**FLORIDA ATLANTIC UNIVERSITY**

**Graduate Programs—NEW COURSE PROPOSAL**

**DEPARTMENT NAME:** MANAGEMENT PROGRAMS

**COLLEGE OF:** BUSINESS

---

**RECOMMENDED COURSE IDENTIFICATION:**

<table>
<thead>
<tr>
<th>PREFIX</th>
<th>ENT</th>
<th>COURSE NUMBER</th>
<th>6176</th>
<th>LAB CODE (L or C)</th>
</tr>
</thead>
</table>

*(TO OBTAIN A COURSE NUMBER, CONTACT ERUDOLPH@FAU.EDU)*

**COMPLETE COURSE TITLE:** FRANCHISING

**MINIMUM QUALIFICATIONS NEEDED TO TEACH THIS COURSE:** TERMINAL DEGREE IN RELEVANT DISCIPLINE PLUS RECENT PUBLICATIONS IN FRANCHISING, OR RECENT EXPERIENCE AS A FRANCHISING EXECUTIVE, FRANCHISEE, OR FRANCHISING CONSULTANT.

Other departments, colleges that might be affected by the new course must be consulted. List entities that have been consulted and attach written comments from each.

Gary Castrogiovanni, castrogri@fau.edu, (561) 297-2523

Faculty Contact, Email, Complete Phone Number

**CREDITS:** 3


---

**GRADING (SELECT ONLY ONE GRADING OPTION):** REGULAR _X_ PASS/Fail __ Satisfactory/Unsatisfactory __

---

**COURSE DESCRIPTION, NO MORE THAN 3 LINES:** THIS COURSE DEALS WITH THE IMPORTANT ASPECTS OF STARTING, DEVELOPING, AND MANAGING BOTH FRANCHISE NETWORKS AND FRANCHISES WITHIN THOSE NETWORKS. SPECIFIC ATTENTION IS GIVEN TO THE FRANCHISOR-FRANCHISEE RELATIONSHIP, AND HOW BOTH SIDES CONTRIBUTE TO THEIR MUTUAL SUCCESS.

---

**PREREQUISITES W/MINIMUM GRADE:**

<table>
<thead>
<tr>
<th>PREREQUISITES</th>
</tr>
</thead>
</table>

**COREQUISITES:**

<table>
<thead>
<tr>
<th>COREQUISITES</th>
</tr>
</thead>
</table>

**OTHER REGISTRATION CONTROLS (MAJOR, COLLEGE, LEVEL):**

<table>
<thead>
<tr>
<th>GRADUATE STANDING</th>
</tr>
</thead>
</table>

---

**SUPPORTING MATERIALS**

**Syllabus**—must include all details as shown in the UGPC Guidelines.

**Written Consent**—required from all departments affected.

Go to: http://graduate.fau.edu/ugpc/ to download this form and guidelines to fill out the form.

---

**SIGNATURES**

**Approved by:**

Department Chair: [Signature]

College Curriculum Chair: [Signature]

College Dean: [Signature]

UGPC Chair: [Signature]

Dean of the Graduate College: [Signature]

---

**Date:** 4/12/10

---

**Email this form and syllabus to shulek@fau.edu and eairjo@fau.edu one week before the University Graduate Programs Committee meeting so that materials may be viewed on the UGPC website by committee members prior to the meeting.**
Franchising

Course Description

The franchising method of doing business is increasing rapidly worldwide. Consequently, there is a growing need for executives with franchising knowledge, and there are increasing opportunities for people to attain business ownership as franchisees.

This course deals with the important aspects of starting, developing, and managing both franchise networks and franchises within those networks. Specific attention is given to the franchisor-franchisee relationship, and how both sides contribute to their mutual success. Profit opportunities, legal considerations, and international aspects of franchising are addressed as well.

Prerequisites: None.
Corequisites: None.
Other: Graduate Standing

Course Goals and Primary Learning Outcomes

Global Goal. The overarching goal for this course is to develop skills needed for you to succeed as a franchisee, franchisor, or franchising executive.

Specific Outcomes. Primary learning outcomes are:

- Ability to identify opportunities to expand local businesses through franchising
- Ability to work out details needed to establish and develop a franchise network
- Ability to identify franchisee opportunities fitting an individual's particular needs and skills
- Ability to acquire a franchise and establish new outlets in the franchise network
- Ability, as a franchisee, to develop and maintain good working relationships with the franchisor and other franchisees in the network

Textbook


Other Materials

"Quick 'N' EZ." Case available from the instructor.


Office Hours

Monday 12:00 to 1:00 p.m. and 4:00 to 5:00 p.m.; Wednesday 5:00 to 7:00; and by appointment.

Grading

The points you earn for the various activities listed below will determine your course grade.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Franchising Feasibility Study</td>
<td>100</td>
</tr>
<tr>
<td>Franchisor Business Plan</td>
<td>100</td>
</tr>
<tr>
<td>Franchisee Business Plan</td>
<td>100</td>
</tr>
<tr>
<td>Test 1</td>
<td>100</td>
</tr>
<tr>
<td>Test 2</td>
<td>100</td>
</tr>
<tr>
<td>Class Participation</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total Points Available</strong></td>
<td><strong>600</strong></td>
</tr>
</tbody>
</table>

Final course grades will be determined as follows:

- A = 555 or more
- A- = 540 - 554
- B+ = 525 - 539
- B = 495 - 524
- B- = 480 - 494
- C+ = 465 - 479
- C = 435 - 464
- C- = 420 - 434
- D+ = 405 - 419
- D = 375 - 404
- D- = 360 - 374
- F = 359 or less
Graded Activities

**Franchising Feasibility Study.** The Franchising Feasibility Study is a team assignment addressing whether a given business is suitable for franchising. Students are encouraged to economize by assessing feasibility here for the same prospective franchisor that their team will focus on for the Franchisor Business Plan assignment. In most cases, that prospective franchisor will be a particular service, restaurant, or retail business operating in South Florida. Alternatively, however, and subject to the instructor's permission, teams may base the assignment on a business concept that has not yet been operationalized. Additional instructions will be provided.

**Franchisor Business Plan.** The Franchisor Business Plan is a team assignment involving the determination of how a particular business might expand beyond its local market through franchising. Students are encouraged to economize by developing this business plan for the same prospective franchisor examined in their team's Franchise Feasibility Study. In most cases, that prospective franchisor will be a particular service, restaurant, or retail business operating in South Florida. Alternatively, however, and subject to the instructor's permission, teams may base the assignment on a business concept that has not yet been operationalized. Additional instructions will be provided.

**Franchisee Business Plan.** The Franchisee Business Plan is a team assignment involving the startup and subsequent development of a new unit within a franchise network. Normally, this franchised unit would be within the same chain addressed in the Franchise Feasibility Study and Franchisor Business Plan assignments. In such cases, a student team would first determine that franchised expansion is feasible for an existing business, and then develop a Franchisor Business Plan to guide such expansion. Finally, for this Franchisee Business Plan assignment, the student team would assume the role of an early franchisee within that new franchise network, and develop a plan for starting and operating a new franchised unit.

Additional instructions will be provided.

**Note:** If a team member shirks on his/her responsibilities in a team assignment, the team may assess a penalty by simply indicating on the title page some percentage (less than 100%) of the team's score that the particular individual should receive.

**Tests 1 and 2.** There will be two multiple-choice tests, one covering the first half of the textbook, and the other covering the second half. The purpose of the tests is to see how well students read and understood the textbook. Thus, all of the test questions will pertain to material from the textbook, including material from the book that was not addressed explicitly in class.

**Class Participation.** Much of your learning in this course will occur as you form and express your views during class discussions. You will have ample opportunities to voice your opinions and take the lead in shaping the direction of the discussion. There will also be occasions where your views may be solicited. To be prepared to participate in a given class meeting, you should read the assigned material. Note that participation is not the same as attendance though you cannot participate if you are not present.

If you must miss a class, you can make up for that absence by attending a meeting of SEAL, the student entrepreneurship club, and emailing the instructor a 250-word summary of that meeting. For details on SEAL, visit the Adams Center for Entrepreneurship website (http://www.fauadamscenter.org/), or go directly to the SEAL page at http://www.fauadamscenter.org/index.php?src=gendocs&ref=SEAL-Entrepreneur%20Club&category=Student%20Opportunities&submenu=student_ops_club_seal.

Disruptive classroom behavior will detract from your participation grade. Such behavior includes but is not limited to arriving late, leaving early, reading newspapers or anything other than course material, and socializing during presentations or lectures.
Course Policies

Students in this course are expected to conform to all university policies. Additionally, students should note the following.

STUDENTS WITH DISABILITIES

In compliance with the Americans with Disabilities Act (ADA), students who require special accommodations due to a disability to properly execute coursework must register with the Office for Students with Disabilities (OSD) located in Boca Raton - SU 133 (561-297-3380), in Davie - MOD 1 (561-236-1222), in Jupiter - SR 117 (561-799-8585), or at the Treasure Coast - CO 128 (772-873-3305), and follow all OSD procedures.

ACADEMIC INTEGRITY

Students at Florida Atlantic University are expected to maintain the highest ethical standards. Academic dishonesty, including cheating and plagiarism, is considered a serious breach of these ethical standards because it interferes with the University mission to provide a high quality education in which no student enjoys an unfair advantage over any other. Academic dishonesty is also destructive of the University community, which is grounded in a system of mutual trust and places high value on personal integrity and individual responsibility. Harsh penalties are associated with academic dishonesty. For more information, see http://www.fau.edu/regulations/chapter4/4.001_Honor_Code.pdf.

Turnitin may be used to examine any/all papers submitted in this class.
# Tentative Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 5</td>
<td>Introduction/Orientation Franchising: History and Overview</td>
<td>Syllabus; Form Teams Ch. 1</td>
</tr>
<tr>
<td>12</td>
<td>Recognizing Franchising Opportunities Assessing Franchise Feasibility</td>
<td>Ch. 2 Franchising Feasibility Study Instructions Ch. 3 Franchisor Business Plan Instructions</td>
</tr>
<tr>
<td>19</td>
<td>MLK HOLIDAY</td>
<td>NO CLASS</td>
</tr>
<tr>
<td>26</td>
<td>Franchisor Management The Franchising Market Process Selling and Marketing Research</td>
<td>Ch. 4 Ch. 5 Ch. 6</td>
</tr>
<tr>
<td>Feb 2</td>
<td>Co-Branding Franchisor's Operations Process Case Discussion</td>
<td>Ch. 7 Quick 'N' EZ Case</td>
</tr>
<tr>
<td>9</td>
<td>Franchise Feasibility Presentations Location and Site Selection Case Discussion</td>
<td>Franchising Feasibility Study due Ch. 9 Nawkaw Case</td>
</tr>
<tr>
<td>16</td>
<td>Accounting and Financial Statements Financial Management and Fiscal Planning</td>
<td>Ch. 10 Ch. 11</td>
</tr>
<tr>
<td>23</td>
<td>Test 1</td>
<td>Chapters 1-11</td>
</tr>
<tr>
<td>Mar 2</td>
<td>SPRING BREAK</td>
<td>NO CLASS</td>
</tr>
<tr>
<td>9</td>
<td>Information Systems Franchise Legal Documents</td>
<td>Ch. 12 Ch. 13</td>
</tr>
<tr>
<td>16</td>
<td>Franchisor Business Plan Presentations Trademarks, Copyrights, Patents, &amp; Trade Secrets</td>
<td>Franchisor Business Plan due Ch. 14</td>
</tr>
<tr>
<td>23</td>
<td>Investigating Franchise Opportunities Financing Your Franchised Business Case Discussion</td>
<td>Ch. 15 Ch. 16 Beano's Ice Cream Shop Case</td>
</tr>
<tr>
<td>30</td>
<td>Developing Franchisee Business Plans Marketing the Franchisee Business Managing the Franchisee Business</td>
<td>Franchisee Business Plan Instructions Ch. 17 Ch. 18</td>
</tr>
<tr>
<td>Apr 6</td>
<td>The Franchising Relationship Franchisor Support Services Case Discussion</td>
<td>Ch. 19 Ch. 20 Universal Business Brokers Case</td>
</tr>
<tr>
<td>Date</td>
<td>Topic</td>
<td>Chapters</td>
</tr>
<tr>
<td>------</td>
<td>-------------------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>13</td>
<td>Social Responsibility and Business Ethics</td>
<td>Ch. 21</td>
</tr>
<tr>
<td></td>
<td>International Franchising</td>
<td>Ch. 22</td>
</tr>
<tr>
<td>20</td>
<td>Case Discussion</td>
<td>Ch. 23: Harley-Davidson;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Franchisee Business</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plan due</td>
</tr>
<tr>
<td>27</td>
<td>Test 2</td>
<td>Chapters 12-22</td>
</tr>
</tbody>
</table>

Note: Unless stated otherwise, written assignments are to be submitted electronically. Email them to the instructor at castrogi@fau.edu. Written assignments are due one hour before class begins on the dates indicated above. No assignments will be accepted late.

Subject to Change: This syllabus and schedule are subject to change in the event of extenuating circumstances. If you are absent from class, it is your responsibility to check on announcements made while you were absent.
Selected Franchising Readings

Books


Articles


