

Franchising & Licensing ASIA

MICA (P) 048/02/2011 Jul - Sep 2011

Economic climate effects vary across Australian franchise sector

A quarter of Australian franchises experienced a decline in the number of franchise units in 2010, according to new research.

The Franchise Performance Metrics research was conducted by Griffith University's Asia-Pacific Centre for Franchising Excellence and led by Centre Director Professor Lorelle Frazer.

Professor Frazer said the research revealed, for the franchises involved in the research, an average decline of four units per franchise, or 5 percent of the overall franchise system size.

"Most declines were in the retail non-food sector," Professor Frazer said.

"In the current economic conditions retail overall is struggling in Australia, with the exception of food.

"The retail food industry continues to record strong growth, with no franchise unit declines reported in the Franchise Performance Metrics research."

For example, Retail Food Group, the franchisor for Donut King, Michel's Patisserie, Brumby's Bakeries, bb's café, Esquires and Big Dad's Pies recently reported its sixth year of consecutive growth.

Retail Food Group reported a \$27.9 million profit, even with 17 percent of their franchise network (close to 200 franchise units) being affected by the Australian floods at the start of the year.

Domino's Pizza franchise also recently announced a 20 percent increase in profit from the previous year, with online sales from mobile devices now delivering \$1 million per week for the franchise.

Professor Frazer said despite strong franchise growth in some industries and overall franchise sector growth of 6 percent, the current economic climate had some impact on most franchise systems.

"Nearly half of the franchisors involved in the Franchise Performance Metrics research reported one or more of their franchisees had requested royalty relief in the 12 months ending June 2010," Professor Frazer said.

"This indicates one or more franchisees in most systems have been facing financial difficulties in the current economic climate."

The recent collapses of Borders and Angus & Robertson (A&R) book franchises highlights industry weaknesses, however Collins, a franchisee-owned book franchise, bought a number of A&R stores and is confident of future business success.

The Franchise Performance Metrics research shows emerging franchise systems, which have been franchising for six to ten years, generally have a higher number of unit losses, Professor Frazer said.

"The higher unit losses may be caused by insufficient market penetration and business models unable to fully cushion the current economic conditions," she said.

"In Australia for a number of years there have been too many smaller, unsustainable franchise systems, however our Franchising Australia 2010 research indicates a consolidation of franchise systems as a result of the Global Financial Crisis.

"Overall this consolidation is good for the sector, as only the stronger and more profitable franchise systems remain."

More Australian franchise sector benchmarks across a range of key performance indicators are available in the Franchise Performance Metrics Research Report, due for release in the coming weeks.

Find out more about the Franchise Performance Metrics research or pre-purchase your copy of the report online at www.franchise.edu.au/franchise-performance-metrics.html

Further information on the Franchising Australia 2010 research is available at www.franchise.edu.au/franchising-australia-research.html

CONGRATULATIONS TO
OLD TOWN WHITE COFFEE
FOR WINNING THE
FLA INTERNATIONAL
FRANCHISOR OF THE YEAR 2011

OLD TOWN WHITE COFFEE
take your time™

"We are both humbled and honored for being recognized as the International Franchisor of the Year by FLA Singapore. Despite being relatively new in the Food and Beverage Industry, we have been able to venture internationally and our success can be attributed to good foresight and excellent support from all our management team members."
Clarence D'Silva
Executive Director/COO, Old Town White Coffee



A Resounding Success

FRANCHISING & LICENSING ASIA 2011

Exhibitor & Conference

8 - 10 September 2011 • Marina Bay Sands, Singapore



FLA Award Gala Dinner

8 September 2011

FLA Award Gala Dinner, one of FLA most important and sought after annual event in the franchise fraternity, has concluded on the Thursday evening of 8 September at the Marina Mandarin Singapore. Close to 360 guests, the evening was full of well-deserved recognition, inspiration, networking and entertainment. A memorable evening would not be possible without great Sponsorships! Once again, FLA sincerely extend our thanks to every person, business and organization that helped make our inaugural event an unforgettable one!





FRANCHISING & LICENSING ASIA 2012

Exhibition & Conference

The International Event for Entrepreneurship,
Business Opportunities & Intellectual Property Rights in Asia

1 - 3 November 2012

Marina Bay Sands, Singapore

www.FranchiseLicenseAsia.com

BOOK NOW FOR YOUR PRIME BOOTH LOCATION!

Tel: (65) 6319 3047 • Email: bizlinksales@sph.com.sg

Presented By



Organised By



Held In



IFRA 2011, a venue of many possibilities, held this year mid-June has attracted a sizeable group of local franchisors to exhibit at the show led by FLA. If winning new businesses is your top priority, take a closer look beyond the snapshots and you will probably have just made a wise choice to exhibit again next year at IFRA 2012 in June 1 to 3.



What can be more attractive than to receive new business leads through FLA Business Matching. An example of one of our business matching conducted was during when FLA organized our China Trade Mission in partnership with A.S. Louken in May 2011 then you will probably better understand your time invested to travel with FLA is not without benefit. We are endeavoring to organize a Trade Mission to USA during the early part of 2012, we welcome you to write to FLA (Jessica@flasingapore.org) and let us know your interest and what you like to expect when traveling to US.

Seeking Franchisees / Licensees in Australia / New Zealand

Franchise / License : Art Zone
 Company : Art Zone Pte Ltd
 Tel : +65 6333 8203
 Fax : +65 6472 2410
 Email : info@artzone.com.sg
 Contact Person : Ms May Lee
 Description : Children Art Enrichment Centre that caters to every child's learning ability. It's hip, it's joy, it's fun! Log on to www.artzone.sg for more details.

Franchise / License : BBQ Chicken
 Company : Genesis BBQ (Asia Pacific) Pte Ltd
 Tel : +65 6507 4388
 Fax : +65 6507 4399
 Email : michael.cha@genesishbbq-ap.com
 Contact Person : Mr Michael Cha (Director, Business Development)
 Description : BBQ Chicken is the No. 1 franchise brand in Korea. First in the world using 100% Olive Oil for frying. Now in over 40 countries. Tasty Yet Healthy!

Franchise / License : BreadTalk
 Company : BreadTalk Pte Ltd
 Tel : +65 9327 3717
 Fax : +65 6854 9756
 Email : Jason.koo@breadtalk.com
 Contact Person : Mr Jason Koo
 Description : BreadTalk is established since year 2000 and has set foot prints in 16 countries/territories with 400 stores worldwide.

Franchise / License : Crystal Jade My Bread
 Company : Crystal Jade Culinary Concepts Holding
 Tel : +65 6339 0998
 Fax : +65 6339 5593
 Email : keith@crystaljade.com
 Contact Person : Mr Keith To
 Description : A contemporary Asian bakery & café specializing in East & West confectionary, food, snack & beverages with 4 concepts:- Café Bakery, In-house Bakery, Retail Bakery and Snack Bar.

Franchise / License : Fig & Olive
 Company : Fig & Olive Café Pte Ltd
 Tel : +65 6336 4409
 Fax : +65 6336 1304
 Email : franchise@figolive.com / mas@figolive.com
 Contact Person : Mdm Masmunah
 Description : Fig & Olive is a Mediterranean concept Restaurant / Café / Kiosk. Rich in Culture and food history, the nations on the shores of brilliant azure Mediteranean, Fig & Olive features delicious and wonderful dishes and a great franchise system. Fig & Olive look forward to open in Australia and New Zealand.

Franchise / License : 1) Math Monkey Asia
 2) Online Trading Academy
 Company : Asia Franchise Networks
 Tel : +65 6220 3291
 Fax : +65 6234 0966
 Email : tklee@asiafranchise.net
 Contact Person : Mr T.K. Lee
 Description : Education franchise opportunities. 1) Play games, develop brain abilities, learn mathematics for kids age 4 to 12 years old. Teach mathematics to kids age 4 to 12 years old. (www.mathmonkey.com.hk) 2) Financial Education Center – Online Trading Academy (www.tradingacademy.com)

Franchise / License : Pho Hoa Vietnamese Noodle Soup
 Company : Pho Hoa Asia Pacific Pte Ltd
 Tel : +65 6743 0043
 Fax : +65 6743 3921
 Email : admin@phohoa.com.sg
 Contact Person : Mr Dennis Chow
 Description : Pho Hoa, one of the world's largest Vietnamese Noodle Soup Quick Service restaurant chain is seeking ideal Franchisee candidates to develop the Pho Hoa concept in Australia & New Zealand.

Franchise / License : Ramen Ten / Shin Tokyo Sushi
 Company : Ramenten Restaurant Pte Ltd
 Tel : +65 9009 1287
 Fax : +65 6250 0683
 Email : yvone@ramenten.com
 Contact Person : Ms Yvone Lim
 Description : Ramen Ten / Shin Tokyo Sushi is Singapore's 1st Halal Japanese Restaurant Chain. It adopts a modern and casual dining concept that serves more than 25 types of ramen as well as halal sushi, freshly made on conveyor belt. These 2 concepts already has Master Franchisee for 15 Countries in MENA (Middle East North Africa) namely : Qatar, UAE, Saudi Arabia, Oman, Bahrain, Kuwait, Lebanon, Syria, Jordan, Iraq, Morocco, Tunisia, Algeria, Egypt and Libya and will be expecting to open the 1st outlet in Qatar end 2011.

Franchise / License : Trung Nguyen Coffee
 Company : Trung Nguyen International Holdings Pte Ltd
 Tel : +65 6377 4067
 Fax : +65 6377 4069
 Email : felipe@trungnguyen.com.sg
 Contact Person : Mr Felipe Matibag
 Description : One of the few multi-dimensional coffee player in the world, Trung Nguyen Coffee offers a unique alternative to western cafés. We offer a café concept featuring alot of great Eastern elements that differentiates us from western cafés.

Franchise / License : Various ethnic food and beverages; education/enrichment related to math, children mindset
 Company : Asiawide Franchise Consultants Pte Ltd
 Tel : +65 6743 2282
 Fax : +65 6743 1139
 Email : christopher@asiawidefranchise.com
 Contact Person : Mr Christopher Tay
 Description : Please visit www.asiawidefranchise.com/biz_opps.aspx

Welcome New Members

Angeline Suparto & Company
www.ascentianconsulting.com

Ascentian Consulting Pte Ltd
www.ascentianconsulting.com

Daekyo Enopi Singapore Pte Ltd
www.enopi.com

Gateway Law Corporation
www.gateway-law.com

Joceluta Pte Ltd
www.vivafit.com.sg

ServTouch-Wywy (Singapore) Pte Ltd
www.servtouch.com

VeganFoods Global Pte Ltd
www.veganburg.com

For more information, contact FLA :
 Franchising and Licensing Association (Singapore)
 32 Maxwell Road
 #02-14 Maxwell Chambers
 Singapore 069115
 Tel: (65) 6333 0292
 Fax: (65) 6333 0962
 Email: enquiry@flasingapore.org