

Secrets of a \$110 million man

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Ask Candee

Your Personal Consultant: Candee Wilde answers questions about the franchise business

Q Is it wiser to join a franchise system with long-time experience or to get in on the ground floor with a newer franchisor?

Both options offer benefits, and the right choice depends on the goals, strengths, and experience of both the franchisee and the franchisor. Interstate All Battery Center, for example, has been franchising since 2000 and now has 109 stores in 35 states, Canada and Puerto Rico. A division of Interstate Batteries, the nation's leading automotive replacement battery, Interstate All Battery Center offers franchisees a nationally recognized name and 50-plus years of experience in the battery business.

Prime Time Boxing Inc., on the other hand, started franchising this year and recently opened its first franchised location;

two corporate locations are also in operation. But the founders, husband and wife team Angelo Nunez and Cary Williams-Nunez, have ten years' experience in the business. The first Prime Time Boxing location opened in 1998, offering a unique, 45-minute fitness workout that combines cardiovascular conditioning with boxing technique and some strength training.

"I think that getting in at this level, as the company is just starting to open franchises, is a big plus," says Williams-Nunez, founder and CEO of Prime Time Boxing. "Once a franchise has 50 units or 100 units, the founders probably don't do much hands-on work with the franchisees. We are able to work directly with our franchisees."

People began asking whether Prime Time Boxing was a franchise when first it first opened its doors in Sacramento ten years ago. Clients, some who were financiers and stock brokers, thought Prime Time Boxing had the strengths to develop more locations.

"As we progressed and perfected our program, more and more people that trained with us asked about franchising. We weren't familiar with the whole concept back then but we researched it and realized that rather than bringing investors in to grow as a corporation, franchising would let us maintain some control over what we have worked hard to create," Williams-Nunez explains.

The couple has impressive bona fides: Williams-Nunez is one of a relatively small (but growing) number of female Olympic-certified boxing trainers. Angelo Nunez fought Oscar De La Hoya and Floyd Mayweather Jr.; he later became De La Hoya's chief sparring partner. Williams-Nunez says Prime Time Boxing's workout appeals to men, women, and children not only for its physical benefits, but because it requires people to think.

"It is a very cognitive activity," she says. "Not only are they working out to keep their bodies physically fit, but also to keep their minds sharp."

A valuable consumer brand is one of the key benefits that

Interstate All Battery Center franchisees receive when they join the system, according to Justin Darland, director of franchise development. Interstate All Battery Center, which is striving to have 300 stores by 2012, is the first nationally established brand to enter the fragmented battery market.

Interstate All Battery Center stores offer more than 14,000 power solutions for products ranging from hearing aids to heart defibrillators, boats and cars, to cameras to laptops. As people use more wireless products that require portable power, the market for batteries is expected to reach \$50 billion by 2010, the company says.

"We couple a nationally recognized name with a global supply chain and access to 14,000 products," Darland says.

"There is no competition. Our franchisees are uniquely positioned to tell customers we have the battery, we will find it, or we will build it," Darland says. "Last year, we built over 100,000 different types of batteries. We are plugged in internationally to the battery manufacturing world."

Ultimately, as a potential franchisor researches his or her business alternatives, the number of franchisees is less important than the quality and depth of initial and ongoing support, for example, and training and marketing. Furthermore, the "mindset" of the franchisor is essential.

Both Prime Time Boxing and Interstate All Battery Center have and continue to work hard to lay the groundwork for franchisee growth and both focus on qualities the International Franchise Association (IFA) says sets apart the best franchisors. According to the IFA, top franchisors:

- Lead by example
- View their franchisees as customers
- Involve franchisees in the strategic development of the system
- Accumulate and share information with franchisees
- Promote communication between franchisees
- Evaluate the potential impact of all major decisions on the franchisor company, the franchisees and the value of the consumer brand

Investors who join franchise businesses, like Interstate All Battery Center and Prime Time Boxing, that have set their sites on excellent support of their franchisees and maintaining the quality of their businesses as they grow, will be in an excellent position to succeed.

To contact Candee, or to learn more about franchising opportunities, please visit the inc.com home page and look for "Franchise Inc."

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