

1. Why Franchise

Franchises provide a way for individuals to start their own businesses with the backing of an established brand. By buying a franchised business opportunity you greatly improve your chances of succeeding in business. The British Franchise Association recently claimed that more than 90% of franchisees are still trading profitably after 5 years.

2. Do I need relevant experience of the sector?

Ideally you will have some experience in plumbing or fitting and full training will be given to the franchisee on how to fit particular products. If you are looking to purchase the franchise as an investment then you can always take on an experienced fitter as and when you require a system to be fitted.

3. Is my investment safe with a franchise?

The odds of survival for more than three years - never mind achieving a profit - for a new business start-up in the UK today are less than seven out of ten, according to VAT registration and de-registration statistics released for 2005 by the Department of Trade and Industry. That means one third of the UK's entrepreneurs that plough their business loans and nest eggs into new businesses will lose out to poor marketing, bad organization, wrongly identified markets, inaccurate financial forecasts, management mistakes, shifting economic conditions...or any number of other pitfalls littering the road to building a successful business. Meanwhile, according to the UK Franchise Survey just 1.4 per cent of franchises changed hands due to commercial failure in 2005 year, with an additional 0.3 per cent due to disputes. The reason for this is that by investing in a franchise, the majority of franchisees ensure that their business concept is offering a product or service with proven demand and profitability. The systems and procedures will be professionally constructed, supported by experienced management staff and the franchisee will benefit from realistic financial forecasts.

4. Will I have to cope with making sales and bringing in business?

Yes, while we promote ourselves on websites and magazines etc and the majority of sales are brought in through this and word of mouth you will still need to be pro-active. Whilst we will pass over any leads which come to us for your territory you will need to take responsibility for generating your own sales.

5. What exclusivity do I have for my franchise?

We divide into territories the franchise. The size and nature of the territory awarded by the franchise agreement will depend on the population/territory demographics.

6. What are the limits to the development of a franchise?

A typical franchise will only be limited by its territory.

7. Is my franchise legally protected?

All franchisees sign a franchise agreement in order to secure their franchise, the main function of which is to clearly set out the extent of the rights to be granted, the territory in which those rights apply, the exclusivity of the rights in the territory and the term in which the rights exist. A typical agreement will outline the franchisee's exclusive rights to market and build a business.

8. Obtaining Finance

There is no reason in principle why you cannot finance the purchase of an overseas business in the UK. The Business Banking Code says that before a bank lends you any money, they will assess whether they feel that you will be able to repay it. Likewise we can recommend banks here that would be sympathetic to requirements.

USEFUL LINKS

www.smallbusiness.co.uk

http://www.spanishpropertyworld.com/mortgages_banks_in_spain.htm