

## FRANCHISE ALERT #: 15 VENDING FRANCHISES

### WHAT FRANCHISES ARE IN THIS AREA:

Laundromats, ATMs for Bitcoin and other currency, healthy beverages and snacks, and Over-the-counter (OTC) medications, among others.

### OWNER'S ROLE:

**Owner/operator:** Many vending businesses are small and are run by the owner. Depending on the size of the business, the time commitment can be quite limited or involve up to a full-time commitment.

**Investor:** Absentee owner - This has a very limited time commitment and minimal oversight. Some investors grow large vending businesses and hire the necessary staff to take care of restocking, ordering inventory, and maintaining the machines.

### SKILLS REQUIRED:

**Owner/operator:** initiative, follow through, attention to detail, organizational skills, good communication skills, customer service orientation, entrepreneurial

**Investor : (absentee)** - ability to manage the hands-on staff, financial analysis, business sense

**NOTE:** Some vending businesses are offered as Business Opportunities which are different from Franchises.

A Business Opportunity is defined as the sale or lease of any product, service, or equipment that will enable the purchaser to begin a business. It often has limited or no training and support. In other words, it may just sell you the equipment, and provide just the most basic, minimal training with the purchase.

A Franchise is defined as the right or license granted by a company (franchisor) to an individual (franchisee) to market its products or services usually in a specific territory. Expect initial and ongoing training, support, vendor relationships, and a royalty structure.

Many vending options are neither Franchises nor Business Opportunities. A company may simply sell the vending equipment.

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### UNIQUE CHARACTERISTICS:

A challenge with vending is finding, securing, and keeping a location. This is where a franchise may have the advantage over other vending business options. Some franchises offer a location service. With a business opportunity or with the independent purchase of equipment from a supplier, the owner has the responsibility to find a location for the equipment and negotiate the lease of the space or make a profit-sharing arrangement with the owner of the location.

Large players in the vending business have contracts with large box stores like Walmart for locations which can make securing a good, high-traffic location for your equipment difficult.

### MINIMUM FINANCIAL QUALIFICATIONS:

For owner/operators, a minimum of \$40K in non-financed cash or liquidity and a Net Worth of \$100K.

For absentee investors of a laundromat for example requires a minimum of \$350K of non-financed cash or liquidity and a Net Worth of \$650K.

**HOT MARKETS:** All across North America

**NEXT STEP:** 3 options

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2. Schedule a confidential appointment with Anna by calling/texting 706.736.0579, emailing [anna@selectfranchises.com](mailto:anna@selectfranchises.com), or [clicking here](#).
3. Stay in touch and be informed by engaging on social media to get the latest news on what's hot in franchising and learn what you need to know about franchises.
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It's my pleasure to provide insightful economic data and information to you about [vending franchises!](#)



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