

MINORITY OUTREACH PROGRAMS IN FRANCHISING

RESEARCH REPORT AND CASE STUDIES

Published by



IFA EDUCATIONAL FOUNDATION

Sponsored by



PEPSICO
FOUNDATION

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LIST OF PARTICIPATING COMPANIES

Advantica Restaurant Group
Blimpie International, Inc.
Burger King Corporation
Candy Bouquet International Inc.
Coca-Cola Company
Cendant Corporation
Choice Hotels
Marriott International, Inc.
McDonald's Corporation
Metromedia Restaurant Group
PepsiCo, Inc.
PostNet International Franchise Corporation
Six Continents Hotels
Subway Corporation

The IFA Educational Foundation expresses its sincere thanks to these IFA member companies for participating in the study.



ACKNOWLEDGMENTS

Rapid demographic changes are reshaping the American and global marketplaces, creating many new challenges and opportunities for franchisors, franchisees and suppliers. One of the most significant changes is the growth of minority populations. This growth affects how we conduct business at every level – corporate, company-operated and franchised locations.

The purpose of this report is to provide a look at how some franchise systems are addressing these changes by developing programs specifically targeted to minorities.

On behalf of the IFA Educational Foundation, I would like to express our sincere thanks to all who took part in preparing this report. Many thanks to the PepsiCo Foundation for their financial sponsorship of this project. In particular, to Jackie Millan, director of corporate contributions, and Ron Harrison, senior vice president, global diversity and community affairs. For many years, Ron spearheaded IFA's minority programs as chairman of the Minorities in Franchising Committee and later as Chairman of the IFA.

Many thanks to the members of IFA's Minorities in Franchising Committee who assisted in preparation of this report. Many thanks to IFA staff members Sonya Brathwaite, Director of Diversity and U.S. Emerging Markets and Marcel Portmann, Vice President, Emerging Markets and Global Development, and to EF staff members John Reynolds, President, and Kathryn Morgan, Director of Research and Education.

Many thanks to Dick Willard, President of Management Resources International, for his tireless, patient and persistent efforts to make this report a reality.

Most of all, many thanks to the IFA members who participated in this study by sharing information about their programs and activities. It is our hope that through such sharing and exchange of information, we can all benefit from the lessons learned and examples set forth in these pages.

A handwritten signature in black ink, appearing to read "Sid Feltenstein".

Sid Feltenstein
Chairman, IFA Educational Foundation
Chairman & CEO, Yorkshire Global Restaurants

OVERVIEW

This study was undertaken to provide both an overview and a glimpse of specifics in the minority programs underway in some franchise companies today. The study is in two parts. Part I summarizes the findings of a survey conducted of IFA member firms with 500 or more units, including member companies on the IFA Board of Directors and Minorities in Franchising Committee. Of the 71 companies surveyed, 65 responded (an excellent response rate of 92 percent).

Part II of the study provides profiles of specific programs. The study is by no means a comprehensive report, but is intended to provide an overview of how some franchise systems are responding to the opportunities and challenges that all businesses are facing. The study provides examples of programs and activities in these categories – minority franchisee recruitment, minority employee recruitment, consumer marketing, financial assistance, diversity awareness and training, supplier relations, and other programs.

MINORITY OUTREACH PROGRAMS IN FRANCHISING



PART I - IFA Member Survey Results

Scope of Study

For purposes of this study, the term "ethnic minorities" refers to African-Americans, American Indians, Hispanic-Americans, and Asian-Americans. The objectives of the study were to:

- Undertake an initial survey of selected IFA members to identify those companies that have minority participation/outreach programs in place.
- Gather initial information on the scope of those programs.
- Select a group of potential companies whose programs could then be further profiled as examples.
- Work with selected companies to produce a final report with examples of specific minority outreach programs and resource information.

This study is not a comprehensive report of all IFA member programs and activities in this area, nor is it a census of minority participation in franchise ownership or operations. Rather, the study is an overview with examples of minority outreach programs in franchising that can serve as a guide to encourage the development of additional programs.

Methodology

The sampling of IFA member companies selected for the survey included franchisors with 500 or more units, members of the IFA Board of Directors, and the IFA Minorities in

Franchising Committee. Seventy-one (71) companies were selected for the sampling. A letter, signed by the IFA Educational Foundation Chairman and IFA Minorities in Franchising Committee Chairman, was sent to the CEO of each company, together with a short survey questionnaire asking them to identify specific programs and activities focused on minorities in the areas of --

- Recruitment and Marketing Efforts - targeted to minorities as franchisees
- Financial Assistance - or other programs designed to assist minorities in acquiring or starting a franchise with the company
- Employee Recruitment - either for corporate office or for company store operations
- Employee Recruitment – to assist franchisees and/or store managers to recruit minorities as employees at the local store level
- Consumer Marketing – marketing and advertising programs targeted to minority segments of the population
- Diversity Awareness Training programs
- Other kinds of activities targeted toward minorities.

Follow up calls were then made by the staff of Management Resources International, an independent consulting company under contract to the IFA Educational Foundation to assist with the study. Of the 71 companies in the sampling, responses were received from 65 companies, or a 92 percent response rate.

General Observations

- Among the companies in the sampling, the hotel/lodging and quick service restaurant segments reported the largest number of companies with programs in the areas surveyed. This is also the largest category of IFA's membership, with multiple business locations and the largest number of employees.
- Of the 71 companies in the sampling, 6 did not return the survey or respond to follow up telephone messages, and 5 declined to participate in the survey. Several of the latter had minority participation programs in the early pilot stages and did not want to release information at this time.
- The terrorist events of September 11th impacted the results of the study in that several companies that had initially agreed to have programs profiled for the study subsequently withdrew their offers over concerns about possible curtailment of these programs for economic reasons.

The remaining sections of this study profile the minority outreach programs of a number of IFA members, organized by the various sections of the survey. Further details of the survey results are reported at the beginning of each respective section.

Summary of Survey Responses	No.	%
Recruitment & Marketing Efforts targeted to minorities as franchisees	20	31
Financial Asst. & other programs to assist minorities to acquire franchises	11	17
Minority Employee Recruitment at corporate level	26	40
Employee Recruitment - helping franchisees recruit minority employees	4	6
Consumer Marketing - targeting minority populations	27	42
Diversity Awareness & Training Programs	22	34
Other Minority Participation Programs	12	19
Do not sponsor any minority participation programs	16	25
Do not want to participate in IFA survey project	5	7.7

PART II - Examples of Member Programs/Activities

The following profiles of IFA members' programs or activities were either directly provided by IFA members, or were developed by Management Resources International based on interviews with, and subsequent review by, IFA members.

MINORITY OUTREACH & RECRUITMENT

Programs that are designed to reach out to minority populations as customers or franchisees/employees

Consumer Marketing

Forty-two percent of the respondents reported that they have marketing and advertising programs targeted to minority segments of the population. This question received the highest number of positive responses. Most place ads in a variety of minority publications and media, and ensure that there are diverse populations represented in their various advertising materials and messages. In the quick service restaurant sector, a number of franchisors modify menus and food offerings in locations with high concentrations of minority populations.

Employee Recruitment – Corporate & Franchisee

Forty percent of the respondents reported that they have recruitment efforts at the corporate level specifically targeted

to minorities. These vary from employee ads in minority publications, and working with Historically Black Colleges and Universities (HBCUS), to contracting with minority-owned search firms.

At the unit level, the majority of respondents reported that this was an area of responsibility of the local manager. In many cases the franchise agreement requires that the franchisee, as an independent operator, deal with employee recruitment and management matters. Six percent of the respondents provide some assistance to franchisees and/or store managers in recruiting minorities as employees at the local level. Some were aware of local initiatives in this regard, but that it was not the responsibility of the parent company.

Name of Program: Connections for Community Ownership



Brief Description

PostNet International is a sponsor, and one of the franchise participants, in the Chicago area Connections for Community Ownership program where they have succeeded in opening several local PostNet franchise stores in the urban renewal areas of the city.

Key Contact Person

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Background Information

Several years ago, PostNet International President Steve Greenbaum, originally from the Chicago area, was introduced to the Connections for Community Ownership program as part of the company's efforts to broaden its geographic base of franchise operations and diversify its base of minority franchisee ownership. In 1999, the Connections for Community Ownership program, a project of the Center for Neighborhood Technology, together with the Latino Franchise Project, formed The Franchise Partnership whose objective is to bring "brand" companies into Chicago's urban renewal areas. Through the program, PostNet International has successfully opened 3 franchises in these areas, has one additional store in development, and is seeking to expand to additional locations in the area.

Program Highlights

The Chicago Franchise Partnership, together with other cooperating non governmental organizations and local financial institutions, seeks to bring "brand" businesses into the urban renewal areas of Chicago and match them with a pool of screened and qualified African- and Hispanic-American business candidates. The Partnership has identified a pool of some 3,000 candidates, and works with them on an ongoing basis to prepare them for business ownership. The Partnership also operates a Loan Fund (established with the support of local banks, foundations, the Federal Empowerment Zone, and the Community Development Financial Institute Fund), which helps individuals finance the acquisition of a franchise provided they have 15% (instead of the usual 25-40%) of the initial funds required for the purchase. Through a series of introductory seminars, the candidates are introduced to potential franchisors. The Partnership then works with candidates on site selection,

market analysis, financing and help in promoting the business once it is established. Since its establishment in 2000, the Partnership has developed a total of 5 franchises in the urban renewal areas. It is currently working with some 25 franchisors, and ultimately seeks to establish 20-25 new local franchise operations annually.

The three existing, and several pending, PostNet franchises were developed without PostNet's having to modify its established franchisee requirements in terms of qualifications or capital requirements. PostNet has attended 3 of the program's introductory seminars to date, and has averaged one new franchisee per seminar - a rate of return the company considers very good. In an interesting refinement of the usual franchising arrangement, one of the PostNet franchises under the program is actually owned by the Latino Franchise Project, with the understanding that the franchise manager will ultimately take over as the franchisee.

The program's effectiveness is the result of several factors. First, the dedicated effort to qualify people within the local community and to nurture them until they are ready to acquire a franchise. Second is a partnership with the franchise community. In exchange for the services provided by the program, collaborating franchisors pay a fee that ranges from \$4,500 to \$9,750 (depending on the payment option selected and the number of franchise units developed). The fee helps to support the program and, in turn, greatly facilitates the program's ability to attract foundation funding by demonstrating an outside source of program-related funding coming into the program from the franchise business community. In PostNet's experience, the program has also been successful because the company's leadership is fully committed to the program.

Additional Information/Resources

IFA member Sign-A-Rama has also established two franchises under the program. IFA members seeking information on this unique partnership effort on behalf of minority communities can contact:

David Chandler
Manager for Economic Development & Program Director
Connections for Community Ownership
2125 W. North Avenue
Chicago, IL 60647-5415
Tel: (773) 278-4800 Ext. 123
Fax: (773) 278-3840
E-mail: david@cnt.org
Web site: www.cnt.org

Name of Program:

Choice Hotels Exploring the Potential of Franchising Seminar



Brief Description

Choice Hotels has developed a free, four-hour seminar on "Exploring the Potential of Franchising" specifically targeted at minority entrepreneurs.

Key Contact Person

Dr. Pat Murphy
Senior Director of Corporate Engagement
Choice Hotels
10720 Columbia Pike
Silver Spring, MD 20901
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Fax: (301) 592-6200
E-mail: Pat_Murphy@choicehotels.com

Background

The workshop was developed as part of Choice Hotel's ongoing effort to attract more minority entrepreneurs to its franchising base. The free, four-hour workshops are offered in various major metropolitan areas across the United States.

Program Highlights

"Exploring the Potential of Franchising," is designed to familiarize prospective franchisees with franchising in general and with hotel franchising and Choice Hotels in particular. Topics covered include demographic trends that favor hotel franchising, what to look at (and look out for) when evaluating hotel opportunities, capital and operating costs, sources of capital and financing. Research tools, marketing strategies, cash flow, construction and royalty fees are also discussed.

The following is an outline of the workshop.

I. WELCOME

II. OBJECTIVES

III. FRANCHISING: WHAT IS IT?

- A. Types of Franchises
- B. How does franchising work?
 - 1. Cash Flow
 - a. Initial Fee
 - b. Royalty Fee
 - c. National Name
 - d. Advertising
 - 2. Making Money (How)
- C. How do you get into the game? (Self-assessment)
- D. Personality and interpersonal skills

E. Buyer Beware

- 1. UFOC Uniform Franchise Offering Circular
- 2. Checklists to ask questions (What to ask a franchisor before you commit)
- 3. Compare successful and unsuccessful

F. Sources of capital

- 1. Equity
- 2. Debt
- 3. Liquidity

IV. HOTEL FRANCHISING BUSINESS

- A. Business Model for Franchises
- B. Trends (Internet, aging population, etc.)
- C. Can be labor intensive for owner
- D. Conditions, constraints, realities of the business
- E. Self-assessment for hotels
- F. How to estimate revenues
 - 1. Annual publication of Smith Travel Research
 - 2. Created the most extensive and definitive database for hotel industry revenues and expenses
 - 3. Over 3,000 hotels and their operating statements
 - 4. Host Data Service contains information on:
 - a. Hotel revenues
 - b. Operating expenses
 - c. Payroll costs for all industry segments
 - d. Segmented into departments
 - i. Rooms
 - ii. Food and beverage
 - iii. Marketing
 - iv. Utility costs
 - v. Property maintenance
 - vi. Administrative and general
 - 5. Custom reports can be generated
 - a. Entire states or metropolitan areas
 - b. Composite data on groupings of individually selected hotels or competitive sets
 - 6. Typical Analysis
 - a. Ratios to sales
 - b. Amounts per available room
 - c. Amounts per occupied room night
 - 7. Users
 - a. Lenders and lodging creditors to compare with borrowers projections
 - b. Owners and investors
 - c. Appraisers and consultants for tailored benchmarking data for comparable hotels in a specific market sector, city, or metropolitan area
- G. Checklist for hotels

(Continued on page 8)

(Continued from page 7)

V. HOW TO TAKE ACTION

- A. Find your market
- B. Conduct a feasibility study
- C. Put together a loan proposal: Review main points
- D. Profiles of different successful strategies
- E. External third party
- F. Testimonials
- G. Resources
 - 1. Contact list
 - 2. Information list
 - 3. Tailored pre-meeting questionnaire
 - 4. Feasibility Study Sample

Additional Information/Resources

The following are suggested resource organizations:

Mr. George Herrera
US Hispanic Chamber of Commerce
2175 K Street NW
Suite 100
Washington, DC 20037
202-842-1212

Ms. Mary Grainger
US Department of Commerce Minority Business
Development
26 Federal Plaza
Room 3720
New York, NY 10278
212-264-3482
mgrainger@mbda.gov

Mr. Andy Ingraham
National Association of Black Hotel Owners, Operators and
Developers
3520 W. Broward Blvd.
Suite 218 B
Ft. Lauderdale, FL 33312
954-792-2519

Name of Program:

BLIMPIE Urban Initiative for Leadership Development (BUILD) Program



Brief Description

The BUILDS Program was developed in conjunction with the Department of Housing and Urban Development (HUD) to offer franchise opportunities to qualified individuals in inner cities. The program is geared to those who are willing to operate a BLIMPIE franchise in urban empowerment zones and enterprise communities designated for urban renewal and development by HUD.

Key Contact Person

Lance R. Moore, Group Vice President Western Region
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Background

The initial development of the BUILD concept began in 1998. The City of Detroit approached BLIMPIE through the Small Business Administration/One Stop Capital Shop. Detroit is actively advancing programs to invest and establish new businesses in the urban areas of the city. The first BUILD store opened in Detroit in March 2001, and 3 additional franchise licenses have been awarded for that city. The program is currently targeting 15-20 new BLIMPIE restaurants in Michigan over the next 3-5 years through the BUILD program. BLIMPIE has now launched a \$7.5 million urban initiative developed in conjunction with the U.S. Department of Housing and Urban Development to offer franchising opportunities to qualified individuals in empowerment zones. Additional cities that have expressed interest in the BUILD program include Seattle/Tacoma, Portland, Denver, Columbia and Chattanooga.

Program Highlights

A potential BUILD franchisee must submit a completed store Business Plan proposal and work in a BLIMPIE restaurant for a specified amount of time to better understand the requirements and demands of the BLIMPIE store environment. The store they plan to open must be located in one of the U.S. designated Empowerment Zones and/or Enterprise Communities. BLIMPIE also requires BUILD franchisees to be owner-operators of the store.

Franchisee candidates first meet with the BUILD Steering Team, which includes BLIMPIE managers, SBA and government personnel, and volunteers from local area banks, colleges, and urban/business development groups. The candidates also meet with the BLIMPIE Subfranchisor (or area developer) in the market, who has a contractual agreement and ongoing working partnership with all franchisees in the area. Subfranchisors will assist in initial business planning and site selection, and will provide aid and training to the franchisee after their location is up and running.

BUILD franchisees receive their initial training (BLIMPIE University) at the BLIMPIE corporate office in Atlanta, GA. Continuing BLIMPIE -related education and training is frequently offered in their market areas.

BLIMPIE waives the initial franchise fee of \$18,000. However, BUILD franchisees are responsible for paying full BLIMPIE royalties (10% of gross sales during the entire period they own and operate the store). 3% goes back to BLIMPIE International, Inc., 3% goes to the area Subfranchisor, and 4% goes to local and national advertising.

BLIMPIE works with the SBA and local government agencies to identify banks and other institutions/business groups that can provide help to potential franchisees. The agencies specifically aid in building ongoing relationships with franchisee prospects and help with identifying candidates for additional BUILD stores.

Additional Information/Resources

More information on BLIMPIE International Inc. can be found at <http://www.blimpie.com/>.

DIVERSITY TRAINING

Diversity awareness and training programs

Thirty-four percent of the respondents reported that they offer diversity training. All those responding offer such programs at the corporate level, some also for franchise owners, and, in the case of the hotel sector, many within individual franchises.

Name of Program: We CAN! Training



Brief Description

The We CAN! Training programs broaden awareness of discrimination including all forms of unlawful behavior which have an adverse impact on the environment in Denny's.

Key Contact Person

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Background Information

Denny's recognizes diversity as an essential element of its business. The company understands that our differences are one of our biggest assets and they create unlimited potential for success. Denny's has continually demonstrated this knowledge through efforts to promote tolerance, understanding and respect for differences. While demonstrating its commitment to diversity, the company has also communicated that commitment and responsibility to each employee through its diversity training programs. It is Denny's constant goal to ensure all guests and employees are treated with dignity and respect.

Program Highlights

The We CAN! Training programs are designed to encourage tolerance and understanding on an individual level while laying out for each employee their responsibility, as an employee of Denny's to provide consistent treatment to each and every guest. The programs are broken down into separate training sessions based on position and the level of responsibility assigned to the individual. The two main avenues through which the company communicates its commitment to diversity is the We CAN! Video Training and the We CAN! Developing Awareness workshop.

All employees are required to view the We CAN! Video Training and participate in a follow-up discussion which is designed to check for understanding of the concepts presented in the video. The video training focuses on the challenges and perceptions that employees face on a daily basis in the restaurant industry. It provides tools to help them consistently treat each customer with dignity and respect and gives instructions on the action steps to take when Denny's brand standards are not maintained. The video training is the avenue through

which the company is able to pass along to each individual within the organization, its commitment to diversity and the expectation of an equal commitment from each employee.

All management and key personnel in the restaurant are required to attend the full-day We CAN! Developing Awareness workshop. The objective of the Developing Awareness program is to teach managers how to create and maintain an environment in their restaurant that is free of harassment and discrimination for guests and employees. This message is communicated in a three-part outline.

People: Building Positive Interactions with Guests and Employees

The focus of this section is on diversity: recognizing the advantages our differences provide and how individual beliefs and stereotypes impact the way someone is treated. This section communicates to the managers their job of identifying self-fulfilling prophecies within their restaurant, and how to break the cycle by helping employees see their behaviors as wrong and correcting them.

Operations: Managing Guests' Expectations and Experiences

This section helps the managers understand guests' expectations and the importance of realizing perception is reality. Once they understand what the guests' expectations are, they can become more effective at managing the guests' experiences by using the tools and resources Denny's has implemented to ensure its brand standards are being consistently applied.

Accountability: Laws, Policies and the Restaurant Environment

This section teaches managers the Public Accommodations Laws as well as the Denny's Policies they are responsible for enforcing. It allows them to recognize the negative impact on the environment of the restaurant when these policies are violated, and lays out for them the action steps to take when that occurs.

Denny's continues to refine the diversity training processes to ensure its commitment to the message of diversity is maintained and communicated throughout the organization.

Additional Information/Resources

More information on Denny's Diversity Programs can be found at <http://www.advantica-dine.com/>. Denny's has shared its story of building an inclusive culture through a book written by chairman, James B. Adamson, entitled, "The Denny's Story: How a Company in Crisis Resurrected its Good Name." Adamson's royalties from the book, published by John Wiley & Sons, Inc., are designated to benefit Save the Children, Denny's national charity.

Name of Program:
**Diversity Training Institute sponsored
 by the IFA Educational Foundation in
 partnership with the Coca-Cola Company**



The Coca-Cola Company

Brief Description

In February of 2001 the IFA Educational Foundation, with support from the Coca-Cola Company, established the Diversity Training Institute. The purpose of the Institute is to provide a permanent framework for fostering diversity awareness and providing training for franchise executives and franchisees. Coca-Cola made a grant to the Foundation of \$250,000 to support the development of the Institute's programs and activities.

Key Contacts

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 The Coca-Cola Company
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 Atlanta, GA 30301
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 IFA Educational Foundation
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Background Information

During the Foundation's capital campaign, a number of companies including the Coca-Cola Company, PepsiCo, Marriott International and others came forward with grants specifically designed to promote expanded opportunities for minorities in franchising. The Diversity Training Institute was established to foster diversity awareness and provide diversity training to franchise executives and franchisees.

Program Highlights

At IFA's Annual Convention in 2001, the first full-day "Diversity Today" seminar was presented by Mauricio Velasquez, president of the Diversity Training Group. Following the Convention, "Diversity Today" seminars have been conducted in conjunction with IFA's regional meetings held in major cities. Working with Mr. Velasquez, the Foundation developed a "Diversity Awareness" video with training materials that was distributed to all IFA members.

In October of 2001, the Foundation developed a series of on-line training courses, covering "Dynamic Demographics", "Workplace Fundamentals", "Marketplace Fundamentals" and "Developing Your Own Diversity Strategy Plan". These on-line courses are self-paced and are designed to be used as a starting point for franchise systems that want to develop their own training program, or for companies to use to augment their current training program. The full-day seminar programs and on-line courses have been recognized for CFE credits by the Institute of Certified Franchise Executives. In addition, the ICFE Board has added Diversity Training as a core component for the course of study that franchise executives must complete in order to obtain their CFE designation.



Future plans include developing customized marketing and technical assistance programs for franchise companies, research studies to identify benchmarking and best practices, and the establishment of a Diversity Award Program to recognize those companies that have developed outstanding diversity programs.

Additional Information and Resources

For a schedule of "Diversity Today" seminars sponsored by the IFA Educational Foundation and the Coca-Cola company, visit the IFA web site at www.franchise.org, and click on "Events".

To learn more about the series of Diversity on-line courses, being presented by Mauricio Velasquez, president, Diversity Training Group, visit <http://ifa.intralearn.com>, and select "Courses", and then select the four online Diversity Courses.

To learn more about the Diversity Leadership Academy, please visit <http://www.aimd.org/dla/index.htm>.

FINANCIAL ASSISTANCE

Financial assistance or other programs designed to assist minorities in acquiring or starting a franchise

17% of the respondents reported that they had financial assistance or other programs specifically designed to assist minorities in acquiring or starting a franchise with their company. This percentage, however, is somewhat misleading since many of those in the survey offer either direct financial assistance and/or access to special banking relationships for all franchisees without special regard to minority status. These are not included in the 17% figure.

Name of Program:

Metromedia Restaurant Group



Brief Description

The Metromedia Restaurant Group teamed up with one of its financial contacts, GS Capital, L.P., to help a Hispanic-American franchisee expand into new markets.

Key Contact Person

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Background

The Metromedia Restaurant Group (MRG) represents the Bennigan's, Ponderosa Steakhouse and Bonanza Steakhouse restaurant brands - large franchises that require significant investment on the part of a franchisee. In order to help facilitate the involvement of new franchisees, or the expansion of existing franchise operations, MRG seeks to develop relationships with financial organizations that can help provide the necessary capital.

Program Highlights

In 2,000, MRG, through its contacts with GS Capital, L.P., assisted Mr. and Mrs. Ken Fernandez, Hispanic-American licensees of Bennigan's restaurant franchises in the Connecticut market, to expand and acquire additional Bennigan's restaurants in the Boston metro area. Today, the Fernandez family operates Bennigan's restaurants in Connecticut, Massachusetts and New York.

GS Capital, L.P. is a SBA licensed Small Business Investment Company whose mission is to provide a reasonable economic return on investor equity while assisting minority and women entrepreneurs in the ownership and management of operating businesses. The Fund invests primarily in service industry businesses. GS Capital has partnered with various franchise concepts with the goal of:

- Creating opportunity for qualified minority and women entrepreneurs
- Creating sustainable jobs in low and moderate-income communities.

The Fund also considers private companies, new companies that have or are developing relationships with established businesses, companies that were formerly units of larger corporations and new franchises with a proven track record. The Fund prefers business development, expansion and acquisition strategies. However, it will also consider start-ups. The Fund's preferred total investment amount is \$1 million to \$4 million.

In cooperation with GC Capital, Mr. and Mrs. Fernandez formed Irish Pub Restaurants Inc. to acquire and operate 3 additional Bennigan's restaurants in the Boston area, with rights to develop 8 additional units over a 5-year period. The company has developed one new restaurant and currently has 3 additional units in various stages of development. Ken Fernandez manages the company as well as a construction company that has built restaurants for other franchisees. Ken, and the Irish Pub Restaurants team, were recently awarded the President's Achievement Award for Operational Excellence at the Bennigan's national operators conference held in Lake Tahoe, Nevada. Additionally, Ken is a founding member of Bennigan's Franchise Advisory Council and head of the group's construction committee. Examples of other GC Capital's franchise investments include Air Stones Inc., which operates specialty retail concepts in airport retail centers; Party Land Inc., a worldwide franchisor of party-related accessories; New Jersey Food Ventures, Inc. which operates five Friendly's restaurants; and AES Management which operates a Popeye's Chicken and Biscuits franchise in Cleveland, Ohio.

Additional Information/Resources

More information on the Metromedia Restaurant Group can be found at <http://www.metrogroup.com>

Additional information on GS Capital, and its investment portfolio, can be found at www.gscapitalfund.com or by contacting:

Richard J. Gessner, Jr., Partner
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435 Devon Park Dr., Suite 612
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Tel: (610) 293-9151
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E-mail: rgessner@safeguard.com

Name of Program: Keys to Success - Building Wealth through Hotel Ownership program



Brief Description

The Cendant Keys to Success - Building Wealth through Hotel Ownership program has been created as a result of the company's recognition of the under representation of African-American, Hispanic, and Native American owners in the hotel industry. The elements of this program have been created to provide the new franchisee with the resources, support and information to assist him or her as a new Cendant franchise owner.

Key Contact

Nicole Johnson-Reece
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Background

According to the U.S. Census Bureau, as of 1999 African-Americans constituted 12.8 percent of the U.S. population and Hispanics made up 11 percent. However, these numbers are not reflected in hotel ownership industry wide. Cendant Corporation recognizes this as an opportunity for African-Americans, Hispanics and Native Americans to play a more prominent role in the ownership of hotels. The program also allows Cendant to continue to grow its hotel brands in an increasingly competitive environment.

Program Highlights

The Keys to Success - Building Wealth through Hotel Ownership program is designed to attract more African-American, Hispanic, and Native American entrepreneurs into the Cendant family of hotel brands by building awareness of the opportunities that exist in hospitality. The benefits of a Cendant franchise relationship include strategic national marketing and advertising programs, central reservation systems, on-going training, technology support and many others.

Development Allowance

Cendant recognizes the financial challenge that entrepreneurs face when trying to develop a new business. To assist in this area Cendant offers a development allowance to properties with at least 51% minority ownership* of \$1000/room for properties with up to 74 guest rooms, and for larger properties, \$1500/room for each room in excess of 74 guest rooms. This allowance is capped at \$150,000. The allowance is payable to the franchisee upon official opening provided it has met all opening requirements.

Management Company Matching

Cendant's goal is to provide franchisees with access to the tools needed to pursue hotel ownership. The Company may

require that a franchisee's property be matched with a professional hotel management company, depending on the franchisee's prior hotel management experience. This management company will manage the property for its first year of operation. Referral to a management company will also be provided at any time upon the franchisee's request.

Training

Cendant offers training to all of its franchisees through the company's state of the art HUBB (Hospitality University by Brand) training center which is located at corporate headquarters in Parsippany, New Jersey. This training is required of all new owners and general managers and is designed to give franchisees the tools and information necessary to meet brand standards.

Financing Referrals

Locating funding sources is usually a challenge for entrepreneurs. Cendant has relationships with numerous lenders and will introduce a new franchisee to these sources. In addition, Cendant continuously seeks out funding sources for minority business ventures, and has a department dedicated to assisting franchisees with locating capital.

Mentoring

The mentor program provides a positive learning environment and teams new franchisees with coaches to guide them through various standards, operations, and sales and marketing strategies. These coaches are experienced successful franchise owners and their employees who have volunteered to serve as mentors and guides for their fellow franchisees.

Dedicated Single Point of Contact

In addition to the Franchise Services Manager and the Brand Marketing team, Cendant has dedicated resources at its corporate headquarters to provide assistance to franchisees. These individuals are dedicated to serving as a single point of contact and assisting the new franchisee with a smooth process to opening.

Additional Information/Resources

More information on Cendant's Keys to Success Program can be found at http://www.cendant.com/franchising/minority_fdp.html. Below is a list of organizations the company supports, or to which it has made presentations.

- IFA – Minorities in Franchising
- Rainbow/Push – Wall Street Project
- Black Enterprise Entrepreneur's Conference
- National Association of Black Hotel Owners,
Operators and Developers
- US Hispanic Chamber of Commerce
- National Minority Supplier Development Council
- National Association for the Advancement of Colored People
- National Urban League

Name of Program:
**Subway Minority Ownership Financial
 Assistance Program**



Brief Description

Subway offers a special program to build minority franchisee ownership by providing financing of up to 90% of the franchise fee, combined with equipment leasing assistance.

Key Contact

Don Fertman
 Director of Franchise Sales
 Subway Corporation
 325 Bic Drive
 Milford, CT 06460
 Tel: (203) 877-4281 ext. 1320
 Fax: (203) 783 - 7320
 E-mail: Fertman_d@subway.com

Background

The program was started approximately eight years ago. It was born out of recognition of the fact that the company already had many minority-owned franchises, and the need to expand its geographic presence in more markets that serve minority populations. The program is managed internally.

Program Highlights

The qualifications for participation in Subway's minority ownership financial assistance program are the same for anyone wishing to become a Subway franchisee. All must have a basic financial background, business sense, must pass a basic math and English language skills test, and go through the interview process. For qualified minority candidates, Subway offers a program that finances up to 90% of the initial franchise fee - with the first six months interest free - and assistance with equipment leasing. Together, these account for about 50% of the initial required investment.

Subway also offers another program designed to expand Subway franchises in low-density markets where Subway is seeking to expand its presence. The program finances up to \$25,000 of the initial leasehold improvements needed to open a Subway store. Although this is a separate, unrelated program, it often works in tandem with the minority financial assistance program since both tend to operate in the same urban market areas.

In Subway's experience, however, not all minority franchise owners have taken full advantage of the financial assistance program. Rather, the majority of participants have used it as a starting point to get into the business, rather than as a means for long-term financing. Most participants pay off the full initial franchise fee after the first six-month interest-free period.

Additional Information/Resources

For more information, please visit the Subway web site at <http://www.subway.com/>.

DIVERSITY SUPPLIER PROGRAM

Program designed to broaden the involvement of minority-owned firms as suppliers.

While there were no questions in the survey about minority supplier programs, several respondents reported minority supplier programs as part of their overall minority participation activities.

Name of Program: Supplier Diversity Program



Brief Description

The Supplier Diversity Program represents a conscious effort by Marriott International Inc. to increase supplier diversity among locally owned businesses in the communities in which the company operates. It establishes a specific target of total purchases that are to come from minority-owned and women-owned businesses.

Key Contact Person

Michael Tobolski
Senior Director, Supplier Diversity
Supplier Diversity Program, Marriott International Inc., Dept.977.70
Marriott Drive
Washington, D.C. 20058
Phone: 1-877-276-0249 • Fax: 301-897-9014
E-mail: michael.tobolski@marriott.com

Background

Marriott International Inc. created the Supplier Diversity Program as part of an effort to facilitate the accessibility of local minority-owned businesses as suppliers to the corporation.

Some of the products and services frequently purchased or contracted include:

- Construction
- Cleaning and Maintenance Services (e.g., carpet cleaning, windows, janitorial, hood cleaning, etc.)
- Dry Cleaning
- Florist, Fresh Flowers
- Food & Beverages
- Interior Design Services
- Landscaping
- Marketing & Advertising
- Paper & Office Products
- Printing Services
- Transportation & Storage
- Trash Removal

Each company that applies to the Supplier Diversity Program is evaluated according to the following requirements:

- Be certified as a Minority- or Women-Owned business
- Meet or exceed our high standards of quality
- Provide excellent service
- Competitive pricing
- Meet our insurance and indemnification requirements
- Can provide on-time deliveries
- Food manufacturers or distributors must be ASI approved
- Hospitality references a plus

Program Highlights

In 1998, Marriott enhanced the company's commitment to increase supplier diversity by committing that at least 5% of total purchases will come from minority-owned and women-owned businesses by year-end 2001.

In 1999, Marriott International also developed a Second-Tier Program, which requests that the prime suppliers spend 5% with minority- and women-owned businesses in fulfilling their procurement commitments to Marriott.

Marriott's firm commitment in this area comes from the recognition that partnering with minority-owned and women-owned suppliers with the same customer-driven focus, will best serve Marriott's diverse array of customers. In order to ensure that we meet this goal, the company has instituted a Supplier Diversity Policy, which requires that each division and corporate departments support the Supplier Diversity Program. Supplier Diversity is included in the annual written objectives of our senior management, which are assessed in the performance evaluation process. The company President and Chief Operating Officer as well as Executive Vice Presidents and General Counsel require periodic progress reports on program activity. Diversity progress reports are also given at each meeting of the Marriott International Board of Directors.

Marriott continues to partner with a variety of organizations, including the National Minority Supplier Development Council, United States Hispanic Chamber of Commerce, and National Association of Women Business Owners. The company is committed to enhancing its relationships with local communities in key market cities around the country by collaborating with the regional affiliates and local chapters of the national organizations previously mentioned. Our efforts have been well reflected in our 2000 national minority procurement activity in which we have generated more than \$150 million in subcontracts to MBE/WBE's.

Additional Information/Resources

The Supplier Diversity Program was designed and developed internally by the company's management and staff. More information on the program can be found at <http://www.marriott.com/corporateinfo/supplier/default.asp>.

You can also download the Supplier Diversity Company Profile Form (PDF 100k).

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Additional resource organizations include the following:
National Minority Supplier Development Council
{www.NMSDCUS.org}
United States Hispanic Chamber of Commerce, {www.USHCC.com}

National Association of Women Business Owners {nawbo.org}

Primary contacts vary depending on what we need from the various organizations. Check out their web sites for more detailed staff info.

DIVERSITY SUPPLIER PROGRAM

Name of Program: **BURGER KING Diversity Supplier Program**



Brief Description

Both BURGER KING and Restaurant Services, Inc. ("RSI"), the purchasing agent for the BURGER KING® System in the U.S., have committed their resources to increase procurement from certified minority suppliers.

KEY Contact Person

Magaly Petersen Penn
Director, Diversity Resources
BURGER KING® Corp.
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Miami, FL 33157
Tel: (305) 378-3074 • Fax: (305) 378-3114
E-mail: mpetersen@whopper.com

Background

Since 1983 and the signing of the first Operation PUSH Covenant with the Rainbow/PUSH Coalition, BURGER KING Corp. (BKC) has constantly increased its commitment and resolve to include minorities in the BURGER KING® System. BKC's top management is committed to the fulfillment of diversity initiatives. It is vital that BKC's system fully engage diversity at all levels of the business so that the company can ensure that BKC continues to be relevant and responsive to its consumer needs.

BKC is a member of the National Minority Supplier Development Council (NMSDC), and has implemented a plan to identify and develop minority suppliers as part of a broader commitment to diversity.

Program Highlights

Both BKC and Restaurant Services, Inc. ("RSI"), the purchasing agent for the BURGER KING System in the U.S., have committed their resources to increase procurement from certified minority suppliers. BKC works hand-in-hand with RSI. BKC approves the suppliers and RSI enters into purchasing agreements with the approved suppliers. BKC also develops the products sold in BURGER KING® Restaurants and audits the facilities where they are produced. In addition, BKC contracts for a variety of services and consulting for their worldwide headquarters and field support.

In order to better evaluate a firm's capabilities relative to BKC's needs, potential suppliers are asked to first complete a Supplier Capabilities Questionnaire. The form identifies the type of business, its minority-owned status, its list of

products; and asks a series of questions related to quality control. The completion and submittal of the form is not a guarantee of business but only an initial inquiry about a potential supplier. The questionnaire is reviewed by the appropriate user department and the result of the evaluation is communicated to the supplier.

In selecting its suppliers, BKC requires that all companies provide quality product(s); offer competitive pricing; demonstrate industry knowledge and expertise; outstanding customer service, problem solving ability and resourcefulness; and be financially stable with a solid track record.

Areas of procurement include, but are not limited to:

- Restaurant and office-related maintenance services
- Food and paper supplies
- Equipment, parts and maintenance
- Miscellaneous restaurant supplies including cleaning agents, uniforms, safety shoes, laundry, linen and exterminating services
- Office supplies and office equipment

BKC has increased its use of minority suppliers to 4.5% of its total purchases, and has set an internal goal of reaching NMSDC's "World Class" status (i.e., 5% of total purchases plus other criteria) by the end of 2002.

BKC promotes the availability of its Supplier Diversity Program on the company's web site, and the brochure "The Burger King® Diversity Story". It also actively attends national and state trade fairs where it invites minority suppliers to meet with the company representatives; furthermore BKC representatives are active on the boards of many minority non-profit organizations.

Additional Information/Resources

More information on BKC's Diversity Supplier Program, including a copy of the Supplier Capabilities Questionnaire and other details, can be found at <http://www.whopper.com/community/diversity.htm>.

For more information on the National Minority Supplier Development Council (NMSDC), please contact them at **National Minority Supplier Development Council (NMSDC)**
1040 Avenue of the Americas, 2nd Floor
New York, New York 10018
Tel: (212) 944-2430 • Fax: (201) 719-9611
Web site: <http://www.nmsdc.org/>



Name of Program: Pepsi-Cola Minority and Women Business Program

Brief Description

Since 1982, Pepsi-Cola has conducted a structured program of purchasing quality products and services from suppliers who are designated as Minority/Women Business Enterprises (M/WBEs).

Key Contact

J. Frederick Canady, Director
Minority Business
Pepsi M/WBE Program
1 Pepsi Way
Somers, NY 10589
Tel: 914-767-6616
Fax: (914) 767-6799.
Email: fred.canady@pepsi.com

Background

It is Pepsi-Cola's policy to promote the utilization of eligible M/WBE vendors in all aspects of the company's business. Toward that end, the company actively seeks out qualified M/WBEs for all possible company requirements; ensures that M/WBEs fully comprehend the company's requirements and are thus able to bid appropriately; and makes every reasonable effort to help qualified M/WBEs meet company standards.

The M/WBE Program is a purchasing-focused supplier development operation. It does not focus on start-up or in-depth business development support, but rather on expanding mutually beneficial relationships. In order to qualify, companies must have an established record of business performance through a history of having provided products or service with timeliness and reliability; have sufficient knowledge of the industry to be cost competitive and offer added value; and have staying power to persevere through the corporate buying process to develop a long-term relationship. M/WBEs must be U.S. citizens from an African-American, Asian, Native American or Hispanic ethnic group; individuals or owners must have 51% or more interest in their company and must have day-to-day involvement in managing the business.

In addition to working with M/WBEs, Pepsi-Cola encourages its prime suppliers to support the M/WBE Program in their utilization of minority-owned businesses, and has established reporting requirements to identify M/WBE Supplier Spending in support of its business.

Program Highlights

To participate in the M/WBE Program, companies must first send a letter of introduction along with a copy of their certifica-

tion from a Regional Minority Purchasing Council of the National Minority Supplier Development Council (NMSDC). Or if the company is a woman-owned business, send their certification from the Women's Business Enterprise National Council (WBENC). The application is then reviewed for appropriate opportunities within the Pepsi-Cola organization. If opportunities are identified, companies are scheduled for a direct presentation with the appropriate personnel. Pepsi-Cola's M/WBE Department acts as the referral-support agent for M/WBE companies seeking to provide products or services.

In addition, there is financing available through the Business Consortium Fund, Inc. (BCF), a minority development company created by the NMSDC. It provides contract financing to certified ethnic minority businesses through a network of local participating banks and affiliated councils. Pepsi-Cola is one of the founding members of the BCF.

In the case of its prime suppliers, Pepsi-Cola urges them to pursue the following:

- Target M/WBE purchases at a level of 5-10% of their Pepsi-related revenue.
- Provide specifications and take extra steps to make matches
- Execute an aggressive program
- Monitor progress/ensure success
- Report to Pepsi-Cola on a quarterly basis.

Suppliers report on either the dollars spent with MBE or WBE Organizations as a direct result of a Pepsi-Cola contract; or the percentage of their total corporate MBE Spending equal to the Pepsi-Cola's contract revenues share of their Total Corporate Revenues.

Additional Information/Resources

More information on the Pepsi-Cola Minority and Women Business Program is available at <http://www.pepsico.com>. Click on Corporate Information and then Minority/Women Business Enterprises Diversity Initiatives.

For additional information on the Business Consortium Fund, Inc. (BCF), please contact:

Marcial E. Robiou, President,
Business Consortium Fund, Inc.
305 Seventh Avenue, 20th Fl.,
New York, NY 10001,
Tel: 212.243.7360,
Fax: 212.243.7647

OTHER DIVERSITY-RELATED ACTIVITIES

Other member initiatives or programs designed to facilitate the expansion of franchise opportunities among minority populations.

17% of the respondents reported on "other" minority participation activities. Among some of the more interesting programs are the following:

Name of Program: Legislative Program to "Rebuild America From Within"



Brief Description

Candy Bouquet proposes a public-private partnership to build jobs and hope in the nation's inner cities through proposed legislation that would provide a tax write off for franchisors that donated the initial franchise fee for the establishment of new inner city franchisees.

Key Contact Person

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423 East Third Street
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Fax: (501) 375-9998
E-mail: mmc@candybouquet.com

Background

Over the course of the past several years, the company has been involved in a variety of community outreach efforts including Gen. Colin Powell's "Little Red Wagon" initiative, rainforest preservation in Brazil, etc. At a recent Inc. Magazine awards ceremony recognizing the company as the 17th fastest-growing, privately held inner-city businesses in America, founder Margaret McEntire met "Magic" Johnson and learned of his efforts to locate Starbucks Restaurants in inner city areas as part of area revitalization efforts. By adding the tax incentive concept to those efforts, Ms. McEntire felt that inner city redevelopment efforts could be maximized at no additional cost to the taxpayer.

Program Highlights

Working with Inc. Magazine and Harvard University's Initiative for a Competitive Inner City (ICIC), Candy Bouquet International Inc. is seeking to have legislation introduced in the U.S. Congress that would provide a tax write off to franchisors who donated their initial franchise fee to newly created franchisee business located in inner city areas. The

"Rebuild America from Within" Project involves a four-part effort. It calls upon America's 5,000 franchisor companies to donate initial franchise fees for inner city franchisees; asks the U.S. Small Business Administration to assist these newly created inner city franchises through its existing franchise loan programs; seeks matching funds from trusts, foundations and city and community economic development groups committed to inner city restoration and development; and seeks a commitment from the inner city franchisees themselves to make an equity commitment equal to a fourth of the cost of creating their franchises.

Candy Bouquet is currently planning on developing a lobby effort with members of the U.S. Congress, and is enlisting other IFA members in support of the concept through the IFA's Emerging Markets program.

Additional Information/Resources

More information on Candy Bouquet International Inc. can be found at <http://www.candybouquet.com/>.

Supporting this initiative is the Harvard Business School's Initiative for a Competitive Inner City (ICIC), a national, not-for-profit organization whose mission is to spark new thinking about the business potential of inner cities, thereby creating jobs and wealth for inner-city residents.

Michael Porter
Chief Executive Officer
Initiative for a Competitive Inner City (ICIC)
727 Atlantic Avenue, Suite 600
Boston, MA 02111
Tel: (617) 292-2363

Fax: (617) 292-2380
Fax: Initiative@ici.org
Web Site: <http://www.icic.org/>

Name of Program:
Ronald McDonald House Charities/HACER
Scholarship Program



Brief Description

In cooperation with its franchisees across the country, Ronald McDonald House Charities (RMHC), Inc. provides matching funds for college scholarships for graduating Hispanic-American high school seniors to attend college.

Key Contact

Susan Kerr
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 Oak Brook, IL 60523
 Tel: (630) 623-7070
 Fax: (630) 623-7488
 E-mail: susan.kerr@mcd.com

Background Information

The program was started in 1985 by McDonald's franchisee Richard Castro in El Paso, Texas out of concern for the high number of Hispanic-American students that dropped out of high school in his hometown and across the nation. In response, he led the effort to create a scholarship program that would serve as encouragement for young Hispanics to complete high school and support their efforts to continue their education. Castro rallied McDonald's Corporation and other Owner/Operators behind his cause and secured the support of Ronald McDonald House Charities to establish the RMHC/HACER (Hispanic American Commitment to Educational Resources) Scholarship Program. An initial fund of \$97,000 served to launch the program, providing \$1,000 scholarships to high school seniors in various communities.

With the continued support of McDonald's Owner/Operators and the added support of many others, RMHC/HACER has become the largest high school-to-college scholarship program for Hispanic students and a nationally recognized institution.

Program Highlights

Each year, local Chapters of Ronald McDonald House Charities, together with the local McDonald's franchisees in the company's various markets, determine the amounts that will be pledged to the program, and Ronald McDonald House Charities matches what the local Chapters raise, up to a maximum of \$75,000 nationally. Some 40 of McDonald's geographic markets in the U.S. participate in the RMHC/HACER scholarship program.

To apply for RMHC/HACER scholarships, students must have at least one parent of Hispanic origin, be eligible to enroll in and attend an accredited institution of higher learning in the United States, and reside in a participating market area. Most scholarship awards are \$1,000 and are designated for graduating high school seniors, although some local programs award different scholarship amounts.

Scholarship recipients are selected based on academic achievement, financial need, community involvement, and personal qualities and strengths. Recipients must enroll in and attend an accredited institution in the academic year after their selection and provide verification of enrollment. Scholarship funds are paid directly to the schools and no funds are disbursed to students directly.

Since the program began in 1985, over 8,000 Hispanic students have received nearly \$10 million dollars in scholarships to support their education. In the 2001-2002 academic year, RMHC/HACER will award more than \$1.5 million to support the education dreams of students in 40 markets in the United States and Puerto Rico.

Additional Information/Resources

In addition to the RMHC/HACER scholarship program for Hispanic-American students, Ronald McDonald House Charities also operates the RMHC/African American Future Achievers Scholarship Program and the RMHC/ASIA (Asian Students Increasing Achievement) Scholarship Program, both of which have similar objectives. Additional information on all of these programs is available at <http://www.rmhc.com/charities/us/scholarships/index.html>.

Name of Program:
**Six Continents Hotels College
 Recruitment Program**



Brief Description

The college Recruitment Program recruits college graduates to become assistant managers throughout the Six Continent Hotels.

Key Contact Person

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 Senior Corporate Recruiter
 Six Continents Hotels
 Three Ravinia Drive, Suite 2900
 Atlanta, GA 30346-2149
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 Fax: (770) 604-2371
 E-mail: allison.durant@6c.com

Background

The College Recruiting initiative was started in Fall 2000 based on the needs that hotels had for talented management.

Program Highlights

The College Recruitment Program is driven by business needs. The program identifies institutions that offer hospitality programs and degrees. Minority institutions are included in the recruiting schedule. Minority students are also recruited from other schools.

The program targets graduating seniors via on-campus recruiting handled by a corporate recruiter plus field personnel associated with a corresponding Six Continents property. At the discretion of the local property, the program might also include an internship component. The College Recruitment Program produced 6 hires in Spring 2001, but was suspended for the Fall 2001 semester due to economic constraints resulting from the September 11 terrorist incident.

Additional Information/Resources

More information on Six Continents Hotels is available at <http://www.sixcontinentshotels.com>.

Participating minority institutions in the College Scholarship Program include:

Grambling University

Dr. Egwe Udeh
 Dept. of Mgmt. & Mktg.
 P.O. Drawer 846
 Grambling, LA 71245

Frankie Ravon
 Dept. of Home Economics & Hospitality
 P.O. Box 1190
 Grambling, LA 71245

Bethune-Cookman College
 Claudine McKee
 640 Dr. Mary McLeod Bethune Blvd.
 Daytona Beach, FL 32114-3099



INTERNATIONAL
FRANCHISE
ASSOCIATION

Name of Program: Minorities in Franchising Committee

Brief Description

The mission of the Minorities in Franchising (MIF) Committee is to increase the number and success of minorities in franchising, including franchisors, franchisees, suppliers and employees. As such, the goal of the Committee is to be a resource for the franchising community and to increase the visibility of the IFA and its member companies within the minority community.

Key Contact Person

Sonya Thorpe Brathwaite
Director of Diversity & U.S. Emerging Markets
International Franchise Association
1350 New York Avenue, NW Suite 900
Washington, DC 20005-4709
(p) 202-662-0784
(f) 202628-0812
email: sonya@franchise.org

Background Information

From its inception, the MIF Committee has been an advocate for education and outreach activities that increase the awareness of franchising in minority communities. Over the years, the Committee has hosted educational conferences around the country that bring together prospective minority franchisees, franchisors and lenders.

Starting in 2002, the Committee will expand the scope of its initiatives to reach more potential minority franchisees on a sustained basis; to provide direct technical support to interested candidates; and to help franchisors access community organizations that may be able to provide real estate, financing and training to prospective minority franchisees in urban communities.

Program Highlights

- **Franchise Outreach Program** – To create a grassroots network of minority franchise representatives; establish stronger ties to the minority community; and increase the number of minority recruitment efforts each year
- **Technical Assistance Program** – To provide a physical place where prospects can receive information and

guidance on evaluating, funding and running a franchised business

- **College Seminar Series** – To educate minority college students on the wide range of franchising opportunities available to them and to provide exposure in the minority market
- **Community Development Corporation (CDC) Network** – To help franchisors utilize the real estate, financing and training capabilities of NCCED members to increase the number and success of franchise units in urban areas



Additional Resources

You will be able to find more information on these and other programs as they become available on the IFA web site at www.franchise.org beginning in March, 2002.

Project Coordinator and Editor

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