



Franchising

Building the future
together

Considerations for Initiating An International Expansion Plan



**International Summit
Track 1, Session 1**

February 14, 2011

Bachir Mihoubi Marty Amschler Kevin Derella

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MARTY AMSCHLER
VICE PRESIDENT, FRANCHISE | RADIOSHACK CORPORATION

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MARTY AMSCHLER



- Vice President / Officer of Franchise, RadioShack Corporation
 - Joined RadioShack Corporation 2009 as Vice President of Franchise
 - Responsible for all facets of licensing and franchising for 1,220 dealer franchises, 36 internationally
- 2008-2009 served as CDO for NexCen Brands
 - Responsible for the development of worldwide network of franchise brands
- Principal and Executive VP for The Athlete's Foot
 - Responsible for developing Master Franchise agreements, negotiating the sale of territories and all US development
- Member of many prominent Business and Retail Associations and tennis enthusiast

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KEVIN DERELLA
CFE, SENIOR VICE PRESIDENT | COVERALL

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KEVIN DERELLA



- Senior Vice President of Coverall Health Based Cleaning Systems
 - Nearly 17 years with Coverall
 - Has held several executive management positions within the company
 - Became Senior Vice President in January 2008
 - Responsible for the support and growth of the company's 60 domestic and international Master Support Centers
- Began franchising career in 1984 as a franchise consultant in New Jersey
- Earned Certified Franchise Executive (CFE) designation in 2008



BACHIR MIHOUBI
PRESIDENT & CEO | FRANCOUNSEL GROUP, LLC

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BACHIR MIHOUBI



- Founder and Managing Director of FranCounsel Group (FCG) – an International Franchise Consultancy firm
- International Corporate Counsel for AFC Enterprises, Director of International Development for Cinnabon, Seattle’s Best Coffee, and VP of Global Franchising for Caribou Coffee
- Lived in Algeria, England, Canada and the US
- Transacted business in more than 30 countries and works in six languages

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WHY EXPAND TO INTERNATIONAL MARKETS?



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WHY EXPAND TO INTERNATIONAL MARKETS?



- The appeal of operating a brand internationally.
- There are more and more companies franchising internationally.
- It is easy to achieve success internationally.

WHY EXPAND TO INTERNATIONAL MARKETS?



- Companies receive large upfront fees from international franchisees.
- More countries are adopting the franchising model.
- There is no need for a rational business decision before starting an international franchise program.

WHEN IS THE RIGHT TIME TO EXPAND INTERNATIONALLY?



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WHEN IS THE RIGHT TIME TO EXPAND INTERNATIONALLY?



- The brand has reached saturation in the local market.
- The company has decided to adopt a dual strategy – developing both domestically and internationally.

WHEN IS THE RIGHT TIME TO EXPAND INTERNATIONALLY?



- There is international demand for the services and products offered by the company.
- The company needs to respond to attractive international prospects.
- International efforts will not hamper the company's domestic operations.



WHAT ARE THE FINANCIAL AND PERSONNEL IMPLICATIONS OF INTERNATIONAL EXPANSION?



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WHAT ARE THE FINANCIAL AND PERSONNEL IMPLICATIONS OF INTERNATIONAL EXPANSION?



- Will the international focus impact domestic operations?
- Does your company need a dedicated support team for international expansion?
- Will the company make money immediately?

WHAT ARE THE FINANCIAL AND PERSONNEL IMPLICATIONS OF INTERNATIONAL EXPANSION?



- How long does it take to sign the first deal?
- Does the company need a specific budget for international expansion?
- What are the sources of income from international franchising?



IMPLEMENTING THE PLAN TO EXPAND INTERNATIONALLY



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IMPLEMENTING THE PLAN TO EXPAND INTERNATIONALLY



- Devising a trademark registration strategy.
- Dedicating a budget for international operations and support.
- Making sure that the name of the brand is culturally transferable.
- Adapting the product or services to the local market.

IMPLEMENTING THE PLAN TO EXPAND INTERNATIONALLY



- Selecting the right markets based on the products or services offered by the brand.
- Preparing marketing materials and a global website.
- Working with a knowledgeable executive or consultant to implement the international development program.

Thank You!



Bachir Mihoubi

Marty Amschler

Kevin Derella

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Building local businesses,
one **opportunity** at a time.