

Framing Franchising Options

By Anne Vazquez

Anyone who's ever run their own business can attest to one of the most significant benefits—the independence. The rewards of this independent existence include being your own boss, deciding what merchandise and services are offered, and setting prices. However, these are the same things that can hamper your progress toward becoming a profitable framer. For instance, perhaps your staff is small and production isn't as quick or efficient as you'd like it to be.

Of course, there's always the pros and cons in business and where you concentrate your time and money is up to you.

For some framers, franchising offers the best of both worlds: You have control over your operation while, at the same time, having access to a central support system with many resources. In order to see continued growth, many franchises have been looking for new ways to attract franchisees. One approach has been variations on the “standard” franchising programs to create fresh opportunities to framing businesses.

FastFrame USA, a custom framing franchise based in Newbury Park, California, actively looks for new franchisees. The company, which originated in the U.K. and began U.S. operations in 1986, currently has over 200 franchise stores throughout the country.

Under FastFrame's standard franchise program, each new location has a territory where no other company location can be opened. The new franchisee gains the rights to use such things as the FastFrame marks, operation system, and marketing and operational support for 10 years. While the company's standard program is suc-



Becoming part of a franchise can significantly increase your business opportunities by providing the advantages of a larger corporate resource.

cessful, Brian Harper, President and CEO of FastFrame, attributes much of the growth to the flexibility of the company's variations of the standard franchising program.

Partners For Growth

For a framer who wants to start their own shop, FastFrame's newest program, the Managing Partner Program, is a viable option. Created in 1998, the program enables framers to open their own business with a minimal capital investment, which can be as low as \$5,000. (The average investment to fully set up a FastFrame location is between \$90,000 and \$125,000.)

The Managing Partner Program was created in response to an inquiry from a franchise owner whose employee had expressed interest in opening their own shop. While the employee had significant expertise in the craft and business of framing, they did not have sufficient capital for an initial investment.

Under this program, the person opening the new location partners with an existing franchisee or FastFrame

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USA itself. The managing partner owns a percentage of the store, and is its primary operator. Over time, the partner gains an increased share of equity.

In 1999, Vanessa Stayner, FastFrame employee in Schaumburg, Illinois, wanted to open her own store but lacked the capital. The owners of the store where Stayner worked wanted to open another store, but didn't feel they would have the time to devote to the operation. One of the owners, Rita Gagliano, knew Vanessa's work and approached her about the Managing Partner Program.

"My husband and I already owned two franchises, so one of us could manage each," says Gagliano. "We wanted to buy a third location, but it's difficult to find an employee to run your business. Having someone with a vested interest run the store was an ideal situation for us."

Looking For A Change?

While the Managing Partner Program is meeting with success, FastFrame has also focused on converting independent custom framing shops since 1996. Under the Conversion Program, the owner of a custom framing shop can either sell the store to FastFrame or continue running the shop after converting to a franchise. According to Harper, 17 custom framing shops have converted over the past year throughout the U.S.

A primary advantage of converting to a FastFrame store is lower operating costs. Franchisees can take advantage of vendor discounts that have been negotiated by FastFrame, and use the company's operating system to help keep costs down.

This is an approach that another framing franchise has actively pursued for several years now. In 1998, *PFM* spoke with Deck the Walls CEO, Steve Lowry about the renewed focus on the conversion program. At that time, Lowry said that, "this option allows Deck the Walls to attract individuals already in business for themselves who know the nuances of the art and framing industry."

We spoke with Lowry again who told us that since

1998, there have been six conversions under the Deck the Walls program (which includes Deck the Walls, The Great Frame Up, and, in Canada, Framing and Art Centre.) He cited reasons for independents to convert, such as the buying power a shop owner gains as part of a franchise, since they benefit from deals made with vendors. As part of a franchise, owners can also realize savings on business costs, such as insurance and credit card transaction fees.

Joel Vogt, an owner of three Deck the Walls locations in Oklahoma, is happy with the decision he made become a franchisee. "The company offers a great deal of support, with vendor discounts and the marketing fund, for example," says Vogt. "But it's still your business, there's still the up and downs of the industry."

Pooling Resources

Owners of a franchise location can benefit from being part of a group of people with diverse backgrounds. Meanwhile, a franchisee's advertising efforts benefit from access to a large corporate marketing fund. At FastFrame, if an individual franchisee wants to develop an advertising campaign for their specific market area, the company's marketing department will help design the advertisement. Franchisees can also work with the department to create a marketing plan for the upcoming year.

The reason to consider franchising might be best expressed as the opportunity to enjoy the benefits of your own business, with the ability to call on the support of the company's resources if need be. So, if becoming part of a franchise has crossed your mind, it could be worth your while to look into the increased options in franchising. ■