Summary

After several years of continuous growth, the franchising sector slowed down in the Dominican Republic due to the economic crisis in 2003; however, with the stabilization of the local currency (Dominican peso) vis-à-vis the US dollar, there is presently a slight increase in interest to establishing franchising in the country (e.g. Wendy’s, which was operating eight years ago, successfully re-opened in Santo Domingo). There are approximately 120 franchise firms in the Dominican market 50 local and 70 international.

Restaurant franchises include Domino's Pizza, Pizza Hut, McDonald's, Burger King, TGIF, Baskin-Robbins, Kentucky Fried Chicken, Taco Bell, Wendy’s and Tony Roma’s.

Non-food franchises include Radio Shack, GNC Vitamin, Payless Shoes, Sir Speedy, Dry Clean USA, Mr. Movies, Bombay, and a number of up-scale clothing outlets, including Liz Claiborne, Benetton, Nautica, and Tommy Hilfiger.

Market Opportunities

There are certain advantages that U.S. franchisors should take into consideration when evaluating expanding their concept to the Dominican Republic.

Why the Dominican Republic?

With the entry into force of the DR-CAFTA with the United States, franchisors will have enhanced legal protections under a more open and transparent legal system for the Dominican market.

One of the fastest growing economies in the region (8.5% growth in 2007)

Strategic geographic location

Stable economic and political environment

Sound legal framework for foreign investment

 Preferential market access to the United States, Europe, Central America and the Caribbean.

Abundance of competitive, experienced and qualified labor force.

Modern transportation infrastructure (Airports, Ports, Highways)

Advanced and reliable telecommunication infrastructure.

Supporting industries & services (banks, airlines, maritime service, universities, real estate).
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Comments and Suggestions: We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to: Customer.Care@mail.doc.gov. Please include the name of the applicable market research in your e-mail. We greatly appreciate your feedback.

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