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Looking for an Investment? Here Are 8 of the Best Franchises in America

BY [Laurie Kulikowski](#) 05/24/14

NEW YORK ([TheStreet](#)) - Franchising. Whether you know it or not, you see it everywhere. From **McDonald's** ([MCD](#)) to **7-Eleven**, there are many companies that use franchising as their business model.

Franchise investing provides, in many cases, a proven model of business that first-time owners can rely upon. Besides a franchisee playbook, parent companies also offer ongoing support and assistance in the form of marketing, technical help and sourcing, for instance. That said, some of the best franchises aren't the most well-known or even the sexiest of concepts. But then again, investors should not be buying into a concept based on brand name or concept idea alone. It's about being profitability, and in most cases, working at a job a franchisee has deep passion for that shows in the business they run.

To decipher what some of the best franchises are, *TheStreet* worked with Franchise Business Review, a franchise market research company to come up with the list. The list below represents franchise names that scored the highest in *Franchise Business Review's* annual franchisee satisfaction survey that polled more than 400 companies. The survey represents the top 200 brands.

FBR says that any franchise company with 10 or more operating franchisees is welcome to take the survey, which is free. Companies looking for operational performance typically purchase results specific to their brands.

"The silver lining of the recession is that many franchisors are focused on operations and are really looking at how we can clean up our operations," says Eric Stites, CEO of *Franchise Business Review*. "Franchises have really done a good job refining their concepts, trying to bring down that initial investment, reducing requirements. If it's a retail location, more franchises are going to a smaller more efficient location. They really are looking at the unit economics and that goes hand and hand with the recession."

Stites says greater transparency, thanks to both the recession and the age of digital data collecting, is also another growing trend. Potential investors should ask brands they are interested in if they have a third-party franchisee satisfaction report available for review. "If they don't have one ask them why," he noted. "That potentially means they're hiding something."

There are lots of market research firms that look to provide lists of the "best franchises," and while these lists are a good stepping stone for potential franchisees to use, it's ultimately up to the investor to do their homework.

Here are eight franchise brands worth considering.



7. Wild Birds Unlimited

Description: Wild Birds Unlimited is the original and largest franchise system of backyard bird feeding and nature specialty stores. The company's mission is to bring people and nature together, and to do it with excellence with bird feeding and nature products, expert advice and educational events. The brand has dedicated itself to offering the best bird supplies including birdseed, bird feeders and hobby accessories. Wild Birds Unlimited is committed to connecting children with nature and inspiring the next generation of outdoor enthusiasts.

Number of locations: More than 280 locations throughout the U.S. and Canada, with plans to sign 16 new franchise agreements in 2014.

Start-up investment: Between \$104,162 and \$172,511

Specific franchisee requirements: The ideal Wild Birds Unlimited franchisee is someone who is a nature enthusiast with a passion for bird feeding. They are excited about building a business that they believe in and becoming the local source for backyard bird feeding products and knowledge. Franchisees must be committed to delivering exceptional customer service with an energetic friendly attitude while interacting with and helping others who share their interest in backyard bird feeding. They must also be dedicated to following the Wild Birds Unlimited "Best Practices," interested in owning their own business and working for themselves.

Average annual sales per unit: More than \$500,000 in 2013

ROI: Wild Birds Unlimited's FDD includes this information in item 19.

Why should a franchisee invest? The franchise system has grown on a culture where all employees are on the same team and can work together to enhance the entire system by training franchise owners in the best practices that were established when the company was founded in 1981. Customer retention is one of the most important aspects of running a Wild Birds Unlimited franchise and the company has developed some best practices to keep people coming back to a store, including providing franchise owners with a customer loyalty program as a way of giving back to their customers, supplying them with useful knowledge about backyard bird feeding and the outdoors.

Franchisees are trained with the best practices and ongoing training is available, including displaying and selling merchandise, marketing and public relations, creating financial reports, hiring and training employees, strategies on pricing inventory, and studying the local competition. They also receive marketing plans for a year and learn to navigate the company's intranet, where they can find resources for creating localized advertising pieces, templates for emails and postcards, and even sources for printing.