

IFA convention kindles optimistic outlook

By Nancy Weingartner

As published in: [Franchise Times - April 2009](#)

*What do you get when you pour a group of glass-is-half-full people into a luxury hotel in San Diego? The 49th annual International Franchise Association Convention.*

As we've said many times before, entrepreneurs tend to be optimistic people, so even though this year's convention came during a dark time in the economic landscape, the majority of the 2,300 attendees were at least trying to see the rainbow.

Not everyone who failed to show did so because of the bad economy. Some stayed home because they were busy selling franchises, according to their PR people.

Visionary leadership was the topic of the 10th annual Leadership Conference organized by the Women's Franchise Committee. Ten years ago, a man-sighting at this conference was rare. But this year's 260 attendees included 90 men; and Brian Schnell of Faegre & Benson was presented with the Crystal Compass award, which recognizes extraordinary leadership. Schnell was the first man to receive the award, but not the first lawyer from Faegre & Benson. Beth Brody, one of the committee's leaders, received the award in 2006.

Steve Romaniello, chairman of Focus Brands, presented his company's vision for their five brands. Focus, he said, not only denotes the company's ability to concentrate on its brands, but it also breaks down into: "F" for frontline partners; "O" equals owners; "C" for consumers; and "US" is, well, them - their associates.

Among the key learnings, Romaniello described a misstep when Cinnabon first went into The Philippines. Although the product was deemed too sweet for the local taste, the previous management decided not to change the product, believing that in time the Filipinos would come to love the product just as it was. Well, they didn't, Romaniello said. Cinnabon's buns are now 20 percent less sweet in that country, he said, because they focused on hearing what the customers were saying.

Jason Zickerman, president and CEO of The Alternative Board, was the keynoter. He encouraged the audience to step into a visionary role that allows employees to take a risk, learn from their mistakes and then risk again. "Get the decision making out of the C-suite and let it be made at various levels," he said. "Get the right people on the bus and the wrong ones off."

CEO of Buffalo Wild Wings, Sally Smith, who led a panel of BWW folks, said, "Vision has to be lofty - something you're reaching for. It's better to not reach your vision, than to not have a vision." Her vision for the chain is to have 1,000 units by 2013.

"Has the economic situation altered your vision?" Zickerman, who slipped into the role of moderator, asked her.

"No," she replied. "I can't control the economy, but I can control what happens within the four walls of the company."

## Day 2

IFA's CEO Matt Shay gave the State of the Association address in which he shared the results of the Franchise Business Economic Outlook. Franchising, just like the rest of the economy, will suffer some

reduction in numbers. However, Shay believes "franchising can and will lead us into an economic recovery."

And while IFA doesn't have the same numbers as last year, "we'll be no less effective this year than last," he said.

For the past few years, IFA has been repositioning itself to be a force on the national level, and part of playing in the big leagues means presenting keynote speakers "on a much grander level" than in the past.

This year's "grander level" was former President Bill Clinton.

Love him or hate him - and there were both in the heavily Republican crowd - Clinton creates a buzz wherever he shows up. The buzz at the IFA started before he opened his mouth on stage - out in the street where about 150 protesters picketed the hotel. The protest had nothing to do with the IFA. Gay rights activists along with union organizers asked Clinton to boycott the meeting at the Manchester Grand Hyatt, owned by a franchisee who was a large contributor to Prop 8, which overturned gay marriage in California last November. The hotel is also nonunion.

Clinton told the crowd not to give up. "This country has been pronounced dead more times than a cat has lives," he said.

Speaking mostly without notes, Clinton said the good thing about being an ex-president is that you can say whatever you want; the bad thing is that no one cares what you have to say.

In addition to reassuring the crowd that we will get through this economic downturn - which was not his doing, he pointed out - he said the President has a great financial team. "I know, because most of them worked for me," he said, grinning.

This is not the first time we've had problems that seemed insurmountable, he said: George "Washington was fighting with barefoot soldiers...Grant was a drunk. Every time someone bets against America they lose. We're coming back."

His opinion on card check, an issue IFA is actively lobbying against, was less well received. He said if he was president and the bill came across his desk, he'd sign it, "because it's better than what we have now." The ideal, he went on to say, is a pressure-free, limited time for people to decide whether or not to unionize, so that both sides can make their case. His advice was to come up with a compromise between what card check proposes and what's in place now.

As far as the stimulus package goes, Clinton said it is "not like building a statue where if you misuse the hammer you turn something beautiful into something ugly. This is a work in progress."

He urged IFA members to "be part of this debate."

### **Let's do lunch**

Along with the education and the socializing, the convention offers ample opportunities to socialize and compare notes. From the Taste of Franchising, which was elbow to elbow with loud chattering people to the luncheons to the hallways. Anyone needing a break in between sessions was hard-pressed to find a spot that wasn't being used for meetings or phoning home.

Another former CEO, Carly Fiorina of Hewlett Packard fame, spoke on the last day of the convention. She also gave an inspirational speech. While Clinton explained the economy in terms that everyone could grasp, Fiorina championed small business. "It is entrepreneurs who will lead us out, not government, not big business," she said, adding "Franchising creates more jobs faster than just small business in general."

Our present problems shouldn't be a surprise. "Greed trumped common sense and good judgment," she said. "What goes up, must come down."

The IFA also handed out its top awards and welcomed in a new volunteer leader, Dina Dwyer-Owens, chair and CEO of The Dwyer Group. Other notable speakers included Linda Lang, chair and CEO of Jack in the Box, and the panel of pros: Ken Walker, president and CEO of Driven Brands; Gregory Longe, founder and managing partner, Automotive Franchise Systems; Stephen Joyce, president and CEO of Choice Hotels International; and Margaret McEntire, founder and CEO of Candy Bouquet International.

And regardless of the generally upbeat tone, the economy was on everyone's tongues, even during lunch. One franchisor at my table during lunch the last day did an even better job than Clinton of explaining why we're in our current predicament - his dog received a gold card in the mail from a credit card company. Apparently the dog was a registered breed and was placed on someone's mailing list. A less optimistic group may have begged to borrow the dog's card to dig themselves into a deeper hole.