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Solutions for Success from Daniel Kehrer



Becoming a Late Career Business Owner

Dear Dan: *Help! The job I've had for over 20 years no longer looks safe. I've long thought about starting my own business but I don't know how to go about it. Any advice? - Late Starter*

Dear Late Starter: With the U.S. economy shedding jobs at a pace unseen in a generation, increasing numbers of late-career workers are opting to start their own businesses rather than wage battle in the employment line.

It's not a new trend by any means. Since the 1990s, the fastest-growing age group of small business owners has been people over 55. Most embrace entrepreneurship as a lifestyle change. After working for wages, they're ready to take more control and call their own shots.

Many late career entrepreneurs prefer to buy a pre-packaged franchise rather than start a business from scratch. While there are no guarantees, a franchise offers a proven business concept, a ready-made set of operating procedures and often marketing help as well.

Bob Mabry, 52, worked in petrochemical engineering for many years helping to design refineries and chemical plants. When some of his projects started to be outsourced overseas, Mabry began contemplating a new career. He felt he was too young to retire, but too old to retrain and start over. So he explored business opportunities that could leverage his existing skills. When he came across a franchise called Handyman Matters in Kingwood, TX, Mabry and his wife Tish decided it was the business for them. They started servicing home fix-up needs on Houston's north side in 2004 and haven't looked back since.

Enrique Rosselli, 53, worked for PepsiCo Inc. for 17 years in many parts of the world. Now he's the successful owner of an AlphaGraphics business in Las Vegas, NV. After a company reorganization at PepsiCo, Rosselli was offered early retirement. He then spent some time working for Coca Cola in Europe, and then DuPont. At age 50 he left the corporate world to start his own business and chose AlphaGraphics.

The key to making the right choice between franchise or startup - and which franchise to buy - is *research*. You must investigate before you invest.

First off, consider your appetite for risk. If your entrepreneurial fires are burning, you hanker to strike out on your own to test your own ideas and you thrive on risk, then starting your own business may be a better choice. A franchise lowers the risk because someone else has already pioneered the concept, tested the ideas, made the inevitable mistakes and found out what works and what doesn't.

The result is a tried-and-true formula that is replicated place to place. When you buy one of these “business format franchises” you get a packaged deal that’s ready to plug in and go. If buying into an already successful recipe appeals, then franchising may be right for you.

As you investigate franchises, explore these areas:

- Required experience, hours and personal commitment necessary to run the business.
- Background of the franchisor, its track record and how other franchisees in the system are doing.
- How much it will cost to buy into the franchise, how much you’ll pay for the continuing right to operate the business and options for financing your investment.
- What products or services you are required to buy from the franchisor.
- Terms and conditions for getting out and how many franchisees have left the system during the past few years.
- Detailed financial information on how current franchisees are doing.
- And don’t forget the fun factor. To have the best chance at success, choose a type of business that excites you.

These resources can help:

- **SCORE** is an ideal resource for people looking to start a late career business. SCORE will match you up with a volunteer mentor - probably a retired business owner or executive - in your area for free one-on-one counseling on how to start your business. Or you can ask questions online at the SCORE website and receive expert answers by email. Visit www.score.org.
- The **International Franchise Association** (www.franchise.org), **Franchise.com** and **FranchiseGenius.com** can help you find the right franchise.
- **Small Business Development Centers** (SBDCs) operate via the U.S. Small Business Administration, offering free business startup help at over 1,000 locations nationwide. Visit www.sba.gov/sbdc for details.

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