

### Lesson 3: Company profile

#### 1 What kind of company is this? An overview

Spread out the cards. Using the information about the positions the people hold and the departments they work in, decide what kind of company this is or might be. Start by reading the texts on the cards for Reg, Su Lin, Nicole and Yuri.

**Useful language:** *SME (small and medium-sized enterprise), family business, multinational, public, private, NGO (non-governmental organization), manufacturer, supplier, service provider, charitable organization, headquarters, subsidiary, premises, factory, offices*

#### 2 Company details

Answer the questions on this chart. Sometimes the information can be found on the cards, sometimes you will need to decide what the answer is for yourself.

Question	Answer	Found on which card(s)	Not on the cards
Does it produce or manufacture a product?			
Does it buy from outside suppliers?			
Does it have storage facilities?			
Does it have logistic facilities?			
Does it work with companies in other countries?			
What business sector is it in?			
When was it founded?			
Where is it based?			
How many employees does it have?			
Have any departments or positions been outsourced?			
Does it offer after-sales service?			
Has it been doing well recently or does it have financial difficulties?			
Are its employees allowed to join a union?			
Is it an equal opportunities employer?			
Does it provide training?			
Does it provide any benefits for its employees?			








## 8.2 Vocabulary Setting up a franchise

## Discussion

**1** With a partner, put these stages of researching a franchise into the correct order.

- Shortlist two or three franchises and talk to some of the franchisees running these businesses. How have these franchises developed? Are the franchisees happy with the support their franchisor provides? ☐
- Decide how much money you can afford to invest and how much money you feel you can borrow. Be realistic! ☐
- When you are happy that you have all the information you need to make a decision, complete the application form of the franchise you think is the most suitable for you. ☐
- What are you good at? What do you enjoy doing? Identify the type of business you would like to operate in. ☐
- Contact the franchises operating in that business and ask them to send you information about their franchising agreements. ☐
- Do some market research. Do the franchises you have shortlisted already have outlets in your area? Is there a lot of competition? Does the area have enough customers or clients for the product or service you want to sell? ☐

## Listening for gist

**2**  2:34 Listen to Maria Coelho talking to business journalist Dave Townley about her experience of running a franchise. Answer the questions.

- What kind of business does Maria run?
- Where is her business?
- Is the business successful?

## Listening for detail

**3** Listen to Maria again and complete a summary of her franchise.

Maria returned to Portugal and decided she wanted to be her (1) \_\_\_\_\_ and (2) \_\_\_\_\_ a teashop.

Maria flew to the UK four or five times to select the right (3) \_\_\_\_\_. She paid a franchising (4) \_\_\_\_\_ of £12,000.

She took part in a two-week (5) \_\_\_\_\_.

The franchiser's European agent was unhappy about the location of the (6) \_\_\_\_\_

Maria had chosen. She spent another three months trying to find a more central outlet she could afford to (7) \_\_\_\_\_.

The bank agreed to (8) \_\_\_\_\_ Maria €50,000 and she (9) \_\_\_\_\_ another €50,000 from the three Fs.

Maria persuaded the franchisor to let her have the (10) \_\_\_\_\_ and (11) \_\_\_\_\_ made locally.

The business is now very successful; the (12) \_\_\_\_\_ has increased by 50% over the same period last year.





## 8 Going global Reading

## Starting a franchise

Buying a franchise can be an easy way to enter the business world if you are entrepreneur. However, it is important to think about the pros and cons before buying into a franchise operation. Among the benefits is the fact that when you buy a franchise, many of the difficulties have been looked at by someone else. You already have a marketing plan, the right price and the right product or service. You inherit a respected brand – and therefore a customer base. It is easier to make money and to expand your business rapidly if it is a franchise than if it is a start-up. However, there are some drawbacks. Franchisers usually demand some previous, relevant business experience from their franchisees. Fees have to be paid. If the business is not profitable, then the franchisee still has to pay fees! Franchisees have less freedom and control than people starting their own business. If the product or service in question goes out of fashion you still have to continue with the business. So, are you suited to franchising? Write to us and let us know which franchise you are interested in.

### PETE'S PIZZA

Pete's Pizza delivers over 2 million pizzas every year. Each store receives around 250 orders per week. Our customers regularly spend on average over €10.00 per order. Each store has a good customer base. Pete's Pizza has an annual turnover of over €15 million and employs over 1,000 staff. This successful franchise was started in 1980. It hopes to open 50 new stores next year.

Why choose Pete's Pizza? Research shows that home pizza delivery is expanding, largely due to its popularity in the USA. Remember that pizza is quick and easy to make – you do not have to be a chef. The ingredients are inexpensive. Pizzas are popular and people eat them anytime, anywhere. We offer you full support in setting up your franchise. Our experts help you to select the site, and guide you through planning, recruitment, legal matters, training and purchasing equipment. Your personal investment starts at just €17,000.

I AM INTERESTED IN THIS FRANCHISE. ☐

### HH FITNESS

Launched in 2001, this is a low-cost franchise opportunity with very high earning potential. Help develop a business that can change people's lives! You manage a fitness studio franchise. Our fitness studio is designed to help people lose weight through a workout programme which guarantees results. There are excellent prospects for the right people.

Why choose HH Fitness as a franchise? Health clubs are a booming industry. We offer a very simple franchise model. Full training is provided, so no previous experience of business in the fitness sector is needed. We do ask for a personal investment of €15,000. There is incredible potential for high earnings, and you can even develop a multi-site operation. As part of our franchise package, you'll receive powerful customer management software giving you a total business solution. So – what are you waiting for?

I AM INTERESTED IN THIS FRANCHISE. ☐

- 1 You are going to start a business. Would you choose a franchise, or would you prefer to develop your own business idea? Why?
- 2 Scan the first two paragraphs of the article and complete the table.

Starting a franchise	
PROS	CONS
Have a m_____ p_____	Need previous e_____
Have a respected b_____	Have to pay a f_____
Have a c_____ b_____	Less f_____ and c_____

- 3 Mark these statements *T* (true) or *F* (false):

- 1 Every customer spends over €10.00 per order at Pete's Pizza. ☐
- 2 Pete's Pizza makes an annual profit of €15 million. ☐
- 3 You don't have to be a chef to apply for a franchise at Pete's Pizza. ☐
- 4 The workout programme is guaranteed to help you slim. ☐
- 5 Previous experience in the fitness sector is preferred to apply for a franchise at HH Fitness. ☐
- 6 You can open a health club in more than one place with HH Fitness. ☐

- 4 Which of the two franchises would you choose? Why?



## 7 Investment Speaking

## Text A

**Background information**

Linking your logo with a cultural event makes a lot of business sense. UK businesses gave £153.4 million to the arts in 2005–2006. You and your partners work as public relations officers for a small law firm in a city in the southwest of England. You must decide how to use the £10,000 available for arts sponsorship in the region. You have been instructed that the money cannot be divided between the groups, as having only one recipient would maximize the resulting beneficial publicity.

## Text B

**Applications for arts sponsorship**

- 1 **'Opera for Everyone'** has a reputation for innovative and sometimes controversial productions. They tour the Southwest trying to expand the audience for this art form by encouraging new talent and experimenting with new interpretations of the classics. The sponsorship package includes brand and logo identity on marketing and promotional materials, tickets and corporate hospitality.
- 2 **'Make some Noise'** is a music-making project that works with young people at a social or economic disadvantage. They aim to reach youngsters in challenging circumstances who are drawn to music-making activities and would benefit from such opportunities. They provide singing lessons, musical instrument tuition and ultimately the opportunity to release music downloads which would carry the sponsor's logo.
- 3 **'Crafts Creation'** runs workshops and evening classes in silverwork, ceramics and jewellery making for the elderly. Through the provision of state-of-the-art facilities and expert tuition, the over-65s are encouraged to produce work for exhibitions which can be displayed on your business premises.
- 4 **'The Weybridge Literature Festival'** aims to provide a showcase for the finest international literary and journalistic talent. This annual event is guaranteed to attract media attention through a series of readings, poetry recitals and book signings. The festival boosts tourism in the region by attracting an international audience and the sponsor's name will be prominently displayed on all publicity materials and on a banner in the main hall.