



FDD Preparation Candidate Call (Step 8.2)

Lesson Description: This is a step to help explain the **How to Read an FDD Guide**.

Prerequisites: This session is part of the lesson on Due Diligence on Franchise (Step 8).

- What You Need to Know to Be a Successful Franchise Broker
- The question-based broker points of SPIN Selling
- Initial Call (Step 1)
- Funding (Step 2)
- Candidate Research (Step 3)
- Franchise Education (Step 4)
- Research (Step 5)
- Presentation (Step 6)
- Introduction to Zor (Step 7)
- Due Diligence on Franchise (Step 8)

Instructor: Amanda Ramirez

Resources: How To Read A Franchise Disclosure Document (FDD)

Quiz: N/A

Objective and Directions

The objective of this call is to prepare the candidate with reviewing the FDD step, the call with the franchisor regarding the FDD, and the call with the attorney. The FDD review can be an arduous step in the process. The document is huge. It's typically difficult to read and understand. The candidate can sometimes walk away from it feeling overwhelmed and stressed. Therefore, we want to help them become comfortable with the document and what the truly important items within it are.

How to prepare for the FDD Preparation Candidate call

1. Review the How to Read the Franchise Disclosure Guide
2. Pull up the franchisors FDD summary
3. Review the FDD summary using the Guide to know the metrics to look for
4. Prepare potential SPIN Questions

How to complete Introduction to FDD Preparation Call

Call Structure

Opening

1. Touch base: “have you given any further thought to our call yesterday?”
2. “I like to reconnect before we get into each call.”
3. “Has anything changed since we last spoke?”
4. Go into PAIN – Use prepared SPIN Questions

Set expectations and purpose of the call

1. Going to review a guide which will help you save time in reading the FDD
2. Have a reference point of what to look for
3. It was written by a prominent and well-known franchise attorney who has been practicing franchise law for over 20 years.
4. “We are just going to touch on these items and see if you have any questions on them.”

Go through the How To Read A FDD Guide

1. (Guide Attached with sections Highlighted)
2. Talk about the FDD (use the FDD summary)

Action items to discuss with Candidate

- Confirm meeting time to go over questions with the zor.
- Ask the candidate to come up with their own questions and to send them to you.
- You are going to provide questions on the franchise.

Follow Up

- Send an email confirming the meeting with the zor for the FDD review.
 - Request their questions
 - Provide your questions