

**Francorp**<sup>®</sup>  
The Franchising Leader

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**Francorp**<sup>®</sup>

The Franchising Leader

**Pakistan**

Presented by:

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President - Francorp Pakistan

For: Structuring Your Franchise Model

# OUR MISSION

- Spread the franchise culture.
- Contribute to build a solid, reputable, professional franchise industry worldwide



# FRANCORP IN THE WORLD

45 Countries served from 12 regional offices (950 Million population):

- United States, Canada
- Dubai, Kuwait, Saudi Arabia, Egypt
- Malaysia, Singapore, Thailand, Indonesia
- Argentina
- Chile
- Mexico, Central America, The Caribbean
- Japan
- The Philippines
- Lebanon
- India
- Pakistan



# What is a Franchise



# What is a Franchise?

- A license to exploit a business model and trademark, supported by the transfer of know-how on how to efficiently run the business, based on the franchisor's experience
  - Policies and procedures
  - Permanent technical support and supervision
- Leadership and commitment



**A franchising system  
will make your business  
grow without investing  
in new branches.**



# THE FRANCHISE ADVANTAGE

Solving the 4 major problems:

**Money**



**People**



**Time**



**Competition**





# Franchising in Pakistan

- Present market size for internationally franchised outlets is estimated more than PKR 1.2 billion (USD approximately 24 million) in terms of annual sales (Source: World Franchise Associates).

# GETTING READY

- Timing.
- Small can be sellable.
- Remember how you get there.
- Quick vs. Slick.
- Good and bad trends.
- Apply the polish.
- Get the help you need.

# Creating a Franchise Business

Things to consider before Franchising:

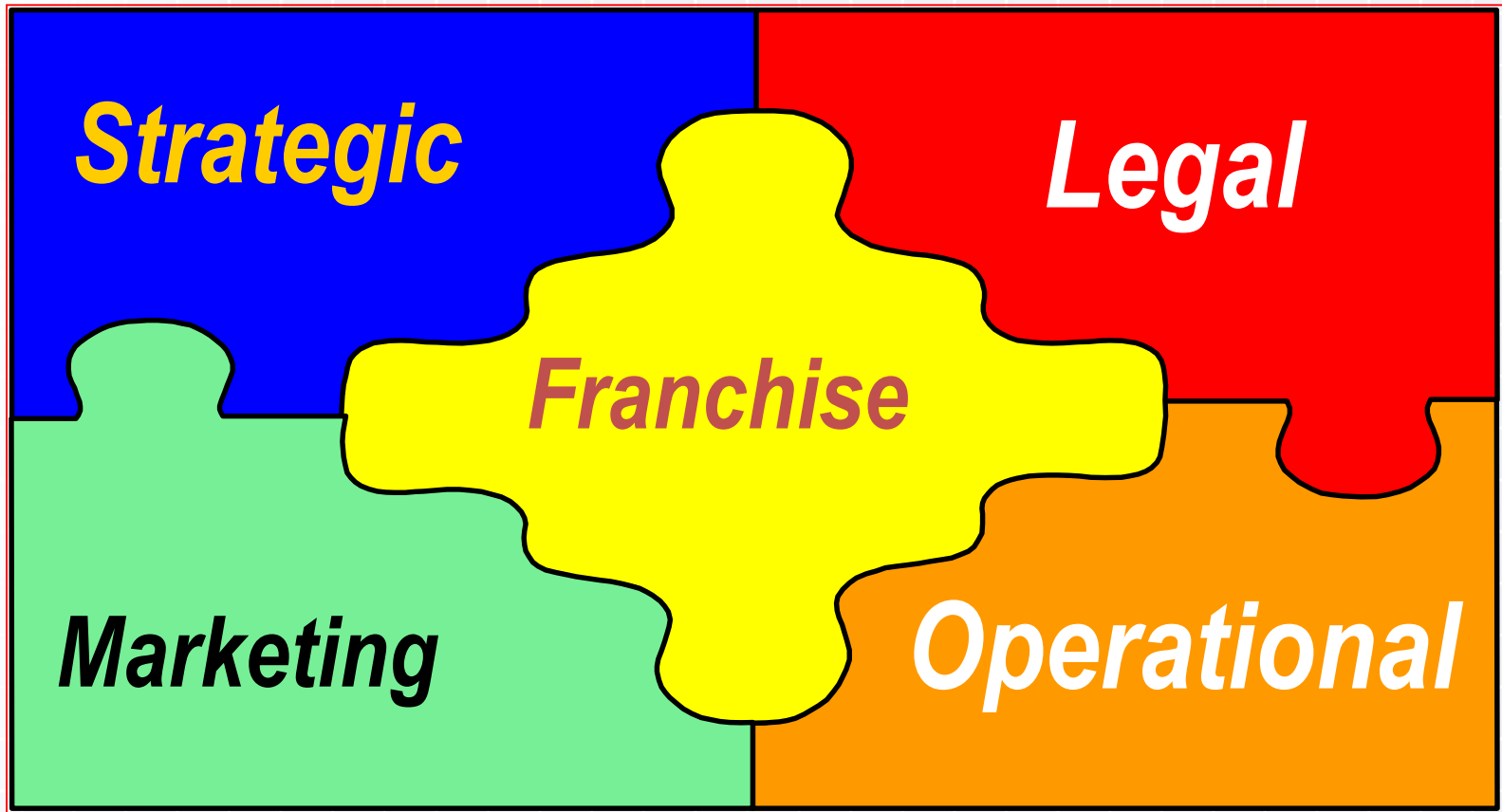
- Profitability.
- Marketability.
- Teaching ability.
- The abilities and commitment of the franchisor.



# How does franchising work?

- The key is in the creation of systems which can be duplicated through training and support.
- Other characteristics attractive to potential franchisees include businesses:
  - with a good track record of profitability.
  - built around a unique or unusual concept.
  - with broad geographic appeal.
  - which are relatively easy to operate.
  - which are relatively inexpensive to operate.
  - which are easily duplicated.

# Franchise structure



# Franchising Checklist

## Assess the feasibility of Franchising

- Gather information
  - Attend Francorp's Franchise Seminar
  - Read books on franchising
  - Talk with our Franchising Analyst
  - Meet with a Franchise Consultant
  - Look at all of your growth options
    - Grow internally.
    - Find investors.
    - Franchise.



**Consider  
The  
Possibilities**



## **Despite the impressive merits, franchising is not for every business.**

There is high risk in franchising any new, unproven business.

Established companies that should probably not franchise include businesses:

- Difficult to monitor from long distances.
- Requiring large numbers of employees.
- With complex operations.
- With low profit margins.

# Mistakes to avoid while looking at franchising

- Do not make assumptions
- Don't do-it-yourself or just download from the internet, it can face costly or damaging mistakes
- Do not meet with a lawyer or accountant only
  - Legal documents do not drive the business
  - All lawyers claim to be franchise specialists
  - Lawyers are not familiar with handling business operations
  - Lawyers are not accountants nor operations persons and may not be experienced with running franchises.
  - Accountants are not lawyers or operations people and may not be experienced with a franchise system
- This is not easy to do if you have never franchised a business before
- **Developing a franchise company is much different than being a franchisee**

# THANK YOU

**for your valuable time and attention**

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