



SMALL BUSINESS

For Veterans, A Franchise Without A Fee

By: Jessica Naziri | Tuesday, 24 Jan 2012

The unemployment rate for veterans aged 20 to 24 has averaged 30 percent this year, more than double that of others the same age. As more veterans find their way back into civilian life — a number that could total [1 million veterans](#) according to a White House estimate — President Obama has [challenged companies to hire veterans](#).

One California-based technology company, [TeamLogic IT](#), is offering veterans not just a job, but an opportunity to run their own businesses and potentially hire fellow veterans. To do this, it is [waiving its \\$40,000 franchise fee](#) for 10 qualified military veterans in 2012.

“Waiving the franchise fee gives [veterans] a huge leg up, especially those who have the entrepreneurial spirit,” says Chuck Lennon, president of TeamLogic IT.



Courtesy of TeamLogic IT

Applicants must have some resources, however. Besides having a basic understanding of technology, experience managing staff and financial management experience, they will need to have a minimum of \$70,000 working capital or qualify for \$70,000 in third-party funding in order to be considered.

Lennon, whose father was an Army veteran, says that former military personnel are a natural fit for the TeamLogic team, since the fundamental structure of the franchising industry is similar to that of the military.

“Franchisees must follow a proven business model to thrive, and military personnel are trained to follow standard systems to successfully complete a mission.”

Through the [International Franchise Association’s VetFran program](#), TeamLogic IT is helping veterans transition back to civilian life and explore opportunities in franchise ownership. The program will provide training, as well as help new franchisees hire trained technicians who are also military veterans through its IT-Ready Apprentice Program. It says it will also subsidize costs associated with technician recruitment, training, certification, and online mentoring.

Like any franchise operation, some profits are funneled back to the franchisor; in this case 7 percent of revenue goes back to TeamLogic IT.

A recent survey by the Small Business Administration’s Office of Advocacy found that veterans are 45 percent more likely than those without active-duty military experience to be self-employed. One-quarter said they are interested in starting or buying their own business.

Lennon says that so far one franchise has been awarded to a veteran who just returned from three tours in Iraq; he will begin training classes in February. He adds that if the program is successful he hopes to extend it.

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