THE FRANCHISEE JOURNEY: A UNIT ECONOMICS APPROACH

Summer 2023 Session:  August 24\textsuperscript{th}-26\textsuperscript{th}
OVERVIEW

Buying a business, including a franchised business, is considered one of the top 10 decisions a person might make during their lifetime. This is a decision that should not be taken lightly, and it deserves to be made on an informed basis. We will outline the key considerations when making the decision to become a franchisee, then we'll follow that decision through to the eventual exit. Along the way we'll examine key milestones, issues, and challenges to better understand how to drive success, performance, and strong brand value.

OBJECTIVES

- Learn & discuss the key elements in the journey of a franchisee
- Evaluate the differences between the franchisor and the franchisee in their roles and responsibilities
- Learn how to evaluate a franchise business to determine if it is a “good fit”
- Create a framework for having a healthy and productive experience as a franchisee
- Learn best practice for when and how to exit a franchise

PARTICIPANT BENEFITS

Gain knowledge and skills | Build social capital | Enhance your career

- Relevant learnings you can immediately apply to working within a franchise system
- World-class curriculum delivered by Daniels, Liniger Center on Franchising faculty
- Improve marketability & add franchise education to your resume
- Establish life-long connections with franchise professionals from a variety of industries
- Earn Certified Franchise Executive (CFE) credits from the ICFE

Those enrolled in the IFA Certified Franchise Executive™ program will receive:

- 9 CFE Education credits for the 10-hour online course (applicable once)
- 16 CFE Education and 3 CFE Participation credits for “The Franchisee Journey” three-day classroom course.
WHO SHOULD ATTEND

- Every franchisor to fully understand franchising from the franchisee perspective.
- All individuals seeking to learn about franchising from the franchisee’s perspective and the stages of the franchisee journey
- Anyone who is considering purchasing a franchise business
- Franchise professionals who wish to develop broader knowledge and better competency in the foundational components related to franchise management
- Those seeking credit toward the IFA Certified Franchise Executive program

MODALITY & DURATION

On-line & In-Person at University of Denver campus

The course starts with a required on-line session “Introduction to Franchising” (*only required to be taken once but must be completed prior to attending any of the in-person franchise courses*) that introduces the franchise model and lays out the foundational information needed for attending the three-day in-person session.

- The on-line session will take approximately 10 hours to complete and can be completed in stages. Access will be provided two weeks prior to the Classroom segment of the course.
- The 3-day in-person portion of the course consists of dynamic and intensive sessions to present research, content, case studies, interactive exercises, and group projects to foster new insights and strategies, as well as the use of key industry professionals as guest speakers to share expertise and key insights. Course days and times are:
  - Thursday  9:00 A.M – 5:00 P.M.
  - Friday    9:00 A.M – 5:00 P.M.
  - Saturday  8:00 A.M – 2:00 P.M.

COST

$2,400
Ben Litalien, PhD, is one of a few global franchise experts with a unique combination of broad franchise experience and academic credentials. Ben has invested over 25 years in the franchise community, with a broad range of key management and franchise-building experience. He has developed and expanded four franchise concepts including two in food service, an automotive concept, and a web-based franchise.

Ben worked for Exxon Mobil as the U.S. Franchise Development Manager and oversaw the Company’s On the Run convenience store franchise in the U.S., creating a unique Regional Franchise Developer program that was responsible for 1,000 franchise units in development.

In 2009, Ben formed a consulting practice, Franchise Well, where he advises select franchise companies on various matters including IKEA, RE/MAX, Zerorez, The UPS Store and Snap-on Tools.

Ben completed his doctoral program at University of Maryland in 2012, focused on the theory of Social Franchising. He was presented with the Karp Research Foundation Award in 2011 for the ‘best paper in franchising’.
COURSE AGENDA

ONLINE SESSION: INTRODUCTION TO FRANCHISING

<table>
<thead>
<tr>
<th>Time: Self-Paced (10 hours)</th>
<th>Location: Asynchronous Online</th>
<th>Instructor: Dr. Ben Litalien</th>
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Description: This 10-hour online course is Asynchronous and prepares each student with the language of franchising, the framework of the franchise model and an overview of franchising from various perspectives including the franchisee, the franchisor, supply partners and the customer. This course must be taken and completed prior to attending any other courses. The course will be taken online.

Learning Objectives:
- Learn the “language” of franchising and provide definitions and context for relevant terms
- Understand the franchise model framework including key pillars that underpin the model
- Create a foundation for more advanced learning in franchising

Agenda:

<table>
<thead>
<tr>
<th>Time</th>
<th>Course Activity</th>
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<tbody>
<tr>
<td>30 Minutes</td>
<td>Welcome, Introductions &amp; Overview: Instructor welcome and overview of the course, objectives, and key learnings.</td>
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<tr>
<td>30 Minutes</td>
<td>History of Franchising: Franchising is a powerful and complex model that has its roots in the Middle Ages with Kings and how they managed their kingdoms. We'll review where franchising started and how it evolved over time into the current economic powerhouse it is today.</td>
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<tr>
<td>1 Hour</td>
<td>Franchising and the Alternatives: An overview of the alternative business models to franchising including dealerships and distributorships. We will look at current trends, challenges and opportunities using the franchise business model.</td>
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<td>1 Hour</td>
<td>Case Study: Why do companies choose to franchise vs. various alternatives?</td>
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<td>1 Hour</td>
<td>The Legal Framework of Franchising: The franchise model is regulated at the federal level in the U.S. under the auspice of the Federal Trade Commission, and several states have enacted laws regarding the offer and sale of franchises in their state. We'll review the regulatory model and provide perspective on the legal aspects of franchising.</td>
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<td>Time</td>
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<td>1 Hour</td>
<td><strong>Case Study:</strong> Students will evaluate several scenarios and apply the legal framework of franchising to address the situations.</td>
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<td>2 Hours</td>
<td><strong>A Global Perspective:</strong> We will look at franchising from a global perspective, featuring a review of the International Franchise Association and the International Trade Administration program from the U.S. Department of Commerce.</td>
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<td>45 Minutes</td>
<td><strong>Training in a Franchise Environment:</strong> Used as a growth strategy, making good decisions on locations is a critical component to development. We will review the parameters and issues.</td>
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<td>1 Hour</td>
<td><strong>Case Study:</strong> We will consider how training evolves within a franchise system.</td>
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<tr>
<td>1 Hour</td>
<td><strong>Economic Impact of Franchising:</strong> The franchise model has a unique and compelling economic framework. We will lay the foundation for this framework including research on the franchise sector statistics, unique accounting considerations and implications.</td>
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<td>45 Minutes</td>
<td><strong>Technology in a Franchise Environment:</strong> Increasingly, franchise companies are highly evolved with technology platforms that support the underlying business imperatives and managing the franchise network. We will review the typical “tech stack” for a franchise company and review the trends in franchising.</td>
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<tr>
<td>30 Minutes</td>
<td><strong>Course Wrap-up:</strong> Instructor will provide a summary of the program, review the learning objectives that should have been achieved and provide insights and next steps.</td>
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IN-PERSON CLASSROOM SESSION

Time: 9:00AM – 5:00PM MT
Location: Daniels College of Business
          2101 S. University Blvd. Denver CO. 80208
          Room 680 Schneider Board Room
Instructor: Dr. Ben Litalien

DAY ONE - AUGUST 24, 2023

9:00AM – 9:30AM Welcome, Introductions & Overview
  • Participant introductions & goals for the course
  • Review agenda and scheduling
  • Update class roster as needed

9:30AM – 10:30AM Franchise Recruitment and Development: Matchmaking
Becoming a franchisee begins with choosing a franchise business to purchase. We will review how franchisees are finding concepts and how franchisors are positioned to attract candidates. We will review the entire recruitment process.

10:30AM – 11:00AM BREAK

11:00AM – 12:00PM Guest Speaker: Steve Dixon, CFE
  Chief Development Officer for Children’s Lighthouse
Steve will share insights on how to be “chosen” by the right franchisor for their franchise.

12:00PM – 1:00PM Lunch – “On your own” lots of great options nearby

1:00PM – 2:00PM New Franchisee Onboarding
Once the franchise agreement is signed, there is a critical path that franchisees need to take to be successfully integrated into the franchise system. We’ll look at the steps along this critical path.

1:30PM – 2:30PM BREAK

2:30PM – 3:00PM Case Study:
Small groups will create an onboarding plan for their “franchisees”, we will discuss and compare the different plans.

3:00PM – 3:45PM Guest Speaker: Mike Rincon
  Director of Onboarding for Daddy’s Chicken Shack
Mike will share insights and best practices for franchisee onboarding.

3:45PM – 4:30PM BREAK

4:30PM – 5:00PM Review & Wrap-up
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Time: 9:00AM – 5:00PM MT
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DAY TWO - AUGUST 25, 2023

9:00AM – 9:30AM  Review & Reflection:
• Discussion on Day One concepts
• Resolve outstanding questions

9:30AM – 10:30AM  The Franchise Launch: Starting Strong
Arguably the most important segment in the franchisee journey, successfully launching the franchise sets the stage for reaping the benefits over the life of the franchise.

10:30AM – 11:00AM  BREAK

11:00AM – 12:00PM  Guest Speaker: Jamie Izaks, President of All Points PR
Jamie has worked with numerous franchise companies to help them launch their franchisees with media support, publicity and digital marketing. He will share his experiences on how to have a great franchisee business launch.

12:00PM – 1:00PM  LUNCH – PROVIDED ONSITE

1:00PM – 2:00PM  Supporting Franchisees:
We will look at key elements of franchisee support that are needed to maintain compliance across the franchise network and drive performance.

2:00PM – 3:00PM  Case Study:
Small groups will examine franchise approaches to support and create recommendations to improve/enhance support.

3:00PM – 3:30PM  BREAK

3:30PM – 4:30PM  Guest Speaker: Healey Mendicino, President of Port of Subs
Healey will share details on how they protect the brand and drive high performing franchisees through a robust and dynamic franchise support system featuring dedicated onsite staff, detailed reporting and benchmarks and market specific marketing plans.

4:30PM – 5:00PM  Review & Wrap-up
IN-PERSON CLASSROOM SESSION

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DAY THREE - AUGUST 26, 2023

8:00AM – 8:30AM  Review & Reflection:
- Discussion on Day Two concepts
- Resolve outstanding questions

8:30AM – 9:30AM  Growth & Expansion: Franchisees are the Key to System Growth
Franchisees generally seek to grow their business for maximum return and to expand if/when possible. We’ll look at key factors driving both goals.

9:30AM – 11:00AM  Guest Speaker: Dave Liniger
Co-founder & Chairman of RE/MAX
He and his wife, Gail provided the gift to create the Liniger Center on Franchising. Dave will share his insights and experiences from building an iconic franchise brand, and especially on how to “love your franchisees”. This is a special opportunity to hear from an IFA Hall of Fame awardee, franchise icon and incredible leader. Pictured here with his best friend “Max”.

11:00AM – 11:30AM  LUNCH – WILL BE PROVIDED ONSITE

11:30AM – 12:30PM  Succession Planning: Beginning with the End in Mind
An important look at how to keep the end in mind when owning a franchised business, including knowing when to sell/transfer, and how to prepare for an exit.

12:30PM – 1:30PM  Guest Speaker: Jason Losco
Chief Development Officer for WellBiz Brands
Jason will share his experiences working with franchisees to prepare for a successful exit.

1:30PM – 2:00PM  Session Review & Wrap-up
Presentation of Certificates of Completion