

Investigating Franchising Your Business

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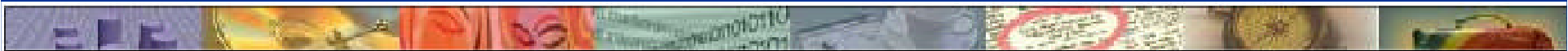
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Overview of Franchise Regulatory Scheme

- Federal Franchise Rule
- State Franchise Statutes
 - Registration
 - Exemption
- State Business Opportunity Statutes
- Importance of Early Federal Trademark Registration
- Virginia/Regional Registration Strategy

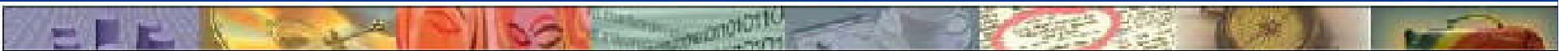


List of Franchise and Business Opportunity Filing States*

- See Tab 1

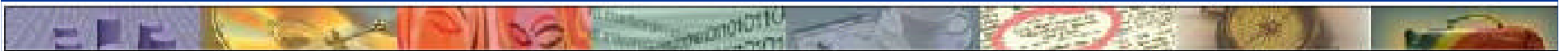
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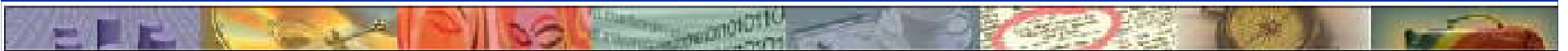
A Whirlwind Tour of the UFOC

1. The Franchisor and any Predecessors
2. Identity and Business Experience of Persons Affiliated with the Franchisor
3. Litigation
4. Bankruptcy
5. Franchisee's Initial Franchise Fee or Other Initial Payment
6. Other Fees



A Whirlwind Tour of the UFOC (cont.)

7. Franchisee's Initial Investment
8. Obligations of Franchisee to Purchase or Lease from Designated Sources
9. Obligations of Franchisee to Purchase or Lease in Accordance with Specifications or from Approved Suppliers
10. Financing Arrangements
11. Obligations of the Franchisor



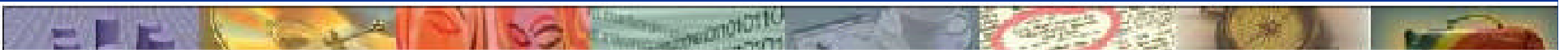
A Whirlwind Tour of the UFOC (cont.)

- 12. Exclusive Area or Territory
- 13. Trademarks
- 14. Patents and Copyrights
- 15. Obligation of the Franchisee to Participate in the Actual Operation of the Franchise Business
- 16. Restrictions on Goods and Services Offered by Franchisee



A Whirlwind Tour of the UFOC (cont.)

17. Renewal, Termination, Repurchase, Modification and Assignment of the Franchise Agreement and Related Information
18. Arrangements with Public Figures
19. Actual, Average, Projected or Forecasted Franchisee Sales, Profits or Earnings



A Whirlwind Tour of the UFOC

20. Information Regarding Franchises of the Franchisor

21. Financial Statements

22. Contracts

23. Acknowledgement of Receipt by Prospective Franchisee

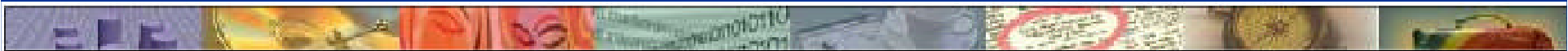
Exhibits

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Franchisor Basics

1. It's a different business
2. Highly regulated
3. Audited Financials
4. Operations Manual
5. Costs and Time
6. Support Infrastructure

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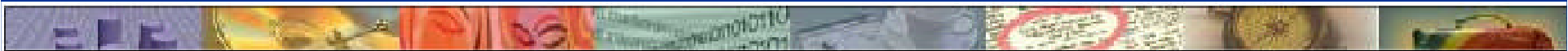
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Are You Ready to Franchise?

- Existing/prototype unit(s)
- Multiple locations
- Established systems/operated without owner
- Management depth (new skill sets to sell, train and support franchisees)
- Federal or state trademark
- Industry and background due diligence



Do you Need a Consultant?

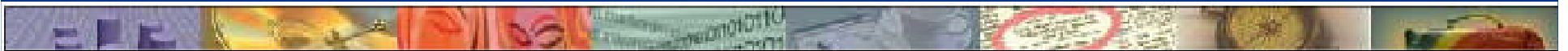
- Business decisions
- Marketing and training materials; operations manual

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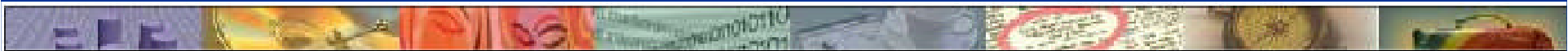
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Steps to Franchising

- Trademark
- New Franchisor Entity (adequately capitalized)
- Audited Financial Statements
- Operations Manual & Training Programs
- New Mindset (In Business of Franchising)



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Named to *Best Lawyers in America* (Franchising) and *Virginia Business'* Legal Elite, representing Virginia's best lawyers, by his peers

Member, American Bar Association, Forum on Franchising

Member, International Franchise Association, Council of Franchise Suppliers

Member, International Franchise Association's Legal/Legislative Committee

Former Chair, Virginia State Bar, Antitrust, Franchise and Trade Regulation Committee

Frequent speaker on franchising issues, including at ABA Forum on Franchising and IFA Annual Legal Symposium

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