



In a recent AP-GFK poll, 72% of Americans said they're optimistic about what 2010 will bring for the country



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FEATURED:

Franchising is a better alternative business for many.

Veterans given additional incentives to franchise.

Women in Franchising Businesses.

Senior Care for aging population

Franchise Spotlight

Sales by franchises account for more than 40 percent of sales by all U.S. businesses. There are over 1,500 franchise companies operating domestically through more than 320,000 retail units.

Gear Up – All journeys start with a first step

Franchises Getting Upper Hand Over Independents

“Franchises have been far from insulated from the recession, but overall they have performed better,” says Jonathan Maze, an editor at Franchise Times, a trade publication.

On the whole, franchises will outgrow their nonfranchise rivals this year. They’re typically better positioned than mom-and-pop shops to survive downturns, benefiting from a strong brand presence, corporate wide marketing campaigns and access to advice and mentoring from the franchisor. Plus they can often offer customers -- and get from suppliers -- steeper price discounts.

In fact, 60 new franchise brands were added in the last quarter of 2009, while many other small businesses suffered. “Given the big drop in the economy in ’09, these numbers are pretty good,” says Darrell Johnson, president and chief executive officer of [FRANdata](#), an independent research firm that also administers the Small Business Administration’s Franchise Registry.

Moreover, lenders may be less tightfisted with franchise owners than with nonfranchise owners. Odds are that this year one in every five dollars of SBA guaranteed loan money will go to a franchise business, Johnson says.

Lenders have “a slight bias toward franchises,” he says. “Generally, bankers tend to perceive franchises as less of a risk. There’s a greater willingness to lend to them,” Johnson says, adding that loans to franchisors also tend to be larger compared with loans made to independents.

The overall economic output of franchise businesses is expected to rise 2.8% this year, versus a decline of nearly 1 percent in 2009. The biggest gains will come from personal services, quick service restaurants and business services, according to a [report](#) by PricewaterhouseCoopers for the International Franchise Association (IFA).

The franchise sector has been expanding at a faster pace than the overall business sector in recent years. From 2001 to 2005, economic output of franchised businesses grew by over 41%, from \$625 billion to \$881 billion, while the economic output of all businesses grew by 26%, from \$16 trillion to \$20.1 trillion, the IFA report shows.

“Networked businesses tend to recover at a faster pace than other businesses and tend to sustain businesses more effectively than nonfranchised businesses,” says John Reynolds, president of the IFA’s Educational Foundation. “Franchises have support systems -- ways of doing business more efficiently in a way that independents do not have.”

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DID YOU KNOW?

A Helping Hand for Heroes

Did you know that many franchises offer financial incentives through the Transition Franchise Initiative (VetFran)? This program helps those who have served their country realize the American dream of business ownership.

Helping Make the Shift from Combat to Commerce

By GLENN RIFKIN

The Veterans Transition Franchise Initiative, or VetFran, a program sponsored by the International Franchise Association, offers veterans a discount on financing prospective franchises as a way of thanking them for serving the country.

Nearly 200 participating franchise companies provide qualified veterans “the best deal” in acquiring a new franchise, a deal not available to other franchise investors, according to Dina Dwyer-Owens, president of the Dwyer Group, a franchise organization in Waco, Tex.

Franchises have become an increasingly appealing route for many would-be entrepreneurs. According to a 2004 study by PricewaterhouseCoopers, franchise businesses employ more than 18 million Americans and generate more than \$1.5 trillion, or nearly 10 percent of private-sector economic output. The study noted that there were more than 760,000 franchise businesses in the United States and franchising continues to be a fast-growing business opportunity.

VetFran was conceived by Don Dwyer Sr., Ms. Dwyer-Owens’ father, after the Persian Gulf War. When Mr. Dwyer died suddenly in 1994, the VetFran program foundered. After 9/11 and the invasion of Afghanistan, Ms. Dwyer-Owens decided that the program ought to be revived and, in 2002, she turned it over to the franchise association.

Someone coming back from the military is a great fit for a franchise business,” said Jim Blasingame, a small-business consultant and host of the “The Small Business Advocate Show” on radio. “They not only know what it’s like to work hard but they know how to operate within a system. With a franchise, you can’t think outside the box. You have to color inside the lines.”

The military is apparently good training for all types of entrepreneurs. According to William D. Elmore, associate administrator for veteran’s business development at the [Small Business Administration](#), there are 25 million veterans in the United States and one in seven of them are successfully self-employed.



Some Participating Vet Franchisors:

Aamco

Action Coach

At Work Medical

Budget Blinds

Cleaning Authority

College Nannies

Extreme Pita

Handy Man Matters

Maid Brigade

Molly Maid

Schooley Mitchell



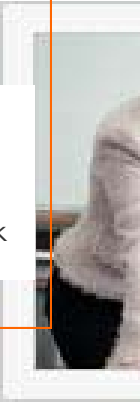
Is Franchising right for you?
Free Professional Consultation

More and More Women Find Success in Franchising



3 Success Reminders

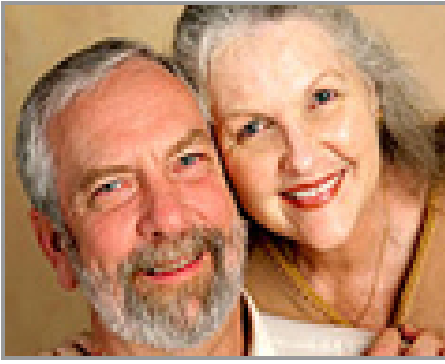
1. **Best Business Attitude:** A refusal to quit when things get tough.
2. **Most Valuable Skill:** Networking. Networking. Networking.
3. **Strongest Personality Trait:** Having thick skin (being objective).



There has never been a better time for women in franchising, and it's more than a trend. "The opportunities are just going to get greater for women," says Dina Dwyer-Owens, chairwoman of the [International Franchise Association](#) and chairwoman and CEO of The Dwyer Group, a franchise holding company founded by her father. "There are so many more opportunities in franchising today than there were 30 years ago when I began," explains Dwyer-Owens, who estimates that franchising currently covers about 80 industries, which practically guarantees that all women will be able to find a franchise concept they feel compatible with. More choices also mean the option to work from home and greater flexibility in hours.

Mary Rogers founded Computertots, a children's technology franchise, in the early 1980s for just that reason -- she'd started a family and wanted to have a flexible schedule. Rogers has since moved on, co-founding [Abrakadoodle](#) with Rosemarie Hartnett in 2002. Abrakadoodle franchisees run their businesses from home, offering art programs to children at schools, museums, community centers, and other public places.

Rogers and Hartnett agree that certain factors make franchising ideal for women, who tend to have natural networking, collaborating, and multitasking skills. Home-based franchises have low overhead, which makes it easier for women who don't have a lot of capital to get financing and become business owners. Like Dwyer-Owens, Rogers and Hartnett are very involved in the IFA, which has a lot of resources for women franchisees. Some of these include [MinorityFran](#), the [Women's Franchise Committee](#), and the [Women's Franchise Discussion Forum](#). Hartnett says that over the years not only has women's participation in women's franchising events increased, but so has the number of men offering their support at events.



The senior market is hot. Just look at the numbers: According to the U.S. Census Bureau, between 2007 and 2030 the number of Americans age 65 and older is projected to grow by 89 percent (compared to just 21 percent for the overall population).

Franchisees Profit from Growing Senior Care Market

By Karen Axelton

This growing market has created a big opportunity for franchise companies that cater to seniors. One of the hottest franchise business concepts is non-medical home care. Non-medical home care companies handle tasks like personal care, light housekeeping, meal preparation, taking seniors to their appointments, monitoring their diet, grocery shopping, and simply providing companionship. The goal is to help seniors remain independent as long as possible.

With more seniors wanting to "age in place" -- that is, stay in their own homes as long as they can -- the demand for non-medical home care services will only increase. Boosting the industry, the Census projects the "oldest old" population (people age 85 and up) will grow by 74 percent between 2007 and 2030. This age group is more likely than younger seniors to have disabilities that require in-home help, and more likely to live alone with no one to assist with daily activities.

But not all seniors can age in place, or want to stay in their big houses as they age. That has given rise to another hot senior-care franchise business: senior transition services (also known as senior relocation services). These companies provide a range of services associated with moving seniors to a new location, including choosing among various residence options, packing and unpacking, helping to dispose of unwanted items, and planning and overseeing a move. According to Mary Kay Buysse, Executive Director of the [National Association of Senior Move Managers \(NASMM\)](#), this industry is mushrooming; since 2006, NASMM's membership has grown from 80 to 500.

Continued.....

Franchisees Profit from Growing Senior Care Market

Buyse says senior service providers are benefiting from a "perfect storm." First, as 76 million baby boomers age, the U.S. is rapidly shifting to an elder-focused society; second, "we've become a society [that] seeks out service providers for virtually everything." Even in a slowing economy, Buyse says, NASMM members are finding new clients by emphasizing how they can help seniors downsize and organize possessions for a better quality of life even before they move out of their homes.

Another growing senior-related franchise industry is adult day care. According to the American Association of Retired Persons (AARP), 30 million U.S. households provide care for an adult over 50, and that number is projected to double over the next 25 years. Adult day care provides companionship, socialization, and supervision for seniors outside the home, and costs less than nursing-home or in-home care.

Franchise opportunities can offer a simpler way to get into business than launching a senior-care company on your own. But do you have what it takes to succeed in this industry? Whether you're considering senior care, adult day care, or transition services, there are certain skills and qualities successful franchisees have in common:

For those with the right stuff, this industry promises a bright future. "To succeed in the senior-care franchise industry, a candidate needs to fully understand the bulk of opportunity has not even surfaced," says Trey Malicoat, vice president of communications at Homewatch CareGivers, a home-care franchise with locations worldwide. "Baby boomers will demand a much higher level of customer care and program customization. The 'one size fits everyone' mentality is no longer going to work. Success in this market will rely on a deep commitment to meeting the needs of clients as they define them. The people who succeed will truly understand radical customer service."



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