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## Foreword

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According to US Census data, franchising firms accounted for more than 1.3 trillion dollars in sales, operated more than 450,000 business establishments, and employed 7.9 million US workers in 2007, the last year for which such data are currently available from the Census. At that time, the manufacturing sector as a whole in the US employed 13.4 million workers, less than twice the number of employees of franchised companies. These figures highlight both how the retail and service sectors have grown in importance in the US economy, and the central role that franchising plays as a mode of organization in these sectors. As my co-author, Renáta Kosová, and I have argued elsewhere, research on these segments of the economy lags behind the vast amount of research with a focus on manufacturing industries in particular. Moreover, as we also emphasized, the study of franchising is central to our understanding of the growth of chains, as well as our understanding of industry dynamics, productivity, and the potential effects of regulation in this important sector of the economy.

Throughout my career as a researcher, I have had the opportunity to meet with a number of practitioners and other researchers with an interest in franchising. I have been fortunate in particular to be part of the International Society of Franchising (ISoF), a group of scholars from around the world whose yearly meetings, and further interactions with practitioners in the context of their own research, have been a great source of important insights into the inner workings of franchised chains in the US and in other countries. I am indebted to these colleagues, and therefore very pleased to have the opportunity to contribute this foreword for a volume entitled *Handbook of Research on Franchising*, which contains contributions by several established management and legal scholars of franchising, many of whom I have had the opportunity to work with as part of ISoF.

Thanks to the wonderful work of the editors of this volume, the contributions herein allow the reader to take stock of the current knowledge in a number of important areas of research on franchising, including how it relates to entrepreneurship, the determinants and role of organizational choice and contract clauses, issues related to marketing and internationalization, and the reasons for, and effect, of the type of regulation that it is subject to in different jurisdictions. I believe anyone with a serious interest

in franchising, as a practitioner or a lawyer or a manager or a researcher, will find useful insights in this collection. It is also my hope that scholars will be inspired by this book to take on and pursue even more of the type of relevant and important research that franchising makes possible.

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