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International Franchising: Information Sources

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International Franchising: Information Sources

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INTRODUCTION

Franchising is a system used by businesses to distribute or market their products or services. Within this system, one company (the franchisor) grants another company or individual (the franchisee) the right to sell its products or services in a specified location or area using the franchisor's trademark or product name, business systems and expertise.

Franchising in Canada has now matured to the extent that a growing number of Canadian franchises are expanding into foreign markets. This includes firms that are now turning to franchising as a means of improving their international competitiveness in marketing their products and services.

This publication identifies international sources of information on franchising including foreign franchise associations, publications, exhibitions and market surveys. Included are sections providing some general guidelines for franchise network expansion, additional references and sources of government assistance.

The publication is intended for Canadian franchisors interested in international expansion as well as for professionals in government and the private sector who are involved in providing counselling services to businesses.

A cost may be associated with some of the publications listed. Readers are advised to check prices before ordering.

The Distribution Services Directorate of Industry Canada monitors trends and developments in franchising and maintains contact with franchisors, associations and professionals in Canada and selected countries.

This publication has been prepared with information from numerous sources. Every effort has been made to ensure the accuracy of the information contained herein as of March 1994. Because changes may be made at any time without notice, Industry Canada is not responsible for any errors. Suggestions for future editions of this publication would be most appreciated.

Should you require assistance or wish to make comments, please contact:

Distribution Services Directorate
Distribution and Construction Industries Branch
Industry Canada
235 Queen Street
OTTAWA, Ont.
K1A 0H5
Tel.: (613) 954-2987
Fax: (613) 952-9054

I. FRANCHISE NETWORK EXPANSION

This publication provides some general guidelines for franchisors who are considering international expansion of their franchise network. The goal is to stimulate ideas that firms can add to their planning and as they gain experience.

Timing

- A potential franchisor should be well established in the Canadian market before attempting international expansion
- The franchise should be financially secure and well designed and should possess good operating manuals
- Franchisors should seek professional advice (see Chapter II for contacts in Canada) at an early stage, particularly concerning legal and tax issues. For example, companies should ensure that they have taken steps to protect their trademarks, copyrights, patents and trade secrets.

Resources

- Ensure you have sufficient financial and managerial resources to undertake international expansion
- Dedicate extra resources and time required to penetrate a foreign market. For example, negotiations with prospective master franchisees can take a year or longer and can involve several trips to a foreign country

- Obtain a commitment from senior management to involve leading people in the company — those who developed the franchise in Canada — to handle the foreign expansion plans.

Selecting Markets

- Be selective about where you want to expand, and plan all details carefully
- Carefully assess unsolicited foreign enquiries about your franchise. If a company is not properly prepared to enter a new market and has to retreat, its name and reputation will remain tarnished long after it leaves.

Research

- Develop an awareness of the cultural, political and economic climate as well as the business practices of the country. Establish contact with the Geographic Trade Divisions of the Department of Foreign Affairs and International Trade, and the commercial section of the Canadian Embassy or Consulate(s) (see Chapter IX)
- Carefully examine the laws in each country. Opportunities may be limited in some countries because of controls on foreign exchange, royalty payments, imports or because of weak patent and trademark protection

- Investigate franchise associations as an important source of information. In countries where English is not the first language, the majority of the heads of franchise associations speak English and several also speak French. Personal contact with such individuals will produce the optimum level of information and cooperation
- Investigate the existence of a proven market for your product or service in the target country
- Carefully evaluate the status of the competition
- Consider making adjustments in your franchise such as changes in name, logo, colour scheme, product assortment, establishment size, location strategy, translation of manuals, etc., to suit the requirements of the target country
- Look into opening a pilot outlet to make adjustments in the franchise
- Determine a suitable method to expand in the foreign market — master franchise, direct franchising, joint venture, or other means
- Investigate any restrictions on the supplies you will need to source from Canada
- Locate qualified suppliers for goods you will need to source locally

- Appraise the reputation of professional advisers such as consultants and lawyers who may be used. Franchise associations and Canadian Embassies can assist in such an endeavour
- Develop contacts with Canadian franchisors who are already established in foreign markets.

How to Solicit Enquiries

- Advertise in franchise or other trade publications
- Contribute an article to a franchise association newsletter
- Issue a press release on your franchise for publication in newspapers or magazines
- Ask franchise associations and their affiliate members, including banks, consulting/accounting and legal firms, if they are aware of companies interested in acquiring the rights to a foreign franchise concept
- Encourage your bank and accounting firm to circulate information on your franchise throughout their branch network
- Engage a consulting firm to identify potential partners
- Participate in government-sponsored trade missions or shows (See Chapter IX)
- Participate in franchise and other trade shows

- Advertise your participation in a trade show in the franchise section of major newspapers
- Participate in conferences/trade missions sponsored by the International Franchise Association located in Washington, D.C. (See Chapter III)
- Attend international franchise conferences and annual meetings/conferences of foreign franchise associations
- Contact foreign Chambers of Commerce or other business organizations identified by the Canadian Embassy.
- Try to have negotiations with prospective master franchisees at the senior management level. It is also important to assess the level of management within the company implementing the franchise system in the foreign market
- Be prepared to demonstrate what is unique about your system and what your partner will receive in return for investment. This can be important in countries where franchising is relatively new, and where there may be a lack of understanding as to why ongoing royalties are required after the initial fee has been paid.

It is unlikely that one approach will be sufficient to promote your franchise, and what you do in one country may not be appropriate in another.

Selecting Potential Master Franchisees

- Develop a profile of the ideal master franchisee or partner. This may change over time
- Appraise the reputation and financial status of your potential foreign partner. Canadian Embassies, foreign franchise trade associations, banks, etc., can be of assistance in such endeavours
- Be certain your potential partner understands the ethics of franchising
- Provide ongoing communication and support services to foreign franchisees. Regular newsletters, annual conferences, training programs and regular visits are ways of staying in touch with franchisees
- Conduct research to find new opportunities for franchisees so they may maintain success.

Ongoing Relationship

II. CANADA

Canadian Franchise Association

The Canadian Franchise Association (CFA) is the national body representing franchisors in Canada. It distributes a newsletter titled *The Franchise Voice* every two months to all members, organizes seminars on franchising in specific countries, conducts surveys, maintains contact with foreign franchise associations and undertakes other international activities related to franchising. The CFA has developed a Code of Ethics to promote ethical franchising in Canada. Adherence to this code is required for membership in the CFA.

Affiliate members of the CFA, including legal firms, consulting/accounting firms and banks, can be of assistance to franchisors considering international expansion. For example, a number of Canadian legal firms have expertise in international franchising and relevant laws, as well as contacts with legal firms and other organizations in the United States and other countries. Management consultants and accounting firms can be engaged to conduct market surveys, provide advice on tax and other matters or to identify potential partners in other countries. In addition, the major multinational firms in this category may produce publications on doing business in specific countries. Canadian banks have international operations and can provide a variety of services.

Contact:

Canadian Franchise Association
Building 12
Suite 201, 5045 Orbitor Drive
MISSISSAUGA, Ont.
L4W 4Y4
Tel.: (905) 625-2896
1-800-665-4232
Fax: (905) 625-9076

Regional Associations

Alberta Franchisors Institute

Contact:

Alberta Franchisors Institute
Suite 440, 10816 Macleod Trail South
P.O. Box 121
CALGARY, Alta.
T2J 5N8
Tel.: (403) 278-1919
Fax: (403) 278-4655

Association québécoise de la franchise

Contact:

Association québécoise de la franchise
Suite 450, 2550 Daniel-Johnson Boulevard
LAVAL, Que.
H7T 2L1
Tel.: (514) 973-8459
Fax: (514) 973-9015

Pacific Franchise Association

Contact:

Pacific Franchise Association
Suite 523, 409 Granville Street
VANCOUVER, B.C.
V6C 1T2
Tel.: (604) 669-3177
Fax: (604) 669-5343

III. UNITED STATES

International Franchise Association

The International Franchise Association (IFA) was formed in 1960 to enhance the image of franchising as a legitimate business method. It is primarily an association for U.S. franchisors but maintains close ties with national franchise associations in other countries, including Canada. It is increasingly a source of information and assistance for franchisors interested in expanding abroad. In light of the existence of franchise legislation in the United States at both the federal and state level, the association is quite active in monitoring legislative activity.

In 1983, the association established the IFA Educational Foundation Inc. Its activities include the development and dissemination of practical information about franchising as well as the support and establishment of academic programs in franchising. They also encourage research at colleges and universities related to the international expansion activities of franchises.

Contact:

International Franchise Association
Suite 900, 1350 New York Avenue N.W.
WASHINGTON, D.C.
U.S.A. 20005-4709
Tel.: (202) 628-8000
Fax: (202) 628-0812

Publications

The IFA produces an annual *Publications Catalog* identifying most of the publications, audiocassettes, videotapes and other reference material available from the association. In addition to a variety of publications related to buying or developing a franchised business, the following are also available:

Franchise Legal Digest

This quarterly publication provides information on franchise legal activity, tax, trademark, bankruptcy and international law as well as a variety of related subjects.

Franchise Opportunities Guide

This directory includes the addresses and business profiles of leading franchise companies, sources of financial assistance, as well as legal and other advice. There is also an international section which provides information about franchises based in 23 countries.

Franchising: A Planning and Sales Compliance Guide

This book discusses the business, legal, management and procedural considerations of a franchising program. It also addresses the issues of legal planning and compliance, including existing requirements of state and federal franchise and business opportunity sales regulations.

Franchising World

This bimonthly magazine, published by the IFA, is one of the best sources of information on international franchising and reports on the latest trends and operational aspects of franchising. It also includes a calendar of U.S. and international events and regularly reports on franchising in specific countries. Examples of recent articles include:

- "Real Estate in Indonesia"
- "Will it Play in Bucharest?"
- "Selecting a Foreign Franchisee"
- "Understanding the Taiwan Market."

FTC Franchising Rule: The IFA Compliance Kit

This kit has been prepared for use by franchisors in meeting state and federal disclosure requirements. It contains a comprehensive overview of the U.S. Federal Trade Commission (FTC) Franchise Rule, an outline of compliance tests and requirements, considerations in selecting a format, comparisons with state laws and bibliographies. It also includes instructions for completing the Uniform Franchise Offering Circular (UFOC). When properly prepared, the FTC and a number of states permit use of the UFOC to prove compliance with their own registration or disclosure requirements.

Protecting Your Franchising Trademarks and Trade Secrets

This booklet provides an overview of the general techniques that are, or could be, used by franchisors to protect the

trademark under which they conduct their franchised business operations.

International Franchising Packets

This series of information packets on specific countries contain articles from *Franchising World*, *Franchise Legal Digest*, digests of books, book chapters related to franchising abroad, and papers presented at the Society of Franchising, along with references to other materials available.

For additional information, contact the IFA, or to order, contact:

IFA Publications
P.O. Box 1060
EVANS CITY, Pennsylvania
U.S.A. 16033
Tel.: 1-800-543-1038
Fax: (412) 772-5281

Seminars/Conferences/Trade Missions

The IFA regularly sponsors seminars on a variety of topics related to franchising. This also includes seminars which provide information on international expansion and multinational franchising. The latter generally takes place in conjunction with the events outlined below:

◦ IFA Annual Conference

This annual conference takes place in February and includes leading franchise associations, franchise experts and franchisors from around the world. The program includes sessions that provide information and advice on franchising in specific countries.

- **IFA Legal Symposium**

This annual, two-day symposium is usually held in May. It is primarily geared for lawyers and focuses on legal developments affecting franchising in the United States. It is followed by a one-day seminar co-sponsored by the International Bar Association. The latter deals with issues and legal developments affecting international franchising.

- **International Franchise Conferences/Trade Missions Program**

These conferences/trade missions provide participating franchisors with a forum for reaching potential franchise buyers in major trade centres around the world. In each location, a major international newspaper and other business organizations co-host and provide publicity for the event. Conference activities include presentations on the legal and financial considerations affecting franchising in the target region. Luncheons and other social events provide opportunities for further interaction with investor attendees, government officials and regional franchise suppliers.

Trade mission participants can make presentations about their companies at workshop sessions to interested investors. Each investor also receives a binder containing information on each franchise.

These events are open to Canadian franchises through payment of a participation fee of between US\$1 500 to US\$2 500. In 1994, the countries targeted are Australia, Brazil, Chile, China, Costa Rica, Greece, Hong

Kong, Indonesia, Malaysia, Mexico, Philippines, Thailand and Turkey.

- **International Symposium**

This two-day symposium is held annually, usually in April, in conjunction with the International Franchise Expo in Washington, D.C. It features leading franchise experts from around the world who provide advice on expanding into foreign markets.

The IFA sponsors the production of audiocassettes and videotapes from selected seminars and symposiums. The following are some examples of the topics that are covered:

- "Entering the U.S. Market"
- "The Prospects in the Philippines"
- "Prevailing Initial and Royalty Fees in International Master License Transactions."

For additional information, contact the IFA, or to order audiocassettes, contact:

Audio Transcripts, Ltd.
Suite 220, 335 South Patrick Street
ALEXANDRIA, Virginia
U.S.A. 22314
Tel.: (703) 549-7334
Fax: (703) 549-3073

Franchise Directories, Magazines and Newsletters

Continental Franchise Review

This newsletter, published every two weeks, reports on developments taking place in franchising in the United States and abroad. It covers a variety of subjects related to franchising including trends; financial, regulatory and legal issues; forthcoming seminars, conferences and trade shows; and company reviews. In addition, they also publish four special reports each year.

Contact:

Continental Franchise Review
P.O. Box 3283
ENGLEWOOD, Colorado
U.S.A. 80155
Tel.: (303) 470-7744
Fax: (303) 470-7745

Entrepreneur

This monthly magazine provides information on franchising and other business opportunities. Trends, new developments, advice, company features and so forth are included. The January issue includes the annual "Franchise 500," which compares leading franchises.

Contact:

Entrepreneur Magazine
2392 Morse Avenue
IRVINE, California
U.S.A. 92714
Tel.: (714) 261-2325
Fax: (714) 755-4211

Franchise Annual Handbook and Directory

This annual publication provides names, addresses and descriptions of franchises in Canada, the United States and abroad. Businesses providing consulting, legal, financial and other services to the franchise community are identified. It also provides a brief description of the Federal Trade Commission's Franchise Rule and the state regulations affecting franchising.

The Info Franchise Newsletter

This monthly publication reports on developments taking place in franchising in Canada, the United States and abroad. It covers a variety of subjects related to franchising, including trends, regulatory and legal issues, book reviews, forthcoming seminars, conferences and trade shows, and new franchise listings.

The above two publications are available from:

Info Franchise News Inc.
9 Duke Street
P.O. Box 670
ST. CATHARINES, Ont.
L2R 6W8
Tel.: (905) 688-2665
Fax: (905) 688-7728

Exhibitions

Blenheim Group Franchise & Business Opportunities Expos

International Franchise Expo

This event takes place in Washington in April and is sponsored by the IFA. This is the largest franchise expo in the world attracting 300 to 400 exhibitors and 26 000 visitors. It serves mainly as a national show for the United States as 85 percent of the attendees are from throughout the United States. There is also a significant international component as 15 percent of the visitors come from over 70 countries, with Canada and Mexico accounting for about half of the foreign visitors. A number of franchise associations from around the world also have exhibits and are available to answer questions on their markets.

The show catalogue allows exhibitors to indicate whether they are seeking single or area developers in the United States or overseas master licensees. The show's producer (Blenheim) also offers an additional service to Canadian and foreign franchisors to help lower the cost of complying with U.S. franchise legislation.

World of Franchising Expos

These regional franchise expos are sponsored by the IFA and take place in seven major U.S. cities.

Other Regional Shows

Blenheim produces a variety of other regional franchise shows at locations across the United States.

Contact:

Blenheim National Franchise Expos Inc.
Suite 210, 1133 Louisiana Avenue
P.O. Box 107
WINTER PARK, Florida
U.S.A. 32789
Tel.: (407) 647-8521
Fax: (407) 628-2042

Franchising & Licensing World Center

This proposed world trade center is expected to open in Chicago, Illinois, in late 1994 and is being promoted in the United States and internationally. Franchisors and licensors will be able to display their concept, merchandise, literature and video presentations year round. Staff will be available to answer questions, distribute literature and provide leads to participating firms. Exhibition space, auditoriums and office services will also be available.

Contact:

JMB Retail Properties Co.
900 North Michigan Avenue
CHICAGO, Illinois
U.S.A. 60611
Tel.: (312) 915-3320

Market Surveys

Franchising in the Economy

This publication provides detailed current statistics and trends on franchising in the United States. It includes a profile by major business categories highlighting growth rates in units plus an overview including fees, training, stability rates, etc.

Additional References

Franchise Law Journal

This quarterly journal seeks to inform and educate lawyers as well as others by publishing articles, columns and reviews concerning legal developments relevant to franchising (primarily in the United States).

Contact:

American Bar Association
Forum on Franchising
750 North Lake Shore Drive
CHICAGO, Illinois
U.S.A. 60611
Tel.: (312) 988-5579
Fax: (312) 988-5677

Federal Trade Commission's Franchise Rule

The Federal Trade Commission (FTC) requires sellers of franchises and other business opportunities to provide prospective investors with the information they need to make an informed investment decision. It also requires that all earnings claims be documented, that the information investors receive is complete and accurate, and that investors have adequate time to consider and evaluate the disclosures

before making any final purchase commitment. All required information is given to prospective investors in the form of a franchise disclosure document. The penalties for violating the rule are substantial.

Contact:

Federal Trade Commission
Bureau of Consumer Protection
Pennsylvania Avenue at 6th Street N.W.
WASHINGTON, D.C.
U.S.A. 20580
Tel.: (202) 326-3128
Fax: (202) 326-2050

State Franchise Rules

Anyone selling franchises and other business opportunities may need to comply with state franchise rules as well as the Federal Rule. About 15 states have franchise investment or registration laws and an even larger number regulate the offer and sale of business opportunity ventures.

As previously indicated, the FTC and a number of states permit use of the Uniform Franchise Offering Circular (UFOC) to prove compliance with their own registration or disclosure requirements. Information on the UFOC is available from the North American Securities Administrators Association (NASAA).

Contact:
General Counsel's Office
North American Securities Administrators
Association
Suite 310, 1 Massachusetts Avenue N.W.
WASHINGTON, D.C.
U.S.A. 20001
Tel.: (202) 737-0900
Fax: (202) 783-3571

IV. EUROPE

European Franchise Federation

The aims of the European Franchise Federation (EFF) include:

- promoting franchising in Europe
- representing the interests of the European franchise industry with international organizations such as the European Commission and the European Parliament
- promoting the European Code of Ethics for Franchising
- exchanging information and documentation between the various national associations in Europe and other countries.

Members of the EFF include the franchise associations of Austria, Belgium, Denmark, France, Germany, Hungary, Italy, the Netherlands, Portugal and the United Kingdom. Each member association operates an accreditation scheme with checks to ensure that its franchise members comply with the European Code of Ethics for Franchising. The Code of Ethics is a set of guiding principles of fair behaviour for franchise practitioners in Europe. It has been recognized by the European Committee of Commerce and Distribution.

The federation compiles statistics associated with the magnitude of franchising and these statistics are derived from data supplied by the various franchise associations in each member country.

Every other fall, the federation sponsors the European Franchise Symposium. This two-day event involves the associations that belong to the federation as well as leading European franchisors and franchise specialists. The symposium usually includes sessions that provide information and advice on franchising in specific countries.

Contact:

European Franchise Federation
9, boulevard des Italiens
75002 Paris
France
Tel.: (011-33-1) 42 60 14 52
Fax: (011-33-1) 42 60 03 11

Additional References

Franchising in Europe

This publication provides an overview of franchising in 12 western European countries with legal and tax specifics, and an outline of European Community (EC) competition laws.

Contact:

IFA Publications
P.O. Box 1060
EVANS CITY, Pennsylvania
U.S.A. 16033
Tel.: 1-800-543-1038
Fax: (412) 772-5281

Member Countries of the European Franchise Federation

AUSTRIA

Austrian Franchising Association

Franchising is still relatively new in Austria and the Austrian Franchise Association (Österreichischer Franchise-Verband) was established in 1986.

Contact:

Österreichischer Franchise-Verband
Nonntaler Hauptstrasse 48
5020 Salzburg
Austria

Tel.: (011-43-662) 82 56 70

Fax: (011-43-662) 82 56 71

Franchise Directories and Magazines

The Austrian Franchise Association is the only organization that regularly publishes newsletters and other information on franchising.

Exhibitions

At present, there are no franchise trade shows in Austria.

Market Surveys

According to the EFF, there were 80 franchisors with 2 500 franchisees in Austria at the end of 1992. More detailed data on the extent of franchising can be obtained from the Austrian Franchising Association.

BELGIUM

Belgian Franchise Federation

The Belgian Franchise Federation (Belgische Franchise Federatie), formed in 1992, is active in training, information and promoting franchising.

Contact:

Belgische Franchise Federatie
Maldersesteenweg 18
1840 Londerzeel

Belgium

Tel.: (011-32-52) 30 56 25

Fax: (011-32-52) 30 56 25

Franchise Directories and Magazines

There are no publications dealing exclusively with franchising; however, the Belgian Franchise Federation can recommend publications that occasionally cover franchising.

Exhibitions

"Visumat-Franchising" is a show held every other fall in Brussels. It usually attracts about 50 exhibitors in the franchise section of the larger store equipment show which is held at the same time.

Contact:

Visumat-Franchising
rue Marianne 34
1180 Brussels
Belgium

Tel.: (011-32-2) 344-5859

(011-32-2) 345-9923

Fax: (011-32-2) 346-0204

Market Surveys

According to the EFF, there were 90 franchisors with 3 200 franchisees in Belgium at the end of 1992. More detailed data on the extent of franchising can be obtained from the Belgian Franchise Federation.

DENMARK

Danish Franchise Association

Franchising is still relatively new in Denmark. The Danish Franchise Association (Dansk Franchisegiver - Forening) can provide a list of its members, including franchisors and professional advisers such as consultants and lawyers.

Contact:

Dansk Franchisegiver - Forening
Amaliegade 37
1256 Copenhagen K
Denmark
Tel.: (011-45-33) 15 60 11
Fax: (011-45-33) 91 03 46

Franchise Directories and Magazines

The Danish Franchise Association is the only organization that regularly publishes newsletters and other information on franchising in Denmark. Most of this information is in Danish.

Exhibitions

At present, there are no franchise trade shows in Denmark.

Market Surveys

According to the EFF, there were 42 franchisors with 500 franchisees in Denmark at the end of 1992. More detailed data on the extent of franchising can be obtained from the Danish Franchise Association.

FRANCE

French Franchise Federation

France is the leading country in Europe in terms of number of franchisors. Canadian franchisors should be aware that France has a disclosure law that applies to franchising.

The French Franchise Federation (Fédération française de la franchise), established in 1971, promotes self regulation of the industry through active promotion of the European Code of Ethics for Franchising. Membership totals approximately 100 firms and these represent approximately 70 percent of the franchisees in France.

The federation has prepared an information kit in English which includes:

- recent data on the growth of franchising
- a list of members by sector (in French)
- general information on the structure and services of the French Franchise Federation
- a copy of the European Code of Ethics for Franchising.

The federation regularly sponsors workshops, seminars and conferences on franchising. It has also helped to sponsor international franchise conferences in France and sponsors the International Franchise Exhibition held annually in Paris.

Contact:

Fédération française de la franchise
9, boulevard des Italiens
75002 Paris
France
Tel.: (011-33-1) 42 60 00 22
Fax: (011-33-1) 42 60 03 11

Franchise Directories and Magazines

Franchise Magazine

This monthly magazine, published in French, is the principal franchising magazine in France. Occasionally, the magazine includes articles on developments in franchising in other European countries. *Franchise Magazine* also produces an annual franchise directory and guide titled *Le guide pratique de la franchise* that provides the names and addresses of franchisors in France as well as information about franchising in general.

Contact:

Franchise Magazine
Groupe ICF
64, rue du 8 Mai 1945
92025 Nanterre Cedex
France
Tel.: (011-33-1) 46 69 11 33
Fax: (011-33-1) 46 69 11 98

L'annuaire de la franchise

This annual directory, published in French, identifies franchises in France.

Contact:

Centre d'étude de la commercialisation
et de la distribution
18, rue de Calais
75009 Paris
France
Tel.: (011-33-1) 40 69 37 00
Fax: (011-33-1) 42 80 43 94

Exhibitions

The International Franchise Exhibition (Le Salon international de la franchise) is held annually, usually during late March or early April. It is supported by the French Franchise Federation and is one of the largest franchise shows in the world. Exhibitors number around 200 and visitors between 18 000 to 22 000 of which 10 to 15 percent are from other countries, mainly European. In addition, the major European franchise associations as well as other experts are present to answer questions on franchising in Europe.

Contact:

Padco-Bleinheim
22-24, rue du Président-Wilson
92532 Levallois-Perret Cedex
France
Tel.: (011-33-1) 47 56 51 42
Fax: (011-33-1) 47 56 92 92

Market Surveys

According to the EFF, there were 600 franchisors in France with 30 000 franchisees at the end of 1992. In addition to the French Franchise Federation, the Centre d'étude de la commercialisation et de la distribution (CECOD), publishes information in French related to franchising in France.

Contact:

Centre d'étude de la commercialisation
et de la distribution
18, rue de Calais
75009 Paris
France
Tel.: (011-33-1) 40 69 37 00
Fax: (011-33-1) 42 80 43 94

GERMANY

German Franchise Association

Germany is ranked third after France and the United Kingdom in terms of number of franchisors within the EFF countries. The German Franchise Association (Deutscher Franchise-Verband E.V.), formed in 1978, represents over 100 franchisors operating in Germany.

The association, in cooperation with the Nuremberg Academy of Marketing, organizes seminars on various aspects of franchising. They have also prepared an English three-page overview of franchising in Germany titled *Franchising in Germany — How to Be Successful*. Additional information is available in German.

Contact:

Deutscher Franchise-Verband E.V.
Paul Heyse Strasse 33-35
8000 Munich 2
Germany
Tel.: (011-49-89) 53 50 27
Fax: (011-49-89) 53 13 23

Franchise Directories and Magazines

There are no German publications that deal exclusively with franchising; however, the German Franchise Association can recommend publications that occasionally cover franchising.

Exhibitions

The International Franchise Messe is sponsored by the German Franchise Association and is usually held in June in Essen, Germany.

Contact:

Blenheim Heckmann GmbH
Neusser Strasse III
D-4000 Düsseldorf
Germany
Tel.: (011-49-211) 90 19 10
Fax: (011-49-211) 90 19 170

Market Surveys

According to the EFF, there were 370 franchisors with 15 500 franchisees in Germany at the end of 1992. The German Franchise Association is working in collaboration with the University of Hamburg to survey franchisors in Germany.

HUNGARY

Hungarian Franchise Association

See section on Eastern Europe on page 29.

ITALY

Italian Franchise Association

Italy has the fifth largest number of franchisors within the EFF countries. The Italian Franchise Association (Associazione Italiana del Franchising), established in 1971, represents franchisors and those who specialize in franchise matters, such as consultants and lawyers.

The association has developed an information package which includes their Code of Ethics, membership criteria and a list of their members. They have also prepared a publication titled *Franchising in Italy*, which is directed at foreign franchisors interested in expanding into Italy. The association's materials are published in Italian and French.

The association regularly sponsors workshops, seminars and conferences on franchising and has also helped to sponsor international franchise conferences in Italy.

Contact:
Associazione Italiana del Franchising
Corso di Porta Nuova, 3
20121 Milan
Italy
Tel.: (011-39-2) 2900 37 79
Fax: (011-39-2) 655 59 19

Franchise Directories and Magazines

Franchise Directory

The *Franchise Directory (Annuario del Franchising)* provides the names and addresses of franchisors in Italy.

Contact:
SISIM S.R.L.
Via della Posta, 9
25122 Brescia
Italy
Tel.: (011-39-30) 51145
Fax: (011-39-30) 50353

Exhibitions

The Franchise and Innovative Systems for the Tertiary Sector Exhibition is usually held in February in the Milan Fair Centre. It is co-sponsored by the Italian Franchise Association.

Contact:
EXPO CT
Via Serbelloni
2-20122 Milan
Italy
Tel.: (011-39-2) 77181
Fax: (011-39-2) 781828

Market Surveys

According to the EFF, there were 318 franchisors with 16 100 franchisees in Italy at the end of 1992. More detailed data on the extent of franchising can be obtained from the Italian Franchise Association. As well, the *Franchise Directory* contains some basic data on franchising in Italy.

THE NETHERLANDS

Netherlands Franchise Association

The Netherlands has the fourth largest number of franchisors after France, the United Kingdom and Germany. The Netherlands Franchise Association (Nederlandse Franchise Vereniging) is comprised of approximately 100 franchisors — the major franchisors in the Netherlands. The association has prepared an information kit which contains:

- a list of members
- a list of associate members (e.g. banks, consultants and lawyers)
- publications from major banks and accounting firms on doing business in the Netherlands.

Much of the information is available in English.

Contact:

Nederlandse Franchise Vereniging
Boomborglaan 12
1217 RR Hilversum
The Netherlands
Tel.: (011-31-35) 24 34 44
Fax: (011-31-35) 24 91 94

Franchise Directories and Magazines

There are no Netherlands publications that deal exclusively with franchising; however, once a year the *Detail Handel* magazine publishes a special issue listing all types of retailers (e.g. chains, buying groups, cooperatives and franchises).

Exhibitions

Nationale Franchisebeurs is co-sponsored by the Netherlands Franchise Association and is usually held in March in Utrecht, Netherlands.

Contact:

Belgium Blenheim
60, avenue LeGrand
1050 Brussels
Belgium
Tel.: (011-32-2) 646-6638
Fax: (011-32-2) 646-0907

Market Surveys

According to the EFF, there were 331 franchisors with 12 640 franchisees in the Netherlands at the end of 1992. More detailed data on the extent of franchising can be obtained from the Netherlands Franchise Association.

PORTUGAL

Portuguese Franchise Association

Franchising is still relatively new in Portugal. The Portuguese Franchise Association (Associação Portuguesa de Franchise) was established in 1988 and the majority of the members are foreign franchises.

Contact:

Associação Portuguesa de Franchise
Rua Castilho No. 14
1000 Lisbon
Portugal
Tel.: (011-351-1) 315 18 45
Fax: (011-351-1) 54 22 20

Franchise Directories and Magazines

There are no Portuguese publications that deal exclusively with franchising; however, the Portuguese Franchise Association can advise which publications occasionally cover franchising. In addition, the association can provide a list of franchises currently operating in Portugal.

Exhibitions

The National Franchise and Commerce Exhibition is held in Lisbon, Portugal, and is co-sponsored by the Portuguese Franchise Association.

Contact:

Expolider
Urbanizacao Miramar
Apartado 209
Rebelva-Carcavelos
2777 Parede
Portugal
Tel.: (011-351-1) 2463694-806556
Fax: (011-351-1) 2463719

Market Surveys

According to the EFF, there were 55 franchisors with 800 franchisees in Portugal at the end of 1992. More detailed information can be obtained from the Portuguese Franchise Association.

UNITED KINGDOM

British Franchise Association

The United Kingdom has the second largest number of franchisors after France within the EFF countries. The British Franchise Association (BFA) was formed in 1976 by

leading franchisors to promote ethical franchising. Consequently, membership applications are screened carefully and all members must adhere to the European Code of Ethics for Franchising. Approximately 120 franchise organizations belong to the association and there is also an affiliate class membership comprised of nearly 50 franchise lawyers, accountants, banks and consultants.

The association offers an overseas service to foreign franchisors and professional advisers to provide them with immediate access to the U.K. franchise network plus an initial information pack and regular updates. A pamphlet describing this service is available with an annual fee of £150 for members of the Canadian Franchise Association and £175 for others.

The initial information pack includes:

- a comprehensive franchise directory
- a BFA members and advisers lists with contact names
- a copy of the *Business Franchise Magazine*
- legal briefings on franchising in the United Kingdom
- a copy of the BFA publication titled *Franchise Link*.

Continuing services include:

- regular circulation of your details, services and requirements to all BFA contacts
- quarterly mailings of the latest magazines, BFA briefings and lists
- priorities for articles on your business to be published by the BFA

- access to the BFA and some European events at member rates.

The BFA regularly conducts franchise seminars in cooperation with the Institute of Marketing, the Institute of Directors and other organizations for both prospective franchisors and franchisees. It has also participated in international franchise conferences which have taken place in the United Kingdom.

Contact:

British Franchise Association
Thames View, Newtown Road
Henley-on-Thames
Oxon, England
RG9 1HG
Tel.: (011-44-491) 57 80 49
Fax: (011-44-491) 57 35 17

Franchise Consultants Association

The Franchise Consultants Association (FCA) was formed in 1986 to establish and develop ethical business standards in the practice of franchise consultancy. Members of the FCA are also affiliate members of the BFA and must adhere to a Code of Ethics that is enforced by a disciplinary procedure to protect clients' interests. The Code of Ethics prevents franchise consultants, franchise brokers or any other form of franchise sales agency which sells franchises on a commission basis from becoming members.

The FCA also produces a publication titled *Building a Better Business through Franchising* which details the services of their members.

Contact:

Franchise Consultants Association
James House
37 Nottingham Road
London, England
SW17 7EA
Tel.: (011-44-81) 767-1371
Fax: (011-44-81) 767-2211

Franchise Directories, Publications and Magazines

Business Franchise Magazine

This trade publication provides information on franchises, financial, tax and legal information as well as franchising trends in the United Kingdom.

Contact:

Business Franchise
Newspaper House
Tannery Lane
Penketh, Warrington Cheshire
England
WA5 2UD
Tel.: (011-44-92) 572-4326
Fax: (011-44-92) 579-1924

Franchise World Directory

This annual publication provides an extensive listing of franchisors and firms in the United Kingdom offering services to the industry.

Franchise World Magazine

This magazine, published bimonthly, provides information on new franchises, legal news, exhibition news, listings of the BFA and FCA, and franchise trends.

Franchising in the U.K.

This book covers the business, taxation and legal implications of franchising in the United Kingdom.

Contact:

Franchise World
James House
37 Nottingham Road
London, England
SW17 7EA
Tel.: (011-44-81) 767-1371
Fax: (011-44-81) 767-2211

Franchising into the United Kingdom

This book has been prepared for foreign franchisors interested in expanding into the United Kingdom.

Contact:

Field Fisher Waterhouse
Solicitors
Lincoln House
296-302 High Holborn
London, England
WC1V 7JL
Tel.: (011-44-81) 831-9161
Fax: (011-44-81) 405-5992

Exhibitions

There are two national franchise exhibitions held in the United Kingdom, one in London (spring) and one in Birmingham (fall). They attract about 100 to 140 exhibitors each. Entry to U.K. national franchise exhibitions is only available with the accreditation of the BFA. Members of recognized overseas associations are accepted for the sale of master licences.

Overseas franchisors, or their U.K. licencees, selling franchises direct, or their master licences, must show either:

- one year's successful U.K. trading, or
- an already internationalized or U.K.-established product or service, or
- a comprehensive and positive market survey.

Smaller regional franchise exhibitions are also held in Glasgow (spring) and Manchester (summer).

Contact:

Blenheim Queensdale Ltd.
Blenheim House
630 Chiswick High Road
London, England
W4 5B9
Tel.: (011-44-81) 742-2828
Fax: (011-44-81) 747-3856

Market Surveys

Franchising in the United Kingdom

According to the EFF, there were 432 franchisors with 18 600 franchisees in the United Kingdom at the end of 1992. More detailed data is available from the BFA which sponsors an annual survey with the National Westminster Bank PLC. It provides a detailed statistical overview of the industry as well as trends and characteristics.

Contact:

British Franchise Association
Thames View, Newtown Road
Henley-on-Thames
Oxon, England
RG9 1HG
Tel.: (011-44-491) 57 80 50
Fax: (011-44-491) 57 35 17

Scottish Enterprise

Scottish Enterprise (SE) provides a wide range of business development assistance, including financial and management advice relating to franchising and commercial property, to both existing firms and business start-ups. The agency also provides a series of publications on franchising for both franchisors and franchisees. SE is committed to improving the entrepreneurial climate within Scotland by harnessing the potential that exists for new business activity through franchising. This includes encouraging foreign franchisors to establish franchises in Scotland.

Contact:

Scottish Enterprise
120 Bothwell Street
Glasgow, Scotland
G27JP
Tel.: (011-44-41) 248-2700
Fax: (011-44-41) 221-3217

Other European Countries**Western Europe****FINLAND****Finnish Franchising Association**

Franchising is still relatively new in Finland. The Finnish Franchising Association was established in 1988 and its founding members include consultants, lawyers and franchisors. The goals of the association are to promote franchising as a way of doing business and to increase the information available on franchising.

Contact:

Finnish Franchising Association
PL 212
Helsinki 00121
Finland
Tel.: (011-358-0) 12 34584
Fax: (011-358-0) 12 34542

Franchise Directories and Magazines

There are no franchise magazines or directories in Finland.

Exhibitions

At present, there are no franchise trade shows in Finland.

Market Surveys

Data on the extent of franchising can be obtained from the Finnish Franchising Association.

IRELAND

Irish Franchise Association Ltd.

The Irish Franchise Association, formed to promote ethical franchising, has developed a Code of Ethics and strict criteria for membership. The association also conducts educational seminars.

Contact:

Irish Franchise Association Ltd.
13 Frankfield Terrace
Summerhill South
Cork, Republic of Ireland
Tel.: (011-353-21) 270 859
Fax: (011-353-21) 270 850

Franchise Directories and Magazines

There are no Irish publications that deal exclusively with franchising, however, information on franchisors currently operating in Ireland can be obtained from the Irish Franchise Association Ltd. In addition, the survey referred to below, *Franchising in Ireland*, also lists major franchises.

Exhibitions

At present, there are no franchise exhibitions in Ireland.

Market Surveys

Franchising in Ireland

This 1992 survey was sponsored by the Bank of Ireland and examines in detail the nature and the extent of the franchise industry in Ireland. In addition, it provides an overview of the commercial aspects of

the franchising industry as well as the level of public awareness of the concept of franchising.

Contact:

Franchise Unit
Bank of Ireland
Lower Baggott Street
Dublin 2
Republic of Ireland
Tel.: (011-353-1) 661 5484
Fax: (011-353-1) 661 6701

NORWAY

Norwegian Franchise Association

The Norwegian Franchise Association represents the interests of franchisors in Norway.

Contact:

Norwegian Franchise Association
Astveitokogen 41
5084 Tertnes
Bergen
Norway
Tel.: (011-47-5) 18 60 79

Franchise Directories and Magazines

There are no Norwegian publications that deal exclusively with franchising; however, the Norwegian Franchise Association distributes a *Franchise Bulletin* to its members six to eight times a year.

Exhibitions

At present, there are no franchise exhibitions in Norway.

Market Surveys

According to the EFF, there were 125 franchisors with 3 500 franchisees in Norway at the end of 1992. For more detailed information, contact the Norwegian Franchise Association for information on the extent of franchising in Norway.

SPAIN

Spanish Franchise Association

The Spanish Franchise Association (Asociación Española de Franquiciadores) represents the interests of franchisors in Spain.

Contact:

Asociación Española de Franquiciadores
Poeta Querol, 15 - Planta 5
46002, Valencia
Spain
Tel.: (011-34-6) 351 13 01
Fax: (011-34-6) 351 63 49

Exhibitions

Valencia, Spain, is the venue for the annual International Franchise Show (SIF - Salón de la Franquicia).

Contact:

SIF - Salón de la Franquicia
Apartado, 476-46080
Avenida de las Ferias, s/n
Valencia, Spain
Tel.: (011-34-6) 386 11 00
Fax: (011-34-6) 363 61 11

Market Surveys

According to the EFF, there were 117 franchisors with 14 500 franchisees in Spain at the end of 1992. Other estimates place the number of franchises as high as 250 with 17 740 outlets. The greatest number are in the fast food and apparel sectors.

SWEDEN

Swedish Franchise Association

The Swedish Franchise Association (Svenska Franchise Föreningen), established in 1973, has approximately 30 to 35 franchisors as members; the remainder are professional advisers such as consultants or lawyers. A list of members is available from the association.

Contact:

Svenska Franchise Föreningen
Box 5512
S.114 85 Stockholm
Sweden
Tel.: (011-46-8) 660 86 10
Fax: (011-46-8) 662 74 57

Franchise Directories and Magazines

Afferär & Foretag Magazine

Once a year, this business magazine publishes a list of retailers and franchisors.

Contact:

Afferär & Foretag Magazine
Box 2244
10316 Stockholm
Sweden

Exhibitions

Swedish Franchise Association Expo

This event is held annually. Contact the Swedish Franchise Association or Sollentunamassan AB for more information.

Contact:

Sollentunamassan AB
Box 174
19123 Sollentuna
Sweden
Tel.: (011-46-8) 92 59 00
Fax: (011-46-8) 92 97 74

Market Surveys

According to the EFF, there were 200 franchisors with 9 000 franchisees in Sweden at the end of 1992. For more detailed information, contact the Swedish Franchise Association which conducts an annual survey of franchising in Sweden.

SWITZERLAND

Exhibitions

Swiss Franchise Exhibition

Contact:

Parfexpo S.A.
Frau Brigitte Mertens
10, Route du Port
CH-1299 Crans-Céligny
Switzerland 22
Tel.: (011-41-22) 77 60 930
Fax: (011-41-22) 77 60 922

Eastern Europe

Franchising is relatively new in Eastern Europe, and in recent years has started to attract considerable interest. New associations and trade shows are being established, and franchising is seen as a way to transfer know-how to Eastern Europe, improve the efficiency of distributing goods and services, encourage small business development and privatize government-owned businesses.

CZECH REPUBLIC

Czech Franchise Association

Franchising is relatively new in the Czech Republic and the Czech Franchise Association was established in 1993.

Contact:

Czech Franchise Association
McDonald's CR
Na Bojisti 26
120 00 Prague 2
Czech Republic
Tel.: (011-42-2) 249 156 49
Fax: (011-42-2) 249 137 59

Exhibitions

The Franchise Show: fabo-Praha'94

The first franchise show to be held in the Czech Republic is planned for May 1994 in Prague and is being supported by major government and business institutions.

Contact:

Eurotrade Exhibitions
1st Floor
13 Sansome Place
Worcester, England
WR1 1UA
Tel.: (011-44-905) 61 32 56
Fax: (011-44-905) 72 47 68

HUNGARY

Hungarian Franchise Association (HFA)

The Hungarian Franchise Association (Magyar Franchise Szövetség) was established in 1991. The aims of the HFA include facilitating the acceptance

of franchising as a sound business opportunity, helping companies and individuals find appropriate franchise partners and introducing the European Code of Ethics for Franchising. The HFA also organizes seminars, conferences and exhibitions.

Contact:

Magyar Franchise Szövetség
c/o Dasy
POB 446
Budapest H-1536
Hungary
Tel.: (011-36-1) 115 46 19
Fax: (011-36-1) 135 93 49

Franchise Directories and Magazines

The HFA has prepared an English listing of representative Hungarian companies interested in or already franchising.

Franchise Yearbook

This HFA publication introduces the terminology of franchising, explains, in both English and Hungarian, the legal framework within which a franchise is operated in Hungary, and provides insight into the state of the franchise market in Hungary today. It also contains a directory of association members and consultants in Hungarian only.

Contact:

Magyar Franchise Szövetség
c/o Dasy
POB 446
Budapest H-1536
Hungary
Tel.: (011-36-1) 115 46 19
Fax: (011-36-1) 135 93 49

Exhibitions

Franchise Hungary is usually held in May at the Budapest University of Economics.

Contact:

Interpress Exhibitions Ltd.

Karoly krt.9

Budapest VII

Hungary

Tel.: (011-36-1) 132 77 65

(011-36-1) 132 35 93

Fax: (011-36-1) 132 77 65

(011-36-1) 132 17 51

or mailing address:

H-1364

Budapest Pf290

Hungary

Market Surveys

The HFA has reprinted in English, information and articles on franchising in Hungary and other Eastern European countries.

POLAND

Polish Franchise Association

Franchising is relatively new in Poland and the Polish Franchise Association was established in 1993.

Contact:

Polish Franchise Association

46 Wilcza Str.

Warsaw, Poland

Tel.: (011-48-2) 625 52 15

Fax: (011-48-2) 625 65 55

Exhibitions

The first International Franchising Fair is to be held in Warsaw, Poland, in April 1994.

Contact:

Polish-American Advisory Foundation
for Small Business

Warsaw Center

Warsaw, Poland

Tel.: (011-48-2) 242 606

Fax: (011-48-2) 209 974

RUSSIA

Exhibitions

Plans are under way to hold The First Russian Franchise Exhibition at the World Trade Center in Moscow in September 1994.

Contact:

The Russia House Ltd.

37 Kingly Court

Kingly Street

London, England

W1R 5LE

Tel.: (011-44-71) 439 12 71

Fax: (011-44-71) 434 08 13

V. LATIN AMERICA

ARGENTINA

The Argentine Franchise Association (Asociación Argentina de Franchising - Franquicias Comerciales) was established in 1989 and currently has about 30 franchisors that are members as well as related businesses and professionals. It promotes the development of franchising in Argentina through seminars, workshops, conferences, trade shows and publications.

The following publications are available in English from the association:

- *Creating an Economic Boom Franchising*
This publication provides an overview of the economy and the legal environment affecting franchising.
- *Franchising in Argentina*
This publication provides an overview of the services of the association, its Code of Ethics and a list of members.
- *Report on Argentina's Economy*
This report provides an overview of the economic reforms that are taking place in Argentina.

Contact:

Asociación Argentina de Franchising -
Franquicias Comerciales
Santa Fe 995
Piso 4
Buenos Aires 1059
Argentina
Tel.: (011-54-1) 393 5263
Fax: (011-54-1) 393 5263

Franchise Directories and Magazines

A list of members is available from the Argentine Franchise Association (AFA) and the association acts as a register of companies interested in becoming a franchisor or franchisee. The AFA also publishes a quarterly newsletter foreign franchisors can advertise in for a fee.

Exhibitions

The Argentine Franchise Association sponsors trade shows featuring franchises.

Market Surveys

In 1992, there were about 60 franchisors operating 1 500 franchised units in Argentina.

BRAZIL

Brazilian Franchising Association

Franchising is relatively new in Brazil. The Brazilian Franchising Association (ABF - Associação Brasileira de Franchising) was formed in 1987 and its approximately 130 members include franchisors, legal specialists and consultants. The association has been active in promoting franchising and in organizing local and international events.

Contact:

Associação Brasileira de Franchising
Travessa Meruipé, 18
Villa Mariana
04012-020 - São Paulo
Brazil
Tel.: (011-55-11) 571 1303
Fax: (011-55-11) 575 5590

Franchise Directories and Magazines**Brazilian Franchise Magazine*****Pequenas Empresas Grandes Negocios***

A leading franchise magazine is *Pequenas Empresas Grandes Negocios*.

Contact:

Pequenas Empresas Grandes Negocios
Editora Globo S.A.
Rua do Curtume, 665
05065-001 - São Paulo
Brazil

Exhibitions

The Brazilian Franchising Association sponsors the annual ABF Franchising Show in association with Guazzelli Associados. It is usually held during August and attracts about 150 exhibitors and 15 000 visitors.

Contact:

Associação Brasileira de Franchising
Travessa Meruipé, 18
Villa Mariana
04012-020 - São Paulo
Brazil
Tel.: (011-55-11) 571 1303
Fax: (011-55-11) 575 5590

or

Guazzelli Associados
Rua Manoel dat Nobrega, 866
04001-002 - São Paulo
Brazil
Tel.: (011-55-11) 885 3656
Fax: (011-55-11) 885 9589

Market Surveys

In 1992, there were about 450 franchisors operating 41 000 franchised units, including trade name franchises, in Brazil. An annual franchise census is conducted by Pequenas Empresas Grandes Negocios, the Brazilian Franchising Association (ABF) and the School of Business Administration at the University of São Paulo. A four-page overview of this survey is available in English from the ABF.

MEXICO**Mexican Franchise Association**

Franchising is a recent development in Mexico as laws restricting its growth were abolished at the beginning of the 1990s. Today, Mexico is one of the fastest growing markets for franchising.

The Mexican Franchise Association (MFA) (Asociación Mexicana de Franquicias) was established in 1989 and membership has grown to over 150 franchisors and suppliers. A pamphlet is available in English describing its services which include publications, seminars, conferences and international events promoting franchising. The MFA is also working to develop better education and training programs on franchising, and financing opportunities through banks and lending institutions.

The association has prepared *Franchising in Mexico: An Overview*, which includes chapters on franchise law, importing a franchise into Mexico and evolution of the Mexican economy. The 24-page publication is available in English.

Contact:

Asociación Mexicana de Franquicias
Insurgentes Sur 1783-303
Guadalupe Inn 01020
Mexico City
Mexico, D.F.
Tel.: (011-52-5) 524-7959
Fax: (011-52-5) 524-8043

Franchise Directories and Magazines

Franchise Directory/Directorio De Franquicias

This bilingual (English/Spanish) directory lists the currently operating franchises in Mexico and those interested in entering the market.

Contact:

Mercametrica Ediciones, S.A.
Av. Universidad 1621, 3^{er} piso
Col. Hda de Guadalupe Chimalistac 01050
Mexico, D.F.
Tel.: (011-52-5) 661-9286
Fax: (011-52-5) 661-6293

Exhibitions

The MFA is involved in the organization and promotion of trade shows including both regional shows and a National Franchise Opportunities Fair in Mexico City.

Contact:

Asociación Mexicana de Franquicias
Insurgentes Sur 1783-303
Guadalupe Inn 01020
Mexico City
Mexico, D.F.
Tel.: (011-52-5) 524-7959
Fax: (011-52-5) 524-8043

Source Mexico Consultants, Inc.

Source Mexico Consultants, Inc. organizes and promotes franchise shows in locations such as Mexico City, Guadalajara, Monterrey and León.

Contact:

Source Mexico Consultants, Inc.
Suite 634, 118 Broadway
SAN ANTONIO, Texas
U.S.A. 78205
Tel.: (210) 227-2502
Fax: (210) 229-9761

Market Surveys

In 1992, there were about 200 franchisors operating 3 500 franchised units in Mexico. The MFA is a source of information on operating factors and trends/statistics on franchising in Mexico.

Other Latin American Countries

Exhibitions

Source Mexico Consultants, Inc. organizes and promotes franchise shows in other countries in Central and South America such as Costa Rica and Chile and may include other countries in the future. They also hold a Latin American Franchise Expo in Miami, Florida, in October, which covers the Caribbean as well as Central and South America.

Contact:

Source Mexico Consultants, Inc.
Suite 634, 118 Broadway
SAN ANTONIO, Texas
U.S.A. 78205
Tel.: (210) 227-2502
Fax: (210) 229-9761

Franchise Directories and Magazines

La Experiencia de las Franquicias

This book, published in 1994, was written by a Mexican lawyer who specializes in franchising. It includes information in Spanish on franchising in Argentina, Brazil, Chile and Mexico.

Contact:

McGraw-Hill
Atlacomulco 499-501
Fracc. Ind. San Andrés Atoto
53500 Naucalpan de Juarez
Edo. de Mexico

VI. MIDDLE EAST AND AFRICA

ISRAEL

Israel Franchise Association

Franchising is new in Israel, but interest has been growing.

Contact:

Israel Franchise Association
73 Rotchild Str.
P.O.B. 697
Petah-Tikva 49106
Israel
Tel.: (011-972-3) 930 00 31
Fax: (011-972-3) 930 79 54

Franchise Directories and Magazines

Guide to Franchising in Israel

This guide has been prepared to assist foreign franchisors interested in establishing operations in Israel. It provides an overview of the laws and regulations of potential interest to franchisors as well as general background information on Israel's economy, markets, working conditions and so forth.

Contact:

Goldfarb, Levy, Giniger & Co.
Eliahu House
2 IBN Gvirol Street
Tel Aviv 64077
Israel
Tel.: (011-972-3) 253228
Fax: (011-972-3) 256548

SOUTH AFRICA

South African Franchise Association

Franchising in South Africa is relatively undeveloped but interest is growing. The International Franchise Association has also held a number of conferences to help promote the growth of franchising in South Africa.

Contact:

South African Franchise Association
P.O. Box 31708
Braamfontein 2017
South Africa
Tel.: (011-27-11) 403 34 68
Fax: (011-27-11) 403 12 79

TURKEY

Turkish Franchising Association

The Turkish Franchising Association was set up to represent the interest of franchisors in Turkey.

Contact:

Turkish Franchising Association
Istiklal Cad. No. 65
80060 Beyoglu
Istanbul, Turkey
Tel.: (011-90-1) 252 55 61
Fax: (011-90-1) 252 55 61

Exhibitions

International Franchising Fair

Franchising is relatively new in Turkey and the first International Franchise Fair was held in November 1993.

Contact:

Turkish Franchise Association
Istiklal Cad.
65-80060 Beyoglu
Istanbul, Turkey
Tel.: (011-90-1) 252 55 61
Fax: (011-90-1) 252 55 61

or

Artos Presentation Organization Ltd.
Istiklal Cad. No: 81/5
80060 Beyoglu
Istanbul, Turkey
Tel.: (011-90-1) 251 98 02
Fax: (011-90-1) 249 96 42

UNITED ARAB EMIRATES

Exhibitions

The first International Franchise Fair was held in December 1993 in Dubai, United Arab Emirates.

Contact:

International Franchise Fair
Infocenter International
Dubai World Trade Centre
Level 16, P.O. Box 9392
Dubai, United Arab Emirates
Tel.: (011-971-4) 310551
(011-971-4) 314552
Fax: (011-971-4) 310096

VII. PACIFIC RIM

AUSTRALIA AND NEW ZEALAND

Franchising Code Administration Council Ltd.

A self-regulatory Code of Conduct became effective 1 July 1993. Violators of the code are denied access to financial sources.

Contact:

Franchising Code Administration
Council Ltd.

Level 21, 201 Miller Street
North Sydney
Australia

Tel.: (011-61-2) 959-2346

Fax: (011-61-2) 959-2244

Franchisors Association of Australia and New Zealand Limited

The Franchisors Association of Australia and New Zealand Limited acts as the focal point of liaison between government bodies and franchisors on franchising matters, assists in developing the franchising concept and in instructing potential franchisors of responsibilities and obligations, joins consultants, accountants, legal advisers and others with industry interests in franchising, and promotes ethical franchising.

Contact:

Franchisors Association of Australia
and New Zealand Limited

Unit 9, 2/6 Hunter Street
Parramatta

New South Wales 2150

Australia

Tel.: (011-61-2) 89 149 33

Fax: (011-61-2) 89 144 74

Franchise Directories and Magazines

Australian Franchising

This bimonthly publication provides an update on events, trends and issues of interest to Australian franchisors.

Contact:

Dart Publications Pty Ltd.

P.O. Box 227

Woodend, Victoria 3442

Australia

Tel.: (011-61-54) 271877

Fax: (011-61-54) 271767

Exhibitions

Annual franchise shows usually alternate between Sydney and Melbourne. They are normally held during the September-October period and attract approximately 50 exhibitors.

Contact:

Exhibition Manager
Australian Exhibition Services Pty. Ltd.
Illoura Plaza, 424 St. Kilda Road
Melbourne, Victoria 3004
Australia
Tel.: (011-61-3) 26 745 00
Fax: (011-61-3) 26 779 81

Market Surveys

Data on the extent of franchising can be obtained from the Franchisors Association of Australia and New Zealand. The association can also provide information on franchising and trade shows in New Zealand.

CHINA

There is growing interest in franchising in China, particularly in the eastern urban centers of Guangzhou, Shanghai and Beijing. The Hong Kong Franchise Association (HKFA) has been active in organizing a number of events. This includes seminars on the development and benefits of franchising and a conference in Guangzhou in cooperation with the China Council for the Promotion of International Trade and the Guangdong Administration of Industry and Commerce. For additional information, see the section on Hong Kong.

Exhibitions

The HKFA is involved in organizing a franchise show in Hong Kong which is also promoted in China. It is also reported that several franchise exhibitions are to be held in Beijing and Shanghai.

HONG KONG**Hong Kong Franchise Association**

The HKFA was established in 1991 as a Committee of the Hong Kong General Chamber of Commerce to monitor and promote the development of franchising in Hong Kong, China and Southeast Asia.

Contact:

Hong Kong Franchise Association
22/F United Centre
A5 95 Queensway
Hong Kong
Tel.: (011-852) 529 92 29
Fax: (011-852) 527 98 43

Franchise Directories and Magazines

The HKFA acts as a registry for information related to franchise businesses operating, or intending to operate, within the region. This information is available to prospective franchisees and other interested parties.

Exhibitions

The Exhibition and Forum on Franchising Business in Hong Kong is organized by the HKFA, Hong Kong Productivity Council and Asdale Exhibition Services. It is promoted in both Hong Kong and China, and has attracted over 12 000 visitors.

A conference organized by the HKFA takes place in conjunction with the exhibition. The exhibition is also staged concurrently with Investment and Trade, an international forum on investment and trade in the Asia-Pacific area.

Contact:

Asdale Exhibition Services Ltd.
14/F Devon House Taikoo Place
979 King's Road
Quarry Bay
Hong Kong
Tel.: (011-852) 811 8897
Fax: (011-852) 516 5024

Market Surveys

The HKFA compiles and maintains data related to local and regional franchise activities. The Hong Kong Coalition of Service Industries, another body within the Hong Kong General Chamber of Commerce, maintains data on service industries.

INDONESIA**Indonesia Franchise Association**

Franchising is relatively new in Indonesia but interest is growing.

Contact:

Indonesia Franchise Association
Jl. Pembangunan I/7
Jakarta 10130
Indonesia
Tel.: (011-62-21) 380 0233
Fax: (011-62-21) 380 2448

JAPAN**Japanese Franchise Association**

The Japanese Franchise Association was established in 1972. A list of franchisors is maintained by the association and is available in English.

Contact:

Japan Franchise Association
3-13-12 Roppongi
Elsa Building 602
Minato-ku, Tokyo 106
Japan
Tel.: (011-81-3) 3401 0421
Fax: (011-81-3) 3423 2019

Exhibitions

The Franchise Chain Show and Business Expo is held annually in September at Tokyo Harumi and attracts about 380 exhibitors.

Contact:

Nihon Keizai Shimbun
1-9-5 Ootemachi
Chiyoda-ku, Tokyo
Japan
Tel.: (011-81-3) 3243 9083
Fax: (011-81-3) 3243 9086

Market Surveys**Franchise Chains Today in Japan**

The Japanese Franchise Association has conducted annual surveys since 1974 which highlight the growth and scope of franchising in Japan. The surveys also provide comparative data on the various subsectors and are available in English.

In 1992, there were 688 franchisors operating 130 000 franchise units in Japan.

Additional References

Your Market in Japan — Franchise Business
(No. 52, March 1989)

This is one of a series of publications available in English designed to assist foreign countries in promoting exports to Japan. This particular issue provides an overview of franchising in Japan, including statistics, trends, pertinent laws and regulations, the Japanese business philosophy, success stories and advice for new entrants.

Contact:

Japan External Trade Organization
Suite 660, 999 Canada Place
VANCOUVER, B.C.
V6C 3E1

Tel.: (604) 684-4174
Fax: (604) 684-6877

Japan External Trade Organization
Suite 700, 151 Bloor Street West
TORONTO, Ont.
M5S 1T7

Tel.: (416) 962-5050
Fax: (416) 962-1124

Japan External Trade Organization
Place Montreal Trust Tower
Suite 2902, 1800 McGill College Avenue
MONTREAL, Que.

H3A 3J6
Tel.: (514) 849-5911
Fax: (514) 849-5061

MALAYSIA

Malaysian Franchise Association

Franchising is relatively new in Malaysia but interest is growing.

Contact:

Malaysian Franchise Association
332A-17 17th Floor Plaza Ampang City
Jalan Ampang
50450 Kuala Lumpur, Malaysia
Tel.: (011-60-3) 452-6739
Fax: (011-60-3) 452-6740

Franchise Implementation Coordination Unit

The Franchise Implementation Coordination Unit provides education and assistance to help the public and private sectors in creating business opportunities for Malaysians through franchising.

Contact:

Franchise Implementation
Coordination Unit
Bahagian Bangunan Franchise
Unit Penyelarasan Perlaksanaan
Jalan Dato Onn
50502 Kuala Lumpur
Malaysia
Tel.: (011-60-3) 232-1957
Fax: (011-60-3) 230-1951

SINGAPORE

Singapore International Franchise Association

The Singapore International Franchise Association supports the franchising industry in Singapore.

Contact:

Singapore International Franchise Association
71 Sophia Road
Singapore 0922
Tel.: (011-65) 279-3698
Fax: (011-65) 270-7336

National Productivity Board's Franchise Development Centre

This organization provides information and consultancy on franchising to small and medium-sized businesses.

Contact:

National Productivity Board
Franchise Development Centre
NPB Building
2 Bukit Merah Central
Singapore 0315
Tel.: (011-65) 279-3698
Fax: (011-65) 270-7336

Exhibitions

International Conference & Exhibition on Franchising

This conference and exhibition is held on an annual basis.

Contact:

International Conference & Exhibition on Franchising
Conference & Exhibition Management Services Pte Ltd.
1 Maritime Square # 09-43/56
World Trade Centre
Singapore 0409
Tel.: (011-65) 278-8666
Fax: (011-65) 278-4077

TAIWAN

Canadian Chamber of Commerce

The Canadian Chamber of Commerce operates a Canadian trade office in Taipei, Taiwan.

Contact:

Canadian Chamber of Commerce
International Affairs Division
Suite 1160, 55 Metcalfe Street
OTTAWA, Ont.
K1P 6N4
Tel.: (613) 238-4000
Fax: (613) 238-7643

Association of South East Asian Nations

The Association of South East Asian Nations (ASEAN) is an economic grouping of independent countries which includes Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand. It has become an increasingly attractive market and a growing number of multinational franchisors are expanding there. In addition, in Malaysia, Singapore and Indonesia, government agencies have acted as catalysts in encouraging local businesses to adopt the franchise method of doing business. To date, none of the ASEAN

governments have introduced legislation to regulate the franchise industry.

Additional References

East Asian Executive Reports

This magazine is a monthly legal and business guide to East Asia for business executives and their advisers and sometimes includes information on franchising.

Contact:

International Executive Reports Ltd.
Suite 300, 717D Street N.W.
WASHINGTON, D.C.
U.S.A. 20004-2807
Tel.: (202) 628-6900
Fax: (202) 628-6618

VIII. ADDITIONAL REFERENCES

Books and Legal References

International Franchising, Commonly Used Terms, Vol. 1

This book analyses fundamental concepts in international franchising including the various forms of franchise agreements, combination franchising, conversion franchising, and recommended terminology for franchise agreements.

Contact:

The International Bar Association
2 Harewood Place
Hanover Square
London, England
W1R9HB

Tel.: (011-44-71) 629-1206

Fax: (011-44-71) 409-0456

How to Franchise Internationally

This book addresses the many issues to be considered when taking a business from one territory to another, including avenues for international expansion, area development agreements, and negotiating master franchise agreements.

International Franchising

This book was written by a Canadian lawyer who specializes in international franchising. It reviews the different types of agreements used in international franchising and other arrangements such as joint ventures while outlining the advantages and disadvantages of each. In addition, it includes information

on the European Bloc Exemption for Franchising, the impact of the Canada-U.S. Free Trade Agreement on franchising, and trademark and international tax matters.

The Journal of International Franchising and Distribution Law

This quarterly journal provides information on recent developments in the laws and regulations affecting franchise and distribution agreements in various countries around the world. Book reviews, conference announcements, and features on specific countries are regularly included. The country reviews frequently include information that is non-technical and provides a good overview of franchising in the particular foreign market being covered. Some examples of recent articles include:

- "Tax Aspects of International Franchising"
- "Protection of Trade Marks: The Case of Greece"
- "Franchising in Hong Kong."

Survey of Laws and Regulations Affecting International Franchising

This comprehensive 900-page publication provides information on the laws, regulations and general business environment affecting franchising in 24 countries and the European Community. It was published in 1990 and is updated periodically.

For additional information on these four publications, contact the IFA identified in the previous section, or to order:

Contact:

IFA Publications
P.O. Box 1060
EVANS CITY, Pennsylvania
U.S.A. 16033
Tel.: 1-800-543-1038
Fax: (412) 772-5281

International Advertising Vehicles

Some franchisors seeking foreign master licensees will advertise in business publications in the country they are targeting. Many franchisors have also found that the number and quality of contacts increases when they preadvertise their participation in a trade show in the business or franchise section of major newspapers.

To identify appropriate publications (or alternative communication vehicles) check with franchise associations or the local Canadian Embassy. Remember, what is appropriate in one market may not be the right vehicle in another. The following are examples of some of the publications being used:

Globe Media International

Globe Media International is the international advertising division of *The Globe and Mail* newspaper. It represents a number of business and consumer publications in the United States, Europe and Asia and can place ads in these publications on behalf of interested Canadian businesses. A media kit is

available providing samples of the various foreign publications and additional information.

Contact:

Globe Media International
444 Front Street West
TORONTO, Ont.
M5V 2S9
Tel.: (416) 585-5237
Fax: (416) 585-5275

International Herald Tribune

This daily paper is devoted to world news and is distributed in 164 countries. The paper has a section on "International Franchise Opportunities" where companies seeking foreign master licensees can advertise. It also has a special feature on franchising coinciding with the International Franchise Expo in Washington, D.C.

Contact:

International Herald Tribune
8th Floor, 850 Third Avenue
NEW YORK, New York
U.S.A. 10022
Tel.: (212) 752-3890
Fax: (212) 755-8785

USA Today

This daily newspaper offers several different options to advertise franchise and business opportunities in the United States. One of these options includes publication of a special franchise section that coincides with the International Franchise Association Expos held across the United States.

Contact:

USA Today
1000 Wilson Boulevard
ARLINGTON, Virginia
U.S.A. 22229
Tel.: (703) 276-3400
Fax: (703) 276-6595

The Wall Street Journal

This business paper has a franchise advertising section. Ads can be placed in national and regional editions for the United States, or in editions for Europe and Asia.

Contact:

Globe Media International
444 Front Street West
TORONTO, Ont.
M5V 2S9
Tel.: (416) 585-5237
Fax: (416) 585-5275

or

Wall Street Journal
14th Floor, 420 Lexington Avenue
NEW YORK, New York
U.S.A. 10170
Tel.: (212) 808-6690
Fax: (212) 808-6945

Other Publications

Other publications used by franchisors include leading business magazines, financial newspapers, and newsletters of franchise associations in the country being targeted. The magazines of leading airlines are also being used as they reach a large number of business people.

IX. GOVERNMENT ASSISTANCE

Business Cooperation Network (BCNet)

BCNet gives Canadian businesses an affordable, confidential and unique tool for finding international partners with new products or technologies, or who are willing to establish new alliances which will help them succeed in new markets. It also helps to expand the number of exporters and provides Canadian businesses with wider market opportunities beyond North America.

Contact:

National Capital Region

- Industry Canada (613) 941-2684
 - Industry Canada (613) 954-5493
 - Department of Foreign Affairs
and International Trade (613) 995-6449
- Ontario (416) 973-5060

(416) 973-5056

British Columbia (604) 666-7633

Quebec (514) 283-4262

Nova Scotia (902) 426-9416

CanadExport

CanadExport is a bimonthly trade newsletter of the Department of Foreign Affairs and International Trade (DFAIT). It provides information on international export opportunities, changes in government programs and services that assist Canadian exporters, forthcoming events (e.g. trade fairs, missions and conferences) and export success stories.

To obtain copies of the newsletter, other trade publications such as country market guides, trade reports or export assistance counselling:

Contact:

InfoEx (MKI)

Department of Foreign Affairs
and International Trade

125 Sussex Drive

OTTAWA, Ont.

K1A 0G2

Tel.: 1-800-267-8376

Fax: (613) 996-9709

Program for Export Market Development

The Program for Export Market Development (PEMD) of DFAIT offers financial assistance to Canadian businesses to undertake or participate in various types of export promotion activities. The PEMD contribution is repayable out of export sales.

The Market Development Strategies component provides assistance for visits, trade fairs and other costs (e.g. product testing and legal fees) necessary to execute a strategy over a year-long period. It is primarily designed for companies with annual sales greater than \$250 000 and less than \$50 million. Another component is targeted at small or new-to-exporting companies.

PEMD is jointly implemented by DFAIT and Industry Canada. Additional information and application forms can be obtained by contacting the International Trade Centre in the nearest regional office of Industry Canada:

International Trade Centres

Calgary, Alta.	(403) 292-6660
Charlottetown, P.E.I.	(902) 566-7400
Edmonton, Alta., and N.W.T.	(403) 495-2944
Halifax, N.S.	(902) 426-7540
Moncton, N.B.	(506) 851-6452
Montreal, Que.	(514) 283-8185
Regina, Sask.	(306) 780-6325
St. John's, Nfld.	(709) 772-5511
Saskatoon, Sask.	(306) 975-5315
Toronto, Ont.	(416) 973-5053
Vancouver, B.C., and Yukon	(604) 666-0434
Winnipeg, Man.	(204) 983-8036

Information can also be obtained by calling the InfoEx hotline at 1-800-267-8376 (toll-free).

Directory of the Canadian Trade Commissioner Service

The Trade Commissioner Service of DFAIT assists Canadian companies in starting or expanding export sales in international markets. This directory provides contacts in Canada and in Canadian embassies and consulates around the world. Also included is information on the International Trade Centres located in each province and the Geographic Trade Divisions in the DFAIT in Ottawa. The latter can provide advice, information and often publications about a specific country. Copies of this publication can be obtained by contacting the International Trade Centre in the nearest regional office of Industry Canada. Alternatively, copies of this and other trade publications can be obtained by contacting InfoEx at 1-800-267-8376 (toll-free).

Export Development Corporation

The Export Development Corporation is a Crown corporation of the Government of Canada. It supports the growth of Canada's exports by providing insurance, loans, loan guarantees and other financial services to help companies selling Canadian goods and services abroad. Examples of their services include insurance to cover the risk of non-payment by a foreign buyer and financing to foreign buyers of Canadian products. The head office is located in Ottawa and regional offices are in Vancouver, Calgary, Winnipeg, London, Toronto, Montreal and Halifax.

Contact:

Export Development Corporation
151 O'Connor Street
OTTAWA, Ont.
K1A 1K3
Tel.: (613) 598-2500
Fax: (613) 237-2690

or your nearest regional office.

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