

From:



Subject:

Expert observation - Franchisees churn and exploitation

Date:

Tuesday, 22 August 2023 7:44:53 PM

Dear Franchising Review Team,

During my employment at Fairfax Media as an advertising sales consultant for General Classifieds the issue of Franchise churn is something I have been aware of since the late 2000's and my experience selling advertising space in Franchising Newsprint Features in The Age Newspaper.

Where Franchising as a product and sector cross-over with Modern Slavery and Exploitation, is in both a failure of mathematics, it is simply not a sustainable business model in the long run.

Where Franchising can be called a rort, is that is a familiar and seemingly justifiable reason for borrowing and making business loan applications.

What Franchising needs is the ability for Brands to operate their own finite blockchain based tokens to enable Financial Energy ecosystems that support internal systems, regulatory compliance and automated customer rewards interoperable with other franchise tokens, something that I was advocating for at Fairfax Media who breached Corporations Act by acting in Bad Faith, to accompany supply chain management and virtues of Franchising systems.

Such as the comfort of consistency and familiarity.

Where it is deceptively misleading is around the issue of certainty. So perhaps obligatory requirements for borrowing repayments for Franchisees should share that uncertainty for the first 10 years of any Franchise business loan by making both repayments and interest charged variable dependent on profit after wages and franchisees owners salary are paid first.

Yours Informatively,

Paul Hadden

