



Downsizing Diva Gail Shields helps Paul White decide what to keep after a move into a new smaller house in Scarborough, a suburb of Toronto. Downsizing Diva is a franchise that specializes in helping seniors downsize.

Jennifer Roberts for The Globe and Mail

Why reinvent the wheel? A franchise can launch a solopreneur

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Brenda Alderdice knew she was ready to start her own downsizing business when she managed her elderly father's move out of a two-bedroom apartment he'd lived in for 35 years.

But before she took the plunge, Ms. Alderdice first had to decide whether to build her new business from scratch, or whether she could afford to buy a franchise for an already established brand.

Ms. Alderdice chose the latter when she learned that Downsizing Diva – a company that specializes in downsizing and moving seniors and baby boomers – was offering franchises in two areas she was very familiar with: Etobicoke and Caledon, Ont.

“I thought, why reinvent the wheel? Why not ride on their coattails and reap the rewards,” says Ms. Alderdice, who bought the two franchises in March, 2011.

Before they founded Downsizing Diva in 2009, Karen Shinn and Gail Shields had run their own

downsizing businesses for several years. They soon partnered with Toronto-based That Franchise Group – a management umbrella company for Weed Man, Been There Dump That, Truly Nolen Pest Control and Christmas Décor – and started offering Diva franchises in early 2011.

Ms. Alderdice paid a franchise fee of \$20,000 for the Etobicoke territory, which has a fixed monthly royalty fee of \$500, and \$10,000 for Caledon, which has a monthly royalty of \$200. Each franchise covers a 10-year period.

A Diva territory is based upon the number of baby boomers and seniors living in the area, explains John Ferracuti, vice-president, franchise recruiting for That Franchise Group. Today, there are 11 Downsizing Diva franchises in Ontario, most of them clustered in the Greater Toronto Area.

All of the Diva franchise holders are women, and all are solopreneurs. “The ideal Diva franchisee is someone who loves working with people, is comfortable with seniors and baby boomers, and who is a kindred spirit in that they’re kind, caring and they put service first,” Ms. Shinn says.

Ms. Alderdice’s start-up costs included a vehicle, a typical home office set-up, and a decent toolbox filled with screwdrivers, a hammer and other useful things. She also incorporated her business, bought insurance and pays lawyer and accounting fees. Downsizing Diva paid for the first round of marketing materials – brochures, business cards and branded uniforms – which Ms. Alderdice has since replenished at her own expense.

“When you invest in a franchise you always get two things: the use of a recognizable brand and a proven business model,” Mr. Ferracuti says. Downsizing Diva also offers free training in such business basics as bookkeeping, planning and cash flow projection.

Is franchising an affordable option for solopreneurs? Ms. Alderdice says that, for her, the answer is yes, considering she already owned a car, her bank didn’t balk at providing \$30,000 to purchase the two franchises, and she was able to hit the ground running with a strong brand that has a built-in support network. “Owning a territory allows me to stay focused and build credibility in the community. When I walk through Caledon, people say ‘Are you that Diva girl?’” Ms. Alderdice says.

Still, the question of affordability is entirely subjective and depends on a long list of factors, says Glen Carrigan, a partner in Halifax-based Bring It To Market Business Advisors Inc.

Any solopreneur who is considering buying a franchise should do a three-year financial projection that includes such things as salaries, equipment costs, franchise fees, penalties and advertising costs, he advises. They should also understand how royalties are to be paid to the franchisor – whether as a flat monthly fee or as a percentage of sales or revenue – and how that will affect profitability and the ability to reinvest in the business, he says.

“The last thing a franchisor wants to do is to put somebody in the business who can’t afford it,” Mr. Carrigan says. “At the same time, franchisors aren’t supposed to say how much money you can expect to make. Actually, nobody can tell you that because it all depends on whether you’re the type of person who will work hard, network and successfully market your business.”

Ms. Alderdice says that, apart from her loan repayment, her two franchises are debt-free. She charges between \$2,000 and \$6,000, plus expenses, for a typical downsizing and moving job which usually includes sorting through personal belongings (often a lifetime’s accumulation), hiring movers, packing and unpacking and making sure the senior is settled in their new home. Sometimes, Divas will bring in antique dealers or estate agents to appraise valuables. For her clients, Ms. Alderdice has purchased new sheets and towels, done laundry, shopped for groceries

and even reupholstered a chair.

“We treat our clients like they’re our parents. We do whatever needs to be done. And if the client’s adult children want to be involved, we will back off and let them do the fun parts of the job,” Ms. Alderdice says.

Divas do a lot of handholding, Ms. Shields adds. And while both she and Ms. Shinn are Certified Professional Consultants on Aging, they don’t pretend to be counsellors or therapists. “We can train people to do the work, but we can’t train them to know, understand, and feel really comfortable with seniors,” she says.

Between her two franchises, Ms. Alderdice has completed 14 jobs so far this year and she’s busy enough to have five occasional helpers. Most of all, she loves being the master of her own time and that she’s a good business role model for her daughters: “I’ve done nice things for people my whole life and not got paid for it. But John and the gals have told me that, now, it’s time to make money.”

Franchisee check-list

Glen Carrigan’s advice for finding the right match:

- Only buy a franchise for a business you really love.
- Check the franchisor’s track record. Ask other franchisees whether they’re happy and profitable.
- Understand all the fees, costs and penalties associated with buying the franchise. Ask the franchisor for a disclosure document.
- Formulate an exit strategy even before you buy the franchise: How long do you want to run the business? How much money do you want to make? Will the franchisor help you sell?

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