Buying A Business or Franchise?

Some Questions to ask

The Business Owner
Buying a Business?
Sample Questions to Ask Business Owners

1. How long have you been in the business?
2. How are you doing in your business? Are you pleased with your earnings?
   - If the Owner made an earnings claims, are your earnings close to that earnings claim?
   - Are you working full-time in the business?
   - Do you see your volume growing?
   - What is your best estimate of your annual growth?
   - Do you own, or would like to own, additional units?
3. Does your location meet your customers’ needs? Who picked your site?
4. How do you rate the management of the franchise?
5. How would you rate your initial training? Ongoing training?
6. How would you rate your ongoing support? If you need assistance, do you get it easily?
7. How do you rate the marketing and advertising and promotional programs?
8. If you had to do it again, would you buy/start this business? Would you like to own more units?
9. Are you aware of any franchisees that are not happy with the business? Do you know why?
10. Would you share some of your monthly costs of doing business with me:
    $__________ Rent
    $__________ Utilities
    $__________ Advertising and Promotions
    $__________ Inventory/Cost of Goods
    $__________ Labor/Payroll?
    $__________ Insurance
    $__________ Other
    $__________ TOTAL
11. How difficult is it to find, train, and retain employees?
12. How much can I reasonably expect to earn in my first year? Second year? Third year?
13. What do you like best and least about this business?