

July—September 2008

Franchising Quarterly

Newsletter of the
Nigerian International Franchise Association



Dr. (Mrs.) Cecelia Ibru, MD, CEO, Oceanic Bank International Plc with Dr. Augustine Egbunike, MD, President, Nigerian International Franchise Association at the CTO Franchise Forum, Muson Center, Onikan, Lagos

“Franchising in Nigeria would receive a tremendous boost from enactment of appropriate legislation to guide stakeholders including banks on rights, duties, and obligations in franchise arrangements and franchise financing.”

- DR. (Mrs.) Cecelia Ibru (MFR), MD CEO, Oceanic Bank International PLC

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CTO Franchise Forum Photo Gallery

- First Row: Dr. Augustine Egbunike, Kayode Sobajo and Deji Akinyanju
- Second Row: Dr. Bankole Sodipo, Mrs. Oyefunke Araba and Anayo Agu
- Third Row Picture 1: Seminar attendees
- Third Row Picture 2: Dr.(Mrs.) Cecelia Ibru, Miguel Pardo De Zela, Egbunike & Aduli
- Third Row Picture 3: Kayode Ayeni, NIFA board member greets Dr.(Mrs.) Cecelia Ibru

CTO Forum Brings Franchising to the Nigerian Root

By Demola Quadri

The annual CTO Franchise Seminar organized by the U.S. Commercial Service Lagos and the Nigerian International Franchise Association (NIFA) has an excellent track record of presenting knowledgeable international franchise experts to discuss franchising fundamentals, usually from an international perspective. The 2008 Franchise Forum took a different path, since it featured Nigerian franchise practitioners, bankers and attorneys whose first hand knowledge of franchising in Nigeria simplified the fundamental concepts of franchising for the Nigerian public. The following are excerpts from their presentations:

**Anayo Agu, Senior Commercial Specialist, U.S. Commercial Service, Lagos
and Director of Strategic Planning, NIFA**

“Franchising is the most cost-effective model of business in existence because anybody can duplicate the system. It helps to overcome the initial pitfalls of becoming an entrepreneur.”

“Nigerian graduates are riding Okada (motorcycle taxi) to no where. They do not obey traffic laws. Success in franchising is guaranteed only with respect to the rule of law. Franchising is about laws and regulations. Short-time solutions don’t work anywhere.”

Dr. (Mrs.) Cecelia Ibru (MFR), MD, CEO, Oceanic Bank International PLC

“Before you take a step in business, you must have the right mind-set to go through it all. Money is not the first thing. Your vision, idea, strategy and mission statement are vital to your success.”

“Franchising in Nigeria would receive a tremendous boost from enactment of appropriate legislation to guide stakeholders including banks on the rights, duties, and obligations in franchise arrangements and franchise financing.”

Dr. Augustine Egbunike, MD, President, Nigerian International Franchise Association

“McDonald’s entrance to Nigeria will open a floodgate of other reputable international franchises. McDonald’s strategy for expansion to Nigeria is strictly through owner/operator arrangement.”

Kayode Sobajo, CEO, Franchworld and Vice President, Nigerian International Franchise Association

“Franchising is not employment – Franchising tries to key into businesses that have built brands and try to replicate and share with others.”

“Franchising is simply a business development system – a marketing system to grow your business from where you are now to wherever you may want to be. It is a business development strategy.

“For Franchisable Nigerian Micro Small Medium Enterprises, it is in your best interest to start your franchise plans now! The future is: You either franchise or die!

**Mrs. Oyefunke Araba, Director, National Office for Technology Acquisition and Promotion (NOTAP),
Board Member, Nigerian International Franchise Association**

“The National Office for Technology Acquisition and Promotions assisted in the formation and development of the Nigerian International Franchise Association.”

“The government gives structural support in terms of services. Services rendered by my office in order to ensure that franchising takes its rightful place in the nation’s economy.”

“When you have a franchise package, what the franchisor is giving you involves components of intellectual property rights. Those components are trademarks, service marks, know-how, and technology patents. A technology package involves trade secrets, methodology, advertising and marketing. If you are paying for such components, you will need to come to NOTAP with an agreement for registration.”

Deji Akinyanju, Managing Director, Food Concept and Entertainment PLC and Vice President, Nigerian International Franchise Association.

“Who we are? The company name is Food Concept and Entertainment. We are the operators of Chicken Republic, a chicken franchise, a bakery franchise called Butterfield and a pizza franchise, St Elmos. Those are three names that drive our brands.”

“Our company did not know much about the food business so opted for the franchise route - buying into the South African food franchise concept. We learned hard lessons in terms of getting adequate support.”

“Foreign franchisors do not know the local terrain because they never operated here – so (they) may not be able to provide key take-off support. It took our company more than one year to get the first store open and three months to get our shipment cleared at the port.”

“We started franchising three and a half years ago with a shop in Port Harcourt. We learned the franchise game – franchisees wanting to tickle with the franchise.”

“Focus here is on branding. The easier the concept, the easier it is to replicate and train people within one month to roll it out.”

“When people buy into a franchise they start to talk multi-branding. A chicken franchisee, for example, may want to add fish, beef and Shaki (strip). If a franchisee chooses Shaki as a brand, that is a different ball game because there is a process for getting that done.”

“When you buy a business formula, it is important to ensure you understand what you bought and be able to replicate it.”

Dr. Bankole Sodipo, Managing Partner, Chief G.O. Sodipo and Co, Board Member, Nigerian International Franchise Association.

“Foreign franchisors are skeptical about expansion into Nigeria for lack of confidence in the regulatory framework. Not sure of the legal environment. So it is important that we market our country.”

“In terms of law, there is no code one can read but there are lawyers within the Nigerian International Franchise Association and the Intellectual Property Law Association who can help to interpret the law. Franchise law leans heavily on trademark, patent and copyright laws.”

“It is important to develop a business that has concept and practices that others can copy through licensing.”

Benjamin Aduli – MD CEO, Kemson Concepts Ltd

“Microfinance banks are not small banks. They are banks that give small loans. What is small is the individual loans they give and not the cumulative portfolio.”

“The biggest challenge of micro finance banks is collection management.”

“KemTrams Platform will provide the platform for automating the operations of microfinance Banks in Nigeria, thereby making it possible to franchise businesses.”



Nigerian International Franchise Association

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Nigeria Participates in the 17th Annual International Franchise Expo, Washington, DC, USA

The official Nigerian delegation to the 17th Annual International Franchise Expo (IFE), held April, 11- 13, 2008, in Washington D.C., was organized by the U.S. Commercial Service at the Consulate General Lagos, Nigeria in collaboration with the Nigerian International Franchise Association (NIFA), Passagegold Travel Agency and the Mentors Guide Nigeria. The delegation comprises of leading entrepreneurs, senior managers of private enterprises, business consultants and trade facilitators.

Members of the delegation are potential international master franchisees and who have specific and general interests in IFE, 2008. They are seeking long term commercial relationships with U.S. Franchisors, trade and investment facilitators who are interested in expanded business opportunities in Africa' largest market. The delegation offered excellent market-access opportunities to explore the Nigerian franchise sector.



Members of the Nigerian Trade Delegation to the International Franchise Expo, 2008, Washington DC