

FRANCHISE RELATIONS

The IFA board of directors adopted recommendations by the IFA Franchise Relations Best Practices Task Force to develop ways to strengthen and sustain strong franchise relations.

The task force, comprised of franchisees and franchisors, was formed in September 2012 by IFA Pres. & CEO Steve Caldeira, CFE, under the direction and guidance of then IFA Chairman, Jon Luther. The task force worked within two working groups, a Franchisee Working Group and a Franchisor Working Group, then together developed and agreed to seven recommendations, which were adopted by the IFA board of directors.

The seven recommendations are:

- 1 Better Education of Prospective Franchisees and Ways to Improve Franchise Disclosure**
The task force determined that better understanding and clarity is needed about key terms in franchise agreements at the outset of the relationship between franchisor and franchisee. A subcommittee is developing a new online course, due later this year, to better educate prospective franchisees about the franchise disclosure document and terms in franchise agreements.
- 2 More Education on Franchise Relations**
IFA will expand and increase its education programs and offerings, with more focus on franchise relations at its meetings, including the IFA Annual Convention, Legal Symposium and within Certified Franchise Executives' programs.
- 3 IFA Code of Ethics, Brand Stewardship and Alternative Dispute Resolution**
IFA is expanding its dispute resolution services and is committed to making these programs more readily available to IFA members. IFA has also revamped the existing Ombudsman site, www.ifaresolve.com, to improve resources and increase awareness of services.
- 4 Governance**
The IFA will increase efforts to recruit franchisee leaders to the IFA Franchisee Forum and to the IFA board of directors. Two franchisees, Saunda Kitchen (Mr. Rooter Plumbing) and Guillermo Perales, (Popeyes®, Golden Corral Buffet & Grills, Cici's, Burger King, and Arby's) were elected to the IFA board on Sept. 16, 2013, bringing the total to eight, including Aziz Hashim, who will become chairman in 2016.
- 5 Communications**
IFA staff, Franchisee Forum members, as well as other committees are working to ensure that all IFA communications reflect the collective voice of franchisees and franchisors.
- 6 Research**
IFA engaged Public Opinion Strategies to conduct research and focus groups with different segments of the franchise industry, including both members and non-members, to get their views and concerns about franchise relations-type issues. This research is being used to improve communications with members and external audiences, such as the media and policymakers.
- 7 Clarifying Terms in Franchise Agreements**
The board adopted a "Statement of Guiding Principles" and a "Summary of Franchise Offering Information/Profile" to provide more clarity and transparency regarding the terms in franchise agreements and the FDD.



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