

# Military Veterans Find Success Buying Franchises

By Carrie Brenner

About 200,000 men and women transition out of the military each year, says the Department of Veterans Affairs, and with President Obama promising to withdraw most troops from Iraq by 2010, there are going to be a lot of veterans donning civvies and entering the workforce. But they won't all be applying for jobs the old-fashioned way. According to the latest study by the SBA, about 22 percent of U.S. veterans are starting or buying a new business or considering doing so.

And with encouragement from franchisors, many veterans will be looking to become franchisees. Franchisors have plenty of reasons to recruit veterans. The principles veterans learn in the military make them ideal business owners -- they have the discipline and practical knowledge to succeed in following a proven system. Employing veterans also links franchisors to other veterans. "They see those veterans as a network to other veterans," says Terry Hill, program liaison for the [Veterans Transition Franchise Initiative](#) (or VetFran), an organization created by the International Franchise Association (IFA). In their return to civilian life, veterans gain a support system by networking with other veterans, so a franchisor reaching out to one veteran franchisee will often find that other qualified former military personnel will follow.

Franchisors all have different ways of reaching out to veterans; whether it's through career days or veteran's associations, but many have one thing in common: They offer financial incentives. VetFran, which has programs in place to help veterans become franchisees, has a network of nearly 400 franchisors that offer financial discounts to lower the upfront costs for veterans interested in owning a franchise. The [National Veteran-Owned Business Association](#) also helps veterans network with franchisors offering incentives.

Nick Sell spent 10 years in the Navy and completed three tours in Afghanistan before leaving the service early last year. In April 2008, he opened the doors of his Hampton Roads, Virginia, [Caring Transitions](#) franchise, which focuses on senior moving, downsizing and estate sales. Sell had always wanted to own a business, and he was drawn to the tried-and-true formula of franchising. "As a franchisee I'm going into a business that has systems. They've already made the mistakes that I can learn from," says Sell. The extra help he received for being a veteran didn't hurt either. Sell says Caring Transitions, which offers a \$1,000 discount on franchise fees for veterans, was very easy to work with. Sell had anticipated having money to put down upfront

on the business, but when that fell through, the franchisor financed most of the franchise itself -- no questions asked.

Hill, a veteran of the Air Force himself, agrees with Sell. "Veterans are at the stage that when they come out of the military, they're ready for a second career but they don't want to do a lot of trial and error, they want to do something that's proven," he says. He likens franchising to a military model. The franchisor has a headquarters where orders and strategies are devised, and the franchisee completes them, just like a soldier would complete his or her mission. Aside from being suited to working in a structured system, veterans excel at working in a team. Plus, they know how to lead and follow, which means they can manage employees and be trained by the franchisor.

Hill says that at a recent IFA event, the turnout of interested veterans was much higher than expected. He does have one note of caution: The current banking situation makes it harder to get loans, even from the SBA, and interest rates are higher. Hill suggests interested veterans visit the [IFA website](#) and take the free "Franchising Basics" course to learn more about the franchising business model before taking the first steps.

Sell says it can be scary at first to take the leap, but for those interested in owning a business, it's definitely worth it: "There's so much help available to you through the corporate office."

To see AllBusiness.com's picks of the Top 10 Franchises for Veterans, visit the [Franchise Center](#) at AllBusiness.com.