

SPORTS SCORES

NFL
Week 4

Battle of unbeatens

■ Reborn Bears take on stubborn Seahawks in 3-0 showdown, 1-2C
■ Previews and TV, 3, 10-11C

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'Force' behind 'Lost'

■ Close bond of duo in charge of hit ABC show helps forge TV, Internet sensation, 1E

By Mario Perez, ABC

Evangeline Lilly: Season begins Wednesday.

Franchisee Satisfaction – Why it is important to investigate when looking for the perfect franchise to buy.

By Dale Buss

If you're going to buy and operate a franchise, pleasing your customers will be one of your primary goals. But first things first: it's even more important to make sure that you as a franchisee will be satisfied with your franchisor. And doing the right research can usually help you reach the right conclusion.

"You have to get past the excitement of thinking that this is a good fit, to do the same due diligence as if you were acquiring the actual franchisor yourself— because that's in a sense what you are doing," says Elaine Berke, founder of EBI Consulting, which works in the franchise industry.

One of the most important things to determine is whether you'd be satisfied with the level of financial success enjoyed by existing franchisees. But look carefully at other aspects of the business calculus as well.

The franchisor needs to be doing the right things to drive the business for current franchisees, not just to sell another store to the next guy," says David Fields, managing director of Ascendant Consulting, which is active in the industry.

Franchisees also want to be confident that they're truly competitive in their local marketplace for the long haul. "If you don't view the future as being pretty rosy, you're not going to be too happy about it because you're paying royalties for that future," says Jeff Johnson, CEO of FranSurvey.com, and industry research group.

True franchisee satisfaction usually is built on several other components as well, such as the types and effectiveness of support offered by the franchisor in areas including new-product deployment, marketing, management coaching, and operations training.

And keep your eyes open for franchisors that don't communicate with their franchisees or start losing their trust. "It all comes back to character and integrity," says

Johnson. "You can be making money but be unhappy about the future of the franchise and whether the franchisor respects you as a business person. That's when the wheels start to fall off."

The best way to find out about how your targeted franchisor performs in these areas is to talk with existing franchisees. The legal document that every franchisor must file periodically, the Uniform Franchise Offering Circular, lists all of its franchisees and their contact information (or a regional list for large franchisors). Reach as many of them as it takes for you to feel confident that you've gotten consistent answers to your important franchisee-satisfaction questions.

"You should also attend whatever kind of 'discovery day' that the franchisor has for you to come to their headquarters and learn about them," says Dick Rennick, recent chairman of the International Franchise Association. "See, feel and touch everyone and everything so you can understand the inner workings of the organization, because these people are going to be your life."

The internet offers many other research tools. They include the regular filings of publicly held franchisors, searches for news articles about the company, chatter about the franchisor on social-networking sites such as MySpace.com, and weblogs with their often-helpful gossip.

"If somebody has gone to the trouble of creating a blog just to complain about a specific franchisor," says Joe Matthews, co-author of the new book, *Street Smart Franchising*, "then you should probably find out what their complaints are."

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