

# How Do I Buy a Franchise?

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One of the fastest and easiest ways to start your own business is to buy a franchise. But as with any new business, buying a franchise requires some preparation.

## Research Your Options

Whether you are starting a business from scratch or buying into a proven franchise concept, you need to start with research. The first and most important step is to learn what your own goals are for your business. You will also want to take an honest look at your strengths and weaknesses. You should know what types of work you enjoy and what you would rather avoid. A franchise consultant can help you make this assessment and avoid the frustration of choosing a business ill-suited to your personality and goals.

Once you have identified the characteristics you are seeking in a business opportunity, you can begin the process of investigating opportunities. This can take up to several months, depending on the time you have to dedicate to the task. If you engage the services of a franchise consultant you will save significant time and effort by relying on his experience and knowledge base.

## Interview the Contenders

After narrowing the field to a few strong options, you will want to meet with each franchisor to learn more about the business. It is also a good idea at this stage to speak with a few franchisees and ask about their experiences with the franchise. This can be tremendously helpful in finding the right match for you.

## Finance Your Operations

How you will fund your new business is an important determination. Some franchisors offer financing, or you might consider working with financial services companies that will help you develop a funding strategy for your investment in a franchise business. This is also a good time to find an accountant you trust to help you set up your business and make a plan for tracking business income and expenses.

## Sign on the Dotted Line

Well before you sign on the dotted line, the franchisor will present you with a Franchise Disclosure Document (FDD). This legal document describes in detail the relationship between you, the franchisee, and the franchisor. It is a good idea to have an attorney who specializes in franchising review that document with you. Depending on the company, the FDD might place restrictions on anything from advertising to suppliers. You should be sure you are comfortable with the terms of that agreement before moving forward.