRACK 7:** International |
| 2:30–3:30PM | **TRACK 1:** Developing Great Managers Is the Key to Success<br>**TRACK 2:** IFA – Franchise Action Network<br>**TRACK 3:** Maintaining Business Continuity in Transferring to the Next Generation<br>**TRACK 4:** Scale Your Organization for Growth<br>**TRACK 5:** Understanding the Benefits of Investing in a Non-Brick & Mortar Service Brand<br>**TRACK 6:** Next-Gen Franchisee Basics For Running a Multi-Unit Enterprise<br>**TRACK 7:** Legal Implications for International Franchising |
| 3:45–4:45PM | **TRACK 1:** Due Diligence for Choosing a New Brand, Segment, or Service System<br>**TRACK 2:** IFA – Franchise Action Network<br>**TRACK 3:** Planning for Long-Term Income & Wealth<br>**TRACK 4:** Protect Your Bottom Line from Eroding<br>**TRACK 5:** Scaling Service Brands through Multi-Unit Territorial Expansion<br>**TRACK 6:** Strategies for Assuming the Reins of the Enterprise<br>**TRACK 7:** U.S. Economic Metrics and Market Planning |
| 4:00–7:00PM | Closing Networking Cocktail Reception, Exhibit Hall |

## DAY 3

| | |
|---|---|
| 8:30–9:00AM | Continental Breakfast |
| 9:00–10:30AM | Closing Session: TBA |




MULTI-UNIT OWNERS
DENNIS & NICOLE DRAKE

# tropical SMOOTHIE CAFE®

FRANCHISE OPPORTUNITY

## BETTER-FOR-YOU MENU. BETTER-FOR-YOU FRANCHISE.

**Better act now. | TropicalSmoothieFranchise.com | 770-691-3656**


RANKED #18

**830+**

CAFES FROM COAST-TO-COAST WITH OVER 120 OPENED IN 2019

**$1,096,062**

AVERAGE NET REVENUES FOR THE TOP 25% OF CAFES**

**213**

NEW AGREEMENTS SIGNED WITH 64% COMING FROM EXISTING FRANCHISE OWNERS.

**Top 25% of Cafes. Based on calendar year for 2018, 52 of 142, or 37%, of the Cafes gained or surpassed this sales level. This information appears in Item 19 of our Franchise Disclosure Document. Your results may differ. There is no assurance that you will do as well.

This information is not intended as an offer to sell or the solicitation of an offer to buy a franchise. It is for information purposes only. The offering is by prospectus only. Currently, the following states regulate the offer and sale of franchises: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota (File No. F-4953), New York, North Dakota, Oregon, Rhode Island, South Dakota, Virginia, Washington and Wisconsin. If you are a resident of or want to locate a franchise in one of these states, we will not offer you a franchise unless and until we have complied with applicable pre-sale registration and disclosure requirements in your state. New York State Disclaimer: This advertisement is not an offering. An offering can only be made by prospectus filed first with the Department of Law of the State of New York. Such filing does not constitute approval by the Department of Law.

CALIFORNIA DISCLAIMER: THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF CORPORATIONS NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2ND Annual

# European Master & Multi-Unit Franchising Conference

## Growing event drew a record number of industry elite to Vienna

Written By
**KERRY PIPES**

The 2nd annual European Master & Multi-Unit Franchising Conference (EMMFC) attracted a record crowd of more than 200 attendees from more than 20 countries. The who's who of European franchising gathered January 28–29 in Vienna, Austria, for the two-day conference at the historic Hotel Savoyen Vienna. Once again, the event provided an in-depth forum for master, multi-unit, and multi-brand franchisees interested in growing their businesses, learning from their peers, and engaging with new franchise brands and product and service providers.

The EMMFC has gained the attention of the franchise community across the continent and quickly become a "go to" event for growth-minded franchise operators and entrepreneurs.

The conference, hosted by Franchise Update Media and MFV/Comexposium, targeted the growing number of franchisors and franchisees adding new units and new brands across Europe. Master franchising, a key part of this growing trend, continues to be the primary vehicle for brands looking to expand in Europe. In addition, the EMMFC focused on the growth of multi-unit and multi-brand franchising across Europe.

"We were very pleased with the surge in attendance and the feedback we received about the conference," said Therese Thilgen, CEO of Franchise Update Media. "We strongly believe there is an ongoing need for this kind of conference in Europe and we intend to continue delivering it."

"The EMMFC was a fantastic event," said Germany's Matthias Lehner, founder and CEO of Bodystreet, Europe's leading provider of electrical muscle stimulation (EMS) training with 300 studios on three continents. "To meet so many sophisticated and experienced master and multi-unit franchisees, franchisors, and other experts is a game-changer for franchising in Europe. I love this event and can't wait for next year's conference," said Lehner, who also serves as vice chair of the German Franchise Association.

The conference opened with a keynote address from Catherine Monson, CEO of U.S.-based Fastsigns International, who spoke on "The State of Franchising: U.S. and Global Perspectives."

Glen Helton, vice chairman of NSP Corp., a franchisee of Burger King, KFC, and TGI Fridays based in Sweden, also delivered a keynote called "Building a High-Performance Growth Culture in a Mega Franchisee System."

There were other guest speakers, including Andreas Schwerla, former managing director of McDonald's Austria and Central Europe, who is a 10-unit McDonald's franchisee in Austria. He provided attendees with his insights on "How To Be Best in Class."

The event's educational sessions were divided into two tracks: the Master Franchising Track and the Multi-Unit/Multi-Brand Track. Speakers and panelists from more than 10 countries included master franchisees, multi-unit and multi-brand franchisees, franchisors, international franchise attorneys, consultants, and suppliers.

THE FASTEST GROWING BREAKFAST & BRUNCH CONCEPT IN THE UNITED STATES


ANOTHER BROKEN EGG CAFE®

# THE ONLY THING BETTER THAN OUR FOOD IS OUR FRANCHISE OPPORTUNITY

EXCELLENT MARKETS AVAILABLE | MULTIPLE BUILDING OPTIONS | CUSTOM DEVELOPMENT PROGRAMS

**ONE SHIFT OPERATION**
Making it easier to hire & retain staff.

**BAR FORWARD**
New store design showcases our bar and thriving bar sales.

**EXCELLENT ROI**
Three years of same store sales growth.

**FOOD FOCUSED**
CIA trained chef, culinary creativity means high guest frequency.

**CUSTOMER DRIVEN**
Excellent training results in our inspired service.

**TECH SAVVY**
State of the art tech maximizes management and guest experience.

**WELL SEASONED**
24 yrs of success, well vetted systems, veteran executive team.

**FRANCHISEE FRIENDLY**
Our owners have a voice.

WWW.ANOTHERBROKENEGGFRANCHISE.COM FOR MORE INFORMATION CLAY.CARSON@ANOTHERBROKENEGG.COM

Sessions included such topics as “The Due Diligence Process & Building Your Economic Model for Master Franchising”; “Benefits of Growing Multiple Locations as a Multi-Unit or Multi-Brand Franchisee”; “Choosing the Right Brand for Your Franchise Portfolio”; and “Training: Best Practices to Develop High-Performing Master Franchisees.”

Two General Assemblies brought all attendees together for educational sessions. The first, “Dealing With Legal Points Critical to Successful Multi-Unit and Master Franchise Arrangements,” featured a panel of experienced and highly recognized multi-unit and master franchisee speakers who addressed legal and related business issues critical to both the multi-unit and master franchise expansion methods as well as topics common to both.

The other General Assembly was staged as a roundtable session called “Multi-Unit Franchising, Master Franchising, and Additional Growth Structures: Bringing the Franchise Offering and Relationship into Alignment.” This program, focused on multi-unit franchising, highlighted differences between multi-unit and single-unit franchising regarding initial and continuing fees, the obligations of the parties, and adjusted responsibilities provided or required by the franchisor.


More than 40 sponsors signed up to support the conference. The Platinum sponsor was Fastsigns International. Gold sponsors were Guinot (France), International Workplace Group (Switzerland), and Polsinelli (U.S.). Silver sponsors from the U.S. included Assisting Hands Home Care, Gold’s Gym, Home Instead Senior Care, Inspire Brands (Arby’s, Buffalo Wild Wings, Sonic, and Rusty Taco), MSA Worldwide, Nathan’s Famous, School of Rock, United Franchise Group, and Wing Zone International. Other Silver sponsors were Coffeeshop Company and Growentas from Austria, and Canadian brand New York Fries. In addition, there were media sponsors from Austria, Croatia, Germany, Hungary, Romania, and Slovenia.

“It was a great three days at the conference,” said Brand President of Pizza Hut Germany (Amrest) Matthias Kern. “The event was well organized, the audience high quality, and the program was great. Thank you to the team who organized it and all the participants who made it a high-level event.”

This was the second year for the EMMFC. The inaugural European Master & Multi-Unit Franchising Conference debuted October 23–24, 2018 in London. That conference, which drew 173 registrants from 15 countries, also produced by Franchise Update Media and MFV/Comexposium, was held at the Park Plaza Victoria London. Attendees included both U.S. and European multi-unit and multi-brand franchisees, as well as franchisors, consultants, suppliers, and attorneys specializing in international franchise growth and development.

Make plans now to attend the 2021 European Master & Multi-Unit Franchising Conference. Details of the exclusive event with limited seating will be announced soon. To keep informed, visit www.emmfc.com. ■

EST. 1998
SCOOTER'S COFFEE

# BE AMAZING!

## OWN A SCOOTER'S COFFEE

**$80 BILLION**
industry*

**$761,277**
AUV**

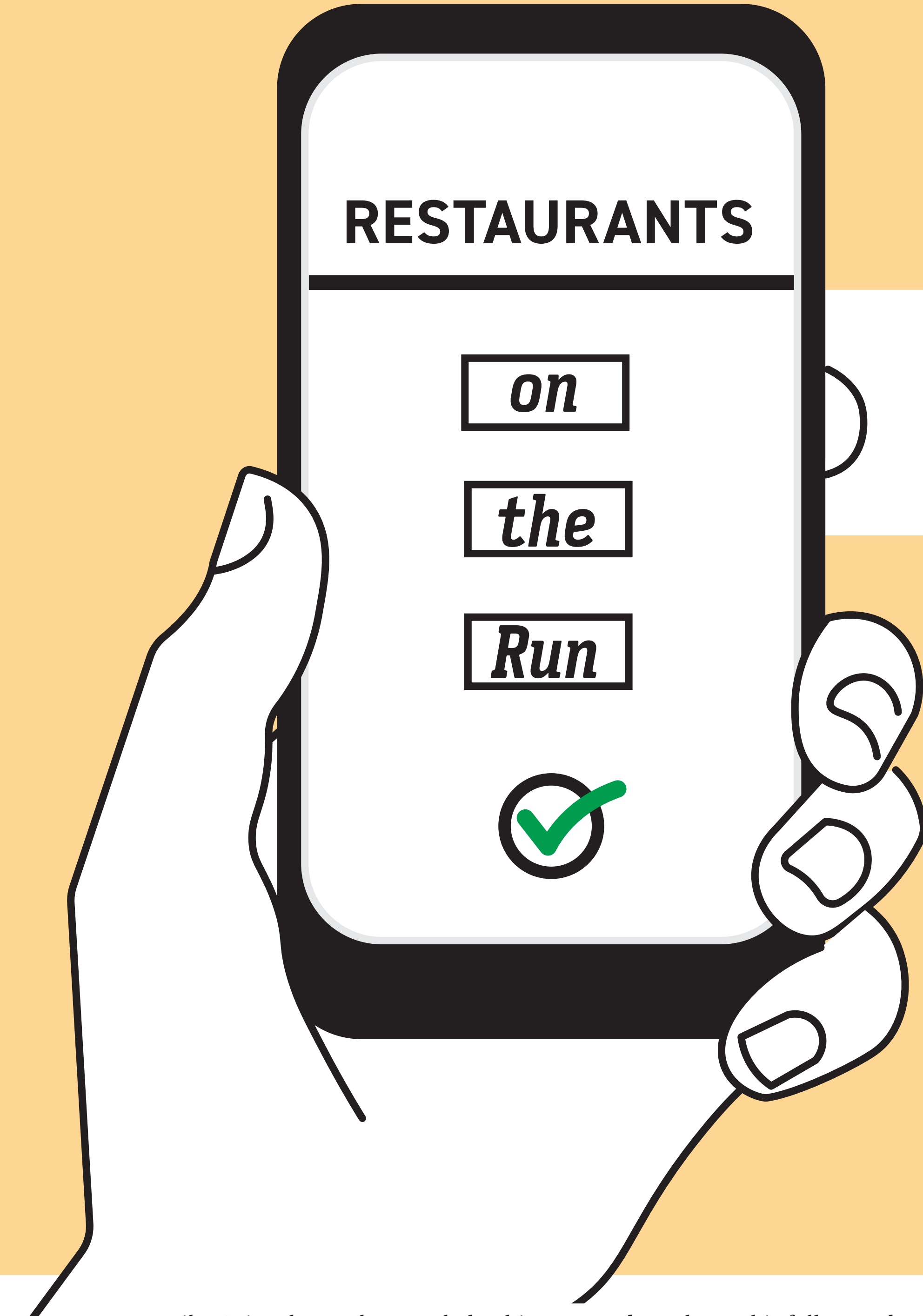
**$200k**
Average EBITDA**

**26.3%**
Net Profit Margin**

DRIVE-THRU KIOSK
550 SQ FT ▶


**Call Now 877.494.7004 | OwnAScooters.com/Multi-Unit-2**

*Retrieved from http://www.ncausa.org/industry-resources/economic-impact
**As reported in item 19 of the Franchise Disclosure Document dated March 16, 2020. Please review item 19 for further details. This is not an offer to sell a franchise, which may occur only in applicable states and through a Franchise Disclosure Document or Prospectus. Your results may differ from the represented performance. There is no assurance that you will do as well and you must accept that risk. Numbers reflect averages for top 25% of Scooter's Kiosk locations.




## Is **technology** making "eating in" the new normal?

Written By
**HELEN BOND**

Mike Geiger knows how to shake things up and get the job done in today's digital world, where "eating in" is increasingly displacing dining out as a consumer choice. Geiger, a multi-unit franchisee of Moe's Southwest Grill, is set to open the brand's first all-digital ordering restaurant, in Pittsburgh's Oakland neighborhood. With a smaller footprint and scaled-down seating, the new restaurant will feature four self-service kiosks.

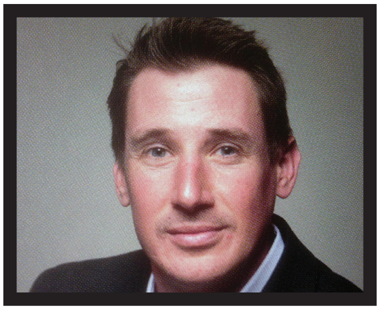
The new design for the fast-casual Mexican brand—Geiger's 11th Moe's—follows the recent transformation of his downtown Pittsburgh location, where online sales soared more than 400 percent after the addition of a full food operations section and a separate entrance for mobile and pick-up orders.

"We completely flipped the Moe's Market Square downtown experience upside down," says Geiger. "We were able to establish this full secondary operation where anyone who places a third-party order or orders through our app will not have to swim upstream. It has its own salsa bar and Coke Freestyle machine. You get the full Moe's experience, and at noon on a Friday people can still get in and out in 45 seconds."

For franchisees, doing takeout and delivery right requires a creative shift in mindset to overcome the technical and operational hurdles involved and leverage opportunities in an industry undergoing seismic change.

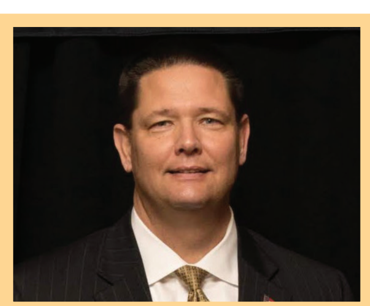
More than half of restaurant spending will be off-premise this year, according to investment firm Cowen and Co., which projects that—for the first time on record—money spent on takeout, deliveries, and drive-throughs will surpass spending for dining inside restaurants. This off-premise surge, buoyed by technology-driven changes in consumer habits and the rise of apps and third-party


Alex Canter


Michael Geiger


Letha Tran


Patrick Guay


Billy Sewell

delivery services, is expected to account for as much as 80 percent of the industry's growth over the next 5 years.

Alex Canter, founder of the online restaurant fulfillment and management solution Ordermark, sees this changing face of the consumer landscape as the e-commerce phase of the restaurant industry.

"Brick-and-mortar restaurants have been forced to become digital businesses," says Canter, a fourth-generation owner of the famed Canter's Deli in Los Angeles. "It is really critical to get it right and figure out how to have the maximum visibility to tap into all the different revenue streams that are available."

What off-premise success looks like varies by brand, franchisee, and location, and typically includes a combination of in-house and third-party tools. As with any winning recipe, it takes trial and error to find the right fit, particularly when it comes to technology.

"You're not going to find the right technology in your first attempt, or the first version of anything created," says Geiger. "Over time, you are going to outgrow technology, or new technology will surface that vastly improves your operation. More than anything, sometimes you are just not using the right technology and you need to admit it isn't a fit for you, your operation, or brand and can move on to another one."

## GOLDEN OPPORTUNITY

Billy Sewell, a Golden Corral franchisee with 28 restaurants in 6 states, jumped into the online ordering and delivery game with both feet in late 2018. Along with online ordering, Sewell's slate of third-party delivery partners includes DoorDash, Grubhub, Uber Eats, and ezCater.

"We also have our catering and to-go menus in front of the consumer, and have hired local store marketing catering to business-to-business," says Sewell, president of Jacksonville, North Carolina-based Platinum Corral. "We have 10 stores where we push it on a weekly basis and have conference calls every week or two to monitor where they are, because we see opportunities. I would safely say that in my business overall, it was probably a $3 million to $5 million gain in 2019."

Sewell's online ordering approach for the brand's buffet-style concept evolved from a traditional menu listing to a platform that offers customers a flexible way to create their own family-style bulk order. There were learning curves that came with developing the to-go package and estimating operating costs such as labor needs and food prep time.

These discoveries propelled Sewell to seek new ways to drive business. "The opportunities are endless if you take care of the customer," he says.

In the past 18 months, he has purchased 10 catering vans and a catering trailer, creating additional opportunities for corporate business, weddings, and special events. He's also found a novel way to produce ongoing revenue working with Meals on Wheels, and has two stores in North Carolina providing more than 1,500 meals a day.

"Once we figured out off-premise, there were other opportunities for it," says Sewell, who was a district manager for the brand before becoming a franchisee. "Golden Corral was basically flat last year, and I was up 2.5 percent. I would say a good 1.5 percent of it was from my motivation to try to figure this out."

## DIGITAL BY THE NUMBERS

Toast, a provider of restaurant management and POS systems, surveyed 1,253 restaurant owners, operators, and staff, along with 1,030 guests across the U.S. Technologies cited as most important to the guest experience included wifi availability, online reservations, and consumer ordering programs.

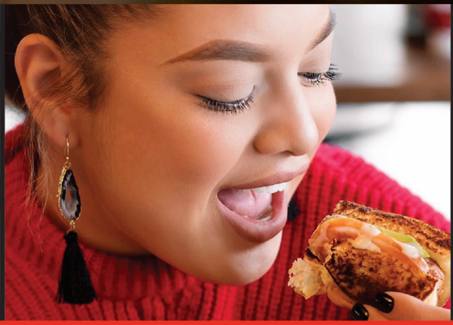
Toast's *Restaurant Success in 2019* report also found that, in the previous month, 51 percent of guests surveyed had ordered directly through a restaurant website, compared with 38 percent who had ordered from a third-party online aggregator site like DoorDash or Grubhub, and 29 percent had used an app for a restaurant or food ordering service like LevelUp.

For franchisees worried about their eroding profitability, it's an off-premise dining highway filled with bumps and potential potholes. Third-party delivery fees range from 15 percent to 30 percent on every order. Franchisors may also call for associated costs to upgrade or remodel store operations. The quality of third-party delivery services can also vary by locale—or delivery person.

## DELIVERY DILEMMAS

Letha Tran, who operates five Togo's sandwich shops in Northern California, says that with so many competitors jumping on the delivery bandwagon, you can't escape using third-party delivery in today's marketplace. Tran prefers the cost






**BECOME A DOG HAUS FRANCHISEE & RE-DEFINE FAST CASUAL**

**ERIK HARTUNG** | FRANCHISE DEVELOPMENT | 818.383.5869 | ERIK@DOGHAUS.COM | @DOGHAUSDOGS | **DOGHAUS.COM**

Dog Haus


savings that come from her brand's 24/7 online ordering system, but she also understands the value of incremental sales and new customers third-party delivery provides—despite the costs.

"Third-party delivery cuts into the bottom line significantly because they are taking 20 percent and, then, on top of it, you have to pay your franchisor as well, so there is very little left at the end," she says. "We are just hoping to get bigger orders and make up for that in volume. You have to embrace it or you are going to give that piece of the pie away to your competitors."

Still, Tran, who spent 8 years in human resources before franchising, does the math and gauges the performance of each provider. "Some third-party deliveries are better than others," she says, and no longer uses third-party delivery for large orders or catering requests after problems with drivers showing up late or poorly showcasing the brand.

"We don't want our corporate customers to see someone who doesn't represent Togo's," she says. "We want the orders to be delivered by someone in a Togo's uniform and be more professional."

**MIXING IT UP**

Even with delivery and all the choices available for how to do it, franchisees still must navigate the various ways customers might find them and consider *all* possible ways to reach customers, now that they're moving toward fewer in-store visits.

"Every single market, in every single city, has a different balance of power when it comes to third-party delivery," says Canter, whose family now operates two additional delivery-only locations. "It feels like a lot of franchise organizations are overlooking the importance of these local providers and players. They should be giving franchisees full authority and autonomy to choose whatever it is that is important to them in their ZIP Codes."

However, for operators focused on providing a seamless experience by adding new technology tools and suppliers—and trying to make all the pieces fit and work smoothly together without adding too much complexity or cost—implementing an off-premise mix of in-house and third-party services also presents numerous operational challenges.

Patrick Guay, owner of four Mooyah Burgers restaurants in Connecticut and Massachusetts, works with the leading platforms available in each of his locations. Although participating in third-party delivery adds sales he wouldn't otherwise have, Guay says it definitely adds a layer of complexity to his operations.

"When the delivery platform is not integrated with the POS, we need a dedicated tablet for each partner," says Guay. "There also is the additional time it takes to enter orders manually.


Entrepreneur
FRANCHISE
500®
RANKED
2020

Coffee, Espresso & Smoothie Drive-thru crafting premium quality and giving back locally & globally since 1998.

**$735,439**
Average Unit Volume

**23.2%**
Average Labor Cost

**0%**
Royalty

thehumanbean.com

Figures reflect averages for thirteen (13) affiliated-owned stores for the 12-month period ending December 31, 2019, as published in item 19 of our March 2020 Franchise Disclosure Document.

On the back end, there are additional accounting challenges to deal with weekly, or monthly payments from working with the delivery companies."

Guay credits his franchisor for support. The move to integrate DoorDash into the loyalty app brand-wide has helped improve efficiency and made it easy for customers to order and gain points. Mooyah also uses Dispatch, a platform that unifies brands, service providers, and customers, for direct integration into its POS system.

Guay says Mooyah helps defer costs by rebating a portion of royalties related to delivery orders so he isn't paying twice for these orders. He also works with the corporate marketing team to build programs with the delivery platforms to increase awareness and help drive promotions.

**MAKING IT WORK**

It's this multiple third-party management dilemma that Canter was trying to solve for his own family business when declining sales forced him to look for new business outside Canter Deli's four walls.

Delivery was a huge success, quickly accounting for up to 30 percent of company revenue, a $2 million annual boost. It also added up to huge headaches.

"Unfortunately, the staff hated me because we had nine tables, two laptops, and a fax machine just to manage all those incoming orders," Canter says. "We were messing up orders left and right, and drivers were showing up to pick up the food we hadn't even started making yet."

His story, too familiar to many restaurant franchisees, resulted in the creation of Ordermark, which allows restaurants to connect to multiple delivery services and platforms through a single online dashboard and device.

Seizing off-premise opportunities requires franchisees to adapt their operations in big ways, but in small ways too."There are lots of points for errors, so it is really important to get the food out efficiently and fast and to the right person," says Canter. "From an operational perspective, I have found it is important to label the bags going out the door with the printed-out ordered ticket, which is why we chose a printer as our product."

Mooyah's Guay has also changed the way orders are labeled to reflect the name of the consumer. And he's added interior signage to his restaurants to make it easy for drivers to see where to pick up orders.

**EXPANDING OPPORTUNITIES**

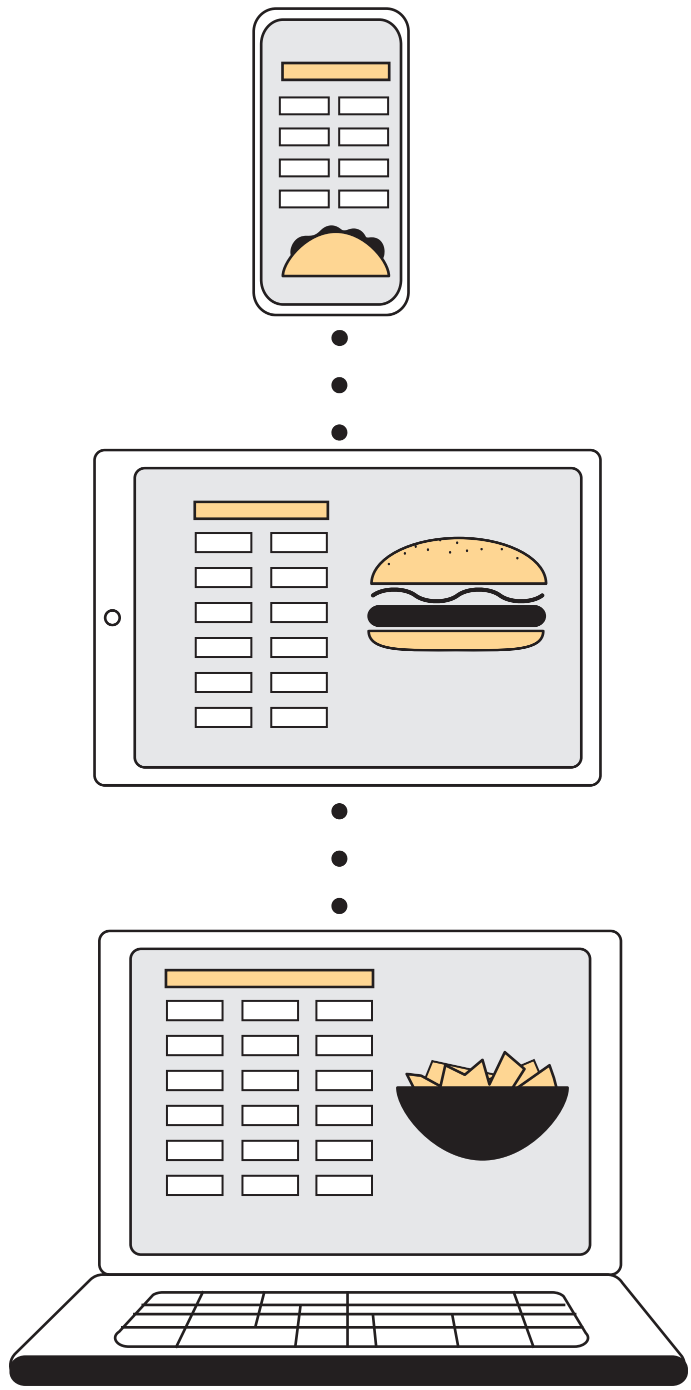
While Geiger doubled the size of his Moe's restaurant in Pittsburgh's central business district, his new, all-digital 15-seat location allowed him to take advantage of smaller prime real estate near the University of Pittsburgh and Carnegie Mellon campuses. The kiosks, the first of two all-digital Moe's set to open in the first quarter of 2020, will accept credit cards, Apple Pay, and university ID cards. A POS register will also be on site. Geiger expects to learn plenty from his new venture.

"It's going to give us a lot of great new insights into our guests, the time of day, day of the week, ordering methods, and ordering habits," he says. "We see a lot of value in what the digital world can offer us."

**WHAT'S AHEAD**

With expected third-party delivery consolidation, growing talk of ghost restaurants, autonomous delivery vehicles, and the increased use of AI and robotics, the future of delivering the "eating in" experience—still in its early days, despite its surge in popularity—is expected to be one of constant change for some time, and franchisees must learn to master the art of flexibility.

"The dining experience we offer 2 years from now will be radically different from the one we offered 2 years ago," Guay says. "Different modes of shopping, ordering, and eating will continually evolve to meet the demands of our customers."■



CAPTAIN D's
EST. 1969
SEAFOOD KITCHEN®

*Franchise Opportunity*

# Catch the INNOVATIVE EDGE

Looking for a smart investment that's steeped in history and driven by industry-disrupting inventiveness? Look no further, we're the only fish in the sea.

### CHEF-DRIVEN MENU

On trend, freshly grilled options without adding extra kitchen costs

### MARKET-SMART PROTOTYPES

22, 44 or 62 seat dining room options fuel $1.5M AUV*

### STATE-OF-THE-ART DESIGN

Same high-functioning kitchen in all restaurant sizes

**COMPLEMENT YOUR PORTFOLIO WITH THE ONLY FAST-CASUAL SEAFOOD FRANCHISE. WIN. WIN.**

**CAPTAINDSFRANCHISING.COM • 615-375-4324**

CASUAL DINING FOOD QUALITY

QSR PRICE POINT

FAST-CASUAL EXPERIENCE

*As reported in Item 19 of our Franchise Disclosure Document ("FDD"). Your results may differ. There is no assurance that you will do as well. Please review Item 19 of our FDD for further details.

# Energy Giver or Energy Vampire?

Which leadership style do you have?

Written By
**JOHN DIJULIUS**

*"The moment you became a leader you lost the right to make excuses. The moment you became a leader, it stopped being about you."*

Science has proven that energy is exchanged between people every time we come into contact with one other. We literally give and receive energy. But that can happen in two ways. You can be an "Energy Giver," bringing positivity and leaving people feeling better for having interacted with you; or your negativity drains them, and you are known as an "Energy Vampire" or "Energy Sucker."

I love what Mark Moses, founding partner of CEO Coaching International, says: "The CEO is the Chief Energizing Officer." In fact, the greatest leaders are the best energy givers all of the time. Their presence can change a room. After conversations with these types of leaders, employees get excited about themselves and the critical part they play in the company's success. Leaders with energy make those around them better.

Ask yourself if you are an energy giver or an energy sucker. Just because you high-fived someone this week doesn't make you a full-time energy giver. You have to do it consistently. It must be a conscious decision, an intentional choice. Energy givers do the following:

- Raise the confidence of everyone they come in contact with
- Improve morale, chemistry, and performance
- Constantly show gratitude and thanks
- Give everyone else the credit
- Believe in others
- Are there for others when they struggle, fail, or are going through hard times
- Are their employees' biggest cheerleaders
- Constantly find out what their employees' goals are and help them achieve those goals
- Are great listeners
- Always build strong relationships and build emotional capital with those around them
- Will walk through fire for those on their team give more

It is just as important to reflect on the type of people around you. Are you surrounding yourself with energy givers or energy vampires? How do the people in your life and at work compare with the list above? Are you hiring and promoting energy givers?

## CAUGHT YOU DOING SOMETHING RIGHT!

Do you have a system that reminds and inspires you to encourage others on a consistent basis? In my companies, one of the most effective tools in boosting morale is our "Caught You Doing Something Right" card, which acknowledges some specific positive action or behavior a team member has executed. We keep stacks of these cards in the employee break room, call center, and any other room a team member may enter.

We started using them as a management tool, and now everyone has access to them. An employee may open their drawer and find a "Caught You Doing Something Right" card thanking them for helping someone through a mini-crisis the day before. Most employees collect and save these cards.

Our management team is *required* to catch people doing something right on a regular basis. This is so embedded in our culture that we now have a spreadsheet with every employee's name down one side and each manager's name across the top. The manager fills in the date they last sent that employee a "Caught You Doing Something Right" card. This way we can spot when someone hasn't been recognized in a while and immediately "catch" them.

We have even held "Caught You Doing Something Right" contests, where the employee who *gives* the most cards wins a gift certificate to a nice restaurant. The entire team really gets into it. One shy employee went home one night and wrote out 111 personalized cards to everyone on our staff.

## GO RANK YOURSELF!

Want to know how well a leader is creating high employee morale? Ask employees to rank their direct leader on the following three questions on a scale of 1 to 5 (5 being the highest):

1. Does this leader care about the company?
2. Does this leader care about my success?
3. Does this leader care about me as a person?

Perception is reality. If the average score from your employees is less than a 4.5 for any of those three questions, you have work to do—and it is clear in which area. ■

**John R. DiJulius III,** author of *The Customer Service Revolution,* is president of The DiJulius Group, a customer service consulting firm that works with companies including Starbucks, Chick-fil-A, Ritz-Carlton, Nestle, PwC, Lexus, and many more. Contact him at 216-839-1430 or info@thedijuliusgroup.com.


# BECOME A PART OF THE #1 FRANCHISE.*

## INTERESTED IN A SINGLE OR MULTI-UNIT FRANCHISING OPPORTUNITY?

NEW & EXCITING LOCATIONS ARE AVAILABLE NOW.

Take advantage of:

- High brand awareness
- Adaptable floorplans
- Simple operations
- Strong support system




*Subway® is #1 in total restaurant count with more locations than any other QSR

# On-Demand Hiring

## Is a better way for hourly hiring coming?

Written By
**MATHIEU STEVENSON**

Historically, job seeking and hiring for hourly work has been a cumbersome and inefficient process. For workers, it can feel like a black hole where they send dozens of applications and get no response, while employers often interview and hire applicants only to learn they don't have the necessary skills or personality to fit the position. This represents a tremendous time and financial investment for both parties: workers must spend their hard-earned money to travel to interviews and those critical first shifts, while managers must dedicate time that could otherwise be spent on customer service and operations.

Despite the clear incentive to overhaul these processes, the inefficiencies in the application process continue to persist, even as technology advances by leaps and bounds. Before the Internet, workers were forced to seek employment through classified ads, employment agencies, and their personal networks. And while the "discoverability" of jobs is now much greater, the actual connection between employers and employees remains stagnant. Fifty years ago, McDonald's used paper and pen applications to screen and hire. For the most part, this process has remained the same, although now it's online and available at the push of a button.

However, digitizing hourly applications is not enough. We need to contextualize and upgrade our methods, using advances in technology to find the best fit between worker and employer. When a worker shows up for a shift, both sides must be confident they will have the requisite skills and knowledge to complete their tasks, as well as understand the nature of the role and its requirements.

This is no longer a "nice to have," but an imperative for businesses looking to gain a competitive edge and staff more efficiently to optimize costs and increase profits. A survey from Statista showed that approximately 8.17 million franchise workers were employed in the U.S. in 2018. This underscores the need for franchise leaders to not only recruit better and be more targeted, but also to shorten the pipeline between applicants and their first shift—helping to reduce turnover, missed shifts, and other events that affect the bottom line.

Simply put, the common hiring method for hourly workers (based on reviewing resumes and applications) fails to provide the critical information needed to evaluate and hire job candidates, especially in fast-paced industries that rely on shift-based employment. While the digitization of recruiting and hiring means prospective employees can fill out and send applications with great ease, the final result is usually a mess of paperwork (digital or physical) that lacks vital context, insight, and actionability.

A restaurant seeking a dishwasher shouldn't have to review dozens of applicants to find someone qualified to run their particular equipment; and the same dishwasher shouldn't have to send out 20 applications to land a job, much less a shift.

### A BETTER WAY

There's a better way forward. Smart tools, leveraging digital worker profiles, and artificial intelligence (AI) represent an opportunity to help all sides benefit. Much as LinkedIn enabled salaried employees to craft their digital reputation, so too is there an opportunity to create a profile for shift-based workers that best extols their skill sets and positive traits.

This digital identity not only helps build an hourly worker's digital reputation, it also makes it easier for employers to assess whether a given individual is the best fit for a particular role, augmented by AI where possible. While AI has been hailed at times as a "savior technology," its real benefit is as a tool to provide actionable insights that can be leveraged by humans to make improved choices.

For hourly work, this means using AI to help assess attitudinal characteristics that are important for that role or company (e.g., a customer service orientation). As this happens, we'll also start to integrate solutions such as chatbots to further streamline the process in user-friendly ways.

We envision a future where workers in the next few years identify an opportunity on their smartphone, complete a quick screening with an AI-based interviewer, and schedule an interview or pick up a shift within a matter of minutes. This would both reduce the cost to hire and provide workers greater freedom and flexibility.

### LESS IS MORE

As these tools become more prevalent, increasing numbers of businesses will begin to leverage platforms that provide tailored employee recommendations based on their needs, significantly reducing the need for store managers to review candidates and manage the process. Paired with AI-powered tools, you can expect to see the way we screen, hire, and train hourly workers to improve—a development that will advance our ability to fill the millions of shift-based jobs available each year.

The goal should not be to create 300 job leads for employers to sift through, but rather to provide 3 strong, data-validated candidates who are the best fit to evaluate and pursue. In an industry characterized by flexibility and rapidity, it's important that the tools we use reflect these same characteristics.

Looking ahead, we can imagine the advanced capabilities enabled by algorithms and AI. One day we may even be able to retire applications and interviews permanently, and "insta-hire" candidates within seconds. While this won't happen tomorrow, we will launch several new features in 2020 that get us closer to "on-demand" hiring. ■

**Mathieu Stevenson** is CEO of Snagajob. For more information, visit snagajob.com.


DEL TACO

FRESH MEXICAN GRILL

# BUILD YOUR SUCCESS WITH DEL TACO FRANCHISING

**DEVELOPMENT INCENTIVES**
OFFERING REDUCED INITIAL FEES & ONGOING ROYALTY REDUCTION

**$1,511,379**
AVERAGE UNIT SALES

**NEARLY 600**
RESTAURANTS IN 15 STATES

## LAURA TANAKA
DIRECTOR OF FRANCHISE DEVELOPMENT

949-462-7379
LTANAKA@DELTACO.COM

**TO LEARN MORE: DELTACOFRANCHISE.COM**

Figures are for freestanding company-operated Del Taco restaurants that we have operated for at least 12 months. At the end of our most recent fiscal year ended January 1, 2019, we had a total of 322 company-owned Restaurants. Of those, 319 constituted freestanding Restaurants and 295 of them have operated for more than one year. Of the 295 Restaurants, 143 Restaurants (48%) had sales in excess of the $1,511,379 average. See item 19 of our May 2019 Franchise Disclosure Document for more information. There is no assurance that you will do as well, a new franchisee's results may differ from the represented results.

# Expansion Planning

## How to make $5 million in franchising

Written By
**ROD BRISTOL**

### Expansion Planning Worksheet

| | | Example |
|---|---|---|
| 1. | How many years does this expansion plan cover? | 5 years |
| 2. | How much do you want your franchise investment to be worth then? | $5,000,000 |
| 3. | What EBITDA multiplier is realistic for your industry? | 3.5x |
| 4. | EBITDA target for your franchise investment (line 2 divided by line 3) | $1,428,600 |
| 5. | What's the average EBITDA for a franchise unit in your system? | 15% |
| 6. | Sales required to generate target value (line 4 divided by line 5) | $9,524,000 |
| 7. | What is a reasonable expectation for average location sales? | $2,000,000 |
| 8. | How many franchise units/territories will you need? (line 6 divided by line 7, rounded up) | 5 units |

The start of a new year and new decade is an excellent time to reflect on what you have accomplished—and what you hope to achieve this year and beyond, by setting long-term goals for growing the value of your business. Franchisees should consider whether multi-unit expansion is part of their plan. This represents one more time when "Start with the end in mind" is an important first step. Start by setting a long-term goal for what you'd like your business to be worth (by when), and then determine the expansion schedule that would yield the growth and value you desire and deserve.

This expansion planning worksheet outlines an initial thought process that provides a foundation for your long-term expansion plan.

1. This is set up to be a 5-year plan. You should choose a timeline that aligns with your personal goals.
2. This is the bottom line for you as the franchise owner. What do you want your business to be worth at the time you established in Item 1?
3. EBITDA multiples are available for many franchise models. These multiples provide a reasonable rule of thumb for what your company might be worth when sold. Your franchise development executives should be able to provide this information.
4. The EBITDA target for your company is critically important, as it is the number to which the multiple will be applied. It is calculated by dividing your desired business value by the current market EBITDA multiple. In this example $5,000,000 divided by 3.5 equals a target EBITDA of $1,428,600. This represents the amount of annual EBITDA your franchise locations must earn to justify the valuation you seek.
5. Next, you need to know the average "EBITDA %" (EBITDA as a percentage of sales) for a franchise unit in your system. In this example we have used 15%. Look to financial benchmarks produced from system-wide results for a figure appropriate for you.
6. To calculate the sales required to generate your target value, divide your target EBITDA dollars by the expected EBITDA %. In our example, $1,428,600 divided by .15 indicates you would need to generate annual sales of $9,524,000 to justify a business value of $5,000,000.
7. What is the average sales produced by a franchise unit in your system? In this example a reasonable expectation for average sales per unit is $2,000,000.
8. Total sales required divided by average sales per location equals the number of franchise units needed to produce the value ($9,524,000 divided by $2,000,000, or 5 locations).

**SUMMING UP**

The worksheet indicates that to grow your investment value to $5,000,000 in 5 years, you will need 5 locations producing average sales and profits for your system. Clearly you could yield a higher value by being a top performer instead of an average performer. Refine your targets as needed to reflect a level of performance you can reasonably expect to achieve in the markets you'll invest in.

Clearly this is just the visioning part of your expansion plan. You'll still need to understand your cost structure to establish the sales plan and monthly expense budgets for each franchise unit. You'll also need a cash flow plan and a long-term financing plan.

Successful investors must also master the 3 C's of successful multi-unit expansion: Competencies, Capacity, and Capital. We'll explore these further in my next column.

(The worksheet and concepts explored in this column are excerpts from the course "Profitable Growth Through Multi-Unit Expansion.") ■

**Rod Bristol** is director of business development and a presenter at Profit Soup, a financial education organization specializing in franchised companies. He can be reached at rod.bristol@profitsoup.com or at 206-427-5333.

# 2020 Foresight

## Obstacles & opportunities in the coming decade

Written By
**CAROL SCHLEIF**

*"Business, more than any other occupation, is a continual dealing with the future; it is a continual calculation, an instinctive exercise in foresight."* —Henry R. Luce

As creator and publisher of *Life, Time,* and *Fortune* in the early part of the 20th century, Henry Luce is credited with changing the way Americans interact with the news media. The publications he built explored U.S. life and business in new and more intimate ways, arguably setting the stage for much of the content we have today and igniting a hunger for storytelling in a variety of formats. As we enter a new decade, it is worthwhile to pull up and exercise a bit of foresight as we consider obstacles and opportunities that may affect the coming decade.

In a recent Abbot Downing Strategy Report ("A Look Back: What Have the 2010s Taught US?," Nov. 2019), we summarized a number of the key outcomes of the decade just ended. Both equity and fixed income markets turned in well above average returns in 2019, and did a noteworthy job of remaining resilient despite a host of worrisome headlines on trade (China, EU, Canada/Mexico, Japan); geopolitical concerns (Syria, Iraq, Iran); Brexit uncertainty; political angst (impeachment, large and volatile Democratic field); 35 days of government shutdown; a GM strike; and a plethora of bad weather and natural disasters to muck up economic statistics. Despite the headline headwinds, market participants seemed to focus most closely on economic fundamentals, which proceeded nicely, especially on the consumer front.

Interestingly, the final few weeks of December 2019 brought improved clarity on a number of fronts, possibly stabilizing business confidence and giving credence to the potential for continued steady economic performance. We touch on a few of the most notable trends we are anticipating will have investment meaning in the decade ahead. We plan to write more on many of these in strategy reports to come, but are looking to get the discussion started!

- Returns. "Lower for longer." How many times have you heard that phrase in the past few years? At some point in the decade, we do expect to see a rationalization of the negative yields, though it may take longer than many expect. The purveyors of much of this debt are sovereign nations with a lot more flexibility in how they approach the situation than, say a dot.com entrepreneur did in 2001, or an underwater homeowner did in 2010. Oddly enough, lower returns may actually be okay, especially if inflation continues to run at the substantially muted pace it has been.
- Artificial intelligence will continue to take over a variety of formerly human interventions. It won't necessarily replace humans, as much as supplement their abilities. There will be fits and starts as it becomes increasingly obvious that as machines are learning to be intelligent they are learning in the context of the inherent biases of the code writers. Emotional intelligence, critical thinking, and "softer" skills will become increasingly vital for all humans to possess. Ongoing learning and adaption will be imperative for long-term success.
- Cries for the death of capitalism will subside as 1) business model destruction/recreation stabilizes (or becomes the norm), and 2) educational and training opportunities morph to keep up with changing mores.
- Continued movement to the information age and away from basic manufacturing. Even within remaining manufacturing facilities, continued business model disruption will occur with robots and AI alongside more technologically sophisticated humans. Such trends and end-user demands need better educational and training systems.
- Disparities between "haves" and "have nots," much of these brought on by business model disruptions, will reach a head. Policies to enhance educational outcomes and ongoing career training opportunities will proliferate.
- Lack of infrastructure investment will come to a head with government entities from countries to local municipalities forced to deal with the reality of infrastructure that is more than a century old. Climate change impacts will also predominate.
- Environment, food, water, energy. Interestingly, even as more work toward the upper reaches of Maslow's "Hierarchy of Needs" pyramid (self-actualization), the basic needs at the bottom (shelter, food, safety, and security) will come into acute focus for millions as climate change causes drought- and starvation-induced migration that is ignorant of human-made boundary lines, in much the same way as humans have been migrating around the planet since the dawn of time.
- Changing demographics and sensibilities at the younger end (Millennials and Gen Z) will continue to drive changes in household formation, purchasing norms, and corporate responsibility demands.
- Markets. Globalization continues, along with a broadening of asset classes and access to them as share count continues to recede.
- Inflation picks up as global growth stabilizes and trillions in negative yields revert to more neutral means. This could well be the single biggest event that occurs, depending on how orderly (or not) it transpires. If it becomes disorderly, it could prompt an exodus from fixed-income funds as investors (particularly retail and those new to the category) realize that the returns the asset class have been generating are not coupon yield, and that the asset class considered "conservative" could instead generate permanent loss of capital.
- Health care will continue to evolve with significant advances made in monitoring, coordination, and driverless transportation to allow an increasing number of individuals to age in place with dignity. Advances in diagnostic and preventive care could lead to personalized medicine and genomic health becoming a standard, low-cost offering. ■

**Carol Schleif,** CFA, is deputy chief investment officer at Abbot Downing, which provides products and services through Wells Fargo Bank and its affiliates and subsidiaries. She welcomes your questions and comments at carol.schleif@abbotdowning.com.

# Family, It's Complicated

## Partners, children, and the bottom line

Written By
**JEFF BANNON**

Defining the members of your business family can be difficult—especially when considering the idea that members of your "business family" include *anyone* you do business with for reasons other than just to make money. As a result, family dynamics can become quite complex among minority partners you may have, whether they are blood-related or not.

Whether your minority partner(s) joined you through a stock recognition plan, equity buy-in, or at the inception of building your multi-unit franchisee business, there are very simple, common expectations that, surprisingly, can be misconstrued. First—and foremost—is simply that "We are in this to make money, period." Second is that your partner provides something you consider important to the overall success of the organization.

Simple, right? Unfortunately there is at least one season of life that complicates these two simple assumptions: the coming of age of children, whether yours or your partners'.

Let's assume for a moment that neither your children nor your partners' children, have shown any interest in your business. Then you can continue doing what you're doing without interruption and everything will work out, right? Well, no.

In today's world, it is not out of the realm of probability that a child will live with mom and/or dad into their 30s, paying reduced or no rent. Having worked with several parents in this position, I can attest that there is a natural inclination to view the business as an opportunity to help launch Junior into the world and get them on their way. As a result, it can be extremely difficult to deny a request to give Junior a job until they figure out what they want, particularly if you have not addressed it ahead of time. Furthermore, it is in this moment that at least one partner has shifted away from the first simple expectation because now you are no longer in business "just to make money." Instead, the business has become a support system, a fallback plan that transcends day-to-day business performance.

Many young adults today have no idea what they want to do, and there is a natural tendency by parents to keep the opportunity open should the children decide to commit someday. This has been known to affect hiring decisions, delaying the fulfillment of vital management roles within the organization in the hopes that one day Junior will want to join the business. Sounds crazy, but it's true!

Again, this is a shift away from the "profitability first" approach and puts the minority partner in a precarious position to either engage in the family dynamics or begrudgingly hold their tongue. This is when the value of the partnership can begin to decay, causing a minority partner to withdraw and be less inclined to contribute at the level you had grown to expect. Therein lies the shift away from the second simple expectation: You are no longer as concerned with your partner's input, even though they will share in the result.

### MORE COMPLICATIONS

Further complicating the dynamic is the question as to whether the business can be kept in the family and operated by a board, or whether a sale is imminent. Although there is significant complexity surrounding a board of directors, it can be done. And while a sale is the simplest alternative, the question becomes to whom, and at what price? Under the umbrella of a family business, sales and transfers among family are generally expected to be made as fairly as possible and commonly involve discounts, while a sale to an outside third party merits a hard-line negotiation to capture every available dollar. How do you find the balance if your family sells to your partner?

On the other hand, if either partner's children or family seek employment in the business, there is obviously a long list of governance considerations that easily exceed the scope of this column. One significant factor pertaining to this topic, however, is finding the balance between the urgency to remain focused on the bottom line, while remaining patient with the developmental process of a successor.

Part of the beauty a family business can offer is the lack of pressure for immediate returns that a publicly traded company has to deal with. The strategic planning of a privately held business can and should take into account a much longer timeline, allowing for the development of the next generation of leaders. This long-term approach, however, is likely to result in a performance dip at some point. If your partners are not on board with the potential for a self-imposed performance dip, then trouble is certainly on the horizon. This is a difficult tightrope to walk as every successor needs the opportunity to learn from their mistakes. But is it okay if it's at the expense of a partner simply looking to maximize their return?

Clarifying expectations of the next generation, whether or not they are in the business, is a critical step to maintaining a lasting partnership. If you're thinking that you have the time and it's not a problem right now, then *now* is the time to address it. Overcoming partnership issues regarding family after the cards are on the table can be like trying to put toothpaste back in the tube. ■

**Jeff Bannon** is a partner and succession advisor with The Rawls Group, a business succession planning firm with offices in Atlanta, Orlando, Des Moines, and Los Angeles. For more information, visit www.rawlsgroup.com or email info@rawlsgroup.com.

# M&A Trends

2020 will be a busy year for deals!

Written By
**CARTY DAVIS**

As we enter a new year and decade, expect macro M&A trends from the past few years to continue. The year is already starting strong with new deals announced for several large brands and franchisees, with more to come. In addition to restaurant transactions, expect the pace of franchise transactions outside the food space to accelerate as franchisees continue to look for opportunities to expand and diversify.

**7 REASONS**

The rate and pace of franchise resales and consolidation is expected to continue in 2020, primarily because of these factors: 1) aging franchisees; 2) continued focus on *asset light* refranchising initiatives; 3) increased complexity and capital required to run the business; 4) strong valuations (liquidity alternatives are plentiful); 5) macro-economic pressures, including a looming recession and a tight labor market that will create a difficult operating environment); 6) a strong, diverse, well-capitalized buyer pool, including traditional operators, family offices, and private equity competing for acquisition opportunities; and 7) the transition of family-owned franchise groups from the first generation to the next, with more outright sales and partial buyouts of partners and family members as owners look to transition their business.

**WHO WILL WIN**

As unit growth and consolidation continue, the groups that will come out on top will be those excelling at:

1. Integration and creating synergies at the administrative level, including aggressive cost-savings initiatives.
2. Construction and development. Many groups have developed and maintain internal general contracting arms to handle new restaurant development, relocations, remodels, and general maintenance. Controlling this function can yield a savings of 20 percent or more.
3. Human resource management. Franchise groups that build a true people-first culture with benchmarking, retention strategies, and an employee focus will win.

**WHO WILL LEND**

Professionally managed capital continues to maintain an increasingly large presence in the franchise space. PE firms and family offices are comfortable with transaction metrics on both franchisor and franchisee investments. The economics are understandable and predictable. The investments are fungible, and there is always an abundance of opportunities on the market.

Traditional senior financing, unitranche lending, and hybrid financing should also remain robust. While interest rates and terms are still historically attractive, expect to see a tightening of underwriting standards. Banks will be watching leverage ratios closely as the economic and political landscape is shifting with franchisor-mandated remodels, significant technology-related expenditures, margin compression, 2020 elections, and concerns over a potential recession. Banks will look to keep leverage down and require a much-needed financial cushion to weather any financial-related hurdles.

**BREAKFAST WARS ON THE MENU**

Breakfast remains the fastest-growing daypart and competition continues to increase. Look no further than Wendy's, which, in 2020, will roll out breakfast for the fourth time. New concepts have emerged with sophisticated financial backing like First Watch, Eggslut, and Another Broken Egg Cafe. Expect to see a competitive and evolving battle for this high-margin daypart. Winners and losers will emerge, but in the meantime the coffee and breakfast halo will enhance valuations and deal interest. With increased investment, new brands, and a waiting line of investment groups looking to access this daypart, expect to see more deal flow.

**TIME KILLS DEALS**

In the past several years, we have witnessed an expansion of the deal life cycle for most transactions, including franchisee-to-franchisee transfers, private equity/family office investments, refranchisings, and recapitalizations. Longer deal cycles exacerbate execution risk by exposing the transaction to such factors as franchisor approval, lending conditions, changes in operational performance, and macro or geopolitical events. As a result, we expect to see a continued rise in re-trading risk as buyers attempt to capitalize on these opportunities to lower the aggregate purchase price of a deal. To close transactions, all parties, including attorneys, capital providers, and franchisors, must remain focused, engaged, and keep the end goal in mind. As the stakes rise (higher valuations, larger transactions and store counts, a changing capital market), so must the diligence and persistence of the parties involved. If a weak link emerges and slows down deal momentum, execution risk increases.

**FRANCHISOR INVOLVEMENT**

It is the right and obligation of franchisors to protect the brands they have established. Often, franchisors are taking a deep dive into the details of every transaction and analyzing the valuation metrics, capital structure, and financial resources of the buying group and are trying to steer transactions to their benefit. In addition, some franchised brands are also inserting mandated development requirements as a condition for franchisor consent. It remains vital that both buyer and seller establish and create a solid relationship with the franchisor.

When assets trade, the franchisor approval process is taken very seriously as brands must strive to align themselves with the best franchise partners possible. If they get it right, great things can happen for the brand: increased store count, profitable franchisees, satisfied consumers, etc. If they get it wrong, it can drag down the franchise system. Consequently, buyers and sellers must plan for and expect the approval and transfer process to be an integral part of any transaction.

We are fortunate to work in such an exciting industry where life is never dull. 2020 promises to be another vibrant year in franchise M&A. Buckle up and enjoy the ride! ■

**Carty Davis** is a partner with C Squared Advisors, a boutique investment bank that has completed hundreds of transactions in the multi-unit franchise and restaurant space. Since 2004 he's been an area developer for Sport Clips in North Carolina with more than 70 units. Contact him at 910-528-1931 or carty@c2advisorygroup.com.

# NOW IS THE TIME TO FRANCHISE WITH FAZOLI'S.®

## #1 Italian QSR

Franchise Business Review,
Top 200 Franchises, 2018

## RECORD-BREAKING SALES SUCCESS
## $1,567,893

Average Net Revenue,
Top 3rd of
Franchised Restaurants*


## NEW 2020 DEVELOPMENT INCENTIVES.

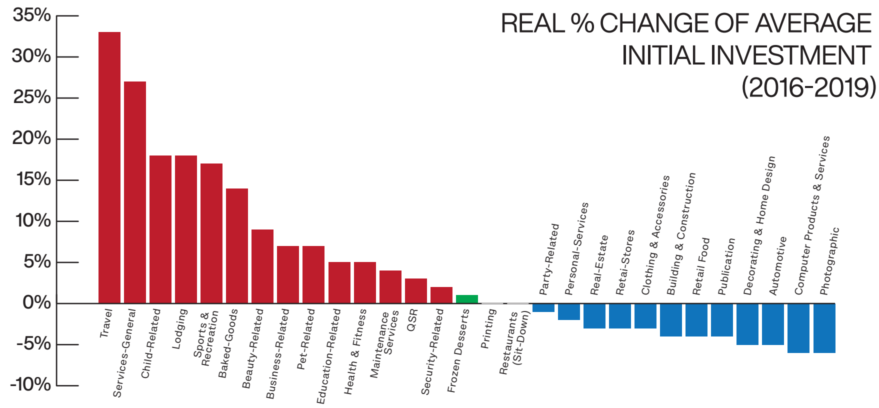
**Let's talk.** Steve Bailey, Senior Director of Franchise Sales

859.825.6212 **ownafazolis.com**

* As shown in Item 19 of the current Franchise Disclosure Document of Fazoli's Franchising Systems, LLC, for the 12 months ending March 28, 2018. There is no assurance that a franchisee of Fazoli's will sell or earn as much. Fazoli's and logo are federally registered trademarks of Faoli's System Management, LLC  2470 Palumbo Drive, Lexington, KY 40509-1117

# Pricing Power

## Is opening a franchise getting less expensive?




Written By
**DARRELL JOHNSON & LUIS DESPRADEL**

We have been living in a very low inflationary environment for the past decade, courtesy of both the U.S. Federal Reserve and the coordinated international effort of other central banks. While there are many good outcomes from this monetary policy, one of the drawbacks has been the lack of pricing power. Whether B2C or B2B, companies have had difficulty raising prices. In franchising, this has put greater emphasis on expense controls.

A companion of reducing costs is reducing initial investment levels. One way to increase return on capital is to require less and try to find ways to achieve the same expected return. So, based on the idea that franchisors are being pressured to find new ways to take costs out of unit operations, we should have seen the cost of opening a franchise declining, or at worst remaining flat, in the past 5 to 10 years. At least that is a reasonable theory. Is it true?

To find out, we analyzed initial investment levels for more than 1,100 franchised brands in the past few years. A preliminary look at the data reveals a picture that is contrary to what we expected.

On average, franchises are getting more expensive. Between 2016 and 2019, the average nominal initial investment among all analyzed brands grew by a total of 22.5%, while the CPI grew by a total of 6.4%. To put that in perspective, over the past 4 years, annual inflation was about 2.1%, while the nominal cost of opening a franchise grew at triple that rate with a CAGR of 7% per year. Adjusting for inflation, the median cost grew by 14.6%.

### DIGGING DEEPER

While dramatic, that is not the whole picture. A key to understanding this is to look at investment strata. The table below shows the average initial investment, shown with minimum and maximum costs. Both boundaries have not grown equally. The maximum value paid by franchisees has gone up substantially more than the minimum. As a result, the median initial investment has been skewed by the higher limit. A key driver is physical location cost, and the implication is that as rental and real estate levels have risen, footprint sizes have not adjusted downward to compensate.

The values shown in the table vary depending on the size of the business. Franchises that require more equipment, training, and complicated computer systems have greater than proportional cost increases relative to less complex brands. By bracketing investment levels, our original hypothesis is shown to be partially correct. The real costs of opening a franchised business are actually declining for average investment levels less than $1 million. In fact, 57% of all brands analyzed had overall declining real costs.

Despite recent events that might increase costs (e.g., higher equipment prices resulting from trade wars), franchisors are indeed focusing on reducing costs in their initial franchise package. We believe that the growing number of brands with detailed FPRs is allowing prospects (the majority of whom are experienced multi-unit operators) to assess profit margins as well as sales-to-investment ratios.

Top-line unit revenue may drive royalties for franchisors, but it is not the end game for franchisees. Our research suggests that competition among brands for better operators is pushing franchisors to find ways to lower costs and increase returns.

Across industries, the data paints a mixed picture. The initial investment paid by franchisees has changed dramatically in some industries and not much in others. The graph above shows investment levels across 30 industry groupings.

The demographic influences revealed through changing consumer demand have given some sectors more flexibility to offer larger-format unit offerings. That shows itself in sectors such as child-related and lodging. But shifting consumer demand trends have taken away flexibility in other sectors, particularly those with retail footprints. Competition from new brands in more mature sectors likely contributes to downward pressure on investment levels.

### CONCLUSION

The conclusions drawn from this analysis start with one that is contrary to expectations. Sectors with higher investment levels are getting even more expensive. However, across the entire business model there are more franchise brands with decreasing investment levels than increasing ones. This is particularly true in mature sectors, and especially in retail. ■

**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. **Luis Despradel** is a junior research analyst at FRANdata.

| Avg. Initial Investment | 2016 | 2019* | % Change | CAGR |
|---|---|---|---|---|
| Median | $2,006,928 | $2,300,353 | 14.6% | 5% |
| Minimum | $1,199,540 | $1,297,583 | 8.2% | 3% |
| Maximum | $2,814,316 | $3,303,123 | 17.4% | 5% |

* Adjusted for inflation using 2016 as a base year

# AD INDEX


| ADVERTISER | PG # |
|---|---|
| American Family Care | 61 |
| Another Broken Egg Cafe | 57 |
| ApplePie Capital | 15 |
| Blaze Pizza, LLC | 73 |
| Blink Fitness | 49 |
| California Tortilla | 81 |
| Captain D's | 67 |

| ADVERTISER | PG # |
|---|---|
| Checkers & Rally's Restaurants | 5 |
| Carl's Jr and Hardee's | 1 |
| Cora Breakfast and Lunch | 45 |
| Del Taco | 71 |
| Dog Haus | 63 |
| Dogtopia | 7 |
| Dunkin' Brands | 75 |

# AD INDEX


| ADVERTISER | PG # |
|---|---|
| Entrepreneur Media, Inc. | 86 |
| Fazoli's Italian Restaurants | 79 |
| FranConnect | 9 |
| Hot Dish Advertising | 83 |
| Inspire Brands | 2 -- 3 |
| International Franchise Association | 87 |
| Jersey Mike's Subs | Insert |
| Keyser | 84 |
| Lemon Tree Hair Salons | 41 |
| Old Chicago Pizza & Taproom | Back Cover |
| Plum Market | 35 |
| Pollo Campero USA | 53 |
| PuroClean | 47 |
| Qdoba Mexican Eats | 23 |
| Retro Fitness | 43 |

| ADVERTISER | PG # |
|---|---|
| RNR Tire Express | 13 |
| Save A Lot, Ltd. | 39 |
| Scooter's Coffee | 59 |
| SENTIO | 17 |
| Smoothie King | 21 |
| Subway World Headquarters | 69 |
| Teriyaki Madness | 27 |
| The Human Bean | 65 |
| The Joint Chiropractic | 29 |
| Titus Center for Franchising | 85 |
| Tropical Smoothie Cafe | 55 |
| uBreakiFix | IFC |
| Urban Air Adventure Parks | 51 |
| WorXsiteHR | 31 |
| Zaxby's Franchising LLC | 77 |


FRANCHISE ONLY REAL ESTATE IS
DISRUPTIVE
CALL US AND ASK HOW
IF YOU HAVE A PERFECT REAL ESTATE PROCESS, NO NEED TO CALL.
#DisruptionIsNotForEveryone
KEYSER
TY BREWSTER | ANDREW LAPORTE | 602.9.KEYSER

# TRAINING THE NEXT FRANCHISE GENERATION

The **Titus Center for Franchising** at Palm Beach Atlantic University is the only comprehensive franchise education program in the U.S.A.

*LEFT:* DANIEL PLOURDE, FRANCHISE INTERN
*RIGHT:* ROB MORRIS, CHICK-FIL-A OWNER & OPERATOR
WEST PALM BEACH, FLORIDA

The Center's distinctive features include:

- Four college courses with a franchise internship that lead to a Concentration in Franchising
- Franchise professionals who visit campus frequently to speak with students
- A 40-member Advisory Board that provides ongoing student coaching
- The Don Dwyer Franchise Scholarship becoming available Spring 2020
- The Kobel Challenge, which provides substantial funds to help graduates buy franchises

**Titus Center for Franchising**
at Palm Beach Atlantic University

*LEARN MORE:*
**TitusCenterforFranchising.com**

# THANK YOU TO OUR 250+ SPONSORS & EXHIBITORS

## PLATINUM SPONSORS

## BREAKOUT VIDEO SPONSOR

## KEYNOTE SPEAKER SPONSORS

## GOLD SPONSORS

## FRANCHISEE CONFERENCE KICK-OFF EXTRAVAGANZA SPONSORS

## FRANCHISEE LUNCHEON SPONSORS

## FRANCHISOR AND SUPPLIER LUNCHEON SPONSORS

## MOBILE APP SPONSOR

## EXHIBITOR SHOWCASE SPONSORS

## EXHIBITOR SILVER SPONSORS

### MVP AWARDS SPONSOR

American Family Care

### TOTE BAG SPONSORS

Fountain
Jersey Mike's Subs

### LANYARD SPONSORS

FisherZucker
Fountain

### CHAIRMAN'S DINNER SPONSOR

WorXsiteHR

### CONFERENCE ADVISORY BOARD MEETING SPONSORS

fresh&co
INFINITI HR
The Rawls Group-Business Succession Planners

### AGENDA AT A GLANCE SPONSOR

Bojangles' Famous Chicken 'n Biscuits

### REGISTRATION DESK SPONSOR

The Coffee Bean & Tea Leaf

### BRONZE SPONSORS

Another Broken Egg Cafe
Apóla Greek Grill
Atlantic Retail
Blink Fitness
Brixmor Property Group
coolgreens
Darwill
Defenders Gateway
F. C. Dadson LLC
Fish Consulting
Franchise Business Review
Fuzzy's Taco Shop

### BRONZE SPONSORS, con't.

GT&S Franchise Executive Search
Gulf Coast Restaurant & Franchise Finance
Hirtle, Callaghan & Co
The Lash Lounge
POLN8
Quaker Steak & Lube
Roy Rogers Restaurants
Texas Capital Bank
TheFranchiseGuide.com
Unbridled Capital
UNCLE SHARKII POKE BAR

### CUBE SIGN SPONSORS

Captain D's
Del Taco
Inspire Brands

### HANGING AISLE BANNER SPONSORS

Big Blue Swim
Captain D's
Potbelly Sandwich Shop
PuroClean

### LARGE BANNER SPONSOR

Inspire Brands

### EXHIBITORS

7-Eleven Inc.
55 Curry Franchising LLC (DBA Go! Go! Curry!)
AAMCO Transmissions
Ace Hardware Corporation
ADP
American Family Care
American Franchise Academy
Angry Crab Shack
ApplePie Capital
Arby's Restaurant Group
Arcade
Ascentium Capital
ATAX
Atmosphere TV
B.GOOD
Bad Ass Coffee of Hawaii
Bank of George
Basecamp Fitness
Batteries Plus Bulbs
BeReady Advisors, LLC
Beverly Hills Rejuvenation Center
Big Blue Swim School
Black Bear Diner
Bojangles' Famous Chicken 'n Biscuits
Bonchon Korean Fried Chicken
Brixmor Property Group
Broken Yolk Cafe
The Buffalo Spot Global LLC
Buffalo Wild Wings
Buffalo Wings & Rings
BURGERFI International
Burn Boot Camp
Buttry & Brown Development, LLC.
Byrider Franchising
California Tortilla
Capital One
Capriotti's Sandwich Shop, Inc.
CapStar Commercial Realty
Captain D's
Carl's Jr and Hardee's
Checkers & Rally's Restaurants
Chicken Salad Chick
Choice Hotels International
Church's Chicken
Clean Juice
CLOVR Life Spa
Coffee Beanery
Concept Development Solutions (CDS)
Consumer Fusion
Cora Breakfast and Lunch
Crimcheck
Deliver Media
Del Taco
Denny's, Inc.
direct2you
Dog Haus
Drive Social Media
Dunkin' Brands
Earl of Sandwich
Einbinder & Dunn LLP
Entrepreneur Media, Inc
Exults Marketing
FastFood BPO
Fazoli's Italian Restaurants
FOCUS Brands
Foremark Real Estate Services
Fountain
Franchise Capital Solutions
Franchise Update Media
FRANdata
Freddy's Frozen Custard & Steakburgers
Fuzz Wax Bar
G6 Hospitality
Gatoreviews
Global Franchise
Global Franchise Group
Glory Days Grill
Golden Chick
Golden Corral
Goodcents
Granite Telecommunications
Great Harvest
Grimaldi's Coal Brick-Oven Pizzeria
Guardian Protection
Guggenheim Retail Real Estate Partners, LLC
GUINOT
H2O Digital Marketing
Harbour Capital
Harland Clarke
HOA Brands
HomeWell Care Services
The Human Bean
Hungry Howie's Pizza
Ideal Image MedSpa
INFINITI HR
International Franchise Association (IFA)
Interplan LLC - Nationwide Architects and Engineers
Intrepid Direct Insurance
Ivy Kids Early Learning Center
Jack in the Box Inc
Jersey Mike's Subs
Jimmy John's Gourmet Sandwich Shop
JINYA Ramen Bar
The Johnny Rockets Group, Inc.
The Joint Chiropractic
Joyal Capital Management, LLC.
K9 Resorts Luxury Pet Hotel
Kahala Brands
Kent Franchise Law Group, LLC
Keyser
Kids 'R' Kids Learning Academies
The Krystal Company
Launch Entertainment
Leasecake
Lemon Tree Hair Salons
Liberty Tax & Loans
Little Caesars Pizza
Loomis
Marugame Udon
Mary Brown's Chicken & Taters!
Massage Heights
Matthews Real Estate Investment Services™
Mayweather Boxing + Fitness
MFV Expositions
Modern Market Eatery
My Eyelab
MyTime
N3 Real Estate
Netspend Corporation
Netsurion
New York Fries
Newk's Eatery
The NOW Massage
Office Evolution
Old Chicago Pizza & Taproom
OPA!
Ori'Zaba's
Oxi Fresh Carpet Cleaning Franchise
Pancheros Mexican Grill
Parapet Studios
Paris Baguette
Paycor
Payroll Vault
PCS VoIP
Pearle Vision
The Pelican Group
Penn Station, Inc.
Phenix Salon Suites
Pinch A Penny
Pita Pit USA
Pizza Ranch
Placer.ai
Plum Market
Pollo Campero USA
Potbelly Sandwich Shop
Printivity
Proliant
Pronto Insurance
Purchase Green Artificial Grass
PuroClean
Qdoba Mexican Eats
RAKKAN Ramen
The Rawls Group - Business Succession Planners
Raydiant
REGO Restaurant Group
Rent-A-Center Franchising International
RESOLUT RE
Restaurant365
Retro Fitness
RNR Tire Express
Rubicon Global
Rusty Taco
Saladworks
Save A Lot, Ltd.
SBMA
Scooter's Coffee
Señor Frog's
ShiftPixy
SHOTS
The Simple Greek
Slim Chickens
Smashin Crab
Smoothie King
SocialMadeSimple
Sonic
Steak n Shake
Subway
SwipeSum
talentReef
TD Bank
TEMSCO SOLUTIONS
Teriyaki Madness
Textline
Thrillz High Flying Adventure Park
Tide Cleaners
Tijuana Flats Tex Mex For All
Tin Drum Asian Kitchen
Togo's Eateries
Tommy Gun's Original Barbershop
Tommy's Express
Traliant
TriNet USA, Inc
Tropical Smoothie Cafe
True Lark
True REST Float Spa
Twin Peaks Restaurants
TWO MEN AND A TRUCK®
U.S. Bank
uBreakiFix
United Franchise Group - Food Division
Unity Rd.
Universal Background Screening
Urban Air Adventure Parks
V Digital Services
Vickery Creek LLC
Walk-On's Sports Bistreaux
Waterman Steele Real Estate Advisors
Waxing the City
Wharf Casual Seafood
Wings Over
Wingstop Restaurants
Wintrust Franchise Finance
Wired Telcom
WorXsiteHR
Xpressdocs
Xpresso Delight
Zambrero
Zaxby's Franchising LLC
zignyl - Business Success. Simplified.