

WHAT WILL HAPPEN TO FRANCHISING WHEN OUR ECONOMY TURNS SOUTH?

By Ken Hollowell

Franchising has enjoyed a tremendous growth over the past 50 years and according to all statics compiled by the government, franchising will top \$2 trillion by the end of 2010. But what if our economy continues to decline? Will high gas prices have a negative effect on franchising? Will people be afraid to go into business on their own?

The fact is we have history to look at and predict the future of franchising. When times are bad, corporations lay off employees. Recently Ford announced a major lay off of employees which has not occurred in 30 years. I predict this is the beginning of many large corporations letting workers go. Many of these people will look for businesses to get into that will provide stability for themselves and their families.

The shift I see in franchising is with more opportunities that involve in-home franchise businesses. I am beginning to develop more and more business that meet the needs of people working from home. One such business is Grafix Stop Corporation. Grafix Stop Corporation is offering an in-home franchise that costs less than \$50,000 in franchise fees and start-up costs and the business can be operated from a garage, basement or spare bedroom. The income potentials are \$30,000 to \$50,000 a month without employees.

Other Internet based home franchise businesses are being developed that allow the franchisee to avoid traveling far distances that are becoming more costly. As we approach \$3 per gallon and even the possibility of \$5 per gallon our economy is going to be effected tremendously.

Franchising is experience a boom in franchise sales over the next several years.