

Hey, Everyone!!!

Introduction



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Today we discuss about

❑ Top 5 Franchise In World.

1. McDonald's: Hamburgers. Burgers, chicken, salads, beverages.
2. KFC: Chicken.
3. Pizza Hut: Pizza, pasta, wings.
4. Taco Bell. Mexican food.
5. Papa John's.

McDonald's



- Initial franchise fee: \$45,000.
- Estimated total initial investment: \$1 million to \$2.2 million.
- We don't have to tell you that McDonald's is the most popular fast-food restaurant in the world — so if you're interested in buying a fast-food franchise, it makes sense to set your sights here. About 90% of McDonald's in the U.S. are owned and operated by franchisees; and, according to the company, McDonald's has the largest number of women and minority franchise owners in the fast-food industry.
- In order for your application to be considered, you need to have at least \$500,000 in accessible, liquid capital. And if your application is approved, you'll need to undergo pretty intensive training before completing your purchase. Training is typically done over the course of 12 to 18 months on a part-time basis.

McDonald's Overview

❑ Company Overview

Ray Kroc, a milkshake mixer salesman, ventured to California in 1954 to visit McDonald's hamburger stand, where he heard they were running eight mixers at once. Kroc was impressed by how rapidly customers were served and, seeing an opportunity to sell many more milkshake machines, encouraged brothers Dick and Mac McDonald to open a chain of their restaurants. Kroc became their business partner and opened the first McDonald's in Des Plaines, Illinois in 1955. McDonald's and the Golden Arches have since become an internationally-recognized symbol of quick-service hamburgers, fries, chicken, breakfast items, salads and milkshakes.

❑ About McDonald's:

- Industry: Food
- Related Categories Hamburgers
- Founded: 1955
- Leadership: Chris Kempczinski, CEO
- Franchising Since: 1955 (66 years)
- Employees at HQ: 885



KFC



- **Initial franchise fee:** \$45,000.
- **Estimated total initial investment:** \$1.4 million to \$2.7 million.
- It's safe to say that Colonel Sanders is one of the most recognizable icons in American fast-food culture — which checks out, considering that an estimated 185 million Americans see a KFC commercial once a week. Clearly, buying a KFC franchise means you're backed by an incredibly strong business model and a well-established support system.
- It makes sense, too, that KFC considers several variables — both quantitative and qualitative — when evaluating a potential franchisee's eligibility. The six major factors KFC evaluates in their franchise applicants include “multi-unit operations experience, financial qualifications, personal and financial reputation, motivation and commitment, culture and brand fit and growth mindset,” among other factors. KFC has among the more rigorous financial qualifications, too: At a minimum, applicants need a net worth of \$1.5 million and \$750,000 in liquid assets, though these requirements will vary (i.e. be higher) depending on your ownership level.

KFC Overview

❑ Company Overview:

In 1930, Harland Sanders opened Sanders Court & Cafe in the front room of a gas station in Corbin, Kentucky. He was named an honorary Kentucky Colonel in 1936 for his contributions to local cuisine. Colonel Sanders began franchising in 1952 and awarded the first franchise to Pete Harman in Salt Lake City, Utah. Their handshake agreement stipulated that the corporation would receive a royalty of one nickel for each chicken Harman sold.

His recipe is still a secret, but billions of Colonel Sanders' chicken dinners are served annually in more than 125 countries. KFC is now part of Yum! Brands, which also includes Pizza Hut and Taco Bell.

❑ About KFC

- Industry : Food
- Founded: 1930
- Parent Company: Yum! Brands Inc.
- Leadership: Kevin Hochman, President
- Franchising Since: 1952 (69 years)
- Employees at HQ: 341



Pizza Hut



- Initial franchise fee: \$25,000.
- Estimated total initial investment: \$357,000 to \$2.2 million.
- With 18,431 units under their belt, Pizza Hut is the largest pizza company in the world. (Another fun fact? The very first product ever ordered online was a Pizza Hut pizza.) At a minimum, prospective Pizza Hut franchisees need to have \$700,000 in net worth, \$350,000 in liquid assets and a strong credit report. Applicants will also need to present Pizza Hut with a financial plan detailing how they'll grow their location.
- If you're approved, Pizza Hut will provide comprehensive training and marketing support, as well as support in opening your location. They don't provide financing, but Pizza Hut is listed in the SBA registry, which means Pizza Hut franchisees can receive expedited financing through the SBA if their loan application is approved.

Pizza Hut Overview

❑ Company Overview:

Pizza Hut began with two brothers, Frank and Dan Carney, borrowing \$600 from their mom to start a pizzeria in Wichita, Kansas. The first Pizza Hut opened its doors in 1958. The first franchised location opened in 1960 in Topeka, Kansas. Today, Pizza Hut has locations throughout the world serving pizza, pasta and wings. Pizza Hut is owned by Yum! Brands, parent company of KFC and Taco Bell.

❑ About Pizza Hut:

- Industry : Food
- Founded: 1958
- Parent Company: Yum! Brands Inc.
- Leadership: Kevin Hochman, President
- Franchising Since: 1959 (62 years)
- Employees at HQ: 400



Taco Bell



- **Initial franchise fee:** \$25,000 to \$45,000.
- **Estimated total initial investment:** \$525,525 to \$2.8 million.
- Founded in 1954, Taco Bell is one of the oldest and most popular Mexican-inspired fast-food restaurants in the world — and with over 7,000 restaurants located across the country, there's a good chance you can pursue a franchise opportunity with the chain in your area.
- Unfortunately, Taco Bell doesn't make much information about owning a location as readily available as many other companies do. You can easily request more information, however, by filling out an application online. You'll need to indicate how much you have in liquid assets, whether you have prior business and quick-service restaurant experience and whether you currently own a multi-unit franchise, which implies that Taco Bell evaluates these metrics to determine franchisee eligibility.

Papa John's



- Initial franchise fee: \$5,000.
- Estimated total initial investment: \$300,000.
- In an effort to recruit more franchisees, the award-winning pizza chain Papa John's offers new store owners several financial incentives, including new ovens for each store, reduced royalty fees for the first six years of operation, a \$3,000 food credit (where applicable), a \$5,000 marketing budget and — last but certainly not least — an entirely waived franchise fee. These incredibly generous incentives help make Papa John's one of the lowest-cost franchises on this list.
- That said, applicants are still beholden to certain financial requirements in order to open a pizzeria. At a minimum, Papa John's franchisees need to have \$75,000 in cash or liquid assets, a net worth of \$250,000 and the ability to secure up to \$275,000 in outside financing. Papa John's also expects their franchisees to have prior management experience, preferably in the restaurant or retail industries.



Question and Answer segment