



# FRANCHISE CONNECTION

A NEWSLETTER FOR FRANCHISEES, PROSPECTIVE FRANCHISEES, AND RESTAURANT OWNERS

March 2019

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## Look for NFS at these Upcoming Conferences

 MULTI UNIT FRANCHISING <b>MARCH 24 - 27</b>	 BATTLEGROUND WEST <b>MARCH 28</b>	 GOLF CLASSIC <b>APRIL 2</b>	 BRF ANNUAL MEETING <b>APRIL 3 - 4</b>	 ALLIED SUMMIT <b>APRIL 9 - 11</b>
 FRANCHISEE MEETING <b>APRIL 11</b>	 CHARITY GOLF <b>APRIL 17 - 18</b>	 <b>APRIL 23 - 25</b>	 IPHFHA SPRING MEETING <b>APRIL 28-30</b>	 FRANCHISEE CONF <b>MAY 12 - 15</b>

## In Memoriam: Paul Wilmoth

It is with great sadness that National Franchise Sales must relay the news that long time National Franchise Sales Managing Director, Paul Wilmoth has passed away at 89.

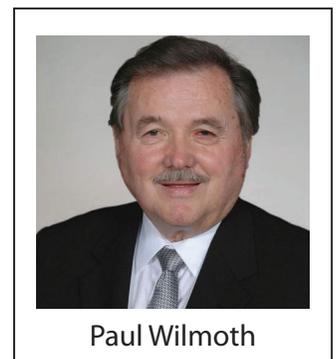
Mr. Wilmoth was the first salesperson hired by NFS founder Jerry Thissen, and the longest and one of the most experienced members of the NFS team. In his role as Managing Director, Paul advised new buyers, by guiding them through the acquisition process into franchising for the first time, or assisted experienced buyers and sellers by providing insight and sage advice.

A 35 year veteran of the restaurant franchising industry, Paul's long history started when he joined the restaurant chain Pioneer Chicken, as Vice President and developed a

franchise program that established 300+ domestic and international units.

Paul later served as a VP at Popeye's Chicken, where he opened the West Coast office and was responsible for the franchise development from Texas to Japan. This was followed by additional executive positions in several regional franchise companies.

Mr. Wilmoth was a past member of the Board of Directors of the International Franchise Association where he served as Chairman of the Legislative Committee Task Force, the Marketing & Public Relations Committee, and the IFA Committee on Ethics. The Mayor of Los Angeles appointed Paul to the Los Angeles Olympic Committee. Paul graduated from SMU in Dallas, TX with a B.A. degree.



Paul Wilmoth was integral part of the success and growth of National Franchise Sales and his passing is truly a loss to the franchise community where he will be profoundly missed by clients, friends and colleagues.

# Case Study: Burger King (9) Southern US

By Mike Deegan, Managing Director | 949-428-0492

## Project Background:

The seller in this transaction was the estate of a long time franchisee with nine Burger King restaurants in Mississippi and Louisiana. The estate also had eight fee properties to offer. The seller set a requirement that all the franchise businesses and real properties either be sold together in a single transaction or else in a simultaneous closing if separated into multiple transactions with more than a single buyer. The buyer was an existing franchisee with significant franchise holdings throughout the Southeast.

## Project Summary:

Working with the attorneys and accountants for the estate presented certain challenges since they were unfamiliar with franchise law and, especially, procedures for franchise transfers. NFS partnered with SRS to market

the real properties for this offering. Through parallel bid processes NFS and SRS were able to attract numerous qualified buyers for both the franchise and the real estate portfolios. We advised the sellers in their selection of the best buyers to move forward with and guided the parties through the transfer processes. Fortunately the franchise buyer was a sophisticated investment group that was knowledgeable and flexible throughout the process

## Conclusion:

Initially the franchise buyer only wanted the businesses and SRS secured an acceptable offer from a national REIT for the properties. In the end, however, the franchise buyer needed to close on its acquisition more quickly and the REIT was unable to complete its diligence in time to meet their deadline.



Mike Deegan

## BURGER KING

Consequently the franchise buyer offered to step in as the property buyer as well in order to achieve its timing goal. Both transactions closed together in a smooth single day closing.

# Brand Summary: Jimmy John's - An Overview of Franchisor Requirements and Fees

By Rebecca Black, Jimmy John's Brand Specialist | 949-336-7428

## Brand:

Jimmy John's owns the tag line Freaky Fast! The menu is simple-just sandwiches and it is not unusual to finish paying for your food and walk out the door with it within 30 seconds. Jimmy John's also prides themselves on freshness, quality and consistency. Bread is baked fresh every 4 hours, produce is purchased locally and sliced fresh and meats are all natural and sliced daily.

## Franchisee Qualifications

- Sufficient net worth/liquidity to complete transaction
- Minimum Net worth of \$300,000
- Minimum Liquidity of \$80,000
- Good Credit
- Personal Guarantee
- No criminal history

## Training

All new franchisees participate in a 7-week training program. This of real-life management experience by way of their apprenticeship program in a franchised location along with classes which are held in Champaign, IL at their corporate office. Once completed, franchisees receive regular updates to their training, including on site reviews.

If you have 3 or more stores you must have an Area Manager. Area Manager must complete additional Area Manager training. Area Manager cannot also run a store and cannot have more than 5 stores under them. Training must be completed by Managers and Area Managers through the current program if they are new to Jimmy John's and not part of the current team.



Rebecca Black



## Select Recently Completed Transactions

