SPECIAL REPORT

Franchise Business REVIEW

Ratings and Reviews of the Best Franchise Opportunities by Franchisees | 2015

Robert C. Leger, President of Hungry Howie's Properties, owns and operates 50 Hungry Howie's stores in Michigan and Ohio.

TOP 50 MULTI-UNIT FRANCHISES

Rated By Franchisees

You Move Me Franchisee Does Almost $1 Million In First Year Sales

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Take the Successful Multi-Unit Operator Profile Test

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Weed Man and Sotheby's International Realty Take #1 Spots!

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FEATURED
Franchisee

Andrew Wilson

You Move Me
Tulsa & Oklahoma City
Oklahoma

Andrew Wilson knew he wanted to start his own business after completing military tours in Iraq and Afghanistan. With skills in leadership and a love for systems, owning his own business seemed like the next logical step.

Wilson found the perfect opportunity with You Move Me, a moving franchise with a brilliant concept: to make moving almost fun.

Since opening two You Move Me franchises in Tulsa and Oklahoma City, Oklahoma in 2013, he's been moving on up. Here's his story.

What surprised you most about opening your own business?

We did close to one million dollars in sales in the first year, I couldn't have predicted such success in such a short time. It was an incredible achievement; and indicates that the moving market is filled with opportunity.

With so many business options available, what appealed to you most about opening a franchise?

While in the army, I learned that systems mean success. When I began my foray into entrepreneurship, it was with the understanding that my strengths are in the realms of business strategy and leadership, not creating new systems. After doing my due diligence, it was clear that the quickest path to business growth would be franchising.

Why choose You Move Me?

You Move Me's founder and CEO, Brian Scudamore, is also the man behind 1-800-GOT-JUNK?. He brought professionalism and customer service to the junk-hauling industry, and I knew he'd do the same for moving. When he launched You Move Me, I jumped at the chance to get on board.

I believed in the company's motto, "We Move People, Not Just Their Boxes". It seemed like a breath of fresh air in a stagnant industry. The best part, however, about You Move Me is that it treats its customers differently than other franchised moving companies. There are many personal touches you wouldn't expect, like morning coffee service for clients, a housewarming plant at the end of the move, and a wardrobe box that turns into a kids' fort.

What's been unexpected about owning a moving franchise?

We're changing the moving industry by injecting an unprecedented level of service. We don't just hire movers, but people with a passion for exceptional customer care. It's been an exciting hiring process.

Another unexpected challenge we're facing is keeping up with demand. In our first year, we did almost 3,000 moves and it's only gone up from there. If we eventually expand to another location, we'll be even busier!

What's next for you and your business?

It'll be another busy year for our You Move Me business. After doing $1.3 million in revenue in 2014, we're projected to hit about $2 million in 2015.

Meanwhile, we'll continue to look for opportunities to expand to a third location. There's so much business out there in moving.

For more information on owning a You Move Me location call 1-866-475-6842 or visit YouMoveMe.com

Avoiding Growing Pains

Multi-unit franchise owners will be playing a large role when it comes to achieving 2015 franchise industry projections outlined in the annual *Franchise Business Economic Outlook* study issued by the International Franchise Association. According to the study, the gross domestic product of the franchise sector will increase by 5.1% to $521 billion in 2015 and employment growth in the sector will continue, as it has for the past four years, to outpace the growth of employment in non-franchised businesses.

The primary allure of multi-unit franchising is that when everything aligns, it allows franchisees to expand faster and be more profitable. However, it requires relevant experience, dedication, marketplace knowledge, leadership skills, infrastructure and a significant amount of capital in order to be successful. In this report, we take an in-depth look at what multi-unit success entails and the 50 franchise companies with the most satisfied multi-unit operators in the country. Over 6,000 multi-unit operators who represent more than 300 leading brands were surveyed in order to obtain the data.

As you embark on exploring multi-unit ownership, whether you wish to remain with one brand or to diversify your portfolio, taking a look at the top brands in this report is a smart place to start. Many share their full franchisee satisfaction reports at **www.FranchiseBusinessReview.com**.

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Informed franchising is happy franchising!

Emma Pearson, Editorial Director

FranchiseBusinessREVIEW™
Sharing the franchise experience

Franchise Business Review is the leading national franchise market research firm that performs independent surveys of franchisee satisfaction and franchise buyer experiences. Before you invest in any franchise opportunity, read our reports to get the facts about it from those who know best, its franchisees. We publish five annual research reports: Guide to Today's Top Franchises, Top 50 Multi-Unit Franchises, Low-Cost Franchises, Top Food Franchises and Veterans & Franchising. All are available for free at www.FranchiseBusinessReview.com.

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ABOUT OUR RESEARCH

Participation in Franchise Business Review's franchisee satisfaction research is free for all North American franchise systems with a minimum of 10 franchisees. For this report, we surveyed over 6,000 multi-unit operators who own at least three units and represent more than 300 leading brands. We asked each to answer 33 benchmark questions ranking their franchise system in the areas of financial opportunity, training and support, leadership, operations and product development, core values (e.g., honesty and integrity of franchisor), general satisfaction, and the franchisee community. We also asked them to answer an additional 16 questions about their market area, demographics, business lifestyle, overall enjoyment running their franchise, and role in the franchisee community. From this data, we identified our list of multi-unit franchises with the highest franchisee satisfaction. At times we use the term "benchmark" within the report, which refers to the aggregate data we obtained by surveying approximately 28,500 franchisees representing 350 brands. **Call 603-433-2270 to participate in our Top Franchises 2016 survey, which is underway.**

Cover photo by James Liska.

Successful Multi-Unit Franchising

How to Win at the Numbers Game

"Growth is never by mere chance; it is the result of forces working together," said James Cash Penney, Founder of JCPenney, who could easily have been referring to multi-unit ownership, although he lived long before the concept of franchising was invented.

Multi-unit franchise ownership in the United States, ranging from operations with only a handful of locations or territories to "mega-'zees" with many, sometimes hundreds, continues to grow. According to **FRANdata**, a research company that provides objective information, analysis and consulting about the franchising sector, 48% of the franchise industry in 2004 was controlled by multi-unit operators. Today 55% is.

"We had 100 franchisees at our first Multi-Unit Franchising Conference in 2002," says Therese Thilgen, CEO of **Franchise Update Media**. "555 franchisees attended last year's conference and we anticipate that 10% more will attend this year."

For this report, we surveyed over 6,000 multi-unit operators with at least three units, who represent more than 300 leading brands. The reason for our focus is that the majority of franchisees' operations and support needs do not change until they reach three or more units. Once they do, franchisees must change their mindset to working on, rather than in their business.

"The hardest growth for franchisees is the move from one or two to three or five stores," says Steve Jackson, President of **Hungry Howie's**. "The transition is similar to that of having children. The first one you can manage easily. When the second comes along, you can trade off with your partner. Once you hit three, you're outnumbered and have to figure out what to do. When you have four or more, the older ones help manage the younger ones." Jackson began working for Hungry Howie's delivering pizzas in 1973, when Jim Hearn, its founder, opened his first location.

Steve Block owns three Crunch Fitness clubs and plans to open three more this year in Oregon.

The hardest growth for franchisees is the move from one or two to three or five stores. The transition is similar to that of having children.

A variety of factors have contributed to the growing number of multi-unit operators. Top among them are more available financing and an increasing push by many franchisors to encourage multi-unit ownership. Essentially, multi-unit franchising allows brands to expand rapidly by enabling existing and successful franchisees to open more locations

"Franchisors used to be resistant to multi-unit ownership because they were fearful that multi-unit owners would have too much power. When the recession hit, they observed that many multi-unit franchisees did better than single-unit franchisees," says Darrell Johnson, CEO of FRANdata. "The lesson systems took away from the recession is that placing their brand in the hands of experienced and well-financed franchisees can help accelerate growth, while keeping the number of franchisees they work with smaller and therefore more manageable."

THE ALLURE OF MULTI-UNIT OWNERSHIP

For many entrepreneurs, the challenge and excitement of starting and growing a new business is akin to a moth to a flame. If you are like most people, you may be considering multi-unit ownership for this reason and with two goals in mind—more profitability and freedom.

"I netted 20% out of my business last year," says Ric Trahan, a **ShelfGenie** franchisee who owns six units in Houston and two in Austin, Texas. Trahan left the corporate world, where

Left: Johnny Rockets' employees don't miss a beat.

Right: Home Instead Senior Care enables seniors to remain at home.

he spent 12 years doing food service packaging, sales management and product marketing, to open his first franchise, a window cleaning business that he grew and sold. He invested in his first ShelfGenie franchise in 2009. During his first year in business with ShelfGenie, he broke even. By the second, he was profitable. Trahan believes choosing a great and scalable concept, his business experience and opening his locations in a large metropolitan area have greatly contributed to his success. According to Allan Young, CEO of ShelfGenie, 37 out of 44 (or 84%) of ShelfGenie's franchisees own multiple units.

"Our business model is that of residual sales," says Michael Plummer, CEO of **Our Town America**. "Our top-performing multi-territory owners tend to be incredible leaders who have an instinct for hiring great salespeople who in turn grow their territories. They can earn five times as much as our single territory owners."

The median annual pre-tax income of the multi-unit franchisees we surveyed is $88,000. 29% earn more than $150K and 16% earn over $250K. By contrast, only 11% of single-unit franchise owners earn more than $150K and only 4% of single-unit owners earn over $250K.

In addition to the potential to earn more revenue and enjoy increased freedom, multi-unit ownership offers a variety of advantages over single-unit ownership.

- **Discounted Franchise Fees:**
  In the majority of cases, when you sign a multi-unit agreement up front, you'll pay a discounted franchise fee for each unit you commit to opening after your first one.

  "We charge a franchise fee of $25,000 for a single office, $12,500 for a second and $7,500 for a third onwards," says Philip A. White, Jr., President and CEO of **Sotheby's International Realty**. Sotheby's International Realty, like most real estate brokerage companies in the franchise sector, is a conversion franchise. This means it offers successful realtors the opportunity to convert their independent business into a franchise.

- **You Know the Drill:**
  If you are already a franchise owner, you have the experience to successfully contend with acquiring new units or territories and to effectively market and grow your business. In addition, you understand the most efficient ways to ensure that new employees are properly trained.

- **Efficiency of Scale:**
  Various tasks such as human resources and accounting can be centralized, which results in cost savings. If your franchise requires purchasing goods, you can do so in bulk, store the goods in a central warehouse, and share them among units, which typically prevents having too many goods in stock and results in volume discounts as well as the ability to fill orders faster. In some cases, you can also consolidate phone and other fixed cost services to save money. Companies exist that will analyze your business for any potential fixed cost savings in exchange for a percentage of the savings they obtain on your behalf. In addition, you can market all your locations within a geographic area with a single advertisement, which translates into cost savings that can go toward additional marketing efforts or something else.

- **Market Domination:**
  Remember loving Monopoly as a child? If you choose to open several locations of the same brand within the same geographical area, you'll no longer be *playing* at cornering a marketplace, you'll actually be doing so since the more units you own, the greater your influence regarding pricing and promotions.

  Depending on the franchise you are involved in, you may be able to develop additional revenue streams for related service offerings in order to capture even more of your existing customers' business.

  "Many of our franchisees offer additional, complementary services such as commercial

Franchisees are an optimistic lot, expansion-minded, on-the-grow, and always alert to new opportunities.

or property management and mortgage and title," says President and CEO of **Coldwell Banker Real Estate**, Budge Huskey.

- **Improved Employee Training & Retention:** When units are in the same geographical area, multi-unit franchising makes it possible to move staff between stores. This facilitates training in a variety of ways including teaming up new employees with experienced ones. It also makes for a less bumpy ride if staff members suddenly move on. In addition, multi-unit franchising provides more advancement opportunities for employees who are interested in staying with your business, which helps you retain skilled ones.

- **Profit Balancing:** If you have one franchise location that doesn't do well, you may not be able to recover its losses. If, however, you have multiple franchise locations or territories, one or more may be having a banner month, while others are suffering. This profit and loss Yin Yang ideally results in being able to stay in the black while you concentrate your efforts on improving the revenue of your units that are doing poorly in order to maximize profits.

  "Out of my eight franchises, I never know which one will be the best performer," says Trahan of ShelfGenie. "They balance each other out."

- **Positive Brand Experience:** The multi-unit owners we surveyed are generally happier with their brand than single-unit owners in a variety of key areas including financial performance (10% over benchmark), which isn't surprising since they are running a bigger business and feel valued and involved by their brand (8% over benchmark on both counts). When asked if they "would do it all over again," multi-unit franchisees are 7% more likely to say yes.

Although successful multi-unit ownership may seem like nirvana, it is important to consider the many challenges it poses as well.

Number of Units Multi-Unit Owners (MUO) Operate

Number of Units	Actual MUO Count
2-5	34,631
6-10	4,277
11-25	2,071
26-50	506
50+	266

Information courtesy of FRANdata.

- **Cash Flow:** Most businesses need time to be profitable. Will you have the money to open the additional units or territories your franchisor is expecting you to based on the Development Schedule you signed?

  "You'll have to write a lot of checks before you'll even have your first sale," says Trahan.

- **Letting Go:** Multi-unit operators must let go of personally controlling every aspect of their business. Can you?

  "Above all, multi-unit owners must be able to build an infrastructure and demonstrate leadership so their everyday presence is not necessary," says Huskey of Coldwell Banker Real Estate. "Many real estate companies are built on the personal charisma and close relationships with the founder. It is important that as they grow, founders develop the middle management necessary to ensure continued success once they elect to step away."

- **More Headaches:** As businesses expand, so do their complexities. The more staff you add, the more personnel issues you will encounter. The more locations you open, the more landlords and municipalities you have to deal with. Bigger businesses, therefore, require an experienced operator to manage them successfully.

- **Culture Clashes:** Corporate culture clashes can occur if you operate more than one brand. Some owners avoid the issue by keeping the employees of their brands separate. Others, however, see different corporate cultures as an opportunity that provides employees with more chances to cross-train and be promoted, which can help attract and retain talented team members.

DO YOU HAVE WHAT IT TAKES?

Multi-unit operators are traditionally more sophisticated, better financed and need less day-to-day hand-holding than single-unit operators.

"Franchisees are an optimistic lot, expansion-minded, on-the-grow, and always alert to new opportunities," says Thilgen of Franchise Update Media. "For them, multi-unit franchising represents one of today's most attractive opportunities."

Most franchisors only make multi-unit development opportunities available to an experienced franchisee.

"When it comes to multi-unit operator candidates, we only consider those who have successfully developed a non-competing brand and have the necessary financial resources," says Jackson of Hungry Howie's. 42% of Hungry Howie's franchisees are multi-unit owners. While the majority own two to five locations, a few own 50 to 70. As a group, Hungry Howie's multi-unit operators own 79% of the brand's locations.

Can you become an instant multi-unit owner without previous franchise experience? Yes, if you privately own several locations of your business you may be able to convert your personal brand to a franchise brand within the same industry.

"Successful realtors with multiple locations of their own opt to franchise with us because they realize they will be even more successful by doing so," says White of Sotheby's International Realty. "We provide them with exposure to high-end buyers in 60 countries via our web site, events, marketing, and public relations. As a result, they get more qualified leads with us than they would on their own. In addition, we provide them with tools to effectively train their staff and save them money by negotiating the best deals for a variety of must-haves such as insurance and office supplies."

WHAT KIND OF MULTI-UNIT OPERATOR DO YOU WANT TO BE?

The definition of "multi-unit" varies depending on the franchise concept. In the food and retail industry, it usually means you own multiple physical locations. For service-related sectors, it can mean you serve multiple territories, but maintain one central office address. Some brands define bigger territories while others break their territories up into smaller, population based sections. This can mean that someone who meets the definition of "multi-unit franchisee" actually has a smaller business numbers-wise than a single-unit franchisee who owns a big territory. On the opposite end of the spectrum are multi-unit franchisees who own so many units they are actually bigger than many franchisors.

"Our franchisees purchase rights of territory for sales," says Plummer of Our Town America. "Most do not have a physical location because they and their sales team spend their time meeting with existing or prospective clients. If they need to hold a meeting, they typically rent a space or meet at a coffee shop." 20% of Our Town America's franchisees own two to four territories.

Area development can be another form of multi-unit ownership and also has several definitions. Typically it entails signing a multi-unit agreement that commits you to opening a new unit or territory on a set date within a specific time frame. In return, the franchisor cannot let anyone else open a store in or take on your protected geographical area. Another form of area development requires agreeing to develop a number of units within a territory within a specific time frame by selling franchises within that territory to additional investors, training and supporting those franchisees, and getting paid a percentage of the royalty from those units. Most area developers own franchise units themselves, but in some systems, they simply perform a support role for franchisees in their area. Others are simply charged with selling franchises, and support is handled through the corporate office. Since the exact definition and role of an area developer varies from franchise to franchise, its important to research the specifics if this is something you are exploring.

Another consideration of multi-unit franchising is whether or not to invest in a single franchise brand, or diversify into several. Traditionally multi-unit operators open additional units of the same franchise, the logic being that since they were already familiar with its operational processes and procedures they could expand more smoothly and faster into additional markets. Franchisees, however, are increasingly operating several franchise brands in order to mitigate the risk having all their eggs in one basket presents and to facilitate keeping their locations in close geographic proximity.

In response, some franchisors are now offering multiple concepts to franchisees in order not to lose potential revenue and to increase the chances of their concepts being successful by working with proven franchisees. Being able to diversify under a single corporate umbrella with which they are already familiar, often makes it easier for franchisees to expedite the opening of units. Some of these opportunities even co-brand multiple concepts under one roof. For example, Dunkin' Donuts and Baskin Robbins Ice Cream are both part of Dunkin Brands and frequently operate together in a single store.

"Out of the 140 franchise brands we surveyed in 2014, 68% said they have franchisees in their system who own other brands," says Thilgen.

The Multi-Brand Advantage

Investing in multiple franchise brands versus just one offers a variety of advantages.

Territory Expansion

If you're at the point where opening more units of your current brand in a specific territory will lead to cannibalization, opening units of non-competing brands can enable you to continue to grow in the area.

Ability to Service More Clients

Smart diversification helps ensure a constant cash flow. For example, some franchises such as mosquito control or frozen yogurt shops, if located within a four-season climate, see their business plummet at certain times of the year. Owners who add year-round franchises to their portfolio are more likely to have cash coming in 12 months a year.

Protection From Surprises and Recessions

What if you have a hamburger franchise and there is a red meat contamination? If a recession hits and you offer home cleaning services, it's likely that many of your clients will suspend using your service. Having a variety of proven brands in your portfolio can help you keep your brands that are temporarily suffering afloat until market conditions change. Some brands that offer services most people cannot do themselves such as car maintenance or plumbing also tend to be more recession resistant.

Brand Synergy

Locating two or more brands in a single location makes sense if it results in profit-boosting efficiencies.

"I added two services that work synergistically with ShelfGenie, a Cabinet Cures franchise and my own custom cabinetry service, to my Houston headquarters," says franchisee Ric Trahan. "The combination has enabled me to be even more profitable."

CHOOSING THE BEST BRAND

Whether you are a franchisee looking to expand the brands in your portfolio or a first time franchisee with an eye towards quickly adding more units or territories, there are many things to consider. Are you comfortable with the product or service? Can it be sold profitably? Do you agree with the brand's vision? Is the brand scalable? Does it have the resources and systems in place to specifically support multi-unit operators? Does it offer discounts on franchise fees to people buying multiple units? Are the brand's business plan, marketing, systems, corporate management, and culture set up in a way to manage stores or employees within a territory remotely or at least not from the premises on a daily basis? When it comes to training, will the brand accommodate enough people from each of your units?

"Prospective franchisees should consider the culture and personality of a brand and if it can get them where they want to be in five or ten years before joining it," says Randy

Continued on page 10.

Top 12 Traits of Multi-Unit Franchise Owners

In order to assist you with deciding whether or not you have what it takes to be a successful multi-unit owner, Franchise Business Review partnered with **Zoracle Profiles**, which utilizes a science-based, market validated and franchise specific profiling system, in order to determine the "Top 12 Traits of Multi-Unit Franchise Owners".

1 Very Self-Aware
Multi-unit franchisees are reflective and aware of their strengths and weaknesses. They learn from experience, are open to candid feedback, continuous learning and self-development. They are confident in their capabilities and have the courage to make decisions.

2 Adaptable and Innovative
Multi-unit franchisees often have original solutions to problems and new ideas. They are able to multi-task smoothly, rapidly shift priorities and remain calm when faced with the unexpected.

3 Self-Motivated
Multi-unit franchisees are results-oriented and objective driven. They take calculated risks, look for ways to improve performance, see the larger picture, and are able to mobilize others to get the job done. They don't give up when faced with obstacles and tend to be optimistic.

4 Responsible
Multi-unit franchisees effectively manage their emotions and impulses. They are honest, dependable and responsible. They admit when they are wrong and are willing to take tough, principled stands even if they are unpopular or result in delays.

5 Manage Relationships Well
Multi-unit franchisees are skilled at working with others. They collaborate by sharing information and resources. They can spot potential conflict, bring it into the open and facilitate de-escalation. They also recognize the need for change, remove barriers, and enlist others to achieve it.

6 Understand Target Audiences
Multi-unit franchisees are good at accurately detecting and leveraging crucial social networks, key power relationships, and forces that shape the actions of clients, customers, or competitors. They, however, are often not very sensitive or reactive to the emotions or perspectives of others.

7 Societally Conscious
Multi-unit franchisees are purpose-driven and like to empower others. They enjoy positively impacting the communities they serve.

8 Not Interested In Trendy
Multi-unit franchisees tend to avoid trendy concepts.

9 Think Like Partners
Multi-unit franchisees prefer Stage 2 franchise concepts that allow them to work alongside franchisors in more of a "partner" capacity. They look for franchisors with clear product or service offerings.

10 Have Strong Management Skills
Multi-unit franchisees are good at coordinating activities, managing projects and ensuring buy-in and effectiveness. They are growth-focused and able to quickly evaluate problems, determine solutions and develop best practices.

11 Have Human Resource and Training Skills
Multi-unit franchisees are able to effectively recruit, interview and select applicants for job vacancies. They are also able to plan, direct, supervise and coordinate their staff's activities with an eye toward mutual success.

12 Are Good at Administration and Customer Service
Multi-unit franchisees are excellent communicators and leaders who are dedicated to supporting the goals and desires of internal and external customers. They understand that quality service attracts and retains business.

About this Data: The information above was obtained from a study on top performing multi-unit and single-unit franchisees that was conducted between July 2014 and October 2014. Data was collected using three assessments: Zoracle Profiles' SpotOn! Compatibility Assessment, Zoracle Profiles' Emotional and Social Intelligence Assessment and Franchise Business Review's Satisfaction Survey. 528 top performing franchisees within 39 companies participated in this first-ever cross-vertical franchisee performance research project. Research also included over 1,500 randomly selected candidates assessed by Zoracle Profiles on behalf of 72 franchise companies between February 2014 and August 2014. The purpose of research was to determine performance correlations and deviation of the single-unit and multi-unit franchisee within various franchise cultures and stages of growth.

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Test Yourself
Do You Have What it Takes?

Take Zoracle Profiles' FREE and confidential Business Builder Profile test at www.zoracle.net/assessment/welcome/FBR and compare your results against the "Top 12 Traits of Multi-Unit Franchise Owners".

THE LIST

Best of the Best: Broken up into the Top 25 Brick & Mortar and Top 25 Service Multi-Unit Franchises

"Great focus on consistent quality build out, quality equipment, and support and training for class offerings."

– Crunch Fitness Franchisee

"I get constant updates and suggestions. Someone is always there to answer questions and provide whatever is requested."

– Auntie Anne's Franchisee

	Survey Date	Startup Investment	Cash Requirement	Total Units
TOP 25 BRICK & MORTAR OPPORTUNITIES				
Sotheby's International Realty Real estate	Jan. 2015	$194,750 – $621,500	$50,000 – $100,000	476
Better Homes and Gardens Real Estate Real estate	Jan. 2015	$65,170 – $540,000	$100,000	293
*** Checkers & Rally's** Quick-service	June 2014	$165,000 – $1,235,000	$250,000	804
*** Painting with a Twist** Paint & sip	Jan. 2015	$85,000 – $125,000	$67,500 – $107,500	198
Wingstop Quick-service	Apr. 2014	$227,888 – $650,790	$200,000	700
Coldwell Banker Real estate	Jan. 2015	$53,270 – $497,050	$75,000+	3,120
Palm Beach Tan Beauty services	Dec. 2014	$556,695 – $819,200	$250,000	440
Sport Clips Hair cutting	May 2014	$158,300 – $316,000	$100,000	1,382
*** Hwy 55 Burgers, Shakes & Fries** Full service restaurant	July 2014	$184,255 – $331,955	$125,000	114
*** Snap-on Tools** — *more on inside front cover* Automotive services	Sep. 2014	$159,742 – $316,254	$30,346 – $47,801	3,859
Hungry Howie's Pizza & Subs — *more on inside back cover* Quick-service	Nov. 2014	$228,000 – $432,500	$100,000	552
*** Crunch Fitness** Fitness club	Oct. 2014	$304,500 – $1,395,500	$300,000 – $400,000	105
Auntie Anne's Quick-service, bakery	Sep. 2014	$194,875 – $367,600	$40,000 – $80,000	1,189
Tropical Smoothie Cafe Quick-service	Oct. 2014	$165,940 – $414,685	$100,000	423
Farmer Boys Full service restaurant	Jan. 2014	$1,387,500 – $2,503,500	$300,000 – $400,000	81
Penn Station Quick-service	Oct. 2014	$258,103 – $519,704	$175,000	287
Billy Sims Barbecue Quick-service	Sep. 2014	$169,000 – $433,000	$150,000	44
Snip-Its Hair cutting	Oct. 2013	$115,850 – $206,800	$100,000	66
*** The Goddard School** Early childhood education	Aug. 2014	$610,300 – $848,200	$150,000	417
Paul Mitchell School Beauty school	Sep. 2014	$1,021,670 – $1,435,940	$1,021,670 – $1,435,940	115
*** The Little Gym** Early childhood development	June 2013	$145,750 – $366,000	$75,000 – $100,000	208
Biggby Coffee Quick-service	Sep. 2014	$159,850 – $316,100	$70,000	178
NYS Collection Eyewear Eyewear retailer	Oct. 2014	$13,580 – $97,148	$13,580 – $97,148	50
Johnny Rockets Quick-service	Feb. 2014	$539,525 – $975,575	$539,525 – $975,575	201
Toppers Pizza Quick-service	Oct. 2013	$362,100 – $548,585	$150,000+	64

*This brand's Full Franchisee Satisfaction Report is available at www.FranchiseBusinessReview.com

	Survey Date	Startup Investment	Cash Requirement	Total Units
TOP 25 SERVICE OPPORTUNITIES				
* **Weed Man** Lawn care	Jan. 2014	$40,000 – $60,000	$50,000	539
* **Heaven's Best Carpet Cleaning** Carpet cleaning	Jan. 2015	$28,900 – $64,000	$15,000	1,304
Budget Blinds Custom blinds & window coverings	Dec. 2014	$89,240 – $187,070	$74,950	952
* **Visiting Angels** In-home senior care	June 2014	$65,935 – $87,685	$37,950 – $45,950	500
* **HouseMaster** Professional home inspections	Oct. 2014	$60,100 – $107,900	$75,000	314
* **CertaPro Painters** Painting	Jan. 2015	$129,000 – $161,500	$75,000	452
* **Our Town America** — *more on p. 12* Advertising services	Sep. 2014	$49,000 – $85,000	$89,000	55
MaidPro House cleaning & maid services	Apr. 2014	$45,000 – $114,509	$45,000	183
ShelfGenie Shelving solutions	Oct. 2014	$70,100 – $125,250	$70,000	172
* **Two Men and a Truck** Moving services	Dec. 2014	$178,000 – $583,500	$150,000 – $600,000	276
Linc Service Network Commercial HVAC services	Feb. 2014	$118,580 – $210,960	$65,000 – $75,000	172
* **Mosquito Joe** Mosquito control services	Aug. 2014	$63,850 – $119,250	$30,000 – $55,000	120
* **Window Genie** Window cleaning	July 2014	$89,000 – $139,000	$60,000 – $80,000	176
Right at Home In-home senior care	Feb. 2014	$76,700 – $127,100	$150,000	418
Molly Maid Cleaning services	Sep. 2014	$88,795 – $131,295	$88,795 – $131,295	461
AdvantaClean Cleaning services	Mar. 2014	$126,500 – $373,300	$75,000 – $300,000	205
WOW 1 DAY PAINTING Painting	Jan. 2014	$90,000 – $140,000	$90,000	26
American Poolplayers Association Pool league	Sep. 2014	$16,695 – $19,865	$16,695 – $19,865	318
Miracle Method Surface Refinishing Bathroom & kitchen remodeling	Nov. 2014	$85,000 – $125,000	$67,500 – $107,500	137
* **Home Instead Senior Care** In-home senior care	Nov. 2014	$100,000 – $115,000	$48,000	644
Interim HealthCare In-home senior care	Nov. 2014	$85,000	$115,500 – $188,500	336
Tailored Living Home organization solutions	Sep. 2014	$85,630 – $218,995	$85,630 – $218,995	165
You Move Me — *more on p. 1* Moving services	Jan. 2014	$138,000 – $187,200	$138,000 – $187,200	35
* **Soccer Shots** Youth sports	Oct. 2014	$17,500 – $21,000	$16,500	155
* **Homewatch CareGivers** In-home senior care	June 2014	$83,250 – $136,000	$50,000	225

"I am able to set my own hours, work with my wife and tuck my kids into bed."

– HouseMaster Franchisee

"The system runs seamlessly. The more one follows the model, the easier and more effectively it runs."

– MaidPro Franchisee

Service opportunities typically require going to a client's home or workplace. Many can be run out of a home or small office.

Brick & mortar opportunities feature a storefront or showroom, which can be mobile.

Left: Jane and Tom McElhaney own Our Town America franchises in North and South Carolina.

Right: Jonathan Porter (right) and Scott Philips (left) own AdvantaClean of Metro New Orleans.

Continued from page 6.

Shacka, President of **Two Men and a Truck**. "Although a handful of Two Men and a Truck's franchisees have more than 10 locations, the majority own between two and four."

The biggest gripe multi-unit operators we surveyed had with their brand was technology, which makes sense because it impacts their ability to effectively manage their units or territories without being on-site. From our interviews, it is clear that many systems are busy rectifying any technology short-comings they have in order to support their franchisees. They are stepping up by providing training, financial tracking, appointment setting, inventory tracking and a variety of other services that function across multiple platforms 24/7. Many platforms facilitate reviewing unit or salesperson performance both individually and collectively in real time and benchmarking against a franchise's branches as well as fellow franchisees.

"Our centralized cloud-based software system was designed from the bottom up to allow our multi-unit franchisees to run their entire business as a single organization" says **MaidPro** CEO, Mark Kushinsky. "One of the big benefits we've seen is that owners have become much more likely to open additional units, often in other states, due to the ease with which they can now manage a multi-branch business. In addition, MaidPro offers an array of optional services such as pay per click advertising, social media management, automated e-mail drip systems and service reminders. Our centralized call center can handle a franchisee's entire sales process."

It is crucial to investigate what multi-unit franchisees are saying about the brand you are considering. Any franchise system can promote itself as a multi-unit opportunity, but the only way to know if it delivers on promised resources, processes, training, and technology is to ask for and carefully review its franchisee satisfaction report, preferably from a third party, and to speak with multi-unit operators within the system.

"We share our franchisee satisfaction reports with all of our potential franchisees," says Plummer of Our Town America. "Doing so ensures they have an unbiased and thorough understanding of what being a member of our organization entails."

Generally, franchisee satisfaction among multi-unit owners runs slightly higher than satisfaction among single-unit franchisees. As mentioned earlier, this isn't surprising since profitability tends to play a role in satisfaction, and multi-unit operators are typically more profitable.

Both multi- and single-unit franchisees rank their system highest in the areas of overall enjoyment they get from running the business and being a part of their franchisee community, respect for their franchisor, and willingness to recommend their system to other prospective franchisees.

YOU'RE READY TO BECOME A MULTI-UNIT OWNER. NOW WHAT?

Once you have selected the brand you wish to invest in, how can you prepare to make the multi-unit plunge?

Financing

When it comes to multi-unit franchising, you truly do have to spend money to make money. Whether the money you invest is your own, from investors or a combination thereof, you'll need a lot of it. Keep in mind that if you choose to take on an investor, they most likely will have a say in what you do. Beyond a traditional bank loan, there are several ways you can obtain funding in order to purchase additional franchises:

- **Security-backed loans:** Enable you to take a loan using a financial portfolio, such as a mutual fund, as collateral. There are several potential advantages to doing so. First, you can leave your portfolio in place, which enables it to grow. Second, because the loan is backed by your portfolio's value, the interest charged will be lower than for an unsecured loan. It is important to note that the risk of borrowing against the value of your securities is that if your investments fall in value, the money borrowed will emphasize your losses.

It is crucial to investigate what multi-unit franchisees are saying about the brand you are considering.

- **Rollovers as Business Start Up (ROBS):** You can invest up to 100% of your retirement funds into a franchise without taxes, penalties or a loan via ROBS. You must have at least $50k in eligible retirement accounts such as an IRA, 401(k), or 403(b). Your retirement funds can be combined with a spouse's, partner's or traditional business loans. Since the money is yours interest free, ROBS can increase your chances of being profitable sooner. That said, the fees to a ROBS rollover can be high relative to the amount of money you are accessing. And like any collateral-based loan, you are putting your retirement savings (the "collateral" in this case) potentially at risk if your business is unsuccessful.

Pulling the Right Team Together

Effective delegation is the most crucial aspect of multi-unit ownership. It is also, for many franchisees, the most difficult thing for them to do. In order to be able to delegate so you can be freed up to work *on* rather than *in* your business, you will initially need to spend a significant portion of your time hiring the right people.

"One of the most challenging aspects of my business is finding the right staff and training them. When interviewing you have to have a good instinctual feeling for a candidate and understand what their expectations are," says ShelfGenie franchisee Trahan. "I look for people with a solid value system, who are team players, good at customer service and able to effectively communicate."

Build a Supportive Network

Seek out other multi-unit owners within your brand in order to benefit from their experience and support.

"Our franchisees are able to share ideas, best practices and challenges during our global networking events, annual leadership forum and at any time with each other," says White of Sotheby's International Realty.

Patience Pays

In order to overcome the absence of an owner-operator, generate sustainable revenue and maintain a positive culture, it is important for multi-unit business owners to take the time to ensure that their existing units are operating smoothly and profitably prior to investing in another.

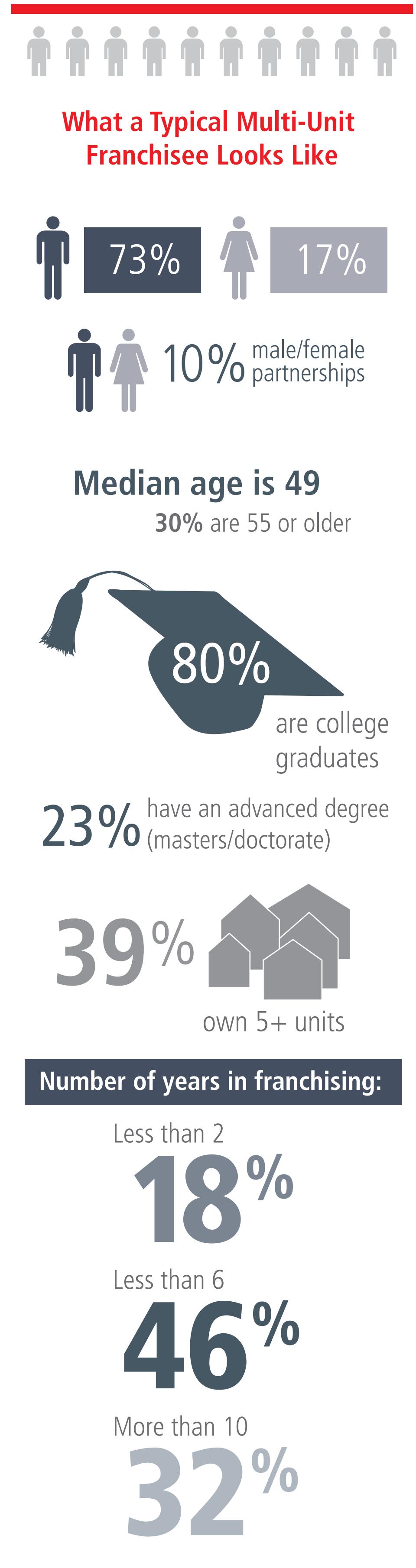
"Too fast is worse than not fast enough," says Johnson of FRANdata. "A failed unit is a blemish for both franchisees and franchisors."

Shacka of Two Men and a Truck agrees, "The most destructive decision that can be made is expanding before you are ready. In fact, we help ensure that an existing operation is operating at peak performance prior to approving an expansion opportunity. We work with our franchisees to create a business plan of the new location that addresses the capital needed, marketing plan and staffing as well as budgets and projections. This approach has led to stronger starts out of the gate, happier customers and clearer expectations of what success should be."

The rewards of taking time to strategically build your franchise "empire" so each of your units opens and runs smoothly every day without your presence, will ultimately be increased profits, freedom and long-term security.

Due Diligence

If you are considering multi-unit ownership, be sure to do your due diligence in order to find a proven system that is the right fit for you—one with the support, technology and leadership in place to facilitate multi-franchise ownership. A good place to start is with the 50 top brands on our list, which are broken out into the Top 25 Brick & Mortar businesses and the Top 25 Service businesses, since only those with highest multi-unit operator satisfaction rankings are featured. Each has a proven track record of supporting multi-unit operators and many share their full franchisee satisfaction reports, which provide an honest look at their leadership, culture, training and support, financial outlook, culture, and more at **www.FranchiseBusinessReview.com.**




Our Town America
Welcoming New Movers Since 1972
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&
Watch Your Dreams Become Reality
Digital, Print and Social Marketing
43 Year Track Record • Veteran-Owned
Home-based
Unique
High Demand
Highly Ranked
Low Buy-in
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