Do you have ‘the right stuff’ to become a franchisee?

Dick Nelles wants people with administrative and management skills, ‘people skills’ and a passion for customer service.

- The requirements to become a good lawn care franchisee are wide-ranging, according to Canadian businessman Dick Nelles of Nutrilawn International, headquartered in Winnipeg.

A Nutrilawn franchisee has to be a person with overall management ability, Nelles notes. He has to be a good administrator, trainer and judge of personnel. He has to be able to handle the field operations; he has to be a good people person; he has to ensure his employees have a good attitude to service.

He also has to have some money in his pocket.

Nelles and his vice president and partner, Derek Riley, charge six percent royalty on franchisees’ sales. In return, they provide technical support and help with business and market planning.

“It’s a two-way street,” says Nelles. “If our franchisees are successful, then we are successful.”

Nutrilawn franchises sell for $50,000 in larger Canadian markets and $37,500 in smaller markets. Nelles observes that prospective franchisees also need enough capital on hand to ride out the lean years while they build up their businesses. A base of at least 30 customers is needed to make money, he notes. But the rewards would seem to be worth the wait.

The company’s annual meeting in Ottawa in January focused on training franchise operators to train their staffs. “Because our franchisees are growing so fast, we emphasize retraining on training procedures,” Nelles explains. “The Ottawa franchise, for example, growing as it is, has to train several new employees every year. It is a step-by-step process aimed at motivating employees to strive to excel in customer service.”

Nelles reports that Nutrilawn is doing research on developing a tree and shrub program for its franchisees. Irrigation has also been looked at. In his view, though, “From the outset, I felt the business could be duplicated successfully elsewhere,” Nelles says. He developed solid training and support programs, and began marketing franchises.

“It is a large size business opportunity that offers good potential growth,” he points out. “We have divided Canada into 87 exclusive territories.”

Nutrilawn’s first franchisee opened in Edmonton in 1987. Last year, that franchisee had 38 summer employees and took in more than $1 million in revenue. Newer franchisees in Ottawa, the nation’s capital, and Halifax are growing even more rapidly. Ottawa’s revenue, for example, has jumped from $100,000 in its first year to $400,000 in 1991 to $650,000 last year.

Although the Nutrilawn name is registered in Washington, D.C., Nelles has no immediate plans to sell franchises statewide. “We want to fully look after Canada first and make sure that our Canadian franchisees are successful,” he says. “We have franchisees from coast-to-coast, but there are still a lot of areas to fill in.”

—The author, Myron Love, is a freelance writer based in Winnipeg, Manitoba, Canada.