



FRANCHISE PRESERVATION FUND

Help us protect franchising.

SUPPORT THE *FRANCHISE PRESERVATION FUND*

The International Franchise Association is fighting to promote, protect and enhance the franchise industry each and every day, but we need your help, right now, by making a financial commitment to the *Franchise Preservation Fund* to continue to protect the franchise business model and the future of your business.

Here's why:

The Franchise Industry is Under Attack

The well-funded Service Employees International Union (SEIU) is aggressively targeting the franchise industry. The SEIU's goal is to organize workers in order to grow their declining membership ranks, so they are making a strong push to redefine the franchise model. They have successfully pushed for a precedent-setting, discriminatory minimum wage law in Seattle that singles out franchisees for being part of a branded franchise company. They are also behind the National Labor Relations Board's (NLRB) recent decision that franchisors and franchisees are "joint employers," and are pushing state franchise relationship bills that would recast current franchise contracts. The IFA is fighting back on all of this and more, but we need your help to continue the fight.

What Could Happen?

As just one example, **if the SEIU is successful on the joint employer issue, it would effectively end much of the independence of franchisees because:**

Faced with potential liability for their franchisees' employment decisions, franchisors may be forced to exercise operational control over all the employment and human resource decisions of local franchise business owners. With this increased liability, franchisors could possibly choose to consolidate operations leading to store closures or choose not to extend franchise contracts.

What Can Be Done?

The *Franchise Preservation Fund* has been established to **raise much-needed resources to continue our fight on multiple fronts.** While this request is not mandatory, we are respectfully asking all IFA members and non-members to strongly consider a minimum contribution. To keep up the fight, we believe we will need as much as \$10 million over the next three years to put us in the best position to effectively save the franchise model, while also ensuring the IFA remains financially sound well into the future. Please consider making a \$200 per unit contribution to the *Franchise Preservation Fund* and join many other franchisees and franchisors who are fighting back.

Successes So Far Include:

- **Filing a highly-publicized lawsuit** in the U.S. Ninth Circuit Court of Appeals (led by former U.S. Solicitor General Paul Clement under President George W. Bush) **against Seattle's discriminatory minimum wage law.** The law allows for small businesses with under 500 employees seven years to phase into the new \$15 wage, but only three years for franchise businesses with under 500 employees due to their affiliation with a national chain. We are prepared for this case to potentially go all the way to the Supreme Court next year to preserve the current precedent that franchisees are indeed small businesses.
- **Launching the Franchise Action Network (FAN),** our grassroots advocacy initiative that has been critical to our success in educating, mobilizing and activating franchisees to political action (at all levels of government) where they can tell their side of the story on the importance of franchising and its economic impact to policymakers.
- **Introducing bipartisan legislation in Congress,** supported by the IFA-founded Coalition to Save Local Businesses (CSLB), to stop the NLRB from expanding its joint employer definition.
- **Passing new, proactive laws in Tennessee and Texas** that prevent franchisees and franchisors in those states from being named joint employers, countering the NLRB's actions at the federal level.
- **Defeating discriminatory minimum wage ordinances** in cities such as Kansas City and Chicago.

Despite our success, we have a difficult battle ahead of us, and your contribution is needed to help protect the franchise industry. Please contribute online at franchise.org/franchisepreservationfund or mail in the form on the next page.

Thank you for your time and consideration.

Stephen J. Caldeira
President & CEO
International Franchise Association



FRANCHISING®
Building local businesses,
one opportunity at a time.

franchise.org/franchisepreservationfund



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“Franchising has given us the opportunity to become successful business owners and provide for our three children. We are happy to support the IFA as they seek to preserve this very important franchise business model for thousands of others like ourselves now and in the future.”

-Djenane and Dexter Bartholomew, Golden Corral franchisees

CONTRIBUTION FORM Contributions may also be made online at franchise.org/franchisepreservationfund

I, _____, would like to show support for the Franchise Preservation Fund to help protect the franchise industry.

- ☐ Suggested amount: \$200 per unit
☐ Other amount

Please mail this form with a check payable to the International Franchise Association to:

TOTAL

\$ _____

International Franchise Association
1900 K Street, NW, Suite 700
Washington, DC 20006

Printed Name

Signature

Date

Company

Title

Address

City

State

Zip Code