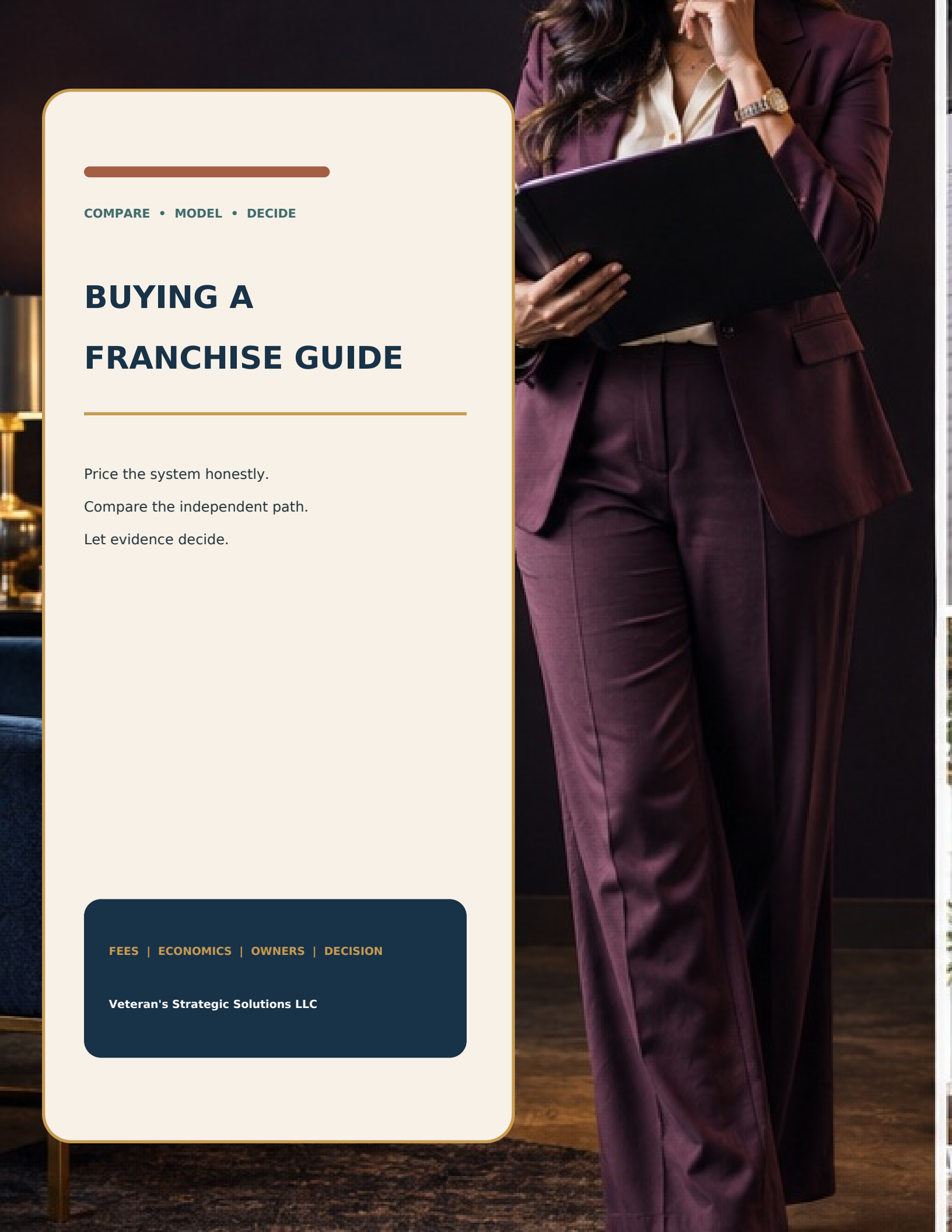




COMPARE • MODEL • DECIDE

BUYING A FRANCHISE GUIDE

Price the system honestly.

Compare the independent path.

Let evidence decide.

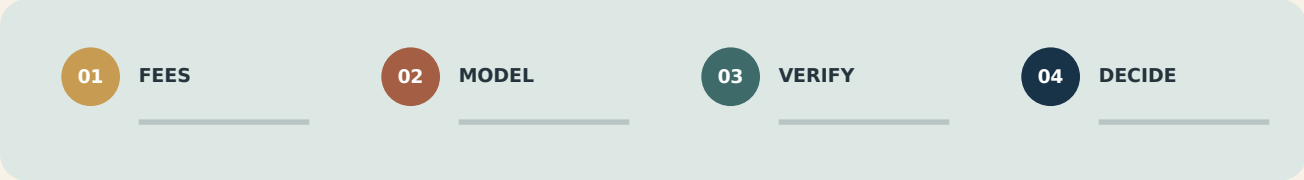
FEES | ECONOMICS | OWNERS | DECISION

Veteran's Strategic Solutions LLC

START HERE

How to Use This Guide

Read the core guide first. Then use the worksheets to compare franchise and independent paths, budget due diligence, model total investment and continuing fees, document the decision, track franchisee interviews, and control disclosure, legal, tax, financial, lending, trademark, advertising, privacy, and personal-guarantee risks.

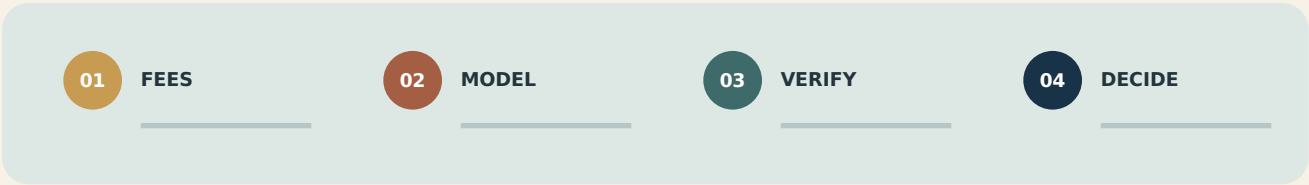


SYSTEM COST | Compare what the brand provides against every continuing fee and operating restriction.

PIECE	USE
Core guide	Decide whether the brand, system, training, territory, support, and lead flow justify the full initial and continuing cost.
Operating kit	Use the checklist, due-diligence budget, comparison model, decision record, contact tracker, and compliance page for each opportunity.

CORE GUIDE 01

1. The bet



That is the whole question. Everything else is detail.

A franchise sells five things: a recognised brand, a proven operating system, initial and ongoing training, lead generation, and group buying power. The test is not whether those things have value — they do. It is whether they have enough value here, for him, to beat keeping 100 percent of the owner's own revenue.

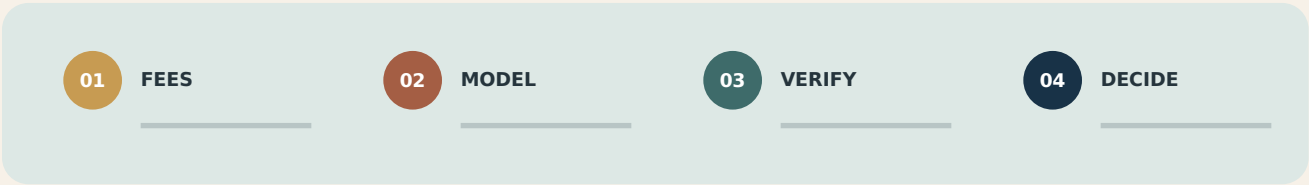
The fastest zero-budget test: request the FDD from two brands the owner would actually consider. It is free, it does not obligate him, and under the FTC Franchise Rule the owner is entitled to it once the franchisor has received the owner's application and agreed to consider it. Then turn to Item 20, get the list of former franchisees, and call five of the ones who left. Ask one question: “knowing what you know now, would you buy it again?”

Cost: a week. That single exercise will settle this faster than any amount of analysis.

BUSINESS LENS	CONTROL
Value	List exactly what the brand provides that cannot be built or purchased independently.
Fees	Model royalties, advertising, technology, renewal, transfer, supply, and required upgrade costs.
Exit	Study closures, transfers, terminations, restrictions, personal guarantees, and resale conditions.

CORE GUIDE 01

1. The bet Continued



Three reasons it fails before any money is spent:

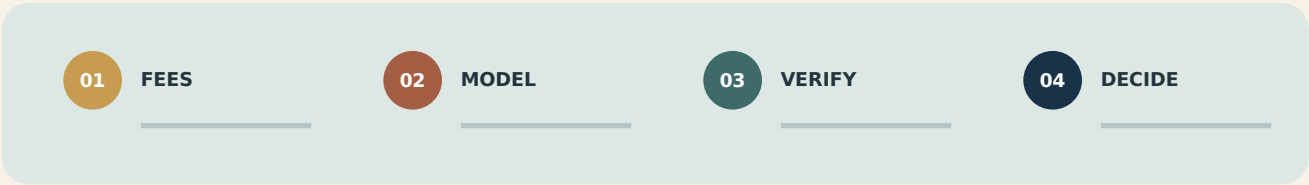
The royalty is on gross, not profit. A bad month still owes. Many agreements add a minimum monthly royalty, so a month with no revenue at all still generates a bill.

He buys a system for a business the owner already knows how to run. The sub-\$50K franchises are cleaning, junk removal, home services, inspection — the exact lines already in the owner's portfolio. The owner would be paying to skip the part the owner is good at.

Territory is a promise, not a moat. In a county this size the protected territory may be larger than the demand. Exclusivity over an area that cannot support the unit is worth nothing.

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2. Who pays, and what he'd be buying

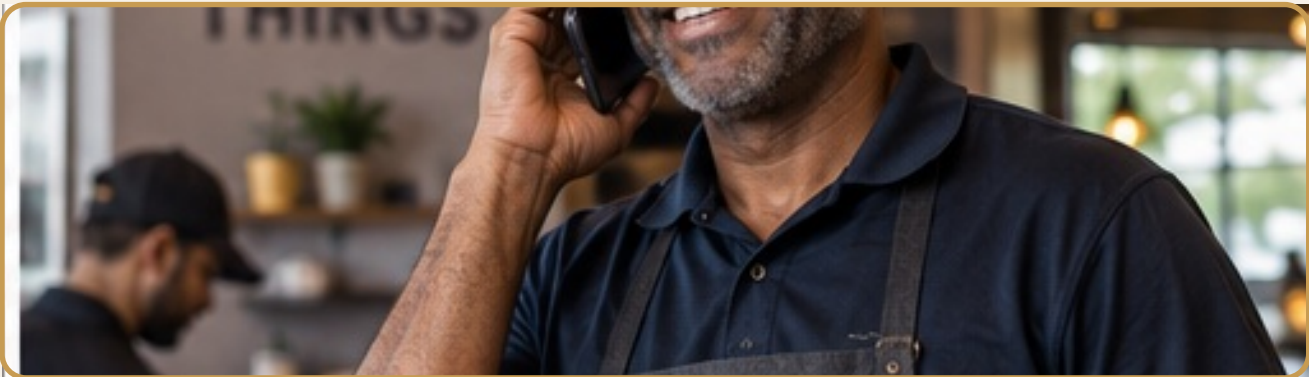


The customer here is unusual: the prospective franchisee is the buyer. The franchisor is the seller, so the analysis runs the other way. What is being sold, and is it worth the price?

A brand. In a town of roughly 23,000, brand recognition is worth far less than it is in a metro. Reputation here is word of mouth, church, the VFW, the Facebook groups, and who your neighbour used last month. A national logo does not move that.

Lead flow. This is the real product, and it is the one thing that genuinely justifies a royalty — in markets where leads are expensive. The owner already has a lead channel that costs the owner nothing: twenty-five local Facebook groups, a 550-contact network, the binder the owner distributes, a nonprofit relationship on Grant Ave, and the CVB director’s number.

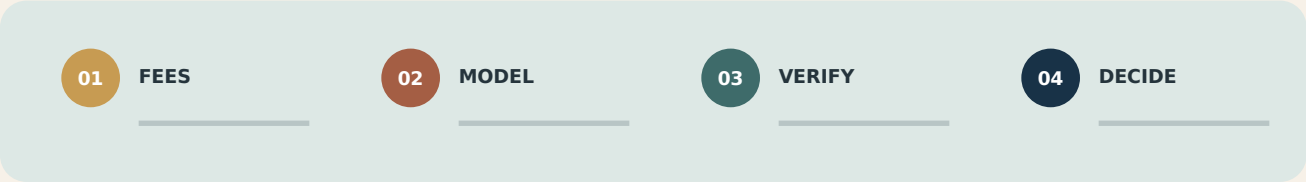
A system. Genuine value, and it is the piece the owner would actually be buying. Route density, pricing structures, dispatch software, safety procedures. Worth something — but purchasable once, not rentable forever.



ITEM REVIEW | Verify revenue claims, unit status, closures, transfers, litigation, and required payments in the FDD.

2. Who pays, and what he'd be buying

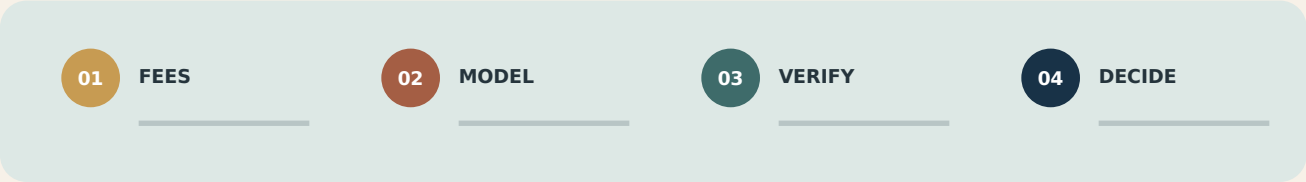
Continued



Buying power. Real in supply-heavy models, near zero in service models where the main input is the owner's own labour.

BUSINESS LENS	CONTROL
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3. The smallest version he can charge for



There is no minimum viable launch before the agreement, required investment, and operating system are understood. The smallest responsible step is the complete due-diligence process.

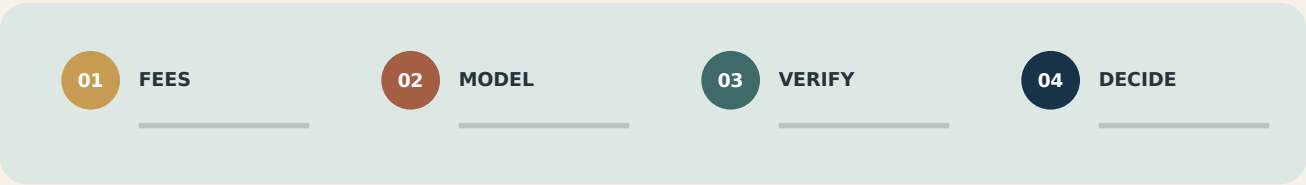
A franchise has no minimum viable version. Every other line in the owner's portfolio can be tested for the cost of a rental or a phone call. Franchising cannot. The initial fee is due at signing, the agreement runs five to fifteen years, and the royalty obligation begins whether or not the business does.

The closest thing to a smallest version is what section 1 describes: pull two FDDs, read Item 19 and Item 20, and call five former franchisees. That costs a week and nothing else, and it is the only reversible step in the entire process.

Everything after signing is irreversible. That single fact separates this from every other line the owner has assessed.

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4. What it actually costs



The ongoing fees, from primary sources

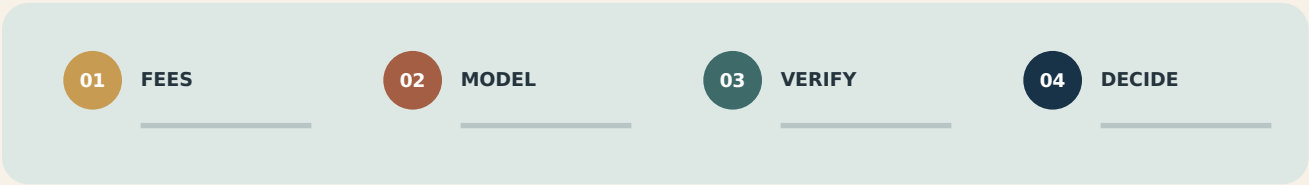
These come from franchise agreements filed with the SEC, not from franchise marketing sites.

Read the Joint Corp line again. Seven percent of gross, and if seven percent comes to less than \$700 in a month, the owner owes \$700 anyway. The floor does not care whether the phone rang.

Across the wider market, published analyses put royalties in the 4 to 8 percent range with ad funds at 1 to 3 percent, and one analysis of 1,842 systems reports an average total ongoing rate near 8.7 percent. Those are secondary figures — the point they establish is only that the SEC examples above are typical, not outliers.

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4. What it actually costs Continued



At a 10 percent total ongoing rate, every \$100,000 of gross revenue sends \$10,000 to the franchisor before the owner pays for fuel, insurance, equipment or himself. To net what a GS-11 nets, the owner has to gross the same as an independent operator plus the royalty, every year, forever.

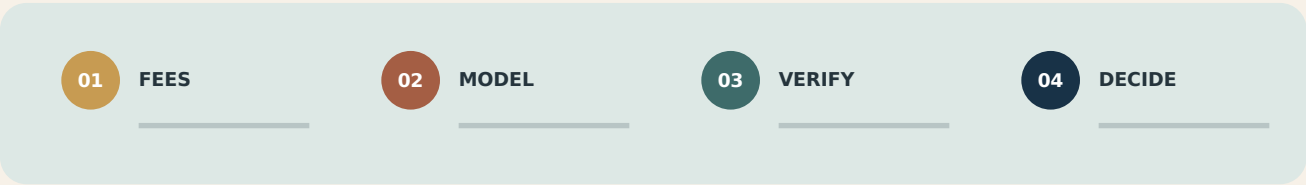
The one-time costs

The veteran discounts, and their real weight

VetFran, run by the International Franchise Association, lists 650+ participating brands offering veterans a discount on the initial franchise fee, commonly 10 to 25 percent. Some go further — several brands are reported to waive the fee entirely or offer 50 percent off for veterans, and JDog Junk Removal is veteran-only.

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4. What it actually costs Continued

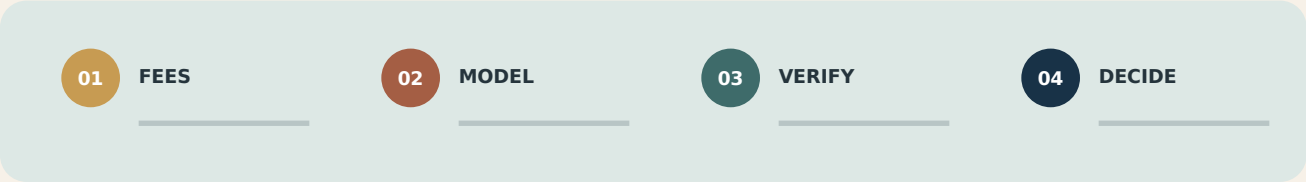


Verify every one of those in Item 5 of the FDD. Most of those figures circulate on franchise marketing sites.

And keep the scale in view. The initial fee is 5 to 15 percent of total investment. A 20 percent discount on a \$35,000 fee saves \$7,000 on a \$250,000 deal — under 3 percent. The discount is real money and it is not a reason to buy. It is the cheapest thing a franchisor can give away, which is exactly why it leads every veteran-facing brochure.

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5. Pricing — the comparison that decides it



There is no pricing tier to choose here. The relevant comparison is franchise versus independent on the same line of work.

What the franchise genuinely buys him: speed and a system. Everything else on that list the owner already has or can build.

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6. First 90 days, and the one metric

01

FEES

02

MODEL

03

VERIFY

04

DECIDE

Only if the buyer decides to pursue the opportunity after completing the first comparison.

Days 1-30. Request FDDs from two brands. Read Item 20 before Item 19. Get the former-franchisee list and call five.

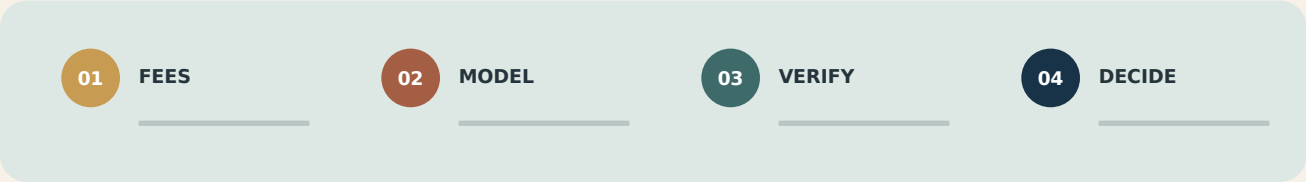
Days 31-60. Retain an independent franchise attorney to read the agreement — specifically the renewal terms, minimum performance requirements, territory definition, and whether the royalty rate can be raised at renewal. Have an accountant model it at realistic revenue, not the brochure's.

Days 61-90. Decide. Take the full 14 days the FTC guarantees, and do not be moved off them.



OWNER CALLS | Ask comparable current and former franchisees what the sales process did not explain.

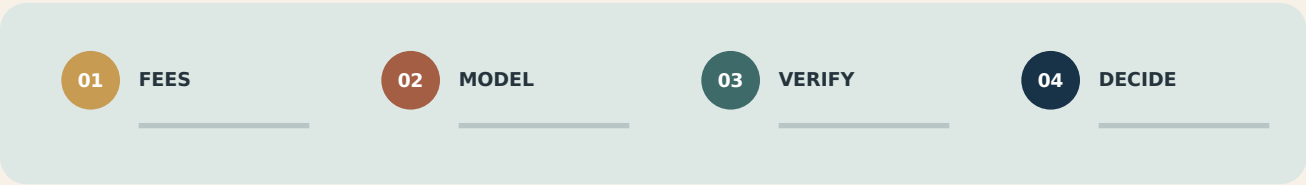
6. First 90 days, and the one metric Continued



The one metric: royalty as a percentage of net profit, not gross revenue. A 7 percent royalty on gross is not 7 percent of anything the owner keeps. On a service business netting 20 percent, a 7 percent gross royalty is 35 percent of the owner's profit. Model that number before anything else. If it is above 30 percent, the franchisor is the owner's largest single expense after himself.

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7. Honest assessment



Franchising solves two problems — not knowing how to run the business, and not being able to get customers. The owner has neither problem. The owner has spent this year building operating knowledge across a dozen lines, and the owner has a local network most franchisees would pay the entire initial fee to acquire.

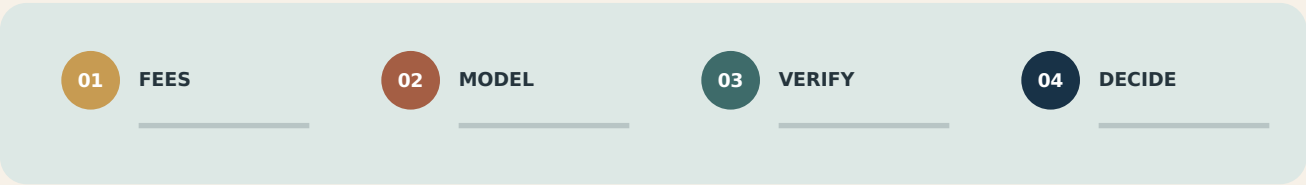
What the owner would be buying is a system, at a price structured as a permanent tax on revenue. The math is straightforward: at a 10 percent total rate, matching a GS-11 income requires grossing meaningfully more than an independent operator doing identical work in the same town.

Where it changes. Three conditions would make this worth revisiting:

He wants to enter a line the owner genuinely doesn’t understand, where the system is the actual product and the learning curve is expensive.

BUSINESS LENS	CONTROL
Value	List exactly what the brand provides that cannot be built or purchased independently.
Fees	Model royalties, advertising, technology, renewal, transfer, supply, and required upgrade costs.
Exit	Study closures, transfers, terminations, restrictions, personal guarantees, and resale conditions.

7. Honest assessment Continued



He has capital the owner cannot deploy himself and wants a managed asset rather than a job — a different goal from the one the owner has stated.

A veteran-only brand offers something structurally unavailable otherwise — JDog is the one worth a look, precisely because veteran-only status is a competitive moat a non-veteran competitor cannot cross. That is the single exception on this page.

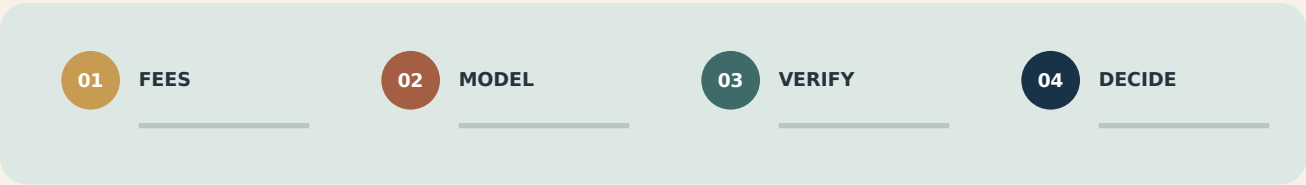
Use the document. Skip the contract.

This is educational and is not legal, financial or investment advice. Retain your own franchise attorney and accountant before signing anything.

BUSINESS LENS	CONTROL
Value	List exactly what the brand provides that cannot be built or purchased independently.
Fees	Model royalties, advertising, technology, renewal, transfer, supply, and required upgrade costs.
Exit	Study closures, transfers, terminations, restrictions, personal guarantees, and resale conditions.

CORE REFERENCE

Franchise Fee Reference

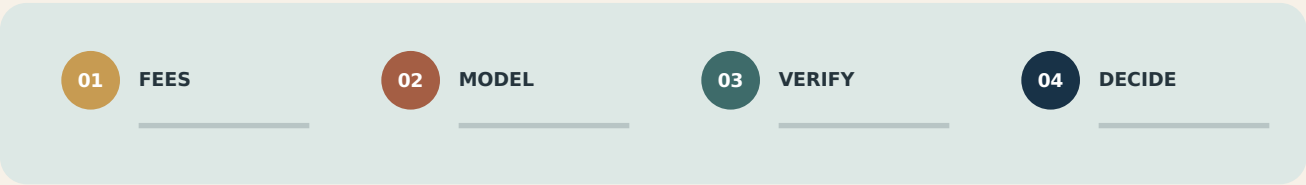


Use the source figures as the planning baseline. Replace local, personal, already-owned, and time-sensitive assumptions with actual quotes and requirements before launch.

Brand, from its SEC filing	Structure
The Joint Corp	7% of gross revenues, with a \$700 minimum per month
Krispy Kreme, area developer	4.5% royalty + 1.0% brand fund + 0.5% advertising fund, 15-year term
Emerging Vision / Sterling	8% of gross revenues, paid weekly

CORE REFERENCE

One-Time Cost Reference

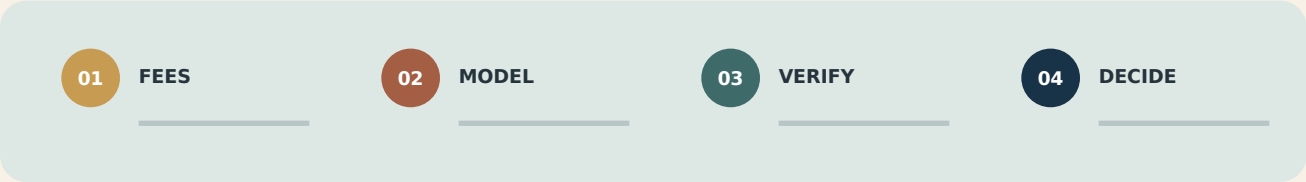


Use the source figures as the planning baseline. Replace local, personal, already-owned, and time-sensitive assumptions with actual quotes and requirements before launch.

Item	Typical range
Initial franchise fee	\$20,000-\$50,000 for service concepts; \$35,000 in the infographic's example
Total investment, home or mobile service	Under \$50,000 for many; under \$100,000 for most non-retail
Total investment, retail or food with build-out	\$250,000 and up
Franchise attorney	Required, and not one the franchisor recommends
Accountant	Required

CORE REFERENCE

Franchise-versus-Independent Comparison



Use the source figures as the planning baseline. Replace local, personal, already-owned, and time-sensitive assumptions with actual quotes and requirements before launch.

	Franchise	His own
Initial cost	\$20,000-\$50,000 fee, plus equipment	Equipment only
Ongoing	8-10% of gross, forever, with possible monthly minimum	Nothing
Brand	National, low value in a town this size	Twenty-year veteran, local, already known
Leads	Provided, and paid for through the royalty	Independent channel cost [VERIFY]
System	Provided, proven	Has to build it
Exit	Transfer fee, franchisor right of first refusal	Sells clean
Speed to first customer	Faster	Slower

WORKSHEET 01

Startup Checklist

01FEES

02MODEL

03VERIFY

04DECIDE

DONE	ACTION	OWNER DATE NOTES
☐	Define the exact buying a franchise guide customer, problem, deliverable, service area or channel, and buying trigger.	
☐	Run the source's smallest low-cost demand test before buying major equipment or committing to long-term overhead.	
☐	Write the offer, inclusions, exclusions, timing, acceptance standard, and customer responsibilities.	
☐	Check licensing, zoning, and tax rules for your own city and state before starting.	
☐	Confirm federal, state, local, tax, advertising, privacy, accessibility, contract, and record requirements [VERIFY].	
☐	Obtain general liability, professional liability, cyber, property, auto, workers' compensation, and client-required coverage as applicable [VERIFY].	
☐	Create intake, estimate, scope, approval, delivery, quality-control, incident, invoice, and closeout records.	
☐	Price from actual labor, materials, equipment, travel, payment fees, taxes, rework, overhead, and reserve.	
☐	Complete one paid pilot and document the result only with written customer permission.	
☐	Track the one metric from the source, plus gross margin, delivery time, exceptions, referrals, and repeat work.	

WORKSHEET 02

Franchise Due-Diligence Budget Worksheet

01FEES

02MODEL

03VERIFY

04DECIDE



DECISION SYSTEM | Organize fees, investment, financing, unit economics, interviews, advisers, and the final decision.

ITEM	NEEDED	ESTIMATE	ACTUAL	NOTES
Business formation, registrations, licensing, tax, contracts, and professional review [VERIFY]				
General liability, professional liability, cyber, property, auto, workers' compensation, and client coverage [VERIFY]				
Core equipment, tools, supplies, safety gear, storage, maintenance, replacement, and backups				
Computer, phone, software, scheduling, payment, e-signature, records, security, and backup				
Website, business email, phone, listings, signage, accessibility, privacy, and marketing [VERIFY]				
Original intake, estimate, scope, checklist, quality, incident, invoice, and closeout templates				
Training, credentials, continuing education, renewal, testing, and professional memberships [VERIFY]				
Vehicle, delivery, travel, fuel, mileage, parking, tolls, rental, and route costs as applicable				
Bookkeeping, merchant fees, taxes, legal review, data protection, and records [VERIFY]				
Contractor, employee, payroll, supervision, quality control, and administrative support [VERIFY]				
Working capital, refunds, rework, claims, chargebacks, downtime, deductibles, and reserve				

BUDGET CONTROL

TOTAL ESTIMATE: _____ TOTAL ACTUAL: _____ CASH RESERVE: _____

WORKSHEET 03

Pricing and Estimate Template

01FEES

02MODEL

03VERIFY

04DECIDE

CLIENT	SERVICE LOCATION	ESTIMATE NUMBER	DATE

SERVICE OR INPUT	BASIS	AMOUNT
Initial franchise fee	Item 5	
Required opening payments	Items 5 and 7	
Buildout and equipment	Item 7 and quotes	
Opening inventory and deposits	Item 7 and quotes	
Professional fees	Attorney and accountant	
Training and travel	FDD and plan	
Working capital	Independent model	
Continuing fees - year one	Items 6 and 19	
Debt and personal-guarantee cost	Lender documents	
Total investment		

TOTAL ESTIMATE	DEPOSIT OR AUTHORIZATION	VALID THROUGH

WORKSHEET 04

Franchise-versus-Independent Decision Record

01FEES

02MODEL

03VERIFY

04DECIDE

FIELD	AGREED DETAIL
Customer, legal entity, contacts, billing, service or delivery location, dates, and decision-maker	
Customer need, current condition, objective, constraints, success standard, and source documents	
Selected offer, quantities, deliverables, inclusions, exclusions, options, and completion standard	
Schedule, access, dependencies, customer preparation, approvals, delays, and communication	
Materials, equipment, substitutions, delivery, storage, utilities, security, and site conditions [VERIFY]	
Inspection, testing, checklist, documentation, acceptance, correction, and handoff	
Change orders, added work, hidden conditions, cancellation, rescheduling, and out-of-scope requests	
Fee, deposit, expenses, tax, invoicing, payment, late payment, refunds, and chargebacks [VERIFY]	
Licensing, permits, insurance, safety, privacy, accessibility, and customer-required controls [VERIFY]	
Warranty, maintenance, service response, damage, loss, limitation, and claim procedure [VERIFY]	
Confidentiality, records, photos, data, testimonials, portfolio use, retention, and deletion [VERIFY]	
Completion, acceptance, closeout, support period, complaint, dispute, termination, and signatures [VERIFY]	

Franchise Opportunity and Interview Tracker

01FEES

02MODEL

03VERIFY

04DECIDE

DATE	BRAND / PERSON	ROLE	QUESTION / DOCUMENT	STATUS NEXT STEP

BRAND	TOTAL INVESTMENT	YEAR-1 FEES	OWNER CALLS	OPEN ISSUES
BRAND	TOTAL INVESTMENT	YEAR-1 FEES	OWNER CALLS	OPEN ISSUES
BRAND	TOTAL INVESTMENT	YEAR-1 FEES	OWNER CALLS	OPEN ISSUES

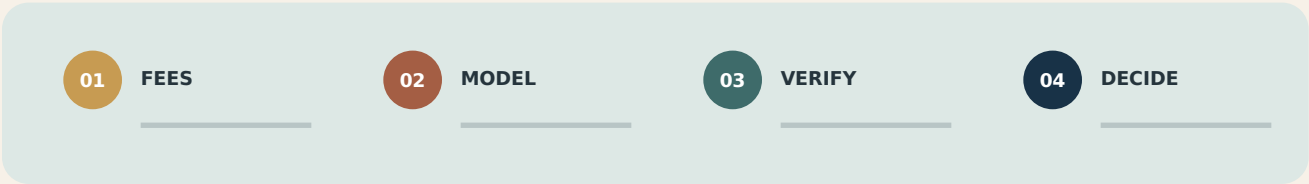
BRAND	TOTAL INVESTMENT	YEAR-1 FEES	OWNER CALLS	OPEN ISSUES
BRAND	TOTAL INVESTMENT	YEAR-1 FEES	OWNER CALLS	OPEN ISSUES
BRAND	TOTAL INVESTMENT	YEAR-1 FEES	OWNER CALLS	OPEN ISSUES

ONE METRIC

FRANCHISE PREMIUM VS. INDEPENDENT: _____ OWNER CALLS: _____ OPEN ISSUES: _____

WORKSHEET 07

Franchise Purchase Compliance and Decision Protection



Check licensing, zoning, and tax rules for your own city and state before starting.

CHECK	CONTROL	INITIALS NOTES
☐	Licensing, zoning, tax, advertising, privacy, accessibility, safety, environmental, and local rules are confirmed [VERIFY].	
☐	Required insurance, certificates, limits, exclusions, additional insureds, drivers, workers, and subcontractors are confirmed [VERIFY].	
☐	Written scope defines the offer, exclusions, responsibilities, schedule, acceptance, payment, warranty, and change control.	
☐	Equipment, tools, vehicles, products, software, storage, access, and backups are inspected and fit for the actual work [VERIFY].	
☐	Training, credentials, permits, inspections, records, recurring renewals, and customer requirements are current [VERIFY].	
☐	Customer, payment, property, employee, health, identity, and confidential data are minimized and protected [VERIFY].	
☐	Pricing, credentials, affiliations, testimonials, savings, results, and outcome claims are truthful and documented.	
☐	Incident, damage, spill, injury, complaint, refund, breach, interruption, and escalation procedures are written [VERIFY].	
☐	Work stops for unsafe conditions, missing authorization, inadequate coverage, prohibited scope, deception, or requirements outside competency.	

STOP RULE

Do not sign, pay, borrow, transfer retirement funds, accept a territory, or guarantee an obligation until the current FDD, agreements, total investment, continuing fees, independent model, unit interviews, lender terms, attorney review, accountant review, and exit restrictions are documented [VERIFY].

The invoice template was skipped because this is a buyer decision guide, not an operating service that invoices customers.