

## Franchising

Do you have a successful business, but lack the capital to really make it grow? Are you thinking of franchising your business? You could franchise your business. You would be the franchisor – the person owning the rights.

Do you want to set up in business, but lack the experience to do so successfully? Could a franchise be the way forward? You would become a franchisee – the person who buys a right to operate using the rights and knowledge of the franchisor.

Franchising can be a great way to expand the right business. It allows the franchisor growth and at the same time helps spread the financial risks. For the franchisee, it gives them a chance to have a business where someone else has been through the learning curve, where the risks have been lessened by the previous experience of the franchisor (and potentially other existing franchisees).

Franchise agreements tend to be long and complicated. They have to cover the entire relationship between the franchisor and the franchisee. They have to protect the rights, not only of the franchisor, but also the rights of all of the other franchisees.

They will cover everything from the fees payable throughout, the rights that can be used, how and where they can be used, competition with the franchisor and with other franchisees. They will require detailed financial and accounting information from the franchisee to enable the franchisor to monitor the business.

It is vital that you take advice if you want to franchise your own business, or if you want to take on a franchise. A good agreement will be fair to both parties. In many cases you will need it to be fair if you want to join an organisation like, for example, the British Franchise Association.

We can assist you with plans to franchise your business, with the agreements, and with the other documentation that help to make your franchise a success.